
**GENERAL AND PRICING TERMS AND CONDITIONS
OF INTERNET ADVERTISEMENT**

October 18, 2022

PREAMBLE

These Terms and Conditions represent the general and pricing terms and conditions concerning the procurement of the publication of an Internet Advertisement on the Servers and shall apply to all Advertisers purchasing an Internet Advertisement from the Provider.

These Terms and Conditions shall enter into effect on October 18, 2022, and shall substitute any and all previous general and pricing terms and conditions regulating the publication of an Internet Advertisement purchased from the Provider.

TABLE OF CONTENTS

1. **Definitions**
2. **Purchase of Internet Advertisement**
3. **Placement of Internet Advertisement**
4. **Internet Advertisement Price**
 - A. General Provisions for Determination of the Internet Advertisement Price
 - B. Discounts and Coefficients Applicable in relation to the Internet Advertisement Price
 - C. Recalculation
5. **Production and Delivery of Internet Advertisement**
6. **Other Conditions of Internet Advertisement**
 - A. Claims
 - B. Contractual Penalty
 - C. Compensation for Damage
 - D. Termination Notice and Withdrawal
 - E. Dispute Resolution
 - F. Confidentiality
7. **General and Final Provisions**

**PART 1
DEFINITIONS**

1.1 For the purposes of these Terms and Conditions, the below terms shall have the following meaning:

“**Act on Audiovisual Media Services**” shall mean Act No. 132/2010 Coll., on the Audiovisual Media Services On Demand and on the Change of Certain Other Acts (Act on Audiovisual Media Services On Demand), as amended;

“**Act on Consumer Protection**” shall mean Act No. 634/1992 Coll., on the Protection of Consumer, as amended;

“**Act on Operation of Radio and Television Broadcasting**” shall mean Act No. 231/2001 Coll., on the Operation of Radio and Television Broadcasting and on amendment to certain acts, as amended;

“**Act on Regulation of Advertising**” shall mean Act No. 40/1995 Coll., on the Regulation of Advertising, as amended;

“**Advertisement**” shall mean (i) Promotion or (ii) Internet Advertisement;

“**Advertiser**” shall mean a natural or legal person that purchases an Internet Advertisement from the Provider and enters into the relevant contractual documentation with the Provider for these purposes;

“**Advertising**” shall mean all advertising messages, other than a Sponsorship, placed on the Servers, including, in particular (i) Advertising Formats, (ii) Non-Standard Advertising, and (iii) Advertising Spots;

“**Advertising Campaign**” shall mean the publication of the Advertising in the volume set forth in the Specific Order;

“**Advertising Codex**” shall mean the set of ethical principles of advertising issued by the Advertising Council and available on the website http://www.rpr.cz/cz/dokumenty_rpr.php upon the issuance of these Terms and Conditions;

“**Advertising Documentation**” shall mean all documentation provided by the Advertiser to the Provider that is necessary for the publication of the Internet Advertisement on the Servers in compliance with the Specific Order;

“**Advertising Format**” shall mean an ordinary technical execution of the advertising message, which is different from the Advertising Spot and/or the Non-Standard Advertising, referred to in the Technical Conditions of Internet Advertisement and the relevant Internet Advertisement Price List;

“**Advertising Position**” shall mean a specific space, including space within an audiovisual, visual-only or audio-only program, or elsewhere on the web page of the given service on the Server where the individual Advertising shall be presented. The Advertising Positions may be specified in the relevant Internet Advertisement Price List;

“**Advertising Spot**” shall mean an audiovisual or, as the case may be, visual announcement, display or other presentation determined for the support of business activities, in particular, support of the consumption or sale of goods, housing, the lease or sale of real estate, the sale or exercise of rights or obligations, support for providing services;

“**Binding Allocation**” shall have the meaning ascribed to it in Article 2.1 hereof;

“**Binding Order**” shall mean an irrevocable order, whereby the Advertiser purchases and undertakes to place, by means of one or more Specific Orders, the Internet Advertisement in a specified Partial Order Volume of Internet Advertisement on the Servers during the given Relevant Period, which shall be in all substantial features identical to the template which is for such purpose provided to the Advertiser by the Provider;

“**Business Corporations Act**” shall mean Act No. 90/2012 Coll., on Business Companies and Cooperatives (Business Corporations Act), as amended;

“**Claim**” shall mean claims arising from a liability for faulty performance of the Internet Advertisement asserted by the Advertiser;

“**Click**” shall mean an activity on the part of the Server’s user, by virtue of which the particular Advertising Format redirects the user to the content of the website located on other Internet addresses (URLs);

“**Client**” shall mean a natural or legal person for whose presentation or for promotion of whose products and/or services Binding Orders or Specific Orders are entered into between the Provider and the Advertiser; Binding Orders or Specific Orders may be also entered into for presentation of another member of the Client’s Group or for promotion of such person’s products and/or services and the term Client shall then include also such person. The Client may be the Advertiser or a person other than the Advertiser. In the event that the Client is a person different from the Advertiser, then the Advertiser is obliged to provide the Provider with the draft of Binding Order or Specific Order and an authorization to their conclusion, which shall be in all substantial respects identical with the template which is for such purpose provided to the Advertiser by the Provider;

“**Civil Code**” shall mean Act No. 89/2012 Coll., Civil Code, as amended;

“**Confidential Information**” shall have the meaning ascribed to it in Article 6.17 hereof;

“**Current Order Volume of Internet Advertisement**” shall mean the sum of all Partial Order Volumes of Internet Advertisement thus far purchased by the Advertiser by means of multiple Binding Orders (including Multichannel Binding Orders) concluded for the same Relevant Period and for the promotion of one Advertiser or Client, *i.e.* one Advertiser or its individual Client. The Current Order Volume of Internet Advertisement shall always be calculated as of the date of the execution of the Binding Order (or Multichannel Binding Order) currently being concluded, including the Partial Order Volume of Internet Advertisement purchased by means of such Binding Order (or Multichannel Binding Order);

“**External Statistics**” shall mean the statistics of the Advertising Campaign that are automatically generated by a third party other than the Provider with

respect to the Advertising Campaign by means of the External System. External Statistics shall provide at least the number of displays of the Advertising and the number of Clicks for the whole term of the Advertising Campaign;

“**External System**” shall have the meaning ascribed to it in Article 5.9 hereof;

“**Group**” shall mean in relation to the Client any person controlled by, controlling or under common control with the Client on the basis of direct or indirect possession of more than 50% of the voting rights or shareholding interests of such person or on the basis of direct or indirect possession of the power to direct or cause the direction of the management and policies of such person by contract or otherwise;

“**Inappropriate Advertisement**” shall have the meaning ascribed to it in Article 5.13 hereof;

“**INTERGRAM**” shall mean INTERGRAM – Independent Association of Performing Artists and Producers of Audio and Audiovisual Recordings, a civic association;

“**Internet Advertisement**” shall mean (i) Advertising and (ii) Sponsorship Messages;

“**Internet Advertisement Order Volume**” shall mean the total volume of the Internet Advertisement expressed in monetary amounts, without VAT and after deduction of all discounts and bonuses (net net volume), purchased by the Advertiser from the Provider by means of one or more Binding Orders (including Multichannel Binding Orders) for the purpose of the promotion of one Advertiser or Client, *i.e.* one Advertiser or its individual Client, for its placement during the same Relevant Period;

“**Internet Advertisement Price**” shall mean the price for publication of Advertising and/or procurement of Sponsorship on the Servers;

“**Internet Advertisement Price List**” shall mean the price list issued by the Provider stipulating, in particular, the basic parameters for the determination of the Internet Advertisement Price and, as the case may be, special offers of the Provider. The Internet Advertisement Price List shall be issued by the Provider and a current version thereof shall be available at the Provider’s registered office and on the Provider’s website;

“**Media Channels**” shall mean TV Channels NOVA, the Servers, Voyo service and/or other media channels which the Provider specifies as such in the future;

“**Multichannel Binding Order**” shall mean the Binding Order by means of which the Advertiser purchases an Advertisement on multiple Media Channels simultaneously;

“**Non-Standard Advertising**” shall mean an advertising message whose Advertising Position is not stipulated in these Terms and Conditions or in the relevant Internet Advertisement Price List, or whose Advertising Format is not stipulated in the Technical Conditions of Internet Advertisement;

“**Operator**” shall mean the person operating the Server, in the event that this person is different from the Provider;

“**OSA**” shall mean OSA – Society for the Protection of Rights of Music Authors and Publishers, a civic association;

“**Other Entity**” shall have the meaning ascribed to it in Article 4.21 hereof;

“**Other Media Channels**” shall mean (i) TV NOVA SPORT, (ii) the Servers, (iii) Sponsorship on the Media Channels, (iv) Product Placement on TV Channels NOVA, (v) Voyo service, or (vi) other media channels which the Provider may designate as such in the future;

“**Partial Order Volume**” shall have the meaning ascribed to it in the General Terms and Conditions of Promotion on TV Channels NOVA and TV Channels of Other Providers issued by the Provider for the period from October 18, 2022;

“**Partial Order Volume of Internet Advertisement**” shall mean a part of the Internet Advertisement Order Volume purchased by the Advertiser by means of one Binding Order (or Multichannel Binding Order);

“**Product**” shall mean a product, service, or trademark tied to a product or service, provided by the Advertiser for the purpose of its placement in a Program, including possible use by the performing artists involved in connection with acting out the Script;

“**Product Placement**” shall have the meaning ascribed to it in the General Terms and Conditions of Promotion on TV Channels NOVA and TV Channels of Other Providers issued by the Provider for the period from October 18, 2022 and, furthermore, shall mean any form of incorporating the Product or a reference to the Product in the Program for payment or similar consideration;

“**Program**” shall mean a sequence of moving pictures with or without sound, that represents a separate item in the catalogue of programs and the content and form of which are comparable to those of a television broadcasting, and which may contain, *inter alia*, a Product Placement and an audiovisual, or solely visual, indication whereby the Provider, in accordance with Section 10 of the Act on Audiovisual Media Services, informs the viewer of the Product Placement in such sequence;

“**Programatic Advertisement**” shall mean promotion placed on the Servers by means of an automatic purchasing system of a third party, targeted using

technology to a particular target audience or a defined segment of users using targeting parameters such as geographical area, interests, age, gender, browsing history on the user’s device, etc.;

“**Promotion**” shall have the meaning ascribed to it in the General Terms and Conditions of Promotion on TV Channels NOVA and TV Channels of Other Providers issued by the Provider for the period from October 18, 2022;

“**Provider**” shall mean TV Nova s.r.o., ID No. 45800456, with its registered seat at Prague 5, Kříženeckého nám. 1078/5, Postal Code 152 00, registered with the Commercial Register maintained by the City Court in Prague, Section C, Insert No. 10581;

“**Provider’s Statistics**” shall mean the statistics that are automatically generated by the Provider’s or the Operator’s advertising system with respect to each Advertising Campaign and which stipulate the monitored parameters of the Advertising Campaign, in particular, the number of displays of the Advertising and the number of Clicks for the whole term of the Advertising Campaign, or as the case may be, other data at the discretion of the Provider or the Operator. The user name and password enabling access to the Provider’s Statistics with respect to an individual Advertising Campaign of the Advertiser shall be provided by the Provider to the Advertiser upon its request after the commencement of the Advertising Campaign. The Provider’s Statistics stipulate data retrospectively (data for a particular day of the Advertising Campaign are generated during the following night);

“**Recalculation**” shall have the meaning ascribed to it in Article 4.26 hereof;

“**Relevant Period**” shall mean (i) the calendar year 2023, or, as the case may be, (ii) the time period from October 18, 2022 till the end of the calendar year 2024, or any other period of consecutive calendar months during the period from October 18, 2022 till December 31, 2022 and the calendar years 2023 and 2024, if so stated by the Provider and the Advertiser in the relevant Binding Order;

“**Script**” shall mean a literary work intended to be acted out for the purpose of creating a Program;

“**Servers**” shall mean the internet servers on the internet sites (URLs) and their subdomains: <http://www.nova.cz/> and <http://www.tn.cz/> and other internet servers on which the Provider is authorized to procure the publication of the Internet Advertisement and which the Provider explicitly specifies in writing as the Servers as well as the HBBTV service on the TV Channels NOVA;

“**Specific Order**” shall mean an irrevocable order, which shall be in all substantial features identical to the template which is for such purpose provided to the Advertiser by the Provider, executed in compliance with these Terms and Conditions, by means of which the Advertiser places the Internet Advertisement Order Volume or any part thereof during the given Relevant Period;

“**Sponsorship**” shall mean the provision of a Sponsorship Contribution;

“**Sponsorship Contribution**” shall mean a contribution provided as a direct or indirect financing of formats published on the Servers with the aim to promote the name of an individual, the business name of a legal entity or visual symbol (logo) or trademark, a sponsor or its services, products or other performances;

“**Sponsorship Message**” shall mean an audiovisual (or, as the case may be, only visual or audio) sponsorship message placed on the Server by which the Provider or the Operator informs the Server’s visitor of the entity providing the Sponsorship;

“**Technical Conditions of Internet Advertisement**” shall mean the Technical Conditions of Advertisement stipulating, *inter alia*, basic technical requirements for the takeover and publication of the Internet Advertisement on the Servers. The Technical Conditions of Internet Advertisement shall be issued by the Provider and a current version thereof shall be available at the Provider’s registered office and on the Provider’s website;

“**Terms and Conditions**” shall mean these General and Pricing Terms and Conditions of Internet Advertisement;

“**TV Channels NOVA**” shall mean TV Rating Channels and TV NOVA SPORT;

“**TV NOVA SPORT**” shall mean TV NOVA SPORT 1 and 2 and TV NOVA SPORT 3 and 4 or either of these channels;

“**TV NOVA SPORT 1 and 2**” shall mean TV NOVA SPORT 1 and TV NOVA SPORT 2 or either of these channels;

“**TV NOVA SPORT 3 and 4**” shall mean TV NOVA SPORT 3 and TV NOVA SPORT 4 or either of these channels;

“**TV NOVA SPORT 1**” shall mean a television broadcast of the program Nova sport 1 operated by the Provider in the Czech Republic and Slovak Republic;

“**TV NOVA SPORT 2**” shall mean a television broadcast of the program Nova sport 2 operated by the Provider in the Czech Republic and Slovak Republic;

“**TV NOVA SPORT 3**” shall mean a television broadcast of the program Nova sport 3 operated by the Provider in the Czech Republic and Slovak Republic;

“**TV NOVA SPORT 4**” shall mean a television broadcast of the program Nova sport 4 operated by the Provider in the Czech Republic and Slovak Republic;

“**TV Rating Channels**” shall have the meaning ascribed to it in the General Terms and Conditions of Promotion on TV Channels NOVA and TV Channels of Other Providers issued by the Provider for the period from October 18, 2022; and

“**Voyo**” shall mean video portal operation service, i.e. archive of programs for registered users, at the URL <https://voyo.nova.cz> and its subdomains.

PART 2

PURCHASE OF INTERNET ADVERTISEMENT

- 2.1 The Advertisers shall purchase an Internet Advertisement by means of individual Binding Orders, including Multichannel Binding Orders. Binding Orders determine, in particular, the Partial Order Volume of Internet Advertisement and the Relevant Period, and Multichannel Binding Orders determine, in particular, the Partial Order Volume, including an allocation of its parts among the Other Media Channels (hereinafter referred to as the “**Binding Allocation**”). One Binding Order may be executed for the purchase of an Internet Advertisement of one Advertiser or Client only. In the event that these Terms and Conditions, or any other contractual documentation concluded in writing between the Provider and the Advertiser in connection with the procurement of the publication of the Internet Advertisement, stipulate any rights or obligations in relation to the Binding Order, then for procurement of the publication of such Advertiser’s Internet Advertisement the Multichannel Binding Order shall be deemed a Binding Order, except for all the provisions of the relevant documentation that regulate the provision of the discount on the Internet Advertisement Price in connection with the direct execution of the Binding Order or Multichannel Binding Order.
- 2.2 The Binding Order shall be deemed executed upon signature by the Provider and the Advertiser and further it shall be deemed executed in case the Advertiser confirms by email to the Provider the acceptance of the Binding Order proposal received from the Provider. In such case the Advertiser shall deliