

**COMERCIAL TERMS AND  
CONDITIONS FOR DISSEMINATION  
OF COMMERCIAL COMMUNICATIONS  
OF FTV Prima, spol. s r. o.**

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# COMERCIAL TERMS AND CONDITIONS FOR DISSEMINATION OF COMMERCIAL COMMUNICATIONS OF FTV Prima, spol. s r. o.

## 1 The Introductory Provision

- 1.1 These Commercial Terms and Conditions for the Dissemination of Commercial Communications (hereinafter referred to as the “**Commercial Terms and Conditions**”) shall govern the rights and obligations related to the provision of services of dissemination of Commercial Communications by the company FTV Prima, spol. s r. o. (hereinafter referred to as the “**Supplier**”).

## 2 The Definitions

- 2.1 The following terms and expressions have the following meanings in these Terms and Conditions and the Agreements of which they are a part:

**Agency** is an advertising agency or a media agency, i. e. a person, whose business is advertising or intermediation of advertising, which proves to the Supplier that is authorized to ensure dissemination of Commercial Communications for the given Client.

**Alliance Surcharge** is a surcharge charged by the Supplier for Alliance spots according to the Price Lists.

**Alliance Spot** is a Spot promoting brands or products of more than one Client. In case of a Spot disseminated on a Television Channel, then a brand or a product of another Client may be presented in the Alliance Spot in up to the maximum of 20 % of the length of the Spot. The Alliance Spot is not a Spot promoting multiple brands of one Client that belong to its product portfolio (e.g. juices and syrups). The final decision on whether a Spot is of the nature of the Alliance Spot shall be made by the Supplier.

**Authorized E-mail Address** on part of the Orderer is the e-mail address of the person representing the Orderer, if the Supplier has approved this e-mail address upon request of the Orderer. The Orderer shall only be entitled to communicate and act in the Electronic System through this address, while it logs into the Electronic System using this address with help of the effective password provided by the Supplier.

**AVMSOD** is one or more on-demand audiovisual media services operated by the Supplier, provided that the Supplier ensures the dissemination of Commercial Communications within their framework. The list of these AVMSOD is available at the Supplier. The Supplier reserves the right to continuously update (expand or narrow) this list.

**Bonus Guaranteed GRPs** (hereinafter also referred to as “**OVD G**”) are bonus GRPs guaranteed by the Supplier beyond the total volume of GRPs according to the Agreement. The Supplier reserves the right to determine all terms of delivery of these GRPs according to its needs and possibilities within the entire Commitment Period. The Supplier may deliver these GRPs at any time during the entire Commitment Period.

**Bonus Non-guaranteed GRPs** (hereinafter also referred to as “**OVD N**”) are bonus GRPs not guaranteed by the Supplier beyond the total volume of GRPs according to the Agreement. Considering that these bonus GRPs represent a non-claimable part of the fulfilment, the Supplier reserves the right to determine all the circumstances of delivery of these GRPs according to its needs and possibilities within the Commitment Period and is not obliged to deliver these GRPs at all or only partially.

**Total Commitment Volume** shall be the total price for ensuring the dissemination of Commercial Communications, regardless of the method of their dissemination, which the Orderer shall be

obliged to spend in accordance with the Agreement. The Total Commitment volume shall be the sum of the commitment volumes for particular Media Channels.

**Price for Dissemination of the Commercial Communication** is the basic price that the Orderer shall be obliged to pay to the Supplier for dissemination of the Commercial Communication.

**Price List** is the price list of the Supplier, which determines the prices for dissemination of Commercial Communications on Media Channels.

**Price List CPP** is the basic price for one GRP according to the Price List of the Supplier for particular levels of the Total Commitment Volume and OMC Commitment Volumes.

**Target Group** is the part of the population defined, in principle, by common demographic characteristics or consumer behaviour, which the Client intends to focus its Commercial Communications to (or whom it wants to address with its Commercial Communication), in the territory, where the Viewer Rating is conducted.

**Supplier** is the company FTV Prima, spol. s r. o., Identification Number: 48115908, with its registered office at Vinohradská 3217/167, 100 00 Prague 10 - Strašnice, registered in the Commercial Register at the Municipal Court in Prague, section C, insert 16778.

**Electronic System** is the electronic system of the Supplier, which the Supplier has enabled the Orderer access to, in particular for the purposes of concluding Agreements. The Orderer logs into the Electronic System using the Authorized E-mail Address, through which it acts in the Electronic System.

**External System** (statistics measurement) is a system independent of the Supplier for issuing (broadcasting) Advertising Spots and Advertising Formats on the Platforms and for measuring their statistics (mostly for purposes of displaying the Advertising Format, number of clicks, etc.). If the parties agree in writing on the person of the operator of the External System, the Orderer shall hand over the appropriate html codes / tags to the Supplier and shall enable it to publish Advertising Spots and Advertising Formats on the Platforms through the External System. The Orderer shall be solely responsible for the operation of the External System. In the event of non-publication of the Advertisement due to an outage of the External System, the Supplier's right to payment of the agreed price in full extent shall not be affected.

**GRP** (Gross Rating Point) is 1 % of the number of people in the Mandatory Target Group.

**HbbTV** are the applications of the so-called hybrid television, i. e. television broadcasting in a television device that is simultaneously connected to the Internet and extends the service of conventional television broadcasting with services distributed via the Internet. The current list of these applications is available upon request at the Supplier. The Supplier reserves the right to continuously update (expand or narrow) this list.

**Campaign** is the dissemination of one type of the Commercial Communications for one Subject of the Commercial Communication, usually within the period of 1 calendar month, regardless of the number of Campaign Agreements, whereby such dissemination was agreed upon.

**Client** or the **Advertiser** is the person, who initiated the dissemination of the Commercial Communication and who determines what the Subject of the Commercial Communication is.

**Client CPP** is the basic price for one GRP, individually negotiated in the Commercial Agreement.

**Coefficient of the Secondary Target Group** shall be the price coefficient determined by the Price List applied at the Commercial Communications disseminated on Television Channels according to the Secondary Target Group, in which the Orderer orders TRP according to the Agreement.

**Limits of GRPs for Campaign Agreements** on Television Channels is the reservation of the Supplier to refuse to conclude or provide the fulfilment according to a specific Campaign

Agreement if the scope requested or ordered by the Orderer exceeds the limit set by the Supplier in the Price List.

**Materials** are the supporting materials and documents necessary for dissemination of Commercial Communications on individual Media Channels. In case of Commercial Communications disseminated on Television Channels, these are: (i) Scheduling Proposal for the broadcasting of the Spots (specific variants) with the indication of the carrier for transmission at the given time, including the so-called AKA codes in case of broadcast on Television Channels (“Scheduling Proposal”), (ii) the recording of the Spot, which for Television Channels is in accordance with the Technical Terms and Conditions (the “Spot Recording”), (iii) the music cue sheet of the Spot and any other data required by the collective administrators according to the specification notified by the Supplier to the Orderer (the “Music Cue Sheet”). In case of dissemination of Commercial Communications on the Platforms, these are the supporting materials and documents specified in the Technical Terms and Conditions for Dissemination of Commercial Communications on the Platforms. Unless expressly stated otherwise, the term Materials in these Commercial Terms and Conditions refers to the set of all supporting materials and documents defined in this paragraph, as well as each part thereof.

**Media Channels** are the ways of dissemination of Commercial Communications according to these Commercial Terms and Conditions. These are the Television Channels, Platforms and Printed Media.

**Commercial Agreement Proposal** is the proposal of the Supplier for conclusion of a Commercial Agreement. The Supplier sends the Commercial Agreement Proposal to the Orderer at its own initiative or based on an enquiry of the Orderer.

**Spotlist Proposal** is the proposal of the Orderer or the Supplier for the placement of Advertising Spots on Television Channels. The Spotlist Proposal is indicative, the Supplier considers it, but is not bound thereby.

**Non-standard Advertising** is a Commercial Communication that does not have the form of the Spot or the Advertising Format. The format of Non-standard Advertisements is not specified in the Supplier's Technical Terms and Conditions. If the Supplier has technical requirements beyond the scope of the Technical Terms and Conditions of the Supplier, especially in connection with the Non-standard Advertising, it shall notify the Orderer no later than 3 days after the conclusion of the relevant Campaign Agreement. The Orderer is obliged to comply with such technical requirements of the Supplier.

**Civil Code** is Act No. 89/2012 Coll., the Civil Code, as amended.

**Commercial Communication** is, depending on the circumstances, either the Commercial Communication within the meaning of the Broadcasting Act or the audiovisual commercial communication within the meaning of the Advertising Regulation Act or, if the Broadcasting Act or the Advertising Regulation Act does not apply, the Advertisement within the meaning of the Advertising Regulation Act.

**Commercial Agreement** is the framework agreement regulating the conditions for dissemination of Commercial Communications, on the basis of which the Orderer undertakes to order dissemination of Commercial Communications on Media Channels through Campaign Agreements in the agreed Total Commitment Volume, OMC Commitment Volume and under other terms and conditions determined by the Commercial Agreement during the Commitment Period.

**Orderer** is the legal entity or a natural person (the Agency or the Client), who is interested in concluding a Commercial Agreement or a Campaign Agreement for dissemination of Commercial Communications or has concluded such an Agreement.

**Order** is the proposal of the Orderer to conclude a Campaign Agreement made in accordance with these Commercial Terms and Conditions.

**Off-prime Time** (also “**OPT**”) means any broadcast time beyond Prime time.

**OPT Coefficient** is the price coefficient determined by the Price List applied to Commercial Communications disseminated on Televisions Channels during Off-prime Time.

**Other Media Channels** (also “**OMC**”) are (i) Sponsorship in framework of Television Channels, (ii) Product Placement in framework of Television Channels, (iii) dissemination of Commercial Communications on Servers, (iv) dissemination of Commercial Communications in Print Media, (v) dissemination of Commercial Communications in the form of HbbTV.

**Platforms** are a group of services of dissemination of Commercial Communications provided via the Internet. The list of the Platforms is available at the Supplier. The Supplier reserves the right to continuously update (expand or narrow) this list. The Platforms in particular include HbbTV applications, Servers and AVMSOD.

**Fee for the Delivery of the Advertising Spot** is a lump-sum fee charged by the Supplier for the delivery of an Advertising Spot through the electronic service for delivery of Advertising Spots, as specified by the Supplier. This Fee is charged by the Supplier once on the date of the first dissemination of the Advertising Spot; it is not charged in case of repeated dissemination of an Advertising Spot for which it has already been charged (regardless of whether it is distributed according to different Campaign Agreements), nor in case that a specific Advertising Spot delivered by the Supplier was not distributed.

