

**Loyalty Partner GmbH**  
**GENERAL TERMS AND CONDITIONS OF PURCHASE**  
for goods and services, last update: 09/2009

**Section 1 General - Scope of Application**

1. The contracted partner of Loyalty Partner GmbH shall hereinafter be referred to as the Supplier, while Loyalty Partner GmbH shall hereinafter be referred to as Loyalty Partner.
2. Loyalty Partner's General Terms and Conditions of purchase shall apply exclusively; any terms conflicting or deviating with these terms and conditions or any supplementary terms and conditions shall not apply even if Loyalty Partner, its agents or employees do not object to any conflicting or deviating terms and conditions of purchase that they are aware of, or if they accept ordered goods without reservation. This shall not apply if and only if Loyalty Partner has issued its approval expressly and in writing.
3. Upon first-time delivery or performance subject to these terms and conditions of purchase, the Supplier shall acknowledge their exclusive validity for all further deliveries.
4. The General Terms and Conditions of purchase shall only apply to businessmen, insofar as an extended scope of application is not legally permitted.

**Section 2 Conclusion of Contract and Order**

1. Orders, transactions and delivery schedules, as well as any amendments and additions must be made in writing. All existing correspondence in relation to this is to be directed to the "purchasing department" of Loyalty Partner.
2. Upon finalising the contract – and until delivery – Loyalty Partner is authorised, within reasonable limits for the Supplier and as applicable, to amend the following components of the contract:
  - a) Packaging and Transport
  - b) Special Handling, Storage and Insurance
  - c) Point of Delivery
  - d) Quantity
3. Any changes that may arise from this, especially in regard to extra or reduced costs and the delivery date shall be appropriately considered.
4. Loyalty Partner is authorised to cancel any orders up to 2 weeks after the Supplier has received the order if the Supplier fails to confirm the order without changes and in writing.
5. The Supplier commits, whether directly or indirectly, to neither giving nor promising gifts to any person in a contractual or similar relationship with Loyalty Partner. A breach of this provision would authorise Loyalty Partner to terminate existing contracts without notice.

**Section 3 Price, Terms of Payment**

1. The price stated in the order is binding. All prices are quoted as net prices, unless otherwise specified.
2. Unless otherwise agreed, the stated price shall cover free delivery to the delivery address provided, including packaging and any other expenses associated with the delivery.
3. Unless otherwise agreed in the contract, payment shall be made within 10 days of delivery and receipt of the invoice at a 3 % discount, within 14 days at a 2% discount or within 30 days of receipt of an invoice. In the case of a delay, a reminder from the Supplier is required; Section 286 Par. 2 No. 2, Par. 3 of the German Civil Code shall not apply.
4. Loyalty Partner is entitled to offsetting rights and rights of retention, as permitted by law. Any claims the Supplier makes against Loyalty Partner may only be transferred to third parties upon approval from Loyalty Partner. Payments shall only be made to the Supplier.

**Section 4 Invoices**

1. The Supplier's invoices may only be drawn up on the basis of a delivery note with receipt. A separate invoice is to be drawn up for every point of delivery.
2. Invoices drawn up by the Supplier must include the same data as the receipted delivery note. The contractually agreed price as well as the total price must be declared. Should the invoice contain deviating or incomplete information, Loyalty Partner retains the option to either correct or complete the incorrect or missing information or to return the invoice to the Supplier for correction. In any case payment shall only be required upon Loyalty Partner's receipt of the corrected invoice in accordance with Section 3 Paragraph 3.

**Section 5 Delivery - Transfer of Risk - Documents**

1. The delivery period given in the contract or the order is binding.
2. The Supplier is obliged to inform Loyalty Partner immediately and in writing should circumstances occur or become apparent that would result in the agreed delivery period not being adhered to.
3. In case of a delay in delivery, Loyalty Partner shall be entitled to statutory claims. In particular, Loyalty Partner is authorised to withdraw from the contract following a suitable grace period and to demand compensation due to non-fulfilment. The transfer of risk occurs upon delivery at the place of destination.
4. The corresponding delivery notes shall be enclosed in triplicate with the delivery. In as far as it is available, delivery notes and invoices must include the following information: delivery note number, indication of quantity, article description, point of delivery and the contract and order number from Loyalty Partner. A copy of the delivery note shall be enclosed in the invoice. In the case of incompleteness, the provision from Section 4 Paragraph 2 shall apply.

In the case of deliveries from abroad, an additional copy of the delivery note and, if necessary, the corresponding import documents of the shipment shall be enclosed.

5. Upon request from Loyalty Partner, the Supplier is obliged to enclose the desired documents with the shipment, in particular a certificate of origin, a production certificate and/or preference certificate, free of charge.

**Section 6 Acceptance, Inspection for Defects and Claims for Defects**

1. Acceptance of the contractual service shall be made following an inspection carried out by Loyalty Partner upon receipt of the service at the agreed delivery location. The issuing of delivery receipts shall not constitute a waiver of possible claims or rights arising from a breach of duty.
2. Loyalty Partner is obliged to check the contractual goods within a suitable time period for potential variations in quality or quantity. The complaint is deemed timely if it is submitted by Loyalty Partner within a time period of 10 working days from receipt of the incoming goods or upon discovery of the hidden defects.
3. Loyalty Partner is entitled to statutory claims for defects with the following provisions without restriction:
  - a) The Supplier is obliged to check for compliance with the agreed service content in the plans, designs, calculations and other production documents submitted by the Supplier that were signed, authorised, approved, stamped, marked with "seen" or otherwise by Loyalty Partner before rendering its services.
  - b) Loyalty Partner is authorised to request either the correction of defects or a replacement delivery from the Supplier. In this case, the Supplier is obliged to accept all expenses and costs required to correct the defects or arrange a replacement delivery. The rights to compensation, in particular the right to compensation due to non-fulfilment and the right of withdrawal remain expressly reserved.
4. The statute of limitations shall comply with statutory provisions.

**Section 7 Guarantee and Product Liability**

1. The Supplier guarantees that all products delivered under the contract are free from material or manufacturing defects and correspond to the specifications required, which the Supplier checked accordingly. Upon request, the Supplier shall prove compliance with the relevant safety standards.
2. The Supplier is obliged to indemnify Loyalty Partner against claims for damages by third parties for product liability at first request, unless the direct basis of liability can be traced back to grossly negligent or intentional acts on the part of Loyalty Partner.
3. Loyalty Partner is authorised to terminate the contract without notice if and to the extent that the Supplier violates its obligations set out in Paragraph 1 or 2.

**Section 8 Liability Insurance**

The Supplier shall finalise a liability insurance to protect the parties from any liability risks that may arise from their contractual relationship at the latest upon the first contract between the parties coming into effect, and upon request from Loyalty Partner, the Supplier shall prove the finalisation of the insurance by presenting the insurance policy.

**Section 9 Industrial Property Rights**

1. The Supplier ensures that in relation to deliveries made domestically or abroad, no rights of third parties shall be violated. Should a third party make use of Loyalty Partner due to the violation of such rights, then the Supplier is obliged to indemnify Loyalty Partner against these claims upon first, written request.
2. The Supplier's duty to indemnify shall apply to all expenses and costs incurred by Loyalty Partner through or in connection with the claims asserted by a third party. Included in this are any reasonable costs for legal representation in a judicial process.

**Section 10 Confidentiality**

1. The Supplier is obliged to keep its contractual relationship with Loyalty Partner and any documents and information provided in connection with this relationship strictly confidential. The Supplier is liable for all damages against Loyalty Partner arising from the violation of this obligation.
2. This information may only be disclosed to third parties upon express permission from Loyalty Partner, which must be issued in writing.

**Section 11 Other Provisions**

1. Provided that the Supplier is a business person, Munich shall be the agreed place of jurisdiction; however, Loyalty Partner is also authorised to sue the Supplier at its local court or place of business.
2. Unless otherwise agreed in the contract, Munich is the agreed place of fulfilment.
3. German law shall apply with the exception of the United Nations Convention on contracts for the international sale of goods from 11/04/1980.
4. Should an agreement made between the contracting parties be or become ineffective or unenforceable, then the remaining provisions shall remain unaffected.