

Attachment 1 - Conditions of participation

Conditions for the participation at the Clearing Center of NTG

Conditions for the participation at the Clearing Center Network Toys Germany

§ 1 Validity

(1) The following conditions are valid for all services within the participation at the Clearing Center of NTG. This is also valid when NTG provides services without reservation in the knowledge of opposing conditions of the participant. The effectiveness of possible General Terms and conditions of the participant is expressly excluded.

(2) The contract between NTG and the participant will become effective with the full registration through the web app of NTG and through sending the contract form via the participation button to NTG and NTG accepts the offer by sending a participation confirmation. NTG is not obliged to conclude a contract.

§ 2 Services

(1) NTG allows the participant to use the Clearing Center by way of the software as a service. The service of NTG refers to the operation of an EDI Clearing Center where the electronic communication between toy traders and suppliers is effected.

Basically, there are two application procedures available for the usage of the NTG Clearing Center. The connection through the so-called EDI classic procedure where the EDIFACT messages are produced by source systems (WWS, ERP converter tools) and transmitted to NTG or the so-called WebEDI procedure which enables the input of information via a web surface and the conversion into an EDIFACT message is effected within the system. Both procedures (WebEDI and ClassicEDI) allow for the transmission of individual information (e.g. exclusive items and especially prices) to the traders. NTG will, from the technical as well as the organizational point of view, ensure that these details will exclusively be transmitted to the traders addressed. The conversion of the messages is carried out under the priority of the implementation guidelines, data quality examinations and the observance of the agreed conversion mappings.

The transfer to the respective business partners is effected through an interface to be established once directly for the IT systems connected and/or through using a notification function in the WebEDI surface. The master data will be provided by the participating suppliers to the system and are accessible for the traders. The insertion is effected through the upload of files in the message format EDI PRICAT, the upload of specified .csv files or the insertion into Web EDI.

Through an extensive reporting function, the supplier will be able to have an overview on subscribed item data and transactions completed. Error messages and system messages will be sent electronically to an e-mail address to be stated by the participant. Exports of mapping lists from the system are not possible. The NTG clearing center will be supported by traders and suppliers in common. Through the usage of the services offered, the participants are in a position to optimize the internal processes with regard to the operating expenses, the speed of the connection and the operation. The establishment and the maintenance of the data connection between the IT system of the participant and the transfer point operated by NTG, is not owed by NTG. Apart from the transmission of transaction data (e.g. orders, order confirmations and invoices), electronic catalogues will be provided for the usage in downstream systems. The confidentiality of the transaction data is secured by NTG. The participants will mutually submit electronic documents and will, for their part, provide for the measures necessary for the observance of § 14 UStG. Within the Clearing Center, NTG will provide the necessary and reliable audit trail for the observance of the regulation of § 14 UStG. In the Clearing Center, a query on the legally watertight data exchange will be made on first registration of the participants.

(2) NTG will use the system within the framework of the technical possibilities of the current version offered by the producer if the modification of the system version is reasonable for the participant in consideration of the interests of NTG. NTG will inform the

participant on a modification of the system deployed within six weeks before the date of modification the latest.

(3) The participant is entitled to the simple, non-exclusive, non-transferable right limited to the whole term of the contract, to access the contractual system and to use it via an internet browser. The participant will not be entitled to additional rights, especially rights on the application or the operating software. The system should by no means be provided to third parties for use, or they should not be provided with the opportunity to use it. This is also expressly valid for other participants. Subsidiaries are third parties.

(4) NTG provides the operation on a weekly basis (= 7 days) minus the maintenance periods with an availability of 98,0 %. Therefore, scheduled maintenances will be excluded from the calculation of the availability. NTG is entitled to carry out maintenances at any time. During the maintenance work, the services will not be available or only available to a limited extent. Scheduled maintenances will be carried out with prior notice. As a rule, they shall be announced 24 hours before they are carried out.

§ 3 Training and Hotline

(1) NTG will carry out a training for the introduction of the operation of the system for the participant if requested. Trainings within the framework of webinars planned by NTG are free of charge. Trainings by NTG in the premises of the participant will be charged with € 700,00 plus taxes per day.

(2) NTG gives support in case of technical questions and problem messages by providing a hotline to the participant, which can be reached by e-mail, fax or telephone. The hotline will also be provided to other participants using the NTG clearing center. Participant inquiries will be handled by the order of their entry. Additionally, a ticket system for problem messages is provided. The hotline is included in the charge = yearly charge. The hotline is available from Monday to Friday from 08.00 h until 18.00 h, excluding the public holidays in Germany and NRW.

§ 4 Data storage and transfer

The participant has the opportunity to save data can be accessed in connection with the usage. NTG is only liable for the provision of storage space for the usage by the participant. NTG is not liable for storing or safekeeping of the data transmitted and processed by the participant. The participant will additionally save the data on his own media. The participant is responsible for the observation of the storage periods under commercial and tax law.

§ 5 Processing of personal data and data saving

(1) If the participant processes personal data within the framework of this contract, he is responsible for the observation of the data protection regulations. NTG will only process the data transmitted by the participant only according to the participant's instructions. In order to observe the data protection regulations, the validity of the regulation "Regulations for the data protection concerning the participation at the Clearing Center NTG" will be included.

(2) NTG will effect a back-up of the participant's data every working day. The participant will additionally save the data to his own media.

§ 6 Conversion mapping

If the creation of a conversion mapping is agreed, this will be effected on the basis of these participation conditions as well as the implementation guidelines. The participant is obliged to provide to NTG the data prepared in the format agreed. In order to receive the best possible results, the data have to correspond to the respective present implementation guidelines. The participant will ensure that during the implementation, NTG will be always be provided with competent employees for technical questions and information. The acceptance of the service is deemed to be completed if the participant has, after provision of the work results, not indicated possible defects within seven working days by fax or e-mail containing detailed description of the defects. Defects which were not caused by NTG will not hinder the acceptance. The intended use of the work results by the participant is deemed to be equivalent to the acceptance (implied acceptance).

§ 7 Access Authorizations and confidentiality

(1) The participant will be provided with an access authorization consisting of a user ID and a password. The participant is only allowed to pass on the user ID and the password to users authorized by him and they must be kept in confidence.

(2) NTG will treat essential and not commonly known matters of the participant with strict confidentiality. NTG will process and use personal data under observation of the data protection laws and only for contractually agreed purposes. NTG undertakes to oblige all of its service partners to the observance of confidentiality by contract and to agree a penalty in this matter of at least 100.000 EUR in the present contracts.

§ 8 Cooperation provisions of the participant

(1) The participant will provide a data connection between the participant for the intended user work stations and the data transfer point defined by NTG. NTG is entitled to define the data transfer point newly any time if this is necessary to enable a fluent utilization of the services by the participant. The participant will in this case provide a connection to the newly defined data transfer point.

(2) The utilization of the services provided by NTG as per contract depends on the fact that the working tools including the workstation computers, routers, data communication tools, etc. will correspond to the technical minimum requirements on the use of the current system version offered and that the participant is familiar with the use of the system

(3) The technical prerequisites for the utilization of the system can be changed by NTG due to technical and actual changes.

§9 Rights

(1) The participant grants NTG the right to reproduce the data to be saved for the participant if this is necessary to provide the services agreed in this contract. NTG is also entitled to hold the data in an emergency computer center. In order to remedy faults, NTG is also entitled to modify the structure of the data or the data format.

(2) NTG is entitled to use sub-contractors in order to fulfil their performance.

§ 10 Remuneration

The yearly remuneration amounts to:

Classic EDI

Suppliers according to placement in the EUROTOYS ranking:

1-10	24.000 EUR per year
11-30	12.000 EUR per year
31-	6.000 EUR per year

The allocation of the supplier to the performance fee group results from the placement of the supplier which he has from the time period of the invoicing according to the EUROTOYS ranking (ETR) at the invoicing, whereby the parties consider that the validity of the respective ETR comprises three calendar years. The ETR 2015 is valid for the payroll years 2017, 2018 and 2019.

For the payroll years 2020-2022 the ETR 2018 is to be considered as calculation basis. The calculation basis will be updated every three years according to the rhythm mentioned in the following.

WebEDI

1.200 EUR for master and movement data

All sums are plus the respective VAT, service fees will be charged yearly in advance.

§ 11 Contract period

(1) The first contract period is valid for 12 months. After that, the termination date is 12 months to the end of the year.

(2) The right of termination for important reasons remains unaffected.

(3) NTG is entitled to termination for good cause and without notice any time if the participant violates one of the obligations of § 14 of these terms and conditions.

(4) Each termination of contract requires written form.

§ 12 Liability for defect

(1) If the services of NTG are faulty in terms of suitability for contractual use to a more than merely insubstantial degree, NTG is liable for material defects and defects of title according to the legal regulations. NTG is only liable for defects in the software, which existed already at the release to the participant if NTG is responsible for these defects.

(2) The participant has to report any defects immediately. All claims arising from a defect shall lapse 12 months later.

§ 13 Standard of liability and Limitation of liability

(1) In the case of intentional or gross negligence as well as the event of an absence of a guaranteed characteristic, NTG is liable for all resulting damages.

(2) In the case of slight negligence, NTG is unrestrictedly liable in the event of death, physical injury or damage to health. If NTG experiences delays in providing its services due to slight negligence, if providing its services has become impossible or if NTG violates a cardinal obligation, the liability for material or financial damages arising is limited to the foreseeable damages typical of the contract. A cardinal obligation is an obligation whose fulfillment allows for the proper implementation of the contract and the violation of this obligation will endanger the achievement of the contractual objective and on whose compliance the participant may normally trust.

(3) The liability without fault on damages (§ 536 a BGB) already in existence at the time of conclusion of the contract is expressly excluded. § 13 (1) and § 13 (2) remain untouched.

(4) NTG is only liable for the loss of data in the case of slight negligence under the prerequisites and within the extent of § 13 (2) if the participant saved his data corresponding to his obligation according to § 6, last sentence, in an appropriate form so that they can be restored with reasonable effort.

(5) The liability for all other damages is excluded whereby the liability under the Product Liability Act shall remain untouched.

§ 14 Special obligations of the participant

The participant guarantees that due to the legal system relevant for the respective intended contract, the messages will not violate legal regulations, instructions by government or good morals. In particular, no services may be provided whose offer or sale will violate the rights of third parties; the same shall apply for pornographic articles or articles harmful to minors, weapons, drugs, propaganda material of anti-constitutional organizations and parties. In the event of violations, NTG is entitled to suspend to provide the services immediately – even without prior notification. The right of termination according to § 11 (3) of these terms and conditions remains unaffected for NTG. The participant undertakes to compensate all damages resulting from the non-observance of these obligations and furthermore, to indemnify NTG against all claims of third parties including legal expenses and court costs these third parties may assert due to the non-observance of these obligations by the participant towards NTG.

§ 15 Final provisions

The assignment of accounts receivable is only possible with previous written approval of NTG. The participant may offset with claims, which have been legally established or are undisputed. All modifications, additions and cancellations of contractual agreements will have to be given in writing as shall the revocation of the requirement of the written form if the contract does not require the text form. The parties undertake to maintain secrecy on the contents of this agreement and on its implementation. If individual clauses of this agreement between the parties are or become invalid, the other provisions of the contract remain untouched. In this case, the parties undertake to replace the invalid provision with an effective provision that most closely approximates the economic intent of the invalid provision. The same provision shall apply for any gap in this agreement.

The law of the Federal Republic of Germany shall apply with the exception of the UN law on International Sales. The place of jurisdiction for all disputes arising is Cologne.