**Authorized Person** is a person, who can enter into Agreements on behalf of the Supplier in the specified scope. The list of these persons is available at the Supplier.

**Position Surcharge** is a surcharge determined by the Price List charged by the Supplier to the price of Spots for the position requested by the Orderer in the Advertising Block. Negotiating a Position Surcharge does not entitle the Orderer to the provision of the requested position by the Supplier (the Supplier does not guarantee the availability of the position). The placement of the Spot in the requested position shall subject to options of the Supplier.

**Prime Time** (also “**PT**”) is the broadcast time on Television Channels between 5:30 p.m. and 11:30 p.m., unless otherwise stated in the Price List for particular Television Channels. The Supplier can change the Prime-Time range by issuing a new Price List.

**Sale to Other Mandatory Target Group than A 18-69 (hereinafter only as the “Sale to TRP”)** shall mean targeting of the disseminated Commercial Communications to other Mandatory Target Group than A 18-69, which is done by the Supplier by detailed planning and optimizing of the Advertising Campaign according to its discretion. In framework of the Sale to TRP, the Supplier shall deliver the ordered number of TRP in the Secondary Target Group, selected by the Orderer according to the Price List. In case the option of the Sale to TRP is not included in the Price List, the Supplier does not offer it.

**Delay in Delivery of the Materials** is a situation where the Orderer is in delay with the delivery of Materials for a specific Commercial Communication with the Supplier, or any of their components required by these Commercial Terms and Conditions within the period required by these Commercial Terms and Conditions, or the delivered Materials do not correspond to the format or quality specified in the Technical Terms and Conditions for particular Media Channels.

**Subject of the Commercial Communication** is what is intended to be promoted by the Commercial Communication; typically, it is a product or a brand. The Subject of the Commercial Communication shall be considered to be the same for the purposes of defining the Advertising Campaign, when different products (e.g. different foods) are promoted within the promotion of one brand (e.g. supermarket chain), or when the Spots are otherwise obviously related in terms of content.

**Booking Surcharge** is the surcharge specified in the Price List charged for each individual specific request of the Client for the placement of Advertising Spots on Television Channels.

**Late Booking Surcharge** is the surcharge specified in the Price List charged for Orders for Advertising Campaigns on Television Channels sent after the Term for Orders Submission set by the Supplier.

**Prima PREMIUM Surcharge** is the surcharge specified in the Price List for the placement of an Advertising Spot in Advertising Blocks on the Television Channels at premium programmes.

**PT Coefficient** is the price coefficient determined by the Price List applied to Commercial Communications disseminated on Television Channels during the Prime Time.

**Advertisement** is, depending on the circumstances, either a Commercial Communication in form of an advertisement within the meaning of the Broadcasting Act or an advertisement according to the Act on the Regulation of Advertising, containing an announcement, demonstration or other presentation aimed at promoting business activity, in particular promoting the consumption or sale of goods, construction, renting or sale of real estate, sales or use of rights or obligations, support for the provision of services.

**Advertising Block** is a part of the broadcast of the Television Channels, intended for the broadcast of Spots, separated from other broadcasts according to the Broadcasting Act or other relevant legal regulations.

**Advertising Format** is a visual or audio-visual version of the Commercial Communication specified in the Technical Terms and Conditions for the dissemination of Commercial Communications on the Platforms, different from the Advertising Spot and Non-standard Advertising. The Advertising Format typically means the banner advertising and the contextual advertising.

**Advertising Campaign** is the type of the Campaign, during which the Advertisement is disseminated for the same duration for the same Subject of the Commercial Communication on individual Media Channels, usually within the period of 1 calendar month, regardless of the number of Campaign Agreements, in which such dissemination was agreed.

**Advertising Campaign Planned "To Reality"** is the Advertising Campaign for which the number of Spot placements is agreed and the price of which is paid according to the actual number of delivered GRP/e-GRP/TRP within the relevant Advertising Campaign.

**Advertising Spot** is the audio-visual or audio recording containing the Advertisement.

**Distribution of the Commitment Volume of GRPs** is the obligation of the Orderer agreed in the Commercial Agreement with a Total Commitment Volume of more than CZK 10 million determining the distribution of the GRPs Commitment Volume into individual months or periods according to the Commitment Period. The Supplier is not obliged to accept Orders for the given month or period beyond the GRPs Commitment Volume Allocation agreed in the Commercial Agreement.

**Secondary Target Group** is the target group for optimizing the focus of Commercial Communications disseminated on Television Channels, selected by the Orderer from the list given in the Price List.

**Servers** are websites/internet servers/portals, where the Supplier disseminates Commercial Communications. The current list of these Servers is available at the Supplier. The Supplier reserves the right to continuously update (expand or narrow) this list.

**Seasonal Coefficient** is the price coefficient applied to Commercial Communications according to the calendar month or the period according to the Price List, in which the Commercial



Communications are disseminated. The amount of seasonal coefficients shall be governed by the Supplier's Price List effective on the day of receipt of the Order.

**New Client Discount** is the discount from the Price List CPP provided to the Orderer, who has not concluded an Agreement with the Supplier for itself or a specific Client in the last fourteen months prior to the conclusion of the Agreement. This discount is usually already considered, when negotiating the Client CPP specified in the Commercial Agreement.

**Agreement** is the general term for all contractual arrangements entered into between the Supplier and the Orderer, of which these Commercial Offers are the integral part and it shall be understood, depending on the circumstances, the Commercial Agreement Offer, Commercial Agreement, Campaign Agreement or any other arrangement or agreement concluded for the dissemination of Commercial Communications on Media Channels.

**Campaign Agreement** is the agreement governing the dissemination of one type of Commercial Communications. The Campaign Agreement is concluded for individual types of Campaigns on basis of the Order in the ways specified in these Commercial Terms and Conditions. The Campaign Agreement may have the nature of an executive partial Agreement concluded on basis of and under the terms of the Commercial Agreement and may be concluded in any form upon acceptance of the Order by the Supplier.

**Contractual Penalty for Non-compliance with the Total Commitment Volume** is the obligation of the Orderer in the event of a breach of the Total Commitment Volume obligation to pay the Supplier the contractual penalty in the amount calculated as the difference between the given Total Commitment Volume and the Resulting Price of the performance actually provided and invoiced by the Supplier without VAT.

**Sponsorship** is the Commercial Communication in form of sponsorship within the meaning of the Broadcasting Act, containing the announcement of the provision of the sponsorship contribution – sponsoring of a programme or Television Channel.

**Sponsorship Spot** means the audio, audio-visual or video recording containing a Sponsorship announcement.

**Spot** is any complex and limited Commercial Communication, excluding Product Placement. It is (i) the Advertising Spot, (ii) the Sponsorship Spot, or (iii) the Teleshopping Spot.

**Length Coefficient and Tandem Length Coefficient** is the price coefficient determined by the Price List applied to Commercial Communications depending on its length.

**Super-break** is the exclusive Advertising Block, exclusively on the Prima Television Channel at the time determined by the Supplier for each day at around 8:30 p.m., with the duration of the maximum of 1 minute with the shortest allowed Spot duration of 10 seconds. During the Super-break, a timer indicating the time until the end of the Super-break may be displayed. The same rules apply to change of the Super-break as for changing the time shift of Prime time and changing the Price List.

**Tandem Spot** is the Advertising Spot of one Client divided into the maximum of three parts placed in one Advertising Block. The Tandem Spot may only contain the promotion of one Client.

**Technical Terms and Conditions** are the document governing the technical specification of the parameters for the dissemination of Commercial Communications for particular Media Channels of the Supplier that are available on the Supplier's website, as well as available upon request at the Supplier. The Technical Terms and Conditions are an integral part of the Agreements, but they are not attached thereto for technical reasons.

**Teleshopping** is the Commercial Communication in the form of teleshopping within the meaning of the Broadcasting Act containing the direct offer of goods, including real estate, rights and obligations, or services.

**Teleshopping Spot** means the audio-visual recording containing Teleshopping, included in the broadcast on Television Channels.

**Television Channels** are the Television Channels operated by the Supplier, in the framework of which the Supplier ensures the dissemination of Commercial Communications. The list of these Television Channels is available at the Supplier. The Supplier reserves the right to continuously change (expand or narrow) this list.

**Printed Media** are the titles of periodicals and non-periodical publications, where the Supplier ensures the dissemination of Commercial Communications. The list of these Printed Media is available at the Supplier. The Supplier reserves the right to continuously change (expand or narrow) this list.

**TRP** is 1 % of the number of people of the Secondary Target Group (for example, women aged 25-55 years).

**Product Placement** is the Commercial Communication in form of product placement within the meaning of the Broadcasting Act.

**Broadcast Day** is the period from 06:00 on one day to 05:59 on the next day.

**Broadcasting Act** is Act No. 231/2001 Coll., on the Operation of Radio and Television Broadcasting, as amended.

**Resulting Price** is the price for the dissemination of Commercial Communications on particular Media Channels, which the Orderer is obliged to pay to the Supplier, provided that the Resulting Price already includes the adjustment of the price for the dissemination of the given Commercial Communication by means of relevant surcharges, coefficients, discounts or other price increases or reductions according to the relevant Agreement or Price List.

**Viewer Rating** is, unless the Supplier determines another supplier of such services, the television channels viewer rating provided by the Association of Television Organizations (*Asociace televizních organizací*). In case the data from the Viewer Rating is not available, the Supplier shall always be entitled to replace this data with its estimate.

**AVMSOD Act** is Act No. 132/2010 Coll., on On-demand Audiovisual Media Services, as amended.

**Advertising Regulation Act** is Act No. 40/1995 Coll., on the Regulation of Advertising and on Amendments to Act No. 468/1991 Coll., on the Operation of Radio and Television Broadcasting, as amended.

**Mandatory Target Group** is the target group in which the Orderer is obliged to order the Commercial Communications in accordance with the Agreement. The Mandatory Target Group is A 18-69, the people aged between 18 and 69 years, inclusive, living in the territory of the Czech Republic.

**Commitment Period** is the period, in which the Orderer is obliged to conclude Campaign Agreements according to the Commercial Agreement within the scope of the Total Commitment Volume, the OMC Commitment Volume and other conditions determined by the Commercial Agreement.

**GRPs Commitment Volume** is the part of the Total Commitment Volume that the Orderer shall be obliged to spend according to the Commercial Agreement on the dissemination of Advertising Spots on Television Channels.

**Short-Length Commitment Volume** is the part of the GRPs Commitment Volume, which the Orderer shall be obliged to spend according to the Commercial Agreement on the dissemination of Commercial Communications in the form of Advertising Spots with a Spot time length shorter than 20 seconds inclusive.

