

COMMERCIAL TERMS

AND CONDITIONS

of MEDIA CLUB, s. r. o.

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1. Contractual Commercial Terms and Conditions for Contracts on Broadcasting Commercial Communications on Channels Represented by Media Club

I. The Subject of Regulation, General Provisions

- 1) TV Channels of Media Club shall mean all the television channels, which are represented by Media Club or will be represented in the future, regardless of the mode of dissemination, provided that it is considered to be television broadcasting according to legal rules. Upon the day of issue of these Commercial Terms, Media Club represents the following television channels: Television channels of the groups of Prima, Barrandov, Óčko, Viacom CBS and Atmedia. The list of Television Channels of Media Club, which are the part of the mentioned group, is continuously updated at the website of Media Club. Media Club reserves the right to also represent further television channels and thereby extend the list of TV Channels of Media Club, even during the year.
- 2) These Commercial Terms are part of all contracts and arrangements on broadcasting of commercial communications on Media Club TV Channels concluded between MEDIA CLUB s. r. o. (hereinafter referred to as “Media Club”) and the Customer. The contents of contracts on broadcasting of commercial communications on the Media Club TV Channels and all negotiations between the Customer and Media Club held in order to negotiate the specific contractual terms of these contracts must be interpreted in accordance with these Commercial Terms. If there are any disputes regarding the content of a relevant contract and these Commercial Terms, the content of the relevant contract shall prevail.
- 3) Unless there is something else stipulated in these Commercial Terms for some of the other types of commercial communications, the rules of these Commercial Terms relating to advertising shall also apply to other types of commercial communications. Unless specified otherwise, provisions relating to advertising spots shall also relate to continuous teleshopping slots, teleshopping shots and sponsor messages. Unless specified otherwise, rules relating to Advertising Campaigns shall also apply to teleshopping or sponsoring campaigns.

II. Definitions

- 1) TV Channels of Media Club shall mean all the television channels, which are represented by Media Club or will be represented in the future, regardless of the mode of dissemination, provided that it is considered to be television broadcasting according to legal rules. Upon the day of issue of these Commercial Terms, Media Club represents the following television channels: Television channels of the groups of Prima, Barrandov, Óčko, Viacom CBS and Atmedia. The list of Television Channels of Media Club, which are the part of the mentioned group, is continuously updated at the website of Media Club. Media Club reserves the right to also represent further television channels and thereby extend the list of TV Channels of Media Club, even during the year.

- 2) A Broadcaster means a person, who is, in sense of Act No. 231/2001 Coll., on Radio and Television Broadcasting, as amended (hereinafter referred to as “ARTB”), the broadcaster of any of the Media Club TV Channel.
- 3) A Customer means a legal entity or a natural person (Advertising Agency or Client) that is interested in broadcasting of a commercial communication on a Media Club TV Channel. Advertising Agency means an entity whose subject of business is advertising activity or intermediation of advertising, and which proves to Media Club its authorization to purchase commercial communications on behalf of the relevant Client. A Client means an entity, which initiates broadcasting of a commercial communication and which determines the Subject of Advertising.
- 4) Purchase of a commercial communication shall mean conclusion of a relevant contract, on the basis of which, under the terms regulated by the contract and these Commercial Terms, an entitlement shall arise for the Customer to request broadcasting of a commercial communication on Media Club TV Channels, and an entitlement to payment of the agreed price shall arise to Media Club (hereinafter referred to as the “Contract”).
- 5) Order means a proposal of a Customer to conclude a contract on broadcasting a commercial communication on Media Club TV Channels in accordance with these Commercial Terms, which is termed an order. The deadline for accepting an Order means the period from when the Order is delivered to Media Club until the end of the calendar month preceding the month in which commercial communication is to be broadcast. If an Order is delivered in a calendar month in which the commercial communication is to be broadcast, the deadline determined for accepting the Order shall be at least 5 business days. During the period for the acceptance of an Order, the Order shall be binding for the Customer and it cannot be unilaterally revoked or changed. The Order shall be binding for both Contracting Parties upon its acceptance by Media Club.
- 6) Commercial Contract means a written contract regulating the broadcasting of commercial communications on Media Club TV Channels which is termed a Commercial Contract.
- 7) Price List means the Price List issued by Media Club that is part of these Commercial Terms, and shall be effective as of the date when the contract on the broadcasting of a commercial communication on Media Club TV Channels is concluded.
- 8) Advertising Campaign means the purchase of an advertisement of the same runtime as a Spot for the same Subject of Advertisement, usually for a period of the maximum of 1 calendar month, for the agreed Media Club TV Channels. For the avoidance of doubt, for purposes of specification the Advertising Campaign, the Subject of Advertisement shall expressly be considered to be the same, if various products (e. g. various food) are promoted in framework of promotion of one brand (e. g. retail supermarket chain) or the Spots obviously relate one to another as regards their content. Advertising Campaigns with the same runtime as a Spot relating to the same Subject of Advertisement that are to occur in 2 consecutive calendar weeks within 1 calendar month shall be regarded – whether ordered via one Order or more Orders – as

a single Advertising Campaign. Another Order within one Advertising Campaign shall be considered an extension of the initial Order. An Advertising Campaign planned “for reality” means an Advertising Campaign planned for the agreed number of spots, whose price shall be paid according to the actual number of GRPs achieved within the relevant Advertising Campaign.

- 9) GRP (Gross Rating Point) means 1% of the number of people in the target group Adults 15–69 (A 15–69). Target group Adults 15–69 means people over the age of 15 and under 69 living in the Czech Republic. TRP means 1% of the number of people living in the territory of the Czech republic of other target group other than the target group through which GRP is defined (e. g. women in the age of 25–54 years).
- 10) GRP shall also mean e-GRP. E-GRP shall mean the number of advertisement impressions in the target group of Adults 15-54 in framework of audio-visual media services on demand of the given Broadcaster, corresponding to the number of people corresponding to 1 TRP in the target group of Adults 15-54.
- 11) Prime Time means broadcasting time between 5:30 p.m. and 11:30 p.m., unless in the Contract or in the Price List for individual TV Channels stated otherwise. Off Prime Time means any broadcasting time outside Prime Time. Media Club may change the span of Prime Time, which may even be different for each channel. Media Club shall notify the Customer of a change of Prime Time at least 30 days before it comes into effect via an e-mail message containing the new definition of Prime Time, or an internet link to the new definition of Prime Time. If Prime Time changes in such a way that the beginning and/or end of the time range shifts by 1 hour (60 minutes) at the most (e.g. to 4:30 p.m. – 12:30 a.m.) (hereinafter referred to as the “Prime Time Adjustment”), this shall not constitute a unilateral change to the Commercial Terms pursuant to Section 1752 of Act No. 89/2012 Coll., Civil Code, (hereinafter referred to as “CC”). If Prime Time changes in such a way that it exceeds the scope of the Prime Time Adjustment, the Contracting Parties shall agree on a change of Prime Time. If an agreement is not reached within 14 (fourteen) days of the delivery of the notice of such change to Prime Time, the Customer shall be entitled to terminate the Commercial Contract within a further 14 (fourteen) days following the deadline for concluding an agreement. The notice period is 30 (thirty) days and shall begin to run in the month following the month in which the notice was delivered. The superbreak shall mean a break in TV channels determined in the Pricelist in the time determined for each day by the respective Broadcaster at approx. 8:30 p. m. in the length of no more than 1 minute with a permitted shortest length of the spot of 20 seconds. All included hereinabove in respect to Prime time change shall apply to change of the Superbreak, provided that Superbreak Adjustment on part of Media Club, which is not an unilateral change of the Commercial Terms, is only possible by 30 minutes, at the most.
- 12) Broadcasting Materials shall mean:
 - Schedule of broadcasting of a spot with the designation of the cassette for broadcasting at the given time, including the AKA codes for Advertising Spots (hereinafter referred to as “Schedule”),
 - Recording of the spot (hereinafter referred to as “Spot Recording”),

- Music Set for the spot or other data required by collective administrators according to the specifications that Media Club informs the Customer of (hereinafter referred to as “Music Set”).
- 13) Spot means any entire and time-limited commercial communication intended for broadcasting on the Media Club TV Channels, with the exception of video or audio references to a product inside the plot of a programme which has a product placement nature. An alliance spot shall be considered a spot promoting more than 1 Client. In an alliance spot, another Client may be presented up to the maximum of 20% of the length of the spot. An alliance spot shall not be considered such a spot that promotes more brands of 1 Client which belong to the product portfolio of the relevant client (e.g. juices and syrups).
 - 14) Planning for target groups means a method of determining the inclusion of commercial communications into broadcasting for which Media Club shall carry out the detailed planning and optimizing of Advertising Campaigns. In such a case, Media Club shall deliver the number of ordered GRPs or TRPs in the target group selected by the Customer from the target groups according to the Price List. If the option of planning for target groups is not listed in the Price List, it is not offered by Media Club.
 - 15) The distribution ratios on individual Media Club TV Channels means the distribution ratio of ordered GRPs / TRPs for individual television channels within Media Club TV Channels set out in the Media Club Price List.
 - 16) In these Commercial Terms, the terms commercial communication, advertisement, teleshopping, sponsoring and product placement have the same meanings as according to the definitions specified in Section 2 (1 and 2) of ARTB.
 - 17) Broadcasting Day means the period of time from 06:00 till 06:00.
 - 18) The Subject of Advertising shall mean the matter, which is to be promoted by the Commercial Communication; this shall typically include a brand or a product.
 - 19) Rating Research shall mean a research of rating determined by Association of Television Organizations (hereinafter referred to as “ATO”), unless Media Club determines a different supplier.

III. Prerequisites, Conditions and Process of Concluding Contracts on Broadcasting of Commercial Communications and Changes Thereto

- 1) By delivering an Order to Media Club, the Customer agrees with these Commercial Terms. Unless Media Club determines otherwise, the Customer shall generally send an order for the individual months of the calendar year in a standard Media Club order form, which is an annex to these Commercial Terms, unless the parties agree otherwise. Upon request, the Customer shall immediately deliver to Media Club a signed copy of the order.



- 2) A prerequisite of the existence of a contract on the broadcasting of a commercial communication in a Media Club TV Channel between Media Club and the Customer is that Media Club takes the following steps with regard to the Customer's Order:
 - a. Accept the Order without reservation. Acceptance of an Order shall be also considered the sending of a broadcasting schedule within an Order (hereinafter referred to as "Spotlist") in accordance with the requirements of the Customer specified in the Order, and in accordance with these Commercial Terms; in the given case, a contract shall be concluded at the moment the simple accept without reservation or the Spotlist is sent to the Customer; the Customer shall only be entitled to make changes to an accepted Order via a counterproposal delivered to Media Club. If Media Club does not accept the counterproposal, the contract shall not be concluded and/or an amendment to the contract shall not be agreed to; or
 - b. Process the Order and deliver to the Customer a counterproposal for concluding a contract, an annex to which shall be the Spotlist; a counterproposal for concluding a contract shall be effective for 72 hours from its delivery, and if it is not accepted by the Customer within this time period, its effect shall be terminated; in such a case the Contract shall be concluded at the moment of the acceptance of the Spotlist by the Customer; the Spotlist shall be accepted by the Customer upon the sending of an email message expressing consent with the Spotlist sent by Media Club; if any doubts arise, it shall be considered that the Customer accepts the Spotlist that was delivered to it via email to which it responds; if this rule cannot be used, then the last Spotlist that was delivered to the Customer in the response to the relevant Order by Media Club; delivery of the aforementioned Spotlist or Spotlist accepted with reservation shall be considered a counterproposal to concluding a contract and shall be regarded as a new Order;
- 3) A prerequisite for accepting an Order by the Customer for the broadcasting of commercial communications on Media Club TV Channels is that the Order specifies: a) the exact name (brand) of the product or service, or other product or other Subject of Advertisement, b) the duration of the Advertising Campaign, c) the length of the Spot, and d) the price per sold unit. If this is not an Advertising Campaign planned for target groups, the Order must also contain e) specification of the placement of the Spots, f) the number of ordered GRPs in Prime Time, g) the number of ordered GRPs in Off Prime Time h) the GRP ratio (in percentage) for placement in individual television channels within Media Club TV Channels; the GRP ratio ordered in Prime Time and Off Prime Time for each individual Media Club TV Channel must respect both the mutual GRP ratio referred to in the Order according to letters f) and g) above, and the natural division of GRPs/TRPs in the individual time parts on the TV Channels in question.
- 4) A prerequisite for accepting the Customer's Order shall also be a written communication of the identification data about the ordering party and processor pursuant to Act No. 40/1995 Coll., on Advertisement Regulation (hereinafter referred to as "AAR"), at least in the scope of the name, identification number and Registered Office. The Customer shall be responsible for the truthfulness, completeness and accuracy of such data.
- 5) The number of GRPs/TRPs and other data specified in an Order shall be binding for the Customer, and may only be changed upon an agreement with Media Club. The possibility to

accept an Order or Spotlist with an addendum or deviation pursuant to section 1740 (3) of CC is excluded.

- 6) If an Advertising Agency orders the broadcasting of a commercial communication, it shall also submit along with the Order a written authorization of the Client to the Advertising Agency to send such an Order.
- 7) Media Club reserves the right to not conclude a contract with the Customer on the broadcasting of a commercial communication for any reason, as well as the right to refuse the broadcasting of a commercial communication after concluding a contract, if, based on the consideration of Media Club or the Broadcaster, the spot does not meet the Technical Conditions (see paragraph 4.1), or if the broadcasting of a commercial communication could lead to the following with regard to its origin, content or form:
 - a. Violation of the law, in particular ARTB or AAR,
 - b. Breach of obligations set out by the license for broadcasting of the relevant Media Club TV Channel,
 - c. Potential sanctions against Media Club or the Broadcaster by third parties (e.g. owners of rights, tenderers, etc.) or public authorities,
 - d. Violation of the Code of Advertising of the Advertising Council or other self-regulatory regulations or ethical rules,
 - e. Breach of the legitimate interests of Media Club or the Broadcaster in relation to third parties.

In such a case Media Club shall ask the Customer to provide a modified or alternate spot that does not contradict the aforementioned conditions and is in accordance with these Commercial Terms and technical conditions for including the spot in the broadcasting determined by the relevant Broadcaster (hereinafter referred to as "Technical Conditions"). If the Customer fails to provide a modified or alternate spot before its scheduled date of Broadcasting, Media Club shall be entitled to automatically withdraw from the relevant contract with immediate effect. Regardless of whether or not Media Club withdraws from the contract, Media Club may in such a case request the payment of a contractual penalty in the amount of the agreed price for the relevant broadcasting of a commercial communication or agreed sponsorship contribution.

- 8) Media Club shall not be obliged to accept a Customer's order. In particular, Media Club reserves the right to not accept an Order that exceeds the limits for the number of GRPs / TRPs for individual target groups defined in the Price List. These limits are set out for one Customer and one calendar month and calendar week in the months of March, April, May, June, September, October, November and the period between 1 December and 18 December, unless otherwise stipulated in the Price List. The Customer acknowledges that it will increase its chances to have an Order accepted over the limits in the previous sentence if the Customer discusses the matter beforehand with the Director of Media Club.
- 9) Media Club shall not unreasonably refuse the Customer's request to decrease the total volume of an Advertising Campaign by less than 10% of the total price of the Advertising Campaign; this shall only apply to a single request of such nature relating to the relevant Advertising

Campaign. The total price for the Advertising Campaign for the specific Customer in relation to the specific Client arises from the relevant contract. When calculating the total price of the Advertising Campaign, surcharges, discounts or other modifications of the Price List prices or prices agreed to between the Contracting Parties shall also be taken into consideration.

- 10) If the Customer requests a decrease in the total volume of an Advertising Campaign by 10% or more of the total price of the Advertising Campaign calculated according to the previous paragraph, or if the Customer requests a decrease in the volume of an individual Advertising Campaign by less than 10% repeatedly, a prerequisite for concluding an agreement on such a decrease in the total volume of the Advertising Campaign shall be that the Customer pays Media Club lump sum damages in the amount determined in accordance with Article IV, paragraph 23) of these Commercial Terms. In order to avoid doubts, the Contracting Parties expressly agree that even in this case Media Club may refuse to conclude such an agreement on a decrease in the total volume of an Advertising Campaign without having to provide a reason. For Advertising Campaigns planned “for reality,” the estimates of Media Club shall be considered the data on the price of the Advertising Campaign. Arrangements under this paragraph shall also apply to sponsoring, whereas the price (amount of sponsorship contribution) shall be determined by Media Club in its offer of terms for sponsoring individual shows or channels.
- 11) The Customer shall conclude a contract on the broadcasting of a commercial communication on Media Club TV Channels in its own name and on its own behalf. If it is agreed in writing with the Director of Media Club, the Customer may conclude a contract in its own name and on the account of another.
- 12) Should an Advertising Campaign extend to more calendar months and the Customer does not expressly warn of it in the Order, the Order is for more Advertising Campaigns, related to each calendar month in question.
- 13) Media Club shall issue Special Commercial Terms and Conditions regulating issues relating to long-term volume obligations of the Customer.

IV. Rights and Obligations of the Parties

- 1) The Customer shall submit a spot for the broadcasting of Media Club TV Channels (see Article 2, paragraph whose content, form and design are in accordance with valid and effective legal regulations and licenses for the broadcasting of the relevant television channel (the text of licenses is publically available at www.rrtv.cz). A commercial communication submitted for broadcasting must also meet the Technical Conditions for Production of Commercial Spots, Sponsor Messages and Teleshopping Intended for Dispatch to FTV Prima Distribution Network and the Technical Conditions for advertising in the broadcast of TV Barrandov or similar documents of other Broadcasters, who are to broadcast the commercial communication (hereinafter jointly referred to as “Technical Conditions”). All costs and damage incurred by Media Club or the Broadcaster as a result of any breach of this provision shall be fully paid by the Customer, including the cases where the damage arises as a result of the fact that the

company Media Club or the Broadcaster were sanctioned by the regulator, regardless of whether Media Club or the Broadcaster exercised its right not to broadcast the commercial communication or withdraw from the contract for the reason that it does not comply with the law.

- 2) Media Club may change the Technical Conditions, in particular according to real technical requirements for the production of commercial communications. At least 30 days before they come into effect, Media Club shall inform the Customer of changes to the Technical Conditions by e-mail containing an internet link to the new Technical Conditions. A change to the Technical Conditions that leads to an increase in the costs of producing a commercial communication by more than 20% (hereinafter referred to as “Minor Adjustment to the Technical Conditions”) shall not constitute a unilateral change to the Commercial Terms pursuant to section 1752 of CC. In the event of changes to the Technical Conditions beyond the scope of a Minor Adjustment to the Technical Conditions, the Contracting Parties shall agree on the adjustment to the Technical Conditions. If they do not reach an agreement within 14 (fourteen) days from delivery of a notice of such a change to the Technical Conditions, the Customer shall be entitled to terminate the Commercial Contract within a further 14 (fourteen) days following the expiration of the deadline for concluding an agreement. The notice period is 30 (thirty) days and shall begin to run in the month following the month in which the notice is delivered.
- 3) The Customer shall be fully responsible for the content of the commercial communications, including sponsor messages, and undertakes to absolve Media Club and/or the Broadcaster of all claims of any nature exercised by third parties toward Media Club or the operator of a Media Club TV Channel. This means, including but without limitation to, all claims arising from competition law, rights to protection against unfair competition, general personality rights, copyrights and rights related to copyrights, industrial rights and designation rights, unless stated otherwise hereinafter. The Customer undertakes to reimburse the Broadcaster or Media Club for all costs incurred by them in connection with the exercising of such claims by third parties.
- 4) Upon concluding a contract on broadcasting advertisements and teleshopping, or sponsoring, the Customer declares and guarantees that it duly obtained authorization from all owners of copyrights, rights related to copyrights or other rights to intangible assets or personality rights, to include the relevant subjects of protection in the Spot (synchronization rights), as well as authorization for their use by Television Broadcasting on Media Club TV Channels, and that it has paid remuneration to the owners of these rights for these authorizations in the full amount that they are entitled to. Upon request, the Customer shall be obliged to immediately provide to Media Club copies of relevant contracts on providing usage authorizations and proof of payment of remuneration.
- 5) The declarations and guarantees under Paragraph 4) do not apply to television broadcasting of musical works with or without lyrics whose authors, in terms of the relevant television broadcasting, are represented by the collective administrator, Ochranný svaz autorský pro práva k dílům hudebním (Protective Copyright Association for Rights to Musical Works; hereinafter referred to as “OSA”). Permission for television broadcasting of works by authors represented by OSA shall be obtained on the basis of the relevant collective agreement concluded with OSA

by a Broadcaster that shall also pay, via OSA, the appropriate royalties for the television broadcasting of these works on the given TV channel. In order to exclude doubts, it is expressly stated that if this regards permission to include in a Spot works by authors represented by OSA and the authors of previously protected works not represented by OSA (synchronization rights), paragraph 4) shall apply; the Customer shall therefore be obliged to obtain such permission directly from such authors and pay them royalties for such use that they are entitled to. If for such use the author is represented by OSA, the Customer shall do so through OSA. Paragraph 4) shall also apply to permission for television broadcasting of musical works if this means authors of music with or without lyrics not represented by OSA; the Customer shall be obliged to obtain such permission directly from such authors and pay them royalties for such use that they are entitled to.

- 6) In order to exclude doubts, it is expressly stated that the provisions of paragraph 4) shall also apply to audio or audio-visual recordings and the artistic performances that are recorded on them, unless there is the compulsory collective administration and a legal obligation of the Broadcaster. Thus, in the event that any audio or audio-visual recording is used in a Spot, the Customer declares and guarantees that it has obtained from the producers and performers whose artistic performances are recorded on such recording a permission to include these recordings and performances in the Spot (synchronization rights), and for their use during the television broadcasting of a Spot, and has paid the appropriate remuneration for permission to use them in television broadcasting. If a Spot uses a sound recording published for commercial purposes, or a musical audio-visual recording, the Customer shall be obliged to obtain permission for its inclusion in a Spot (synchronization rights) directly from the producer of such a recording, and to pay to the producer remuneration for such use. The Customer shall be obliged to obtain from INTERGRAM the permission to include artistic performances recorded on a sound recording published for commercial purposes, or for a musical audio-visual recording in a Spot, and, through INTERGRAM, the Customer shall also be obliged to pay remuneration for such use; the Customer agrees to submit a copy of the relevant reports for INTERGRAM upon the request of Media Club.
- 7) A Music Set must be submitted to the relevant Broadcaster in the form required by collective administrators. According to the requirements of collective administrators, the Music Set must contain at least the composition title, composer's and/or lyricist's names, identification of the interpret, identification of the publisher and year of publishing, and the exact runtime of the music used in the spot and the manner of use.
- 8) If the Customer does not submit to Media Club on time a properly filled-in Music Set or documents pursuant to paragraph 7), Media Club shall be entitled not to include the spot in broadcasting. If this occurs, the Customer shall be obliged pay a contractual penalty in the amount of the agreed price for broadcasting a spot, or in the amount of the agreed sponsorship contribution during sponsoring if the spot is sponsored.
- 9) For each commenced day of delay in providing a duly prepared Music Set or other documents pursuant to paragraphs 7) or 8) above, if the Spot is included in the broadcasting, Media Club shall be entitled to invoice the Customer a contractual penalty in the amount of CZK 1,000.00, and the Customer undertakes to pay it.

- 10) The Customer acknowledges that damages may include contractual penalties or damages invoiced by collective administrators to the relevant Broadcaster in relation to late submission of musical sets or failure to submit them, or reports or their incompleteness, and that such collective administrators shall also request the payment of such contractual penalties retroactively. The Customer declares that it been informed of the deadlines for submitting Music Sets and reports and of the structure and amounts of the contractual penalties proposed by collective administrators, and acknowledges that these data may also be subject to change retroactively. Media Club shall be obliged to inform the Customer about current changes relating to such data within 15 days after Media Club learns of them.
- 11) All duly prepared Broadcasting Materials must be submitted by the Customer to Media Club, or, if Media Club decides so, directly to the relevant Broadcaster, at the expense and risk of the Customer, 5 business days before the beginning of the first broadcasting of a spot at the latest.
- 12) If the Customer does not submit a Schedule by the agreed deadline, Media Club or the Broadcaster shall be entitled to select for the broadcasting of a commercial communication any Spot Recording on their own, and such a selection on their part shall not constitute a breach of the contract and shall not affect the agreed price.
- 13) For each commenced day of delay in submitting a Spot Recording with the aforementioned properties, Media Club shall be entitled to invoice the Customer a contractual penalty in the amount of 5,000 CZK. In the event of the failure to adhere to the terms relating to the aforementioned properties of a Medium that prevents the inclusion of a commercial communication in broadcasting, the Customer shall be obliged, in addition to the contractual penalty pursuant to the previous sentence, to pay to Media Club an additional contractual penalty in the amount of the agreed price for broadcasting commercial communication or the amount of sponsorship contribution if the spot is sponsored, and the Customer undertakes to pay such contractual penalties.
- 14) If the Customer fails to adhere to the agreed footage of the commercial communication or sponsor message, Media Club or the relevant Broadcaster shall be entitled not to include the commercial communication or sponsor message in the broadcasting of the relevant Media Club TV Channel; however, the Customer shall be obliged to pay a contractual penalty in the amount of the agreed price of the broadcasting of a commercial communication or sponsorship contribution amount if the spot is sponsored.
- 15) Media Club is entitled to archive the Spot Recordings for internal purposes for an unlimited period of time.
- 16) The Broadcaster may make programme changes according to its needs. Should the commercial communication, pursuant to an existing contract, be closely bound to an individual programme (i.e. to be broadcast immediately before or after such a programme, or included in such a programme), Media Club shall inform the Customer of such changes in beforehand; as such informing by Media Club is considered also publishing by the Broadcaster on its web pages www.iprima.cz or other web pages, which Media Club inform the Customer of. In the event of

programme changes, Media Club shall be entitled to change the placement of the commercial communication according to its consideration.

- 17) Media Club sells and the Customer undertakes to order, unless agreed otherwise in the relevant commercial contract on the broadcasting of commercial communications on Media Club TV Channels, GRPs / TRPs in accordance with the Distribution Ratio for individual TV Channels set out in the Price List; if the scope of an individual order is less than 10 GRPs / TRPs, Media Club shall be entitled to carry out such a campaign as an Advertising Campaign “for reality.” Such limitation applies also to Advertising Campaigns extending to two calendar months, however, in case an Advertising Campaign is commenced by the end of one calendar month, and immediately continues from the first day of the following calendar months and its whole duration is at least seven Broadcasting Days, the limitation pursuant to the previous sentence shall not be applied. Should an Advertising Campaign extend to more calendar months and the Customer does not expressly warn of it in the Order, it is an Order of more Advertising Campaigns related to each calendar months in question; therefore, it can be the case that the individual Advertising Campaigns related to the calendar months in question will be possible to be ordered only “for reality” pursuant to the second sentence of this section.
- 18) If a Commercial Contract contains express arrangements on deviations from the Distribution Ratio for individual TV Channels, and this leads to the determination of or change to the Distribution Ratio for individual Media Club TV Channels in a manner and under the terms set out in the Price List, the agreed deviation shall apply to the new Distribution Ratios for individual TV Channels. (Model example: The Customer has concluded a commercial contract with Media Club in which there is a stipulated ratio deviation of Prima + 6% in relation to the ratio in the Price List, a deviation of Prima COOL – 2%, Prima love – 2%, Prima ZOOM + 0%, Prima MAX – 0%, Barrandov group – 0%, other channels represented by Media Club without Barrandov group – 2% in relation to the ratio in the Price List. During the period from 01/01/2021, and for the target group Adults 15–69, the Distribution Ratio for individual TV Channels has been set out for the bundle Total as follows: Prima 35 %, Prima COOL 10 %, Prima love 4.5 %, Prima ZOOM 5 %, Prima MAX 8.5 %, Prima Krimi 8 %, CNN Prima News 1 %, Barrandov group 15 % and other channels represented by Media Club without Barrandov group 13 %. Therefore, the Customer ordered, for the period from 01/01/2021, GPRs in the ratio as follows: Prima 41 %, Prima COOL 8 %, Prima love 2.5%, Prima ZOOM 5 %, Prima MAX 8.5 %, Prima Krimi 8 %, CNN Prima News 1 %. Barrandov group 15 % and other channels represented by Media Club, without Barrandov group 11 %.)
- 19) Unless specified otherwise in the relevant contract on broadcasting of commercial communications in Media Club TV Channels, and/or if the Advertising Campaign is not planned for a target group, the Customer renders, within individual Advertising Campaigns, 20% of the total volume of GRPs/TRPs for placement by Media Club. Placement of such spots shall be exclusively subject to the possibilities of Media Club or the Broadcaster. Media Club shall endeavour to provide such placement that complies with the overall nature of the relevant Advertising Campaign, and will as much as possible respect the Prime time / Off Prime time division pursuant to the Order and also the distribution to individual TV Channels. A different placement of such Advertising Spots than according to the previous sentence is, however, not considered to be a breach of contract by Media Club. If any of such Spots are rendered to

placement by Media Club and subsequently in fact rendered by Media Club to placement by Customer, their legal mode according to this paragraph shall be not affected thereby.

- 20) Media Club may not invoice GRPs/TRPs broadcasted beyond the total price according to an Order to the Customer if it would lead to broadcasting GRPs/TRPs beyond the order due to a default on part of Media Club or the Broadcaster. Broadcasting GRPs/TRPs beyond an order shall not be considered to be a breach of a contract between Media Club and the Customer. Media Club shall be entitled to payment of the GRP/TRP price beyond the total price according to an Order if the price given by the number of GRP/TRP exceeds the price according to the order by 5% or more, and if such exceeding of the total price occurs for Advertising Spots planned by the Customer or in cases wherein, according to measurements, higher ratings are achieved, compared to the expectation at the time of the Order.
- 21) Should bonus GRPs/TRPs (over delivery of GRPs/TRPs) be a part of an Order or contract, Media Club proceeds as to their placement and delivery the same way as in the case of Spots rendered to placement by Media Club. A possible non-delivery of bonus GRPs/TRPs on part of Media Club does not constitute a breach of the contract and does not have any impact on the price of the Advertising campaign.
- 22) Media Club is entitled to deliver GRP/TRP in the value of 20% of the total price according to an Order or a Contract in other broadcasting time (Prima time / Off Prime time), than included in an Order / Contract; such differently broadcasted Spots shall be charged in prices according to the actually delivered broadcasting times of Prime time / Off Prime time up to the total amount of the price according to an Order or Contract. If a contract or Order of an advertisement includes a percentage expression of the ratio of the GRPs/TRPs ordered for the individual Media Club TV Channels, Media Club shall be entitled to provide GRPs / TRPs at the maximum value of 20% of the total price specified in an Order or Contract for the relevant Advertising Campaign on a different Media Club TV Channel than that which is included in an Order or Contract. If the Customer expressly requests so, Media Club shall be entitled to increase, for the specific Advertising Campaign, the percentage data according to this paragraph up to the amount requested by the Customer.
- 23) If the Customer does not meet the agreed obligation to in fact purchase broadcasting of commercial communications in certain volume (expressed in the total price) for a certain period, the Customer undertakes, within 15 days of the date of the expiration of the period in which the commercial communication was to be broadcast, to pay a contractual penalty in the amount of 100% of the financial difference between the price of the agreed volume level (expressed in the total price), purchase of which it was obliged to, and the price of the commercial communication for which the relevant purchase was carried out, at the price level not including VAT.
- 24) If the Customer does not fulfil the guarantees expressly specified in the Commercial Contract, Media Club may additionally invoice the Customer the amount according to the Commercial Contract corresponding to a discount or another benefit provided to the Customer on the basis of the relevant partial guarantee, to which the Customer did not become entitled due to its failure to adhere to the relevant partial guarantee.

- 25) The Advertising Campaign shall include e-GRP in the maximum extent of 3 % of the agreed volume of the given Advertising Campaign. In this maximum extent, the performance of the Customer provided in framework of audio-visual media services on demand (regardless of technical platform or placement at a particular programme) shall be considered to be the performance provided in framework of television broadcasting. Orders of such performance, considered to be performance in framework of television broadcasting, shall not be included in the performance of volume obligations of the Customer relating to other media types than television broadcasting. Provision of such performance above the hereinabove mentioned maximum extent may nonetheless be charged by Media Club to the Customer as performance ordered in other media types.

V. Broadcasting Conditions and Price Terms; Content of Contracts

- 1) Media Club sets the prices for the purchase of commercial communications as CPP (cost per point) for individual Clients, and then in accordance with this, it sells Advertising Campaigns in relation to performance in the target group Adults 15–69, or in relation to performance in other target groups (e.g. women 25–54). Based on its decision, Media Club may sell Advertising Campaigns and determine the relevant price by another method, e.g. price for broadcasting 1 spot.
- 2) Unless the Parties agree on a different price in writing, the price set out in the Price List shall apply.
- 3) The Customer shall pay the price according to the number of actually achieved units. A surcharge on the price of the agreed spot shall be invoiced for the requested position of the spot in the advertising slot. The amount of the surcharge shall be determined in the Price List
- 4) A surcharge in the amount according to the Price List shall be invoiced for the broadcasting of an alliance spot. The length of the presentation of another Client or brand in the alliance spot may not exceed 20 % of the length of the relevant commercial communication.
- 5) Other potential discounts or surcharges are included in the Price List.
- 6) The following special conditions shall apply to the broadcasting of commercial communications planned for target groups:
 - a. Media Club determines the prices of CPP for target groups; this price shall only be applied for determining the price of Advertising Campaigns planned for the relevant target groups.
 - b. An Order must contain especially the number of TRPs in the relevant period (a calendar month at the most), the target group, the price per unit and the duration of the Advertising Campaign.
 - c. For commercial communications planned for target groups, it is not possible to order a Spot position within an advertising slot.

- d. Media Club shall exert maximum effort to ensure that the ratio between delivered GRPs / TRPs in Prime Time and Off Prime Time corresponds to the natural ratio of delivering GRPs / TRPs in Prime Time and Off Prime Time in a given target group on Media Club TV Channels, and that the ratio between GRPs / TRPs delivered on individual television channels corresponds to the average ratio of delivering GRPs / TRPs on individual Media Club TV Channels.

Commercial communications planned for target groups can be ordered concurrently with other commercial communications. However, within one calendar month for one product or brand, it is not possible to combine Advertising Campaigns planned for a target group and standard Advertising Campaigns planned by the Customer.

- 7) In order to calculate the prices of the performance actually provided by the Broadcasters, official data from Ratings Research provided shall be used unless Media Club appoints a different research provider. If for any reason the official data from the Ratings Research is not available, such data shall be replaced by estimates of rating points for the relevant advertising slots drawn up by the Broadcaster, which in such a case shall be available at the Registered Office of Media Club, or with the relevant Broadcasters. From the date announced by Media Club on its website, the rating of a slot in the defined target group shall be charged for the days of the campaign broadcast, in compliance with the definition of official viewer ratings by ATO rounded off to three decimal places. The rating of each slot shall also include its so called "live viewer rating", as well as the „postponed viewer ratings“, during the same Broadcasting Day (TS0 i.e. VOSDAL – Viewed On the Same Day As Live) and during three subsequent Broadcasting Days (TS3). As regards audio-visual media services on demand, considered to be television broadcasting according to these Commercial Terms, the rating shall include the entire period of the Advertising Campaign. Number of advertising impressions in framework of such audio-visual media services on demand in the target group of Adults 15-54 shall be determined as a multiple of the number of advertising impressions in the target group of D 4+ according to measuring of the given advertising system and the coefficient for recalculation to the target group of Adults 15-54 (Recalculation Coefficient), which has the value of 0.74 (Example: there are 100 advertising impressions in framework of the target group D 4+, then the rating in framework of the target group D 4+ will be 100×0.74 , i. e. 74). Media Club is entitled to change the Recalculation Coefficient upon its own discretion. A change of the Recalculation Coefficient shall be announced by Media Club to the Customer at least 30 days before it becomes effective in form of an e-mail message including Internet link to a new value of the Recalculation Coefficient at the website of Media Club. A change of the Recalculation Coefficient by 20 % or less (hereinafter only as a "Minor Change of the Recalculation Coefficient") shall not be an unilateral change of the Commercial Terms in sense of § 1752 of CC. In case of change of the Recalculation Coefficient exceeding the extent of the Minor Change of the Recalculation Coefficient, the Contracting Parties shall agree on adjustment of the Recalculation Coefficient; in case no agreement is reached within 14 (fourteen) days as of such an update of the Recalculation Coefficient at the website of Media Club, the Customer is entitled to terminate the Commercial Contract within the term of further 14 (fourteen) days subsequent after lapse of the period for conclusion of the agreement. The termination period shall be 30 (thirty) days and it shall commence to run in the month following after the month, when the termination notice was delivered. The Customer is entitled to verify correctness of measuring of advertising impressions by own measuring codes. For purposes of consideration



of progress and result of the campaign in framework of the audio-visual media service on demand, considered to be the television broadcasting according to these Commercial Terms, the statistics of Media Club shall be decisive; as regards other issues, the General Commercial Terms and Conditions for Contracts on Internet Advertising shall apply to investigation of progress of such a campaign and complaints.

- 8) If the relevant contracts on broadcasting of commercial communications specify the number of GRP without specifications of placement in specific advertising slots, or if an Advertising Campaign is planned for target groups, Media Club shall ensure, via Broadcasters, the broadcasting of a spot until the ratings for the spots achieve at least the number of units for which the contract was concluded. However, a spot shall not be broadcast for longer than the agreed period of the Advertising Campaign pursuant to the contract. If the number of achieved units does not reach the mutually confirmed number pursuant to the contract, the Customer shall only pay for the number of units achieved.
- 9) Unless stipulated otherwise in these Commercial Terms, In the event of dispute, these Commercial Terms shall take precedence over the Price List. Media Club is entitled to change the Price List in Articles 1 to 5 of the Price List. Changes to the Price List shall be announced in advance at least 30 days before coming into effect by an email message that contains the new Price List, or the internet link to the new Price List. If such a change to the Price List is caused by the termination of the representation of some of the Media Club TV Channels, the period for announcing such changes may be less than 30 days before coming into effect. Changes to the Price List shall not constitute a unilateral change to the Commercial Terms pursuant to section 1752 of CC, if its individual items change in both directions within the scope of the maximum of 20 % (e.g. from a value of 10 to a value of 8 or 12, or from a value of 1% to a value of 1.2% or 0.8%; hereinafter referred to as "Price Adjustment"). In the event of changes to the Price List beyond the Price Adjustment, the Contracting Parties shall agree on the change to the Price List; if an agreement is not reached within 14 (fourteen) days of the delivery of a notice of such a change, the Customer may terminate the Commercial Contract within a further 14 (fourteen) days following the expiration of the deadline for concluding an agreement. The notice period is 30 (thirty) days and shall begin to run in the month following the month in which the notice was delivered.
- 10) Confirmed terms according to an order relating to the specifications of the placement of spots shall be respected to the maximum possible extent that can reasonably be required in view of potential programme changes.
- 11) Prices do not include VAT. VAT in the statutory amount shall be added to the invoiced amounts.
- 12) A condition for the establishment of a right to the discount agreed to in a Commercial or another contract shall be that the effect of the Commercial Contract or other contract was not terminated before the expiration of the originally agreed period of effect.
- 13) Section 1933 (1) of CC shall not apply to the legal relationships regulated by these Commercial Terms. If the Customer is indebted to Media Club for the fulfilment of the same type from

several obligations, and the Customer does not specify in its fulfilment to which obligation the fulfilment applies, the fulfilment shall first be offset against the liability that is least secured. In the event of the same level of securing of several liabilities, the fulfilment shall first be offset against the liability that is due first.

- 14) Section 1952 (2) of CC, shall not apply to the legal relationships regulated by these Commercial Terms.

VI. Payment Terms

- 1) Invoices shall be issued within 14 days of the date of the taxable event. Unless the contract stipulates otherwise, a payment arising from them shall be due within 30 days of the date of the relevant taxable event. The payment date means the date of the crediting of the funds to the bank account of Media Club. An integral annex to the invoice is a description and schedule of the carried-out fulfilment. If the Customer does not pay the price by the due date, Media Club shall be entitled to invoice, in addition to the invoiced amounts, a contractual penalty for each day of delay in the amount of 0.1% of the owed amount, and the Customer undertakes to pay it.
- 2) Media Club may request the payment of the price before the first broadcasting of a commercial communication. The Customer acknowledges that Media Club requires the payment of the price before the first broadcasting, in particular for Customers who are ordering the broadcasting of a commercial communication with Media Club for the first time
- 3) Direct payments from abroad shall be paid in freely convertible currency converted according to the official exchange rate of the Czech National Bank on the invoice date. Bank fees arising from the transfer of agreed payments from abroad shall be paid solely by the Customer and shall be charged to the Customer.
- 4) The Customer shall lodge a potential complaint regarding the proper broadcasting of a commercial communication within one month from the delivery of the invoice for the relevant Advertising Campaign, and to specify the claimed defects of the fulfilment; otherwise, the claim for fulfilment defects shall expire. If no record of the relevant part of the broadcasting is available, evidence of the broadcasting shall be considered a specification in the confirmed daily broadcasting plan of the Broadcaster. In the event of a justified claim, the Customer's claim shall be preferentially resolved by the provision of substitute performance.

VII. Special Provisions for Sponsoring

A prerequisite for accepting an order of the Customer relating to sponsoring is that the order includes specifications of the Media Club TV Channel, specification of the exact name and surname of the individual, or name of the legal entity that is the sponsor, and, if Media Club requests so, a graphic symbol (logo) or trademarks of the sponsor or its services, products or other performances or of another object, which is to be promoted within the sponsoring. A prerequisite for accepting an order shall also be the specification of additional data mandatorily



required by law; as of the effective date of these Commercial Terms, such data is the main line of business of the sponsor of the channel.

VIII. Special Provisions for Product Placement

- 1) Product placement in a show broadcast on a Media Club TV Channel shall only be possible on the basis of concluding a written contract.
- 2) The Customer acknowledges that pursuant to the provisions of section 53a (2a) of ARTB the content and the inclusion period in broadcasting of shows with product placement must not be influenced so as to affect the editorial responsibility and independence of the operator of the television broadcasting, and, therefore, that the final decision on the deployment of a show and form of product placement shall be up to the Broadcaster. The Customer acknowledges that the Broadcaster may change its decision regarding the deployment and form of product placement, and that such a change shall not affect the conditions agreed to in the contract on product placement. Media Club shall inform the Customer about such a change by e-mail. The Broadcaster shall be entitled not to broadcast a show, and in such a case Media Club shall not be entitled to the agreed remuneration. For these purposes, not broadcasting a show means that the show is not broadcast within the period of 6 months of the date of planned deployment set out by the Broadcaster
- 3) Upon the Customer's written request, Media Club may arrange for the Customer to watch a recording of the programme at a time set by the Broadcaster and in the Broadcaster's premises, or may send the Customer the recording of the programme.
- 4) The Customer may refuse in writing the form of product placement in the show – within 3 hours after the projection time determined by the Broadcaster or within three hours after the premiere broadcast if the projection is not enabled or the recording is not delivered – if the form of the product placement contradicts the written contract. If the Customer does not do so within the period specified in the previous sentence, it shall be assumed that the Customer agrees with the form of product placement. The Customer shall pay or reimburse to the relevant Broadcaster for the costs it incurs in relation to its potential responsibility arising from the legal regulations regarding television broadcasting or advertising. If the Customer legitimately rejects the form of product placement in the show, the Broadcaster shall be entitled to broadcast the show, but the Customer shall be under no obligation according to the preceding sentence, or be obliged to pay Media Club the agreed price of product placement.
- 5) The Customer acknowledges that all rights and obligations of a provider of television broadcasting and provider of audio-visual media services upon request pursuant to the legal regulations governing these areas apply to the show and notification of product placement.
- 6) The Customer declares and guarantees that in relation to what is to be incorporated within the product placement in the show (i.e. in particular the product or trademark and their form of presentation), the Customer has acquired and settled all permissions (in particular personality rights, copyrights and rights relating to copyright and rights to any intellectual property)

necessary for the Broadcaster, or a third party that derives its rights from the Broadcaster, to be able to use the show without material, time-based, territorial, quantitative or any other restrictions (“free hand”). The Customer shall assign all such permissions to the relevant Media Club channel, including permission for further assignment or provision of such permission to the relevant Broadcaster.

- 7) The product intended for placement and all other documents relating thereto shall be submitted by the Customer to the place of recording sufficiently in advance, and at the Customer’s own cost. If it is agreed that Media Club shall be obliged to return a product or documents to the Customer, the Customer shall be obliged to take them back at the place of recording and at a time according to the dispositions of Media Club, or of a person designated by Media Club. Media Club shall be responsible for returning products and documents in the condition in which it received them, taking into consideration normal wear and the wear arising from the agreed method of use.

IX. Common and Final Provisions

- 1) Media Club may terminate the broadcasting of a commercial communication and terminate a contract with immediate effect upon the delivery of a notice, if
 - a. The Customer was obliged to pay the price in advance and does not prove the payment of the price at least 3 business days before the date when the broadcasting of the commercial communication was to be begun,
 - b. The Customer is in delay with the fulfilment of obligations for monetary fulfilment for longer than 9 days,
 - c. The Customer substantially breaches the contract,
 - d. The Customer has failed to correct a minor breach of the contract by the deadline set out by Media Club, despite being asked to do so by Media Club.
- 2) The legal provisions on the possibility to withdraw from the contract shall remain unaffected by the previous provision. In the event of premature termination or cancellation of the contract in a manner arising from the previous paragraph or this paragraph, the Customer shall pay to Media Club the price of the provided fulfilment, as well as a contractual penalty in the amount of the remaining part of the price of the agreed fulfilment.
- 3) The Customer shall be entitled to withdraw from a concluded contract on the broadcasting of a commercial communication before the commencement of fulfilment; however, before doing so the Customer shall pay Media Club compensation in the amount of the total price according to the relevant contract on the broadcasting of a commercial communication. Such a withdrawal from the contract must be in writing.
- 4) The obligations of Media Club toward the Customer arising from a contract on the broadcasting of a commercial communication on Media Club TV Channels means only the obligations expressly contractually established. In the event of a dispute about the existence of other obligations, it shall be considered that no other obligations exist for Media Club except those that are specified in the contract. Pursuant to section 1757 (2) of CC, Media Club shall be

entitled to confirm the content of the contract. Confirmation of the content of the contract by the Customer has no legal effect pursuant to section 1757 (2) of CC.

- 5) Unless specified otherwise in the contract or these Commercial Terms, the arrangements on a contractual penalty shall not affect the right to damages (including lost profit) in the full amount. Damages shall also be considered to be additional costs associated with the withdrawal of a commercial communication in the event of the premature termination or cancellation of the contract.
- 6) Media Club shall be liable to the Customer for potential damage that it causes. Unless otherwise agreed, Media Club shall be liable to the Customer for damage only up to the amount of the price for a commercial communication that was not broadcast and was paid for by the Customer.
- 7) Media Club shall not be responsible for a breach or delay in the fulfilment of obligations pursuant to the contract on the broadcasting of a commercial communication on Media Club TV Channels caused by events beyond its control or the control of the Broadcaster, e.g. insurrection, civil disorder, war or military operations, a state of emergency, extraordinary measures of state power, any acts or omissions on the part of the government or any other state authority or public authority, unfavourable weather conditions, failures of communication services, technical broadcasting failures that it did not cause, failures or lack of electricity, the need to comply with legal regulations or licensing terms (providing of broadcasting time by state authorities, providing information to the public), disputes between employees and employers or other events beyond the control of Media Club or the Broadcaster.
- 8) By concluding a contract on broadcasting commercial communications, each Contracting Party confirms that it has read these Commercial Terms, is familiar with them and agrees with them, and that it will comply with them. These Commercial Terms include the Technical Conditions and the Price List. The Contracting Parties agree that the provisions of sections 1799–1800 of CC shall not apply to the contractual relationships regulated by these Commercial Terms.
- 9) Unless specified otherwise in the contract on the broadcasting of a commercial communication, for technical reasons these Commercial Terms shall not be attached to the contract as an annex, but they are an integral part thereof.
- 10) Unless specified otherwise in these Commercial Terms, the contract on the broadcasting of a commercial communication on Media Club TV Channels may only be amended and supplemented via a written agreement.
- 11) Handwriting, crossing out or other amendments to the text of the Commercial Contract or contract (including all parts thereof, such as the Commercial Terms, Price List, etc.) may only be made under the condition of their written acceptance by both Parties, along with a specification of the date when the amendment was made and must contain the valid signatures of the representatives of both Contracting Parties for such an amendment. Other amendments to the text shall be disregarded.

- 12) Notifications of Media Club addressed to the Customer must at least be in the form of an email message, unless stipulated otherwise by the contract or these Commercial Terms.
- 13) The invalidity of an individual arrangement of the contract on the broadcasting of a commercial communication shall not establish the invalidity of the contract as a whole. The Contracting Parties undertake to replace any potentially invalid arrangements with valid arrangements that correspond as best as possible to the content and purpose of the original arrangement.
- 14) These Commercial Terms have been written in the Czech language.
- 15) All commercial offers of Media Club and information related thereto are considered to be trade secret of Media Club. The Customer is not entitled to submit the information to a third person without consent of Media Club. If such consent is granted by Media Club, the Customer is not entitled to submit or make available the information to the third party earlier, than it documents to Media Club, that it obliged the third person with confidentiality at least in the same extent and under the same amount of contractual penalty. For each case of breach of an obligation pursuant to this paragraph, the Customer is obliged to pay, upon a call by Media Club, a contractual penalty in amount of CZK 250.000,-.
- 16) All relationships that are not regulated by these terms shall be governed by the Civil Code and by other legal regulations of the Czech Republic, excluding conflict of law rules of private international law. If an international element is present, the Contracting Parties agree, with regard to disputes arising from contracts on the broadcasting of commercial communications, or in relation to these contracts, including disputes about their validity or consequences of invalidity, on the exclusive jurisdiction of the courts of the Czech Republic. The local relevant court shall be the court in district of which Media Club has its registered office.
- 17) These Commercial Terms shall become effective on the date they are signed and shall apply to the commercial communications that are to be broadcast beginning on 01/01/2021.

Prague, on 02/12/2020

MEDIA CLUB, s. r. o.
Ing. Marek Singer, Company Executive

MEDIA CLUB, s. r. o.
Ing. Petr Babulík, Company Executive



2. General Commercial Terms and Conditions for Contracts on Internet Advertising

I. Subject of Regulation, General Provisions

- 1) The General Commercial Terms and Conditions for Contracts on Internet Advertising and in HbbTV Applications (hereinafter only as the “General Commercial Terms and Conditions”) are the commercial terms and conditions in sense of the provision of § 1751 of Act No. 89/2012 Coll., the Civil Code (hereinafter only as “CC”). Unless it is agreed otherwise in a contract, the General Commercial Terms and Conditions are not attached, due to technical reasons, to a particular contract as its appendix, nonetheless, they are its integral part.
- 2) The company MEDIA CLUB, s. r. o., with its registered seat at Vinohradská 3217/167, Strašnice, 100 00 Prague 10, Identification Number: 29413982, Tax Identification Number: CZ 29413982, registered in the Commercial Register at Municipal Court in Prague, section C, insert 204565 (hereinafter only as the “Supplier”) is, on basis of the concluded agreements, entitled to provide the interested parties with space for dissemination of commercial communications (hereinafter only as the “Advertising Space”), which is located within the worldwide net of Internet at the Internet servers specified in Appendix No. 1 of the General Commercial Terms and Conditions (hereinafter only as the “Servers”) and HbbTV applications included in Appendix No. 2 of the General Commercial Terms and Conditions (hereinafter only as “HbbTV”).
- 3) The Agency shall mean an entity (a natural or a legal person), whose subject of business is advertising activity or intermediation of advertising and who proves their entitlement to conclusion of contracts on ensuring of dissemination of commercial communication (“Advertising”) from the given Client. The Client shall mean the entity, who initialized conclusion of such a contract and who determines, what is to be promoted (the Subject of Advertising”). The Customer shall mean the Client or the Agency, who is interested in use of the Advertising Space at Servers and HbbTV.

II. Prerequisites, Conditions and Process of Contracts Conclusion

- 1) The Advertising Space at Servers and in HbbTV may be booked on basis of a written or e-mail booking, provided that the notification of the interested party on booking of the Advertising Space shall include the following details:
 - a) Name of the campaign,
 - b) In cases, when the Client is not the Customer, then also identification of the Client by name and identification number,
 - c) Terms of the campaign,
 - d) Chosen products of the offer of the Supplier and their position,
 - e) The amount of the price (calculated according to the price list of the Supplier), and



- f) Eventual amount of the discount from the price, if the right to discount occurs on basis of already concluded framework or other contract with the Supplier.
- 2) Booking of the advertising space serves as a planning tool of the Supplier. The details in the notification on booking shall correspond to the actual offer of the Supplier. The Supplier, if it agrees with booking of the Advertising Space, shall confirm the booking, usually within 3 business days as of delivery of the notification on booking. Booking of the Advertising Space at Servers shall expire after lapse of 15 business days, but always 10 business days, at the latest, before the planned commencement of the campaign. Booking of the Advertising Space in HbbTV expires after 15 business days, but always 15 business days before the planned commencement of the campaign.
- 3) The Advertising Space at Servers and HbbTV shall be ordered by a written or e-mail order, which shall include the following details and the following supporting materials shall be attached thereto:
- a) Identification details of the Customer: denomination (legal person) or name (natural person), seat (legal person or natural person who is an entrepreneur), residence (natural person, who is not entrepreneur), Identification Number (if assigned), Tax Identification Number (if assigned), birth number (natural person, who is not entrepreneur)
 - b) Mailing and invoicing address (if different from the seat or the residence)
 - c) Details of the contact person on part of the Customer – phone number, fax number, email address
 - d) Identification details of the Client: denomination or name or Identification Number or birth number and the residence in case of natural persons, who are not entrepreneurs
 - e) Identification details of the processor of the advertising in sense of § 1 para 6 of Act No. 40/1995 Coll., on Advertisement Regulation (hereinafter only as the “AAR”): denomination or name and Identification or birth number and the residence in case of natural persons, who are not entrepreneurs
 - f) Specification of the required performance of the Supplier: Name of the campaign, the product chosen by the Customer from the offer of the Supplier, Position, Volume, Terms of the campaign or its part
 - g) Complete supporting materials necessary for the product chosen by the Customer
 - h) The amount of the price
 - i) The information, whether the legal relationship of the Customer and the Supplier is governed by the General Commercial Terms and Conditions and the Technical Conditions of the Supplier.
- 4) The products from the offer of the Supplier do not represent a proposal to conclusion of a contract in sense of the provision of § 1732 of CC. Acceptance of an offer with a supplement or a variation, which do not substantially change the terms of the offer, do not mean acceptance of the offer in sense of the provision of § 1740 para 2 and 3 of CC.
- 5) The order is usually processed by filling of a form of the Supplier. This does not exclude that the Supplier exceptionally accepts an order processed in any other way.

- 6) The order is to be delivered within 10 business days, at the latest, before commencement of the campaign at Servers and within 15 days as regards campaigns in HbbTV. This does not exclude that the Supplier may exceptionally accept a later order.
- 7) In case of an e-mail order, the Customer is obliged to deliver the order to the Supplier, equipped with a verified electronic signature or a hand signature of the Customer, immediately upon request of the Supplier. If the Customer does not comply with this, even within 2 days after delivery of the reminder, it is obliged to pay the contractual penalty to the Supplier upon its request in the amount of the agreed price for the fulfilment. The provision of § 2050 and 2051 of CC shall not apply.
- 8) The order shall be the irrevocable proposal of the Customer to conclusion of a contract. A contract is concluded upon acceptance of the order by the Supplier. The legal relationship of the Customer and the Supplier shall be governed by the General Commercial Terms and Conditions and the Technical Conditions of the Supplier, even also in case that this is not expressly included in the order. The provision § 1726 first sentence of CC does not apply.
- 9) The Supplier is not obliged to accept the order. The Supplier reserves the right to refuse provision of the Advertising Space for Advertising requested by the Customer, even after acceptance of the order in case that publication of the Advertising may, according to discretion of the Supplier, considering its origin, content or form, lead to:
 - a) Breach of a law, in particular AAR and Act No. 132/2010 Coll., on Audio-visual Media Services on Demand (hereinafter only as the “AAVMSoD”)
 - b) Possible sanction of the Supplier or operator of Servers on part of third parties (e. g. owners of rights, competitors etc.) or public administration authorities
 - c) Breach of the Code of Advertising of the Advertising Council or other self-regulatory regulations or ethical rules
 - d) Breach of the legitimate interests of companies affiliated within FTV Prima, spol. s r. o. in relation to third parties
 - e) Non-compliance with technical requirements of the Supplier known to the Customer, in particular of those, which are included in Technical Conditions of the Supplier.
- 10) In such a case, the Supplier shall ask the Customer to delivery of an adjusted or replacement Advertising, which is not contrary to the hereinabove and it is in compliance with the technical requirements of the Supplier.
- 11) In case the Customer does not deliver the adjusted or replacement Advertising before the planned term of commencement of the campaign, the Supplier is entitled to withdraw from the contract concluded on basis of the respective order and with immediate effect. Regardless whether the Supplier withdraws from the contract or not, the Supplier may, in such a case, require payment of the contractual penalty in the amount of the agreed price. The provisions of § 2050 and § 2051 of CC do not apply.

- 12) In case the Customer decides to withdraw from the already concluded contract, it is obliged to pay a compensation to the Supplier in sense of the provision of § 1992 of CC, in the amount of the agreed price.
- 13) Conclusion of a contract between the Customer and the Supplier in other form than according to provision of 2.2) of the General Commercial Terms and Conditions, is not admissible. The provision of 1757 of CC does not apply.

III. Rights and Obligations of the Parties

- 1) Unless the Parties agree otherwise, production of the supporting materials necessary for the given product offered by the Supplier, shall be ensured by the Customer by itself at its own responsibility. The Customer is obliged to deliver the supporting materials to the Supplier, which are complete and in compliance with the General Commercial Terms and Conditions and the Technical Conditions of the Supplier or other agreement of Parties, as the case may be.
- 2) The Customer is obliged to provide the Supplier with complete supporting materials for Servers within 3 business days, at the latest, before the planned date of commencement of the campaign. The Customer is obliged to deliver the complete supporting materials corresponding to Technical Conditions for Production of Applications in HbbTV to the Supplier within 10 business days, at the latest, before the planned date of commencement of the campaign. In case of a Non-Standard Advertising, the period for provision of the supporting materials shall be 5 business days before the date of commencement of the campaign. The Non-Standard Advertising is defined in Technical Conditions of the Supplier. If the Supplier has, in particular in relation to the Non-Standard Advertising, technical requirements above framework of the Technical Conditions of the Supplier, it shall inform the Customer thereabout within 3 days, at the latest, after acceptance of the order for the respective campaign. The Customer is obliged to comply with such technical requirements of the Supplier.
- 3) The Customer is fully responsible for the content of the Advertising. The Customer declares and guarantees to the Supplier that the Advertising is not contrary to any legal rule and that its placement in the Advertising Space or use resulting from the contract would not inflict upon any rights of any third parties.
- 4) The Customer shall be obliged to indemnify the Supplier or its contractual partners in full extent against all sanctions or other measures enforced against them on part of public administration authorities in relation to the given Advertising, regardless whether the Supplier or its contractual partner used their right not to disseminate the Advertising or to withdraw from the contract, because it is contrary to the law. The Customer shall further be obliged to indemnify the Supplier or its contractual partners, also in relation to enforced claims of third parties. The damage

indemnification also includes eventual costs of administrative or judicial proceedings, including legal representation.

- 5) In case the Supplier asks the Customer therefor, the Customer is obliged to satisfy claims enforced by the public administration authorities or third parties against the Supplier or its contractual partners by itself.
- 6) The Customer guarantees, that in relation to production and placement of Advertising in the Advertising Space or other agreed use of the Advertising, it acquired and settled in full extent, all necessary rights of all owners of personality and property rights of authors or rights relating to the rights of authors, as well as rights of all owners of rights to subjects of protection of industrial or other intellectual property (in particular to trademarks) and of all bearers of general personality rights. Upon conclusion of a contract, the Customer provides the Supplier will all necessary rights to the agreed ways of use of the Advertising. The Customer is obliged, upon request of the Supplier, to prove acquisition and settlement of all usage rights to the Supplier.
- 7) The Customer also grants to the Supplier, upon conclusion of a contract, a timely and territorially unlimited right to use excerpts from the Advertising for promotion of the Supplier, FTV Prima, spol. s r. o. or Servers and HbbTV in any way.
- 8) The External System shall mean a system for issue (emitting) of advertising formats and measuring of their statistics (in particular for viewing of advertising format, number for clicks-through etc.), independent of the Supplier. In case the Parties agree in writing on the person of the operator of the External System, the Customer shall hand over the respective html codes / tags to the Supplier and shall enable it to publish the Advertising at Servers through the External System. The Customer is exclusively responsible for operation of the External System. In case of non-publication of the Advertising as a result of outage of the External System, the right of the Supplier to payment of the agreed price in full extent is not affected.

IV. The Price and Payment Terms, Investigation of the Campaign Progress

- 1) The Customer is obliged to pay the Supplier the price resulting from the accepted order. VAT in statutory amount shall be added to the price. The basis for calculation of the price, which shall be agreed by the Parties upon acceptance of the order, is the pricelist of the Supplier for the period of campaign published at Servers and effective upon the day of conclusion of the contract.
- 2) Unless agreed otherwise, the statistics of the Supplier shall be decisive for consideration of the progress and the result of the campaign.
- 3) In case the Parties agree that the statistics of the Customer is decisive for assessment of the progress and the result of the Customer, or in case that such a statistics of the Customer is created

(e. g. in case of use of the External System), the Customer is obliged to provide the Supplier with on-line access thereto free-of-charge.

- 4) In case the Parties agree that the statistics of the Customer is decisive for assessment of the progress and the result of the campaign and such a statistics is not created or is not complete, the statistics of the Supplier shall be used for assessment of the progress and the result of the campaign. The difference between the statistics of the Supplier and the decisive statistics of the Customer may be up to 10 %. In case the difference is higher than 10 %, no right to compensation shall incur to the Customer.
- 5) Invoices – the tax documents are issued within 14 days as of the occurrence of the taxable fulfilment. Unless agreed otherwise, the price is payable within 14 days as of the date of occurrence of the respective taxable fulfilment included in the invoice – the tax document. The date of payment shall be the date of crediting of financial means to the bank account of the Supplier. The Supplier shall attach description of the realized fulfilment to the invoice – the tax document.
- 6) In case the Customer does not pay the price or any other debt within the maturity period, it is obliged to pay the contractual penalty to the Supplier, upon its request, in the amount of 0.1 % of the outstanding amount for each day of delay. The provision of § 2050 and 2051 of CC do not apply.
- 7) The Customer is not entitled to make an unilateral setting off against the outstanding price or any other debt at the Supplier. This circumstance does not exclude any setting off made upon agreement of the Parties.
- 8) The Supplier may ask for payment of the price in advance before the term of commencement of the campaign. The Customer acknowledges that the Supplier asks for payment of the price in advance in particular in cases of Customers, who order for the first time at the Supplier or the Customers, who are or were in the past in delay with payment of the price.
- 9) Direct payments from abroad are paid in a freely exchangeable currency according to the official exchange rate of the Czech National Bank on the day of invoicing. The banking fees resulting from transfer of the agreed payments from abroad are exclusively paid by the Customer and shall be borne by it.
- 10) In case the Customer is in delay with payment of the price or fulfilment of any other monetary debt against the Supplier, the Supplier is entitled not to publish any Advertising for the Customer up to the moment of payment of all the outstanding amounts.
- 11) In compliance with the provision of § 1794 para 2 of CC, the Customer expressly declares that the mutual fulfilment provided by the Supplier is not in gross disproportion to its fulfilment, therefore it expressly excludes application of the provision of § 1793 of CC.

V. Complaints and Damage Reimbursement

- 1) The Customer shall lodge any complaint in writing by a registered letter delivered to the address of the seat of the Supplier. The complaint shall clearly specify, where exactly the defect of the performance of the Supplier consists in. Complaints lodged by e-mail, fax or phone or complaints not including specification of the defect of performance of the Supplier shall not be considered to be duly lodged.
- 2) The period for lodging of the complaint is expiring and terminates in 14 calendar days as of the day, when the Customer found out or might find out the existence of a defect, but nonetheless in 2 business days after ending of the particular campaign. The Supplier is obliged to decide on the lodged complaint within 30 calendar days as of the day of its lodging.
- 3) The performance of the Supplier is considered to be defective, if its services are non-functional for the period longer than 12 hours during a calendar day. It is not considered to be a defect, if an Advertising of the Customer is automatically displayed by the system according to the ordered volume of the advertising. Fluctuations in numbers of visits of individual servers of the Operator shall not in particular be considered to be defective.
- 4) Rightful complaints shall be resolved by a replacement performance, which consist in replacement campaign. If replacement performance is not possible, the Customer is entitled to proportionate discount from the price. The title to the reasonable discount from the price shall be applied in form of a credit note.
- 5) The Supplier is not liable for non-compliance or delayed fulfilment of its obligations caused by events outside its control. The events outside control of the Supplier shall mean force majeure, such as civil riots, military operations, emergency state or alert state, public administration interventions, weather, communication services failures, technical failures, power blackout, compliance with legal obligations of the Supplier (e. g. informational obligation to the wide public) labour disputes among employees and employers or further similar events.
- 6) The Supplier shall only be liable to the Customer for damage, which it causes, up to the amount of the price for the performance according to the respective contract. The provision of § 1729 of CC shall not apply.

VI. Other Provisions

- 1) The Supplier and the Customer shall be both obliged that they will not use for themselves or for another, nor disclose any confidential information of which it is informed or which is disclosed to it in relation to ensuring of publication of Advertising, to any third party. For purposes of the

contract, the Confidential Information shall mean in particular any business, organizational, financial, property, marketing and further associated details relating to the Supplier or the Customer, their business partners or persons, who are personally or in property affiliated with them, if it is not publicly available, regardless whether its disclosure is able to damage the entity, which the information relates to.

- 2) The confidentiality obligation according to the previous Article of the General Commercial Terms and Conditions shall not apply to disclosure of the Confidential Information:
 - a) To the Supplier and to companies, which constitute a concern (holding) with the Supplier in sense of the respective provisions of Act No. 90/2012 Coll., on Business Companies and Cooperatives (the Law on Business Corporations)
 - b) To employees and external co-workers of the Supplier or the Customer, who need to know the Confidential Information for their activity according to a contract between the Supplier and the Customer, provided that they are contractually or legally bound to confidentiality
 - c) To providers of legal services, accounting, auditing and similar services to parties, provided that they are contractually or legally bound to confidentiality
 - d) In case of fulfilment of a legal informational obligation (e. g. to report or thwart a crime).
- 3) Each of the Contracting Parties has read the General Commercial Terms and Conditions and it acknowledges them and agrees that it shall comply with them.
- 4) Claims resulting from the General Commercial Terms and Conditions shall be time-barred after 10 years.
- 5) Notifications of the Supplier addressed to the Customer shall be in form of at least an e-mail message, unless the contract or the General Commercial Terms and Conditions determine otherwise.
- 6) Invalidity of a particular provision of the contract does not mean invalidity of the contract as a whole. The Contracting Parties shall be obliged to replace the invalid provision by such a valid provision, which corresponds the most to the content and the purpose of the original provision.
- 7) The General Commercial Terms and Conditions are executed in Czech and English language. In case of discrepancies between the Czech and English version, the Czech version shall prevail.
- 8) The Customer is not entitled to refer to any other general commercial terms and conditions than the General Commercial Terms and Conditions of the Supplier. The provisions of § 1751 para 2 and 3 of CC shall not apply.
- 9) All the relationships, which are not governed by the General Commercial Terms and Conditions shall be governed by other legal rules of the Czech Republic, with exclusion of the rules for conflicts of law according the international private law. In case there as an international feature, the Contracting Parties agreed, for purposes of disputes resolution, including disputes regarding

their validity or results of invalidity, on the exclusive jurisdiction of the courts of the Czech Republic, provided that the place of local venue shall be at the court, where is the seat of the Supplier.

- 10) These General Commercial Terms and Conditions shall be effective as of the day of signature and shall apply to commercial communications, which are to be published as of 01/01/2021.

Prague, on 02/12/2020

MEDIA CLUB, s. r. o.
Ing. Marek Singer, Company Executive

MEDIA CLUB, s. r. o.
Ing. Petr Babulík, Company Executive



Appendix No. 1
to the General Commercial Terms and Conditions for Contracts on Internet Advertising

The List of Servers:

iprima.cz
prima-cnn.cz
prima-love.cz
prima-cool.cz
prima-zoom.cz
prima-max.cz
prima-krimi.cz
prima-zeny.cz
prima-fresh.cz
prima-living.cz
prima-lajk.cz
autosalon.tv
ceskykutil.cz
moviezone.cz
nakluky.cz
playzone.czplayboy.cz
primadoma.cz
primadoma.tv
primanapady.cz
primarady.cz
videoplatforma.cz

Appendix No. 2
to the General Commercial Terms and Conditions for Contracts on Internet Advertising

The List of HbbTV Applications:

HbbTV – TV Prima
HbbTV – TV COOL
HbbTV – TV LOVE
HbbTV – TV ZOOM
HbbTV – TV MAX
HbbTV – TV KRIMI
HbbTV – TV Očko

3. Contractual Commercial Terms and Conditions for Contracts on Broadcasting Commercial Communications at Radio Channels Represented by Media Club

I. Subject of Regulation, General Provisions

- 1) These Contractual Commercial Terms and Conditions for Contracts on Broadcasting Commercial Communications at Radio Channels Represented by Media Club (hereinafter only as the “Commercial Terms and Conditions”) regulate the process of conclusion of contracts on broadcasting of commercial communications at radio channels represented by MEDIA CLUB, s. r. o. (hereinafter only as the “Radio Channels of Media Club”), ensuring of broadcasting of commercial communications and further issues related therewith, i. e. all pre-contractual negotiations.
- 2) These Commercial Terms and Conditions are the part of all the contracts and provisions on broadcasting commercial communications at Radio Channels of Media Club concluded between MEDIA CLUB, s. r. o. (hereinafter only as the “Media Club”) and the Customer. The content of contracts on broadcasting of commercial communications at Radio Channels of Media Club and all negotiations between the Customer and Media Club held for purposes of agreeing of particular contractual terms and conditions of these contracts shall be interpreted in compliance with these Commercial Terms and Conditions. In case there are discrepancies in content of the respective contract and these Commercial Terms and Conditions, the content of the respective contract shall prevail.
- 3) Unless these Commercial Terms and Conditions specify otherwise for any of the other types of commercial communications, the rules of these Commercial Terms and Communications relating to advertising shall also apply to other types of commercial communications. Unless determined otherwise, the provisions relating to advertising spots also apply to sponsor messages. Unless determined otherwise, the rules relating to Advertising Campaigns also apply to sponsorship campaigns.

II. Definitions

- 1) The Radio Channels of Media Club shall mean all the radio channels, which are or will be in future represented by Media Club, regardless of the method of dissemination, provided that they are considered to be radio broadcasting according to legal rules. Upon the day of issue of these Commercial Terms and Conditions, Media Club represents to following radio channels for broadcasting of commercial communications in 2020: channels of Country Rádio, Rádio 1, Rádio

Kiss, Rádio Beat, Rádía Signál, Rádio Spin, Rádio Impuls, Český Impuls, Dechovka, Frekvence 1, Evropa 2, Rádio Bonton, Rádio Dance.

- 2) The Broadcaster shall be the person, who is, in sense of Act No. 231/2001 Coll., on Radio and Television Broadcasting, as amended (hereinafter referred to as “ARTB”), the broadcaster of any of the Media Club Radio Channel.
- 3) The Customer is a legal entity or a natural person (an Advertising Agency or a Client) that is interested in broadcasting of a commercial communication at a Media Club Radio Channel. The Advertising Agency shall mean an entity, whose subject of business is advertising activity or intermediation of advertising, and which proves to Media Club its authorization to purchase commercial communications on behalf of the particular Client. The Client shall mean an entity, which initiates broadcasting of a commercial communication and which determines, what is to be promoted (the “Subject of Advertising”).
- 4) The Purchase of a commercial communication shall mean conclusion of a relevant contract, on the basis of which, under the terms regulated by the contract and these Commercial Terms and Conditions, an entitlement shall arise for the Customer to request broadcasting of a commercial communication at Media Club Radio Channels, and Media Club shall become entitled to payment of the agreed price (hereinafter only as the “Contract”).
- 5) The Order shall mean a proposal of the Customer to conclusion of a contract on broadcasting of a commercial communication at Media Club Radio Channels in compliance with these Commercial Terms and Conditions, which is marked as an order.
- 6) The Commercial Contract shall mean a written contract regulating broadcasting of commercial communication at Media Club Radio Channels, which is marked as a commercial contract.
- 7) The Price List shall mean a price list issued by Media Club, which is the part of these Commercial Terms and Conditions and is effective as of conclusion of the contract on broadcasting of the commercial communication at Media Club Radio Channels.
- 8) The Advertising Campaign shall mean the purchase of advertising with the same footage of the Sport for the same Subject of Advertising for the given period at the agreed Media Club Radio Channels.
- 9) The Materials for Broadcasting shall mean:
 - Schedule of spot broadcasting with specification of broadcasting in the given time zone (hereinafter only as the “Schedule”),
 - WAV or MP3 file delivered to the respective e-mail with the record of the spot (hereinafter only as the “Carrier”),

- Music Cue Sheet of the spot and eventual further details required by collective administrators according to specification notified by the company Media Club to the Customer (hereinafter only as the “Music Cue Sheet”).
- 10) The Spot shall mean any compact and defined commercial communication determined to broadcasting at Media Club Radio Channels. The Alliance Spot shall mean a Spot promoting more than 1 Client. Such a Spot, which promotes more brands of 1 Client, which are the part of one product portfolio of the given Client (e. g. juices and syrups), shall not be considered to be an Alliance Spot.
 - 11) In these Commercial Terms and Conditions, the concepts as commercial communication, advertising and sponsoring shall have the same meaning as they have according to definitions included in § 2 para 1 and 2 of ARTB.

III. Presumptions, Conditions and Process of Conclusion of Contracts on Broadcasting of Commercial Communications and their Changes

- 1) Upon delivery of an Order to the company Media Club, the Customer agrees with these Commercial Terms and Conditions.
- 2) The presumption for existence of a contract on broadcasting of a commercial communication at a Media Club Radio Channel between Media Club and the Customer is that Media Club accepts the Order of the Customer without reservations, provided that sending of a schedule of broadcasting in framework of the Order (hereinafter only as the “Media Plan”) shall be exclusively considered to be acceptance of the Order, in compliance with the requirements of the Customer included in the Order and in compliance with these Commercial Terms and Conditions; in the given case the agreement is concluded upon the moment of signature of the Media Plan by the Customer. The Customer may only make any changes in the accepted Order in form of a counterproposal delivered to Media Club. If Media Club does not accept the counterproposal, the contract is neither concluded nor are any changes of the contract agreed.
- 3) The presumption of acceptance of the Order of the Customer to broadcasting of commercial communications at Media Club Radio Channels is that the part of the Order is a specification of a) an exact name (brand) of a product or a service or another commodity or other Subject of the Advertising, b) time of duration of the Advertising Campaign, c) length of the Spot, d) price and e) specification of placement of Spots, if it is required by the Customer.
- 4) The presumption of acceptance of an Order of the Customer also is a written notification of identification details of the ordering party and the processor pursuant to Act No. 40/1995 Coll., on Advertisement Regulation (hereinafter referred to as “AAR”), at least in the scope of the

name, identification number and the seat. The Customer shall be responsible for the truthfulness, completeness and accuracy of such data.

- 5) The details included in the Order are binding to the Customer and may only be changed upon agreement with Media Club. The possibility of acceptance of the Order or the Media Plan with amendment or a deviation in sense of § 1740 para 3 of CC is excluded.
- 6) In case broadcasting of the commercial communication is ordered by an Advertising Agency, it shall also present, together with the Order, a written authorization of the Advertising Agency by the Client to submission of such an Order.
- 7) Media Club reserves the right not to conclude a contract with the Customer on broadcasting of the commercial communications due to any reasons and also the right to refuse broadcasting of commercial communications even after conclusion of a contract in case that the delivered spot does not correspond, according to discretion of Media Club or the Broadcaster to the technical terms and conditions or if broadcasting of the commercial communication may, considering its origin, content or form, lead to any of the following:
 - a) Breach of the law, in particular ARTB or AAR,
 - b) Possible sanction of Media Club or the Broadcaster on part of third parties (e. g. owners of rights, competitors etc.) or public administration authorities,
 - c) Breach of the Code of Advertising of the Advertising Council or other self-regulatory regulations or ethical rules,
 - d) Breach of the legitimate interests of Media Club or the Broadcaster in relation to third parties,in such a case, Media Club shall ask the Customer for delivery of an adjusted or replacement spot, which is not contrary to the hereinabove mentioned and it is in compliance with these Commercial Terms and technical terms and conditions for inclusion of a spot into broadcasting, determined by the respective Broadcaster. In case the Customer does not deliver the adjusted or replacement spot before its planned term of broadcasting, Media Club shall be entitled to withdraw from the respective contract without other conditions with immediate effect. Regardless whether Media Club withdraws from the contract or not, Media Club may, in such a case, require payment of a contractual penalty in the amount of the agreed price for the respective broadcasting of the commercial communication or the agreed sponsorship contribution.
- 8) Media Club is not obliged to accept the order of the Customer.
- 9) The Customer concludes a contract on broadcasting of the commercial communication in Media Club Radio Channels under its own name and on its own behalf. If it is agreed in writing with the director of Media Club, the Customer may conclude a contract under its own name and on behalf of a third party.

IV. Rights and Obligations of the Parties

- 1) The Customer shall only submit such a spot for purposes of broadcasting at Media Club Radio Channels, if its content, form and execution are in compliance with the valid and effective legal rules. The commercial communication submitted for broadcasting shall also correspond to the technical terms and conditions for broadcasting of advertising spots and sponsor messages.
- 2) The Customer is fully liable for the content part of commercial communications, including sponsor messages, and shall be obliged to release Media Club and/or the Broadcaster of any claims of any nature made by third parties against Media Club or the broadcaster of a Media Club Radio Channel. These shall include, in particular, but not limited to, all claims resulting from the competition law, law on protection against unfair competition, general personality rights, rights or authors and rights relating to the right of authors, industrial rights and rights to trademarks, unless specified differently hereinafter. The Customer shall be obliged to reimburse all costs to Media Club or the Broadcaster, which incur to them in relation to enforcement of such claims by third parties.
- 3) Upon conclusion of a contract on broadcasting of advertising and on sponsorship, the Customer declares and guarantees that it duly acquired, from all owners of rights of authors or rights related to the rights of authors or other rights to immaterial property or personality rights, rights to inclusion of the respective protected objects into the Spots (synchronizing rights) and rights to their use in radio broadcasting at Media Club Radio Channels, and that it paid a remuneration to owners of these rights, which they are entitled to, for these rights in full extent.
- 4) The declarations and guarantees according to para 3) does not relate to radio broadcasting of music works with text, if their authors are for case of the given radio broadcasting, represented by a collective administrator – Ochranný svaz autorský pro práva k dílům hudebním (hereinafter only as „OSA“). The permission to radio broadcasting of works of authors represented by OSA shall be acquired by the respective Broadcaster on basis of the respective collective agreement concluded with OSA, who also pays the respective remunerations of authors through OSA for radio broadcasting of such works at the respective radio channel. For the avoidance of doubt, it is expressly specified, as regards the permission to inclusion of works of authors represented by OSA, as well as authors of protected works, but not represented by OSA, into a Spot (the synchronising rights), para 3 shall apply, therefore the Customer is then obliged to acquire these permission directly from such authors and to pay the remuneration of authors for such use, which they are entitled to, directly to them; in case the author is represented by OSA for such use, the Customer shall do so through OSA. Para 3) shall also apply to rights to radio broadcasting of music works, as regards authors of music with text or without text, not represented by OSA; the Customer is obliged to acquire such permission directly from authors and to pay them the remunerations of authors, which they are entitled to.

- 5) For the avoidance of doubt, it is expressly specified, that the provision of para 3) also relates to sound recordings and artistic performance, which are recorded in them. Therefore the Customer, for cases when any sound recording is used in the Spot, declares and guarantees that it acquired rights to inclusion of such recordings and artistic performance into the Spot (synchronising rights) from producers and performing artists, whose artistic performance is used in such recordings, and to their use in radio broadcasting of the Spot and it paid the respective remunerations for permissions of their use in radio broadcasting. In case a sound recording issued for commercial purposes is used in the Spot, the Customer is obliged to acquire the license to its inclusion into the Spot (synchronising rights) directly from the producer of such a recording and pay the remuneration for such use. The Customer is obliged to acquire the license for inclusion of artistic performances recorded in a sound record issued for commercial purposes into the Spot through INTERGRAM and it is also obliged to pay it the remuneration for such a use; the Customer shall be obliged, upon request of Media Club, to submit a copy of the respective reports for INTERGRAM.
- 6) The Music Cue Sheet shall be delivered to the respective Broadcaster in form, which is required by the collective administrators. According to requirements of collective administrators, the Music Cue Sheet shall include at least the name of the composition, name of the author, eventually the author of the text, name of the publisher and the exact footage of the music used in the spot.
- 7) In case the Customer does not deliver the duly filled Music Cue Sheet or documents according to para 6) to Media Club, Media Club is entitled not to include the spot into the broadcasting. If this happens, the Customer is obliged to pay the contractual penalty in the amount of the agreed price as regards broadcasting of the spot, or in the amount of the agreed sponsorship contribution as regards sponsoring.
- 8) Media Club shall be entitled, for each commenced day of delay with delivery of the duly prepared Music Cue Sheet or other documents according to para 6), entitled to charge, if the Spot is included into the broadcasting, the contractual penalty to the Customer, in the amount of CZK 1,000.00 and the Customer shall be obliged to pay it.
- 9) The Customer acknowledges that the damage reimbursement may also include the contractual penalties or damage reimbursement charged by the collective administrators to the respective Broadcaster in relation to late delivery or non-delivery of music cue sheets or reports or their incompleteness, provided that these collective administrators require payment of such contractual penalties, even retroactively. The Customer declares that it was informed of the periods for delivery of the Music Cue Sheets and reports and constructions and the amounts of contractual penalties proposed by collective administrators, provided that it acknowledges that these data may change, even retroactively. Media Club is obliged to inform the Customer of actual changes relating to this data within 15 days as of Media Club is informed thereof.

- 10) All duly prepared Materials for broadcasting shall be submitted by the Customer to the company Media Club, or if Media Club determines so, directly to the respective Broadcaster, at the cost and danger of the Customer within 2 business days, at the latest, before the first commencement of broadcasting of the spot.
- 11) Media Club shall be entitled, for each commenced day of delay with delivery of the Carrier with the hereinabove mentioned features to charge the contractual penalty to the Customer, in the amount of CZK 5,000.00. In case of non-compliance with the terms and conditions relating to the hereinabove mentioned features of the Carrier, which cause impossibility of inclusion of the commercial communication in the broadcasting, the Customer is obliged, besides the contractual penalty according to the previous sentence, to pay Media Club an additional contractual penalty in the amount of the agreed price for broadcasting to the commercial communication, or the amount of the sponsorship contribution as regards sponsoring and the Customer shall be obliged to pay such contractual penalties.
- 12) In case the Customer does not comply with the agreed footage of the commercial communication or the sponsorship message, Media Club or the respective Broadcaster are entitled not to include the commercial communication or the sponsorship message into broadcasting of the Media Club Radio Channel, nonetheless the Customer is obliged to pay the contractual penalty in the amount of the agreed price for broadcasting of the commercial communication, or in the amount of the sponsorship contribution as regards sponsoring.
- 13) All Carriers handed by the Customer shall remain the property of the Customer. Media Club shall duly care for these Carriers during the effectiveness of the contract, provided that it shall only be liable for these Carriers up to the amount of the purchase price for the carriers – the material value. The Customer shall take over the Carriers at the end of the Advertising Campaign or at the end of broadcasting of other commercial communication or after termination of effectiveness of the contract on broadcasting of the commercial communication, regardless of the reason for termination, unless agreed otherwise with Media Club. Media Club shall be entitled to make liquidation of any of the hereinabove mentioned Carriers, which remain in its possession, after lapse of six months as of the end of the Advertising Campaign or broadcasting of other commercial communication or after termination of effectiveness of the contract on broadcasting of the commercial communication, eventually even earlier according to its consideration, but in such a case, only after prior written request to the Customer to takeover of these Carriers.
- 14) Media Club shall comply with the agreed broadcasting times, in the maximum possible extent, considering the eventual programming changes. Media Club shall also in case, that the exact order of spots is not agreed by the Customer, make optimizing of inclusion of advertising spots into advertising breaks in framework of particular time zones (competition products, filling of advertising breaks etc.). The Broadcaster is entitled to make programming changes according to its own needs. Media Club shall notify such changes to the Customer within 3 business days at the latest before the day, when the programme, which is affected by the change, should be originally broadcasted, if the commercial communication ordered by the Customer should be

broadcasted immediately before or after the programme affected by the change. In case of programming changes, Media Club is entitled to change placement of the commercial communication according to its own discretion.

- 15) In case the Customer does not comply with the agreed obligation to actually purchased broadcasting of the commercial communications, it shall be obliged to pay, within 15 days as of the day of lapse of the period, when the commercial communications should be broadcasted, the contractual penalty in the amount of 100 % from the financial difference between the price of the Advertising Campaign, to the purchase of which it was obliged, and the price of the Advertising Campaign, which the respective purchase was realized for, at the level of the price without VAT.

V. The Conditions for Broadcasting and Price Terms and Conditions, Content of Agreements

- 1) Media Club determines the prices for purchase of commercial communications for particular Clients by the price for broadcasting of 1 spot or the price for the entire ordered advertising campaign.
- 2) Unless the Parties agree other price in writing, the price determined in the Pricelist for the particular Radio Channel shall apply.
- 3) The surcharge for the requested position of the spot in the advertising break shall be charged to the price for the agreed spot. The amount of this surcharge shall be determined in the Pricelist.
- 4) The surcharge according to the Pricelist shall be charged for broadcasting of the alliance spot. The length of presentation of further Client or further brand in the alliance spot may not exceed 20 % of the length of duration of the respective commercial communication.
- 5) The eventual further discounts or surcharges are included in the Pricelist.
- 6) Changes in the Pricelist shall be notified in advance of at least 30 days before effectiveness in form of an e-mail message including a new pricelist or Internet link to a new pricelist.
- 7) The confirmed terms and conditions according to the order relating to specification of placement of spots shall be kept in the maximum possible extent, which may be justifiably required, considering the eventual programming changes.
- 8) The prices do not include VAT. VAT in legal amount shall be charged to the invoiced amounts.

- 9) The condition for incurrence of the right to discount agreed in the Commercial or other contract shall be the circumstance that the effectiveness of the Commercial or other contract was not terminated before lapse of the originally agreed time of effectiveness.
- 10) § 1933 para 1 of CC shall not apply to legal relationships regulated in these Commercial Terms and Conditions. In case there is any outstanding fulfilment of the Customer to Media Club, of the same type from several obligations, and the Customer does not specify, which debt it fulfils, the fulfilment shall be firstly credited to the obligation with the earliest maturity.
- 11) § 1952 para 2 of CC shall not apply to legal relationships regulated in these Commercial Terms and Conditions.

VI. Payment Terms and Conditions

- 1) Invoices – tax documents – are issued within 14 days as of the day of realization of the taxable fulfilment. Unless the contract determines otherwise, the payment resulting therefrom shall be due within 30 days as of the day of realization of the respective taxable fulfilment. The date of crediting of the financial means to the bank account of Media Club shall be the date of payment. The description and scheduling of the realized fulfilment shall be the integral part of the invoice – the tax document. In case the Customer does not pay the price within the maturity period, Media Club shall be entitled to charge the contractual penalty to the invoiced amounts in the amount of 0.1 % from the outstanding amount for each day of delay and the Customer shall be obliged to pay it.
- 2) Media Club may require payment of the price before the first broadcasting of the commercial statement. The Customer acknowledges that Media Club requires the payment of the price before the first broadcasting, in particular in cases of Customers, who order broadcasting of the commercial communication at Media Club for the first time.
- 3) Eventual payments from abroad are paid in freely exchangeable currency in the exchange rate according to the official rate of the Czech National Bank on the day of invoicing. The banking fees resulting from transfer of the agreed payments from abroad are exclusively paid by the Customer and are charged to its account.
- 4) The Customer is obliged to make the eventual complaint of the due broadcasting of the commercial communication in the period of one month at the latest, as of termination of broadcasting of the respective advertising campaign and to specify the claimed defects of fulfilment, otherwise the claim according to the title of liability for damage ceases to exist. In case of an entitled complaint, the claim of the Customer shall be preferentially resolved by provision of the replacement fulfilment.

VII. Special Provisions on Sponsoring

- 1) The prerequisite for acceptance of the order of the Customer relating to sponsoring is, that the specification of the Media Club Radio Channel, specification of the exact name and surname of the natural person or a denomination of the legal person, who is the sponsor, are the part of the order. The prerequisite for acceptance of the order also is specification of further details obligatorily required by the law; upon the day of effectiveness of these Commercial Terms and Conditions, such a detail is the main subject of activity of the sponsor of the channel.

VIII. Common and Final Provisions

- 1) Media Club is entitled to end broadcasting of the commercial communication and to terminate the contract with immediate effect after delivery of the termination notice in case, that
 - The Customer, if it was obliged to pay the price in advance, does not document payment of the price at least 3 business days before the day, when broadcasting of the commercial communication should be commenced,
 - The Customer is in delay with fulfilment of obligations to monetary fulfilment exceeding 9 days,
 - The Customer substantially breached the contract,
 - The Customer did not ensure remedy of the unsubstantial breach of the contract within the period determined on part of Media Club, even though it was asked therefor on part of Media Club.
- 2) The provision of the law on possibility to withdraw from the contract shall remain unaffected by the previous provision. In case of earlier termination or cancellation of the contract in way resulting from the previous paragraph or this paragraph, the Customer shall pay Media Club the price for the provided fulfilment and also the contractual penalty in the amount of the remaining part of the price for the agreed fulfilment.
- 3) The Customer is entitled to withdraw from the already concluded contract on broadcasting of the commercial communication before commencement of the fulfilment, the condition nonetheless is, that earlier than it does so, it pays the compensation to Media Club in the amount of the total price according to the given contract on broadcasting of the commercial communication, if it withdraws from the contract 3 or less days before the planned first broadcasting of the commercial communication. If the Customer withdraws from the contract more than 3 days before the first planned broadcasting of the commercial statement, it is obliged to pay the compensation in the amount of 50 % of the agreed price. Such withdrawal from the contract shall be made in written form.

- 4) The obligations of Media Club in respect to the Customer incurred on basis of the contract on broadcasting of the commercial communication at Media Club Radio Channels shall only mean the obligations expressly determined in the contract. In case of a dispute on existence of further obligations, it shall be deemed that further obligations of Media Club, besides of those included in the contract, do not exist. Media Club is entitled, in sense of § 1757 para 2 of CC, to confirm the content of the contract. Confirmation of the content of the contract by the Customer does not have the legal effects according to § 1757 para 2 of CC.
- 5) Unless the contract or these Commercial Terms and Conditions determine otherwise, the provision on the contractual penalty does not affect the right to damage reimbursement (including the lost profit) in full extent. The additional costs related to withdrawal of the commercial communication in case of earlier termination or cancelling of the contract shall also be considered to be the damage.
- 6) Media Club shall be liable to the Customer for eventual damage, which it causes. Unless agreed something different, Media Club shall only be liable to the Customer for damage up to the amount of the price for the non-broadcasted commercial communication paid by the Customer.
- 7) Media Club shall not be liable for noncompliance or late fulfilment of obligations according to the contract on broadcasting of the commercial communication at Media Club Radio Channels caused by events outside its control or control of the Broadcaster, e. g. by insurrection, civil disorders, war or military operations, a state of emergency, extraordinary measures of state power, any acts or omissions on part of the government or any other state authority or public administration authority, unfavourable weather conditions, failures of communication services, accidental technical broadcasting failures, failures or lack of electricity, the need to comply with legal rules, disputes between employees and employers or further events beyond the control of Media Club or the Broadcaster.
- 8) Upon conclusion of the contract on broadcasting of commercial communications, each of the Contracting Parties confirms that it has read these Commercial Terms and Conditions, it acknowledges them and agrees, that it shall comply with them. The Pricelist is the part of these Commercial Terms and Conditions. The Contracting Parties agreed that the provisions of § 1799 – 1800 of CC shall not apply to the contractual relationships governed by these Commercial Terms and Conditions.
- 9) Unless the contract on broadcasting of the commercial communication determines otherwise, these Commercial Terms and Conditions are not attached to the contract as the appendix, but they are not its integral part.
- 10) The contract on broadcasting of the commercial communication in Media Club Radio Channels, unless agreed or determined otherwise in these Commercial Terms and Conditions, it may only be changed and supplemented in a written agreement.

- 11) Writing of additions, making of deletions or other changes in the text of the Commercial Contract or a contract (including all their parts such as the Commercial Terms and Conditions, the Pricelist etc.) may only be made under condition of their written acceptance by both the Parties, specification of the date of the made change and valid signatures of representatives of both Contracting Parties as regards such a change. No further changes in the text shall be considered.
- 12) Notifications of Media Club addressed to the Customer shall have at least the form of an e-mail message, unless the contract or these Commercial Terms and Conditions determine otherwise.
- 13) Invalidity of a particular provision of the contract on broadcasting of the commercial communication does not mean invalidity of the contract as a whole. The Contracting Parties shall be obliged to replace the eventual invalid provision with such a valid provision, which corresponds the best to the content and purpose of the original provision.
- 14) These Commercial Terms and Conditions are executed in Czech language.
- 15) All the relationships, which are not governed in these Terms and Conditions shall be governed by Act No. 89/2012 Coll., the Civil Code and other legal rules of the Czech Republic, with exclusion of conflict of law rules of the private international law. If an international element is present, the Contracting Parties agree, with regard to disputes from contracts on broadcasting of commercial communications, or in relation to these contracts, including disputes about their validity or consequences of invalidity, on the exclusive jurisdiction of the courts of the Czech Republic, provided that the local relevant court shall be the court in district of which Media Club has its registered office.
- 16) These Commercial Terms and Conditions shall become effective upon 01/12/2020 and shall be valid for the commercial communications, which are to be broadcasted as of 01/01/2021.

Prague, on 02/12/2020

MEDIA CLUB, s. r .o.

Ing. Marek Singer, Company Executive

MEDIA CLUB, s. r. o.

Ing. Petr Babulík, Company Executive