**Off Prime Commitment Volume** is the part of the GRPs Commitment Volume, which the Orderer shall be obliged to spend on ensuring the dissemination of Commercial Communications in Off Prime Time.

**OMC Commitment Volume** is the minimum amount that the Orderer shall be obliged to spend according to the Commercial Agreement for the dissemination of the Commercial Communication in the OMC. The distribution of the OMC Commitment Volume between particular OMCs shall be determined by the Supplier in the Price List, unless this ratio is agreed differently in the Commercial Agreement. The price for programmatic advertising is not included in the OMC Commitment Volume.

**Low Season Commitment Volume** is the part of the GRPs Commitment Volume, which the Orderer shall be obliged to spend at least for the distribution of Advertising Spots on Television Channels in the calendar months of January and July.

### 3 Rules for Campaigns Planning

- 3.1 In the Agreements, the Supplier does not allow the negotiation of the distribution ratio of Commercial Communications on individual Television Channels.
- 3.2 The Supplier reserves the right to disseminate the Commercial Communications at its own discretion, e. g. with regard to the required Secondary Target Groups of the Orderer, the characteristics of specific Media Channels (in particular the viewership) and with regard to the current free capacities for the dissemination of Commercial Communications. After conclusion of the Campaign Agreement for Television Channels, the Supplier will issue the Orderer the Spotlist Proposal, where it proposes the scheduling of the Advertising Spots on the Television Channels. However, the final placement of the Commercial Communications may differ from the issued Spotlist Proposal. In case of conclusion of the Campaign Agreement for Advertising Spots, the Orderer may, under the conditions set by the Supplier, specify the preferred deployment of the Advertising Campaign in the Electronic System.
- 3.3 The Supplier decides on the distribution and scheduling of Commercial Communications on particular Television Channels at its discretion, considering the expected viewership of particular Television Channels in the Secondary Target Groups, as shown in the Viewer Rating Results. The Orderer leaves the entire volume of GRP/TRP within the individual Advertising Campaigns of the Orderer to be scheduled by the Supplier. The scheduling of all Spots shall subject exclusively to the possibilities of the Supplier. The Supplier will endeavour to such scheduling that is in accordance with the overall character of the relevant Advertising Campaign, will respect the division of the Prime Time / Off Prime Time according to the Agreement to the greatest extent possible. A different scheduling of these Spots than according to the previous sentence shall not be considered to be the breach of the Agreement by the Supplier. In case some of these Spots left to be scheduled by the Supplier are subsequently left to be scheduled by the Orderer, this does not affect the right of the Supplier to independently decide on the different scheduling of the Spots according to this paragraph. As regards Bonus Guaranteed GRPs (OVD G) and Bonus Non-guaranteed GRPs (OVD N), the Supplier determines all the circumstances of the delivery of these GRPs.
- 3.4 The Supplier shall not be entitled to charge the Orderer for GRP/TRP broadcast beyond the scope of the Resulting Price according to the Campaign Agreement, if GRP/TRP was broadcast beyond the scope of the Campaign Agreement for a reason on the part of the Supplier. Broadcasting of GRP/TRP beyond the scope of the Campaign Agreement is not considered to be the breach of the Campaign Agreement. The Supplier is entitled to the payment of the Resulting Price for GRP/TRP even above the Resulting Price according to the Campaign Agreement, if the price given by the number of GRP/TRP exceeds the price according to the Campaign Agreement by 5 % or more, and

also if such an excess of the total price occurred in case of Advertising Spots, expressly requested by the Orderer or in cases where, according to measurements, a higher viewership is achieved than it was assumed at the time of the conclusion of the Campaign Agreement.

- 3.5 If arrangements on OVD G or OVD N for GRP/TRP are included in the Campaign Agreement, the Supplier proceeds in their scheduling and delivery in the same way as for Spots left to be placed by the Supplier. Any non-delivery of bonus GRP/TRP by the Supplier shall not be a breach of the Agreement and does not affect the Resulting Price.
- 3.6 The Supplier is entitled to deliver GRP/TRP to the extent of a maximum of 20 % of the volume of the Spots agreed in the Campaign Agreement in a different time zone (Prime Time / Off Prime Time) than is agreed in the Commercial Agreement; Spots broadcasted differently in this way shall be charged at the prices according to the actually delivered time zones of Prime Time/Off Prime Time up to the amount of the Resulting Price according to the Campaign Agreement.

#### **4 Common Provisions on Agreements**

- 4.1 The Commercial Agreement Offer, or the acceptance of the Commercial Agreement Offer, confirmation of the conclusion of the Commercial Agreement, the Order or the conclusion of the Campaign Agreement are to be made by the person authorized or entitled thereto by the Orderer or the Supplier, as the case may be, acting through the Authorized E-mail Address. The list of the authorized persons is available at the Supplier.
- 4.2 The Orderer concludes the Agreement under its own name and on its own account. If it is agreed in writing with the Supplier, the Orderer may conclude the Agreement under its own name and on a third party's account.
- 4.3 The Supplier is not obliged to enter into an Agreement on the basis of a Commercial Agreement Offer or an Order or any Counter-Proposal; furthermore, the Supplier reserves the right to terminate the negotiation round in the Electronic System at any time without concluding the Agreement, and further the right to terminate negotiations on any Agreement at any time, without any claims incurring in favour of the Orderer as a result of such action by the Supplier.
- 4.4 The Supplier is entitled to accept an Order in a form other than the form of the Supplier, if it contains all the requirements stipulated by these Commercial Terms and Conditions for the Order in Article 6. The Supplier will not consider an Order that does not have the requirements required by these Commercial Terms and Conditions.
- 4.5 The legal relationship between the Orderer and the Supplier from the Agreements shall be governed by these Commercial Terms and Conditions and the Technical Terms and Conditions. Upon conclusion of an Agreement, submitting an Order or booking Sponsorship, the Orderer expresses its consent to these Commercial Terms and Conditions.
- 4.6 Products in the Supplier's offer do not represent the proposal for the conclusion of an agreement in sense of § 1732 of the Civil Code. Acceptance of an offer with an amendment or deviation, which does not substantially change the terms of the offer, does not constitute acceptance of the offer within the meaning of § 1740, paragraphs 2 and 3 of the Civil Code.
- 4.7 In case of an e-mail order, the Orderer is obliged to immediately deliver to the Supplier, at the Supplier's option, the Order with a verified electronic signature or a physical signature of the Orderer or a confirmation of the contents of the Order. If the Orderer does not do so even 2 days after the delivery of the reminder, it is obliged to pay the contractual penalty of CZK 1,000 for each commenced day to the Supplier at its request.

- 4.8 Unless expressly stated otherwise in these Commercial Terms and Conditions or unless otherwise agreed by the Parties, the conclusion of an Agreement between the Orderer and the Supplier shall only be possible in writing.

## 5 The Process and the Way of Conclusion of Agreements in the Electronic System

### I. The Commercial Agreement for the Television Channels

- 5.1 The Commercial Agreement for the Television Channels is concluded on basis of the Commercial Agreement Offer in the Electronic System as follows:
- a) The negotiations take place in so-called negotiation rounds, the beginning, and the end of which are notified to the Orderer in the Electronic System.
  - b) In the negotiation rounds, the Supplier may send one or more Commercial Agreement Offers to the Orderer in the Electronic System, provided that the Orderer may choose therefrom.
  - c) The Orderer can accept the Commercial Agreement Offer within the period specified in the Offer by pressing the “*Akceptovat Nabídku*” (“Accept Offer”) button, without any additions or deviations. Therefore, the Commercial Agreement Offer becomes binding for the Orderer (hereinafter referred to as the “**Binding Commercial Agreement Offer**”) for the period specified in the Commercial Agreement Offer (hereinafter referred to as the “Commercial Agreement Offer Binding Period”), provided that during the Commercial Agreement Offer Binding Period, the Orderer shall be bound by the Binding Commercial Agreement Offer and may not withdraw, change or cancel it.
  - d) In response to the Commercial Agreement Offer, the Orderer may send its Counterproposal of the Commercial Agreement to the Supplier (hereinafter referred to as the “**Counterproposal**”) pressing the „*Poslat Protinávrh MC*“ (“Send MC Counterproposal”) button. In case the Orderer accepts the Commercial Agreement Offer with an amendment or deviation, it is not an acceptance of the Offer, but a Counterproposal.
  - e) In case the Orderer sends a Counterproposal to the Supplier, the Supplier may send the Orderer another Commercial Agreement Offer, in which the Counterproposal is fully or partially considered. The Orderer then proceeds according to the previous points of this section. The same procedure shall apply in cases, where the Orderer sends another Counterproposal to the Supplier in response to this next Commercial Agreement Offer.
  - f) The Commercial Agreement may only be concluded on basis of a Binding Commercial Agreement Offer and only during the Commercial Agreement Offer Binding Period.
  - g) The Commercial Agreement is concluded by confirmation of the Binding Commercial Agreement Offer by the Supplier towards the Orderer. The Supplier will confirm the conclusion of the Commercial Agreement to the Orderer by e-mail and change the Binding Commercial Agreement Offer in the Electronic System to a Commercial Agreement in the section of „*Uzavřené Obchodní smlouvy*“ (“Concluded Commercial Agreements”).
  - h) After the conclusion of the Commercial Agreement, the Supplier may unilaterally, through the Electronic System or otherwise, supplement or specify the following parameters of the Commercial Agreement, with the Orderer expressly agreeing to such right of the Supplier: selection of Secondary Target Groups in the maximum number determined by the Price List for the optimization of Advertising Campaigns.

## II. The Campaign Agreement for Advertising Campaigns on Television Channels

5.2 The Campaign Agreement, the subject of which is Advertising Campaigns on Television Channels, is concluded in the Electronic System as follows:

- a) The Orderer makes an Order of scheduling of an Advertising Campaign in the Electronic Order System, provided that it selects and fills in the following mandatory data in the Electronic System in the („*Objednávky*“) (“Orders”) tab:
  - i) Time length of the Advertising Spot,
  - ii) Number of GRP/TRP,
  - iii) Number of the Commercial Agreement or Commercial Agreement Offer,
  - iv) Product,
  - v) Time period.

Furthermore, the Orderer may optionally specify preferences, which are non-binding for the Supplier:

- vi) Time limitation of the Campaign,
  - vii) Date limitation of the Campaign,
  - viii) Position proposal in the Advertising block,
  - ix) Indicative Spotlist Proposal, provided that the Supplier is not bound by this selection.
- b) The Orderer sends the Order by pressing the “*Odeslat*” (“Send”) button (or another button of similar meaning), thereby the Order becomes binding for the Orderer and cannot be revoked.
- c) Based on the Order, the Supplier sends the Order confirmation to the Orderer in the Electronic System, whereby the Campaign Agreement is concluded by sending confirmation (acceptance), or rejects the Order by sending a rejection notice.
- d) The Orderer is obliged to send the Order to the Supplier no later than until the end of the Order Submission Term (hereinafter referred to as the “Order Submission Term”), set by the Supplier for each calendar month in the Electronic System. The Supplier is not obliged to consider the Order sent after the Order Submission Term, and if it accepts it, it charges the Late Booking Surcharge according to the Price List for such Orders. If the Supplier accepts an Order made after the Order Submission Term, it will do so
  - i) Through the Electronic System or
  - ii) In writing by e-mail.

## III. The Campaign Agreement for Sponsoring on Television Channels

5.3 The Campaign Agreement, the subject of which is Sponsorship on Television Channels, is concluded in the Electronic System as follows:

- a) a) The Orderer reserves the scheduling of Sponsorship Spots in the Electronic System, where it will step by step enters the following mandatory data:
  - i) The name of the Client,
  - ii) Specification of the Subject of the Commercial Communication,
  - iii) The Target Group that the Sponsorship Spot wants to focus on,
  - iv) The Campaign period,

- v) The Television Channel,
  - vi) The format,
  - vii) The number of Sponsorship Spots,
  - viii) Time zones of the Sponsorship Spot or the type of display (injection) in accordance with the selected format.
- b) Subsequently, the Orderer chooses individual times with the specification of the programme (Television Channel), where it is interested in Sponsorship and its reservation.
  - c) The Supplier reserves the right to require that a reservation of certain time zones will require special approval of the Supplier. The time zone marked in this way is only reserved after the reservation has been approved by the Supplier by sending an e-mail confirming the reservation.
  - d) In framework of the reservation, the initial amount of the discount is stated, which can only be changed by the Supplier at a later stage of the reservation.
  - e) The Orderer may add any additional information to the reservation. However, these data are only of informative and supplementary nature and the Supplier is not bound by them in any way.
  - f) For selected Sponsorship Spot formats, the Orderer may propose a different time length (footage) of the Sponsorship Spot than the one listed as default in the Electronic System (the Electronic System then adjusts the offered time zones according to the selection of the custom time length of the Spot), the preferred position of the Sponsorship Spot (then it selects the time zones corresponding to this preferred position). The Orderer may also reserve an Alliance Spot for a certain time zone (see the relevant part of this Article), while proposing the time for the scheduling of the Alliance Spot).
  - g) The reservation is completed at the moment of the reservation request, while as regards the requested reservation, the Supplier may:
    - i) Completely refuse,
    - ii) Modify the requested reservation in the Electronic System, then negotiations with the Orderer commence. According to the outcome of the negotiation, the Supplier proceeds similarly according to the relevant bullet point of this clause.
    - iii) Register the reservation without changes, provided that as of the moment the reservation registration without changes, the period for the binding confirmation of the reservation commences to run for the Orderer (hereinafter referred to as the "Term for the Binding Confirmation of the Reservation by the Orderer"). The Supplier has the right to unilaterally reject the registered reservation at any time without specification of a reason, without any claim incurring to the Orderer.
  - h) The Term for the Binding Confirmation of the Reservation by the Orderer is the time period, during which the Orderer has the right to confirm its reservation. Upon confirmation of the reservation within the Term for the Binding Confirmation of the Reservation by the Orderer according to the previous sentence, the Campaign Agreement is concluded, the subject of which is the dissemination of Commercial Communications according to the reservation. The length of the Term for the Binding Confirmation of the Reservation by the Orderer depends on the length of the time interval between the registration of the reservation by the Supplier and the day specified in the reservation, when the dissemination of Commercial Communications should begin (hereinafter referred to as "**Campaign Start**"):

- i) Reservation for which the Term for the Binding Confirmation of the Reservation by the Orderer has passed to no effect shall be automatically cancelled.
  - ii) As regards the reservation, where the time interval of its registration by the Supplier and the Campaign Start falls in the same calendar month, the Term for the Binding Confirmation of the Reservation by the Orderer is 3 working days.
  - iii) As regards the reservation, where the time interval between its registration by the Supplier and the Campaign Start is 2 months or more, the Term for the Binding Confirmation of the Reservation by the Orderer is 6 weeks.
  - iv) As regards the reservation, where the time interval between its registration by the Supplier and the Campaign Start does not fall into any previous category, the Term for the Binding Confirmation of the Reservation by the Orderer is 14 days.
- i) After the conclusion of the Campaign Agreement, the final specification of the audio-visual recordings, where the Sponsor Spot will be placed, takes place (the so-called final reservation or “booking”).
  - j) The Orderer may exceptionally request the Supplier to modify the Campaign Agreement, with the exception of the Resulting Price and requirements for time zone adjustments, less than 3 working days before the start of dissemination of the Sponsorship Spots. The Supplier may discuss such modification with the Orderer at its discretion, but is not obliged to comply with such a request.

## **6 The Process and the Way of Conclusion of Agreements outside the Electronic System**

### **I. The Commercial Agreement (All Media Channels)**

6.1 The Commercial Agreement shall be concluded on basis of a written Commercial Agreement Offer outside the Electronic System as follows:

- a) The Supplier shall send the Orderer one or more written Commercial Agreement Offers (in the form published on the Supplier's website) signed by authorized representatives of the Supplier (including cases of sending a scan or other forms of such Commercial Agreement Offer by e-mail). Signatures can be replaced by electronic, mechanical, or other technical means (e.g. pre-printed signature or facsimile signature).
- b) In case of more Commercial Agreement Offers, the Orderer may choose no more than one, combinations from different Commercial Agreements Offers are excluded.
- c) The Commercial Agreement is concluded upon acceptance of the Commercial Agreement Offer by the Orderer, and only without any additions or deviations, otherwise it is a Counterproposal of the Commercial Agreement. The Commercial Agreement Offer is accepted as follows:
  - i) Upon its signature by the authorized representatives of the Orderer and delivery to the Supplier in the original or in a scanned copy from the Authorized E-mail Address or other e-mail address of the Orderer or
  - ii) Implicitly (e. g. by placing the first Order through the Electronic System or by submitting the first Order according to the Commercial Agreement Offer in another way agreed by the Supplier).



## II. The Campaign Agreements (all types of Commercial Communications)

6.2 The Campaign Agreement, the subject of which is the dissemination of Commercial Communications, is concluded on the basis of a written or electronic Order outside the Electronic System as follows:

- a) The Orderer may submit an Order by filling out the form on the Supplier's website and sending it to the e-mail address of the Authorized Person. The Orderer shall be obliged to include the following information in the Order:
  - i) Subject of the Commercial Communication, or the name of the Campaign,
  - ii) Duration of the Campaign,
  - iii) The time length of the Spot (if applicable), selected products from the Price List and their position (in case of dissemination of Commercial Communications on the Platforms),
  - iv) The amount of the Resulting Price for the dissemination of Commercial Communications (calculated according to the Price List),
  - v) Proposal of the specification of the scheduling of Commercial Communications, if requested by the Orderer,
  - vi) Identification data of the advertiser and the processor of advertising within the meaning of the Advertising Regulation Act, at least to the extent of name, identification number, seat and contact details.

The Orderer shall be responsible for the truthfulness, completeness, and accuracy of this data.

- b) The Order is binding for the Orderer as of the moment of its sending by the Supplier and it cannot be revoked.
- c) As regards the Order, the Supplier may:
  - i) Accept it without reservation,
  - ii) Send a Counterproposal for changes or additions,
  - iii) Reject it; if the Supplier does not respond to the Order within 15 days of sending the Order, it means that the Order has been rejected.
- d) The Supplier informs the Orderer of the acceptance of the Order without reservation by e-mail, thereby concluding the Campaign Agreement.
- e) Upon sending an amended or supplemented Order by e-mail, the Supplier makes a new draft of the Campaign Agreement to the Orderer. If the parties (after negotiation) agree on its entire content, the Orderer sends the modified Order form to the Supplier and the Supplier sends the Orderer a confirmation by e-mail that it accepts it without reservations, then the Campaign Agreement is concluded upon acceptance of the Supplier.

6.3 In case of an Order for the dissemination of Advertising Spots on Television Channels, the Orderer shall be obliged to send the Supplier an Order for the dissemination of Advertising Spots on Television Channels no later than until the end of the Term for Orders Submitting (hereinafter referred to as the "Term for Orders Submitting"), set by the Supplier for each calendar month, the deadline is upon request from the Supplier. The Supplier is not obliged to consider the Order sent after the Term for Orders Submitting, and if it accepts it, it charges the Late Booking Surcharge according to the Price List for such Orders. If the Supplier accepts an Order made after the Term for Orders Submitting, it will do so in writing by e-mail.

- 6.4 In case of dissemination of Commercial Communications on the Platforms, the Orderer must deliver the Order to the Supplier no later than 10 working days before the start of the Campaign on the Servers and 15 days for Campaigns in HbbTV. However, the Supplier may, at its discretion, also accept a later Order.

### **7 Requirements for Change Campaign Agreements for Advertising Spots on Television Channels Consisting of Decrease of the Scope of the Fulfilment**

- 7.1 The Supplier will not unreasonably refuse the Orderer's request to decrease the scope of the fulfilment (i. e. the number of the disseminated Commercial Communications) according to the Campaign Agreement, the subject of which is the dissemination of Advertising Spots on Television Channels, which will result in reduction of the Resulting Price by less than 5 %, provided that such a request must be raised within the expiry period no later than 5 working days before the planned start of dissemination of the Commercial Communications according to the given Campaign Agreement; such a request may only be made once by the Orderer for one Campaign Agreement. The change in the scope of fulfilment according to this paragraph is implemented by concluding a new Campaign Agreement replacing the previous one.
- 7.2 Other proposals of the Orderer to limit the scope of the Supplier's fulfilment than according to paragraph 7.1 are implemented by the Supplier only after conclusion of an agreement having the nature of conclusion of a new Agreement, which always includes the Orderer's obligation to pay the Supplier a flat-rate compensation for damages in the amount of the price of the requested reduction in the fulfilment of the Supplier. The Supplier is entitled, but not obliged, to conclude such an agreement, and the Orderer is not entitled to enforce the conclusion of such an agreement by the Supplier. As regards Advertising Campaigns Planned "To Reality," the Supplier's estimates are considered to be the data on the Resulting Price.

### **8 Delivery of Materials for the Purpose of Dissemination of Commercial Communications**

- 8.1 The creation, production, and delivery of the Materials to the Supplier shall be ensured by the Orderer at its own expense. The subject of the Agreement is not the production or creation of Commercial Communications or Materials unless the Contracting Parties have expressly agreed thereto.
- 8.2 The Orderer shall provide the Supplier with all Materials required by these Commercial Terms and Conditions for particular types of dissemination on Media Channels, in the format, duration and quality specified in the Technical Terms and Conditions for particular Media Channels and in the Campaign Agreement.
- 8.3 The Advertising Spots are delivered through an electronic service for the delivery of the Advertising Spots designated by the Supplier. The Supplier will charge the Orderer the Fee for the Delivery of the Advertising Spots.

#### **III. The Liability for Content of the Commercial Communication**

- 8.4 The Supplier shall solely be responsible for the content, form and processing the Commercial Communication, which shall include, if it concerns compliance with all legal regulations, in particular:
- a) Broadcasting Act, AVMSOD Act,

- b) Advertising Regulation Act and legal rules regulating advertising for specific Subjects of the Commercial Communications (tobacco, alcohol, medical products, political advertising, etc.),
  - c) Legal rules on consumer protection,
  - d) Rights to the personality protection,
  - e) Copyright and rights related to copyright, including the claims of collective administrators of property rights of copyright or rights related to copyright,
  - f) Legal regulations in the field of competition law and unfair competition,
  - g) Trademark rights and other rights in the field of industrial property.
- 8.5 In relation to the obligation according to paragraph 8.4, the Orderer is obliged to settle, at its own expense, all claims of any nature regarding the content of the Commercial Communication and its distribution by third parties towards the Supplier. The Orderer shall also be obliged to compensate the Supplier for damage or other damage, including non-pecuniary damage, incurred by them in connection with the application of the claims of third parties according to the previous sentence, and is obliged to compensate them for damage caused as a result of intervention (e.g. imposing a sanction) on part of the public authorities.
- 8.6 The Supplier does not provide the Orderer with any consulting services or professional recommendations regarding the content of the Commercial Communications or their legal regulation, if this is the responsibility of the Orderer, the client or the processor of advertising according to the Advertising Regulation Act.
- 8.7 Upon request of the Supplier, the Orderer shall be obliged to inform the Supplier of the processor and the advertiser of the Commercial Communication within 5 days in the sense of the Advertising Regulation Act. Upon breach of this obligation, the obligation incurs to the Orderer to pay, upon the request of the Supplier, the contractual penalty in the amount of CZK 1,000 for each day of delay in notifying the said persons.
- 8.8 With the exception specified in paragraph 8.9, the Orderer guarantees and shall be responsible to the Advertiser for the fact that, at the latest at the time of conclusion of any Agreement with the Supplier on the dissemination of Commercial Communications, in particular the Campaign Agreement, that it has obtained and properly settled in advance with the holders of copyright and rights related to copyright, as well as with the holders of personal rights and rights to other intangible assets, the authorization to include the relevant objects of protection in the Commercial Communication (synchronization) and the authorization to use them in the Commercial Communications by their publishing and distributing on the Media Channels for which dissemination was agreed between the Contracting Parties, and that it has properly paid all fees for such inclusion and use.
- 8.9 The guarantee and responsibility according to paragraph 8.8 does not apply to the use of musical works with or without lyrics, in television broadcasts, the authors of which are represented by the collective administrator in case of the given television broadcast - OSA, z.s. (hereinafter referred to as "OSA"). On basis of the relevant collective agreement concluded with OSA, the right to television or radio broadcast of works by authors represented by OSA is acquired by the Supplier, who will also pay through OSA the relevant copyright fees for the broadcast of these works on the given Television Channel.
- 8.10 For the avoidance of doubt, it is expressly specified that, according to **Chyba! Nenalezen zdroj odkazů.**, the Orderer shall be obliged to obtain and settle:

- a) The rights to include works of authors represented by OSA as well as authors of previously protected works not represented by OSA in the Commercial Communication (synchronization rights) and
  - b) The rights to use musical works with or without lyrics in television broadcasts by authors not represented by OSA;
- 8.11 For the avoidance of doubt, it is further expressly stated that the Orderer's guarantee and responsibility according to paragraph 8.8 also applies to audio or audio-visual recordings and artistic performances recorded in them, unless it is a matter of mandatory collective administration. In case any audio or audio-visual recording is included in the Commercial Communication, the Orderer shall be responsible and guarantees that it has obtained authorization from the producer of such recording and the performers, whose artistic performances are recorded in such recording to include this recording and the artistic performances recorded in it in the Commercial Communication messages and for their use in television broadcasting or other communication to the public, depending on the agreed method of dissemination of the Commercial Communication, and paid the appropriate fees for authorization to use them in the dissemination of the Commercial Communication on the agreed Media Channels and settled the legitimate claims of such audio and audio-visual producers recordings and performers for said use. At the Supplier's request, the Orderer shall be obliged to submit copies of the relevant contracts proving the settlement of the claims of the respective rights holders in the above-mentioned scope and a copy of the report for INTERGRAM.
- 8.12 The Orderer shall be obliged to provide the Supplier with information about the producer of the Commercial Communication and the Music Cue Sheet of the Commercial Communication containing:
- a) The name of each musical work (whether with or without lyrics),
  - b) The name of the author of the music, or of the lyrics or its translation,
  - c) The exact time length of the used musical works,
  - d) The designation of the manufacturer of the included audio recording or music audio-visual recording, time length of such recording, information on whether and by whom it was released for commercial purposes, and its AKA/ASMEA code,
  - e) Possible other data required by the relevant collective administrator.
- 8.13 In case the Orderer does not specify any audio recording issued for commercial purposes or a musical audio-visual recording in the Music Cue Sheet of the Commercial Communication, this fact shall be considered to be the binding declaration by the Orderer that the Commercial Communication does not contain any such recording and the Orderer is responsible for damage caused to the Supplier in the event that such statement of the Orderer is not true.

#### IV. The Terms for Materials Delivery

- 8.14 In case the Supplier does not set a different deadline for the Orderer depending on the distribution dates, the Orderer is obliged to deliver the Materials for the Commercial Communication within the following periods before the agreed date of the start of dissemination of the Commercial Communication:
- a) In case of dissemination on Servers, no later than 3 working days in advance,
  - b) In case of dissemination in HbbTV, no later than 10 working days in advance,

- c) In the case of Non-standard Advertising, no later than 5 working days in advance, in case the Supplier has technical requirements in connection with Non-standard Advertising beyond the scope of the Technical Terms and Conditions, it will inform the Orderer of them no later than 3 days after the conclusion of the Campaign Agreement for the relevant campaign,
- d) In other cases of dissemination, no later than 5 working days in advance.

#### V. Delay in Delivery of the Materials and its Consequences

- 8.15 In case the Orderer is in Delay in Delivery of the Materials, the Supplier is always entitled not to disseminate the Commercial Communication, the publication of which the Materials were intended to serve, and to require the contractual penalty in the amount of the part of the Resulting Price for the dissemination of the Commercial Communication, to which the Supplier would be entitled, should the dissemination of the Commercial Communication was not prevented by the Delay in Delivery of the Materials. At the same time, the Supplier is entitled to withdraw in whole or in part from the Campaign Agreement, on basis of which the Commercial Communication was to be disseminated.
- 8.16 In case the Supplier has not exercised its right according to paragraph 8.15, in the event of a Delay in Delivery of the Materials, it may start the dissemination of another (substitute) Commercial Communication of the Orderer at its own discretion, which the Supplier has at its disposal from previous Advertising Campaigns, while the dissemination of the substitute Commercial Communication is not considered to be a defect performance on the part of the Supplier, and this does not affect the obligation of the Orderer to pay the Resulting Price for the dissemination of the Commercial Communication.
- 8.17 In case the Supplier has not exercised its right according to paragraph 8.15, it may, in case of a Delay in Delivery of the Materials consisting of the non-delivery of a Music Cue Sheet to the extent required by these Commercial Terms and Conditions, it may charge the Orderer the contractual penalty in the amount of CZK 1,000 for each day of Delay in Delivery of the Materials.
- 8.18 In case the Supplier has not exercised its right under par. 8.15, in case of Delay in Delivery of the Materials consisting of non-delivery of the Scheduling Proposal, it may:
  - a) Commence dissemination of the Commercial Communication according to the replacement Scheduling Proposal, compiled at its own discretion, while the dissemination of the Commercial Communication according to such Scheduling Proposal is not considered to be the defect in fulfilment on part of the Supplier and does not thereby affect the Orderer's obligation to pay the Resulting Price for the dissemination of the Commercial Communication, or
  - b) Require the Orderer to pay the contractual penalty of CZK 5,000 for each day that the Orderer was in delay with the delivery of complete Materials, up to a maximum amount of CZK 100,000 which the Orderer shall be obliged to pay immediately in case of a request of the Supplier.

#### VI. The Defective Communication

- 8.19 The Supplier shall always be entitled to refuse to start the dissemination or to stop the dissemination of the Commercial Communication, at which it made the conclusion that:
  - a) It does not comply with legal regulations, in particular regulations on regulation of television broadcasting, regulation of advertising or regulations on consumer protection,

- b) Its dissemination would breach the rights of third parties or such dissemination would be capable of breaching, threatening, or causing harm to the rights of third parties,
- c) Breaching of the Advertising Code of Rada pro reklamu (Advertising Council) or other self-regulatory regulations or ethical rules,
- d) Its dissemination would breach or threaten the legitimate interests of the Supplier,
- e) The supplied Spot does not correspond to the Technical Terms and Conditions or other justified requirements.

(each of the above-mentioned cases is hereinafter referred to as the “**Defective Communication**”).

- 8.20 The Supplier is not obliged to examine every Commercial Communication, whether it is of the nature of the Defective Communication. Should the Supplier conclude that the Commercial Communication has the nature of the Defective Communication within a period longer than 5 working days prior to the planned start date of dissemination of the Commercial Communication, it shall notify the Orderer thereof and invite it to remedy the situation by delivering a non-defective Commercial Communication within a period of 1 working day.
- 8.21 In case the Defective Communication was delivered to the Supplier less than 5 working days before the planned start date of its dissemination or the Orderer does not deliver based on the Supplier's notification pursuant to par. 8.20 non-defective Commercial Communication within the prescribed period, the Supplier is not obliged to start the dissemination of the Defective Communication and at the same time the Supplier has the right to demand the contractual penalty in the amount of the Resulting Price to which the Supplier would be entitled, if the Defective Communication was not the Defective Communication. At the same time, the Supplier is entitled to withdraw in whole or in part from the Campaign Agreement, on the basis of which the Defective Communication was to be disseminated.
- 8.22 The Supplier does not return the carrier with the Commercial Communication or the Materials, unless the Orderer has expressly requested its return. In case that the Orderer does not request returning of the carrier with Spots within six (6) months after the end of the dissemination of the Commercial Communication that was recorded on the carrier, the Supplier is entitled to environmentally dispose of or delete such carrier at its option. After the expiration of the specified period, the Orderer is not entitled to a refund of the usual price of the carrier or its contents.

## **9 The Advertising Campaign Planned “To Reality”**

- 9.1 In case of Campaign Agreements, the subject of which is:
- a) Dissemination of Commercial Communications of less than 10 GRP/TRP, or
  - b) The Advertising Campaign lasting no more than 4 Broadcast Days within a calendar month, or
  - c) The Advertising Campaign spanning two calendar months, which at the same time lasts no more than 6 Broadcast Days,

the Supplier is entitled to implement such a Campaign as the so-called Advertising Campaign “to Reality.” The so-called Advertising Campaign to Reality is to be realized by the Supplier also in case that it has agreed on such type of the Campaign with the Orderer.

- 9.2 In case the Advertising Campaign is intended to cover more calendar months and the Orderer does not explicitly indicate this in the Order, it is the Order for more Advertising Campaigns for each affected calendar month; it may therefore happen that such particular Advertising Campaigns

falling on the given calendar month shall apply to the possibility of ordering them only “to reality” according to the second sentence of this paragraph.

## **10 Special Provisions on the Commitment Volume and Other Obligations from the Commercial Agreement**

- 10.1 The Orderer is not entitled, without prior written agreement with the Supplier, to order the distribution of Commercial Communications to the extent exceeding the Total Commitment Volume agreed in the Commercial Agreement. The Supplier will provide the distribution of Commercial Communications exceeding the Total Commitment Volume agreed in the Commercial Agreement only if: (i) the Orderer has informed the Supplier of its intention to exceed the Total Commitment Volume at least 3 months in advance and at the same time (ii) regarding Commercial Communications exceeding the Total Commitment Volume agreed in the Commercial Agreement, concluded a new Agreement with the Supplier in advance. The Supplier is not obliged to conclude a new Agreement with the Orderer.
- 10.2 In case the Orderer does not comply with the obligation of the Total Commitment Volume, the Supplier has the right to pay the contractual penalty for non-compliance with the Total Commitment Volume.
- 10.3 The Orderer shall be obliged to comply with the scheduling of the Commercial Communications according to the Off Prime Commitment Volume for each Campaign Agreement separately. In case that the Orderer does not fulfil the obligation to spend the Off Prime Commitment Volume, it loses the right to apply the OPT Coefficient for the purposes of calculating the Resulting Price of the Commercial Communication and the Supplier is entitled to charge the Orderer the price of the Commercial Communication determined as the difference between the price paid by the Orderer and the applied OPT Coefficient and the price of the Commercial Communication placed in Prime time for that part of the time period, for which the Orderer did not meet the Off Prime Commitment Volume. Additional invoicing will take place in form of a corrective tax document issued by the Supplier on the last day of the Commitment Period according to the Commercial Agreement. The additional payment according to this paragraph shall be due within 15 days as of the date of issue of the corrective tax document of the Supplier.
- 10.4 In the event that the Orderer does not comply with any of the other obligations to spend the Commitment Volumes agreed in the Commercial Agreement, with the exception of the Total Commitment Volume and the Off Prime Commitment Volume, compliance with which is associated with the advantage of a discount on the price of the Commercial Communication, the Orderer loses the right to this discount according to Commercial Agreements. In such a case, the Supplier is entitled to retroactively charge the Orderer the Resulting Price of the Commercial Communication without such a discount. Additional invoicing will take place in form of a corrective tax document issued by the Supplier on the last day of the Commitment Period according to the Commercial Agreement. The additional payment according to this paragraph is due within 15 days as of the date of issue of the corrective tax document of the Supplier.
- 10.5 In case the Orderer does not comply with the following obligations from the Commercial Agreement: (i) Low Season Commitment Volume, (ii) Short-Length Commitment Volume, (iii) distribution of the OMC Commitment Volume according to the Agreement or, alternatively, according to the Price List, the Supplier shall be entitled to charge the Orderer the contractual penalty in the amount of 35 % of the relevant Low Season Commitment Volume, the Short-Length Commitment Volume, or the OMC Commitment Volume.
- 10.6 In case that the Orderer does not fulfil the obligation to spend the OMC Commitment Volume, the Supplier shall be entitled to charge the Orderer the contractual penalty in the amount of the difference between the Orderer's paid, discounted Client CPP and the Price List CPP. Additional

invoicing will take place in the form of a corrective tax document issued by the Supplier on the last day of the Commitment Period according to the Commercial Agreement. The additional payment according to this paragraph shall be due within 15 days as of the date of issue of the corrective tax document of the Supplier.

### **11 Special Provisions on Sponsorship**

- 11.1 The condition for the conclusion of the Agreement or acceptance of the Order for the dissemination of the Commercial Communication in form of Sponsorship is that the Order should include the following specification:
- a) The Television Channel,
  - b) Inclusion of the exact name and surname of a natural person or business firm or the name of the legal entity that is the sponsor, and further, if the Supplier requests it,
  - c) The visual symbol (logo) or trademark of the sponsor or its service, products or other services or other object to be promoted as part of the Sponsorship.
- 11.2 The condition of conclusion of the Agreement or acceptance of the Order is also the specification of other data required by law, e.g. the main activity of the sponsor of the channel.

### **12 Special Provision on Product Placement**

- 12.1 The Product Placement in the programme broadcasted on the Television Channel is only possible on basis of conclusion of a written Campaign Agreement.
- 12.2 The Orderer acknowledges that according to the provisions of § 53a paragraph 2 letter a) of the Broadcasting Act, the content and time of inclusion in the broadcast of programs with Product Placement may not be affected in such a way as to affect the editorial responsibility and independence of the Supplier, who decides on the inclusion of the programme in the broadcast and the form of the Product Placement. The Orderer acknowledges that the Supplier may change the decision on the form of the Product Placement and the inclusion of the program with the Product Placement in the broadcast, while such a change does not affect the conditions agreed in the Campaign Agreement. The Supplier will inform the Orderer of such a change by e-mail. The Supplier is entitled not to broadcast the program, in which case the Supplier has no right to the agreed remuneration. For these purposes, the programme shall be considered not to be broadcasted in case the programme is not broadcasted within 6 months as of the date of the planned deployment set by the Supplier.
- 12.3 Upon written request, the Supplier will show the recording of the programme to the Orderer at the time specified by the Supplier and at its headquarters, if applicable, or the Supplier can send the Orderer a recording of the programme.
- 12.4 The Orderer is entitled to refuse in writing the form of the Product Placement in the programme, if the form of the Product Placement contradicts the Campaign Agreement; it is entitled to do so only within the period of 3 hours as of the start of the communicating to the public set by the Supplier, or 3 hours after the premiere broadcasting, if screening or delivery of the recording is not possible. In the event that the Orderer does not do so within the deadline according to the previous sentence, it shall be deemed that it agrees with the form of the Product Placement. In the event that the Orderer justifiably refuses the form of the Product Placement in the program, the Supplier is entitled to broadcast the program, but the Orderer shall not be obliged according to the previous sentence and the obligation to pay the Supplier the Resulting Price for the Product Placement (this does not affect the right of the Supplier to remove the given part from the program).



- 12.5 The Orderer acknowledges that all the rights and obligations of the Supplier as the AVMSOD broadcaster and operator apply to the programme and Product Placement according to the relevant legal regulations.
- 12.6 The Orderer declares and guarantees that in connection with what is to be included in the programme as part of the Product Placement (i.e. in particular with the product or trademark and with form of their presentation) it has obtained and settled all authorizations (in particular personality rights, copyright and rights related to copyright, rights to any intellectual property) necessary for the Supplier or a third party deriving their rights from the Supplier to use the programme without material, temporal, territorial, quantitative or any other restrictions (“to free hand”). The Orderer transfers all these authorizations to the Supplier, including the authorization to further assign or provide these authorizations to any third parties.
- 12.7 The Orderer is obliged to deliver the product intended to be included in the programme as the Product Placement and all other documents related to this at its own expense to the filming location sufficiently in advance. If it is agreed that the Supplier is obliged to return the product or materials to the Orderer, the Orderer is obliged to take them back at the filming location at the time according to the disposition of the Supplier or the person designated by him, while returning them in the condition, in which they were received, considering normal wear and tear, as well as wear and tear due to performance of the Product Placement.
- 12.8 Unless expressly agreed otherwise, the Commercial Communication in form of the Product Placement for a fee shall always be negotiated only for the premiere broadcast of the given programme. However, the Supplier reserves the right not to change the recording of the programme for the purposes of possible reruns.

### **13 The Common Provisions on Prices**

- 13.1 The prices for the dissemination of Commercial Communications are agreed by the parties in the Agreement, in the absence of such an agreement, the Supplier sets for particular types of Commercial Communications on individual Media Channels in the Price Lists of particular Media Channels, usually as:
- a) The price per GRP representing the price for hitting 1 % of the Mandatory Target Group with a Commercial Message (CPP), or
  - b) The price for the certain number of views of the Commercial Communication (CPT), or
  - c) The unit price for the dissemination of one Commercial Communication, or
  - d) The price for the dissemination of the Commercial Communication for the agreed period.
- 13.2 The Orderer shall pay the Supplier the Resulting Price for the service of dissemination of Commercial Communications. The Resulting Price is determined as the Price for the dissemination of the Commercial Communication for the given amount of dissemination of the Commercial Communication on a specific Media Channel agreed in the Agreement, or modified by discounts, surcharges, or coefficients, determined by the Price List.
- 13.3 The Orderer shall pay for the dissemination of the Commercial Communication the Resulting Price for the dissemination of the Commercial Communication determined according to the Price List of the relevant Media Channel.
- 13.4 The obligation of the Supplier to pay the Supplier the Resulting Price for the dissemination of the Commercial Communication arises at the moment of the start of the dissemination of the Commercial Communication. The moment of commencement of dissemination of the Commercial Communication shall be considered to be:

- a) The moment, when the Commercial Communications were broadcast by the Supplier on the relevant Television Channel;
- b) The moment, when the Commercial Communication was communicated to the public by the Supplier on the Platforms, or
- c) The moment, when the Commercial Communication was supposed to be broadcast by the Supplier on the relevant Television Channels, but was not broadcast for reasons on the part of the Orderer, or
- d) The moment, when the Commercial Communication should have been communicated by the Supplier to the public on the Platforms, but it was not communicated for reasons on the part of the Orderer.

#### **14 The Price Lists**

- 14.1 The Supplier is entitled to change the Price List issued by it for an individual Media Channel at any time under the conditions set out in this article of the Commercial Terms and Conditions.
- 14.2 Changes to the Price List will be announced at least 30 days before they become effective by publication of a new version of the Price List on the website of the Supplier. In case of such a change to the Price List, which is caused by the termination of the dissemination of Commercial Communications on a Media Channel, the period for notification of such a change may be shorter than 30 days, before it becomes effective.
- 14.3 The Supplier reserves the right to make changes to the Price List consisting of (i) changing individual items in both directions by a maximum of 20 % (e. g. from the value of 10 to the value of 8 or 12 or from the value of 1 % to the value of 1.2 % or 0.8 %) or (ii) change of Prime Time by shifting its beginning or end by a maximum of 1 hour (60 minutes) on each side (e. g. 5:30 p.m. – 11:30 p.m. up to 4:30 p.m. – 12:30 p.m.). The Supplier expressly agrees that the Orderer is entitled to change the Price List to the extent of this paragraph, without a right to terminate the Agreement incurring the Orderer due to such a change.
- 14.4 In the event of a change to the Price List exceeding the framework specified in point **Chyba! Nenalezen zdroj odkazů.**, the Contracting Parties shall agree on the change to the Price List, if no agreement is reached within 14 (fourteen) days as of the delivery of the notification of such change, the Orderer is entitled within a period of another 14 (fourteen) days following the expiry the terms for concluding an agreement Terminate the Agreement. The notice period is 30 (thirty) days and shall commence in the month following the month, in which the notice was delivered.

#### **15 General Provisions on Discounts and Coefficients**

- 15.1 In accordance with its sales policy, the Supplier may provide discounts and apply individual price coefficients, the determination of which considers, in particular, the scope of the agreed performance, the duration of the Agreement, the Orderer's creditworthiness, etc.
- 15.2 In the event that the Supplier has provided the Orderer with a discount from the Price for the dissemination of the Commercial Communication compared to the price specified in the Price List for the relevant Media Channel and the Commercial Communication or has applied an individual price coefficient, the Orderer loses the right to such a discount or the application of a coefficient at the moment, when it has not complied with all the provisions of the Agreement, in which the discount or coefficient was agreed, in particular on the Total Commitment Volume, the OMC Commitment Volume, the Low Season Commitment Volume, and other obligations arising from the Agreement.

- 15.3 The discount shall also include the case, where the Price for the dissemination of the Commercial Communication (e.g. Client CPP) agreed in the Commercial Agreement is lower than the price in the Price List (e.g. Price List CPP), a lower coefficient than the coefficient specified in the Price List is agreed, or a lower surcharge is agreed than the surcharge listed in the Price List. The provision of clause **Chyba! Nenalezen zdroj odkazů.** shall also apply to all Agreements, in which the Client CPP was negotiated.
- 15.4 In the event that the Orderer did not comply with all the provisions of the Agreement, in which the discount was agreed on the price of dissemination of the Commercial Communication or an individual price coefficient was applied, the Supplier is entitled to invoice the Orderer the amount corresponding to the discount or the applied coefficient, which the Advertiser lost its entitlement to according to paragraph **Chyba! Nenalezen zdroj odkazů.**, and in the month following the month, in which the fulfilment of the conditions for the granting of the discount or the application of the coefficient was assessed by the Supplier, no later than three months after the end at any later time, but no later than in the month following the end of the dissemination of the Commercial Communication, which the discounts or coefficient related to.

### **16 The Price for Dissemination of Commercial Spots on Television Channels**

- 16.1 The price for the dissemination of Advertising Spots on Television Channels is set as the Price List CPP set by the Price List, i. e. the basic price for 1 GRP, usually depending on the Total Commitment Volume and the OMC Commitment Volume. At its discretion, the Supplier may determine the relevant prices in another way, e. g. the price for broadcasting 1 Advertising Spot.
- 16.2 The Resulting Price for dissemination of Advertising Spots shall be paid by the Orderer in accordance with the Campaign Agreement, provided that the Supplier determines its amount on basis of the Viewer Rating. In the event that official data from the Viewer Rating is not available for any reason, it will be replaced by estimates of the relevant Advertising Blocks made by the Supplier, which will be available at the Supplier. The Supplier shall charge the Resulting Price on basis of the ratings of the Advertising Blocks in the Mandatory Target Group, in accordance with the Viewer Rating, rounded to three decimal places. The rating of each Advertising Block includes both its so-called live viewership and its so-called delayed viewership during the same Broadcasting Day (TS0 or VOSDAL – Viewed on the Same Day as Live) and during the following three Broadcasting Days (TS3).
- 16.3 If the Supplier is obliged, according to the relevant Campaign Agreement, to achieve a certain number of GRP/TRP through the dissemination of Advertising Spots, the Supplier shall ensure the broadcasting of the Advertising Spots until the sum of the ratings of the Advertising Spots reaches at least that number of GRP /TRP. However, the Advertising Spot will not be broadcast longer than for the agreed duration of the Advertising Campaign according to the Campaign Agreement. If the number of GRP /TRP does not reach the number specified in the Campaign Agreement, the Orderer only pays for the number of GRP /TRP actually achieved.

### **17 The Price for Dissemination of the Sponsorship Spots and Product Placement on the Television Channels**

- 17.1 The price for the dissemination of the Sponsorship Spots and Product Placement on the Television Channels shall be set in the relevant Price List.

### **18 The Price for Dissemination of the Teleshopping Spots on the Television Channels**

- 18.1 The price for dissemination of the Teleshopping Spots on the Television Channels shall always be agreed individually in the relevant Agreement.

## **19 The Price for Dissemination of the Commercial Communications on the Platforms**

- 19.1 The price for dissemination of the Commercial Communications on the Platforms shall be determined by the amount of money for the determined unit of dissemination of the Commercial Communications in the relevant Price List, usually as the CPT (i.e. the price for displaying 1000 impressions) or for individual dissemination, publication or for a specified period of time.
- 19.2 The Supplier does not provide any discounts or other bonuses for programmatic advertising.
- 19.3 In the event that the Parties agree that the statistics of the Orderer is decisive for assessing the progress of the Campaign and if such statistics is not made or is incomplete for any reason, the statistics of the Supplier will be used to assess the progress and result of the Campaign. If the difference between the Supplier's statistics and the Orderer's decisive statistics is found to be less than 10 %, then it is not considered. In case the difference is greater than 10 %, the Orderer is not entitled to compensation.

## **20 The Payment Terms and Conditions**

- 20.1 Unless otherwise specified hereinafter, the Resulting Price is payable on basis of tax documents issued by the Supplier, always monthly in arrears.
- 20.2 All prices are exclusive of the applicable value added tax. In the event of any fulfilment, which subjects to the value added tax, the Supplier shall also charge the relevant value added tax determined in accordance with the applicable legal rules for such fulfilment.
- 20.3 The date of the taxable performance in sense of Act No. 235/2004 Coll., on the Value Added Tax, as amended, is the last day of the relevant calendar month, for which the tax document is issued.
- 20.4 The Orderer shall be obliged to pay the Resulting Price within thirty (30) days as of the issue of the tax document, whereby the payment means crediting the entire amount to the bank account of the Supplier.
- 20.5 In the event that the Orderer is in arrears with the payment of the Resulting Price for dissemination of the Commercial Communication or the fulfilment of any other monetary obligation towards the Supplier, the Supplier is entitled, at its option:
- a) To enforce a claim against the Orderer for the payment of the contractual penalty in the amount of 0.1 % of the outstanding amount for each day of delay in fulfilment of such monetary obligation; and
  - b) Not to distribute any Commercial Communication ordered by the Orderer until the moment of payment of all outstanding amounts.
- 20.6 The Supplier shall always be entitled to demand payment of the entire Resulting Price or its part in advance, especially in the following cases:
- a) The Orderer did not conclude another Agreement with the Supplier for the same dissemination method during 14 months preceding the conclusion of the Agreement;
  - b) The Orderer is in arrears with the fulfilment of any monetary obligation towards the Supplier;
  - c) In case an insolvency petition was filed against the Orderer, regardless of the person who filed it;

- d) In case steps have been taken by the Orderer or a third party leading to the winding-up or dissolution of the Orderer or the Orderer has entered into liquidation.
- 20.7 In case the Supplier is entitled to any contractual penalty according to the Agreement or the Commercial Terms and Conditions, such contractual penalty shall be payable within the period specified in the notice of the Supplier and, if not specified, then within thirty (30) days as of the moment of delivery of the notice.
- 20.8 In case the Orderer owes the Supplier fulfilment of the same type from several obligations, and if it does not specify during the fulfilment, which debt it is fulfilling, the fulfilment shall first be counted against the least secured obligation. In case several obligations are secured to the same extent, the fulfilment shall be credited first to the obligation, which is first due.
- 20.9 Direct payments from abroad are paid in freely convertible currency converted according to the official exchange rate of the Czech National Bank on the day when the invoice is issued. Bank fees resulting from the transfer of agreed payments from abroad are paid exclusively by the Orderer and shall be borne by it.

## **21 The Complaints**

- 21.1 The Supplier will, to the maximum extent possible, comply with the announced broadcast times with regard to possible programming changes. At the same time, if the exact sequence of Spots is not agreed upon by the Orderer, the Supplier will optimize the inclusion of Advertising Spots in Advertising Blocks within particular time zones (competing products, filling of Advertising Blocks, etc.). The Supplier shall be entitled to make programming changes according to its needs. The Supplier shall notify the Orderer of such changes no later than 3 working days before the day, on which the program affected by the change was originally to be broadcast, in case the Commercial Communication ordered by the Orderer was to be broadcast immediately before or after such program affected by the change. In case of programming changes, the Supplier has the right to change the scheduling of the Commercial Communication at its discretion.
- 21.2 In the event that the Supplier provides the Orderer with defective fulfilment, the Orderer shall have the right from defective fulfilment specified in this Article of the Commercial Terms and Conditions.
- 21.3 The Supplier has provided defective fulfilment only if:
- a) It disseminated Commercial Communications of lower than agreed quality;
  - b) It disseminated Commercial Communications other than those agreed upon, except in cases, where it was authorized to do so according to the Agreement or paragraph 8.16 of the Commercial Terms and Conditions;
  - c) In case of Advertising Formats or Spots for which dissemination only through Platforms in a fixed period of time, it was agreed, non-functionality of the relevant Platform or any of its parts or non-display of the Advertising Format or Spot for a period longer than 24 (twenty-four) hours during one calendar day;
  - d) In case of Advertising Formats, failure to meet the agreed number of impressions compared to data from the External System or failure to maintain exclusivity for an Advertising Format sold for a fixed period of time;
  - e) Non-functionality of the link (click through), which is the part of the Advertising Format, caused by fault on the part of the Provider;
  - f) Displaying the Advertising Format in a significantly different position or place within the website or a Server than was the position agreed in the Agreement,

provided that the Orderer expressly agrees that none of the above-mentioned cases of defective fulfilment shall be considered to be a material breach of the Agreement.

- 21.4 The Supplier is not responsible for non-fulfilment or delay in fulfilment under the Agreement caused by:
- a) Force majeure or events beyond the control of the Supplier, such as in particular weather, electronic communications service failures, emergency, intervention or order of a public authority, military operations, civil unrest,
  - b) Technical defect on part of the Broadcaster or the Operator of electronic communications networks or the supplier of electricity, which occurred independently of the will of the Supplier,
  - c) Fulfilment of legal obligations or decisions of public authorities,
  - d) Drop in Platform traffic compared to the long-term average according to the External System.
- 21.5 The Orderer shall be obliged to submit a complaint exclusively in writing within the period of 14 days as of the day, on which it found out or could have discovered the existence of defective fulfilment by exercising professional care, no later than 7 days after the end of the dissemination of a particular Commercial Communication. A complaint shall be considered to be duly applied, only if the following is obvious thereof
- a) Which Commercial Communication, Campaign or Advertising Format is covered by the complaint,
  - b) When and on which Media Channel should the defective performance have occurred; and
  - c) What the Orderer sees as a defect in the fulfilment of the Supplier.
- 21.6 The Supplier will decide on the rightfulness of the complaint within 30 days as of the date of delivery of the proper complaint according to the Commercial Terms and Conditions. In case the Supplier recognizes the claim as justified, the Orderer shall be entitled to the provision of substitute fulfilment to the extent determined by the Supplier, which corresponds to the nature and scope of the defective fulfilment. The provision of a discount from the Resulting Price for dissemination of the Commercial Communication due to the provided defective fulfilment is only possible on basis of a written agreement between the Orderer and the Supplier.

## **22 Compensation for Damage or Other Harm**

- 22.1 In case the Orderer or the Supplier breaches any of its obligations arising from the Agreement in connection with the dissemination of Commercial Communications, it is obliged to compensate the other party for the damage caused thereby. In case of damage caused other than intentionally or due to gross negligence, the Supplier's obligation to compensate for such damage or other damage shall be limited to the amount of the Resulting Price of the fulfilment according to the relevant Agreement, which the Supplier has breached, to the extent permitted by the relevant legislation.
- 22.2 The Orderer shall be obliged to indemnify the Supplier to the full extent for all sanctions or other measures applied against it by public authorities in connection with the given Commercial Communication, regardless of whether the Supplier used its authorization not to disseminate the Commercial Communication or withdraw from the agreement due to breach of the law. The Orderer shall further be obliged to compensate the Supplier for all damage or other damage, including non-pecuniary damage, in connection with the asserted claims of third parties. Any

costs of administrative or court proceedings, including legal representation, are included in the compensation for damage.

- 22.3 The right of the Supplier to demand compensation for damage or other harm, including non-pecuniary damage, from the Orderer is not affected by the application or payment of the contractual penalty. The Supplier is therefore entitled to demand compensation for damages or other damages, including non-pecuniary damage, even in the event of the application of any contractual penalty or its payment by the Orderer.

### **23 Termination with Immediate Effect, Withdrawal from the Agreement**

- 23.1 The Supplier has the right to terminate the dissemination of the Commercial Communication and to terminate any Agreement with immediate effect upon delivery of the notice in the event that
- a) The Orderer is obliged to fulfil the monetary obligation in advance, i.e. before providing the fulfilment of the Supplier and did not provide the fulfilment of this obligation to the Supplier at least 5 working days before the day on which the dissemination of the Commercial Communication was to begin,
  - b) The Orderer is more than 9 days in delay with the fulfilment of any monetary obligation towards the Supplier,
  - c) The Orderer has breached the Agreement in a substantial way,
  - d) The Orderer did not resolve the non-essential breach of the Agreement within the deadline set by the Supplier, despite being invited to do so by the Supplier,
  - e) An insolvency petition was filed against the Orderer, regardless of who filed the petition,
  - f) In case the Orderer or a third party has taken steps aimed at suspending its payments, declaring a moratorium, winding-up or liquidation of the Orderer or the Orderer has entered into liquidation.
- 23.2 The provisions of the Act on the possibility of withdrawal from the Agreement shall remain unaffected by the previous provisions. In the event of early termination or cancellation of the Agreement in the manner resulting from the previous paragraph or this paragraph, the Orderer shall pay the Supplier the Resulting Price for the already disseminated Commercial Communication and also the contractual penalty in the amount of the remaining part of the Resulting Price for the agreed fulfilment.
- 23.3 The Orderer is entitled to cancel the already concluded Campaign Agreement before the start of its implementation by payment of a severance payment in the amount of the Resulting Price for the dissemination of the Commercial Communication, which it would be obliged to pay for the dissemination of the Commercial Communications according to the cancelled Campaign Agreement. Such cancellation of the Campaign Agreement shall also be done in writing or in the Electronic System.

### **24 Confidentiality**

- 24.1 The content of any negotiations between the Orderer and the Supplier, documents provided by the Supplier or any other information and facts that the Supplier communicated or made available to the Orderer in connection with the Agreement, its conclusion or fulfilment, are considered confidential (hereinafter referred to as the "Confidential Information"). The Confidential Information means in particular all price arrangements of the Agreement, including the Client CPP, data on maturity, as well as information on the scope and types of Commercial Communications,

which the Agreement applies to, the amount and conditions of discounts, benefits and coefficients, the agreed scope of the Total Commitment Volume and the OMC Commitment Volume, if they were provided by the Supplier.

- 24.2 All proposals of Agreements, Commercial Agreement Offers, Orders and the content of negotiations on them and other information related to them are considered to be the trade secrets of the Supplier (the "Trade Secrets").
- 24.3 The Orderer is not entitled to disclose any Confidential Information or trade secrets or any part thereof to any third party without the consent of the Supplier. However, if the Orderer is provided with a consent by the Supplier, the Orderer is not entitled to provide or make this information available to a given third party before it proves to the Supplier that it has bound this third party to confidentiality at least to the same extent and under the equally high contractual penalty. For each case of breach of the obligation according to this paragraph, the Orderer is obliged to pay, upon request of the Supplier, the contractual penalty in the amount of 10 % of the agreed Total Commitment Volume, and if it is not agreed, then in the amount of CZK 500,000.

## **25 Applicability of the Commercial Terms and Conditions, Priority of Documents and Their Changes**

- 25.1 Upon conclusion of an Agreement, making a Reservation or sending an Order to the Supplier, the Orderer expresses and confirms its consent to these Commercial Terms and Conditions, Technical Terms and Conditions and Price Lists for particular Media Channels. The Commercial Terms, Technical Terms and Conditions and Price Lists are an integral part of the Agreement, but are not attached to it for technical reasons.
- 25.2 The provisions of the Agreement shall prevail over the provisions of the Commercial Terms and Conditions. The Supplier may agree with the Orderer in the Agreement on rights and obligations, different from the Commercial Terms and Conditions, or exclude certain provisions of the Commercial Terms and Conditions in relation to the particular Agreement.
- 25.3 The Supplier may unilaterally change or terminate the Agreement, Commercial Terms and Conditions, Technical Terms and Conditions and Price Lists under the conditions set out in the Commercial Terms and Conditions.
- 25.4 The Supplier may unilaterally change the Commercial Terms and Conditions and the Technical Terms and Conditions. The above changes may be made by the Supplier, in particular in case of a change in legal regulation, the introduction of new services and technologies or due to a change in conditions on the advertising market. The Supplier shall inform in advance about changes to the Commercial Terms and Conditions via the website or through its information materials, or via SMS message, e-mail, or other appropriate means.
- 25.5 In case the Orderer does not agree to the changes to the Commercial Terms and Conditions according to par. 25.4 above, which lead to a substantial deterioration of its position, it may terminate the Agreement by written notice with specification of a reason, which it delivers to the Supplier within 15 calendar days as of the effective date of such changes. This procedure cannot be used in case of a change to the Price List according to par. **Chyba! Nenalezen zdroj odkazů.** In case the Orderer does not deliver the notice to the Supplier within the specified period, it is considered that it has agreed to the changes.
- 25.6 The Supplier shall be entitled to unilaterally change the Price Lists under the conditions specified in par. **Chyba! Nenalezen zdroj odkazů.** and 14.4 hereinabove.



## **26 The Final Provisions**

- 26.1 The Contracting Parties agree that for the purposes of the Agreement, which these Commercial Terms and Conditions are the part of, expressly excluding the application of the following provisions of the Civil Code: § 1726 first sentence, § 1729, § 1757, § 1765, § 1798 to § 1800, § 1933 par. 1, § 1952 par. 2, § 2004 par. 1, § 2050 and § 2051.
- 26.2 The Agreement may only be amended and supplemented by written agreement between the Orderer and the Supplier.
- 26.3 In case of a breach of any obligation from the Agreement or these Commercial Terms and Conditions, where a contractual penalty in a different amount is not agreed, the Supplier is entitled to demand payment of the contractual penalty of CZK 50,000 from the Supplier for such a breach.
- 26.4 Insertion, deletion or other changes in the text of the Agreement, with the exception of the addition of information about the person concluding the Agreement on behalf of the Orderer, may only be made under the condition of their written acceptance by both parties, stating the date of the change and valid signatures of the representatives of both Contractual Parties at such change, or upon conclusion of a written amendment. Other changes in the text are not considered.
- 26.5 Notifications from the Supplier addressed to the Orderer must at least take the form of an e-mail message, unless otherwise stipulated by the Agreement or these Commercial Terms and Conditions.
- 26.6 The invalidity of a particular provision does not establish the invalidity of the Agreement as a whole. The Contracting Parties shall be obliged to replace any invalid provision with a valid provision that corresponds as best as possible to the content and the purpose of the original provision.
- 26.7 These Commercial Terms and Conditions are drawn up in the Czech language and, where applicable, in the English language. In the event of any discrepancy between the Czech and English versions, the Czech version shall prevail.
- 26.8 All relationships that are not governed by these terms and conditions shall be governed by the Civil Code and other legal rules of the Czech Republic, with the exclusion of laws of conflict of the private international law. In the event that an international element is present, the Contracting Parties agree on the exclusive jurisdiction of the courts of the Czech Republic for disputes arising from or in connection with these Agreements, including disputes about their validity or the consequences of their invalidity, provided that the court, in which district the Supplier has its headquarters, shall be the court with the local venue.
- 26.9 These Commercial Terms and Conditions shall become effective on the day of publication at websites of the Supplier and shall be valid for the dissemination of Commercial Communications, which are to be disseminated starting as of 01/01/2025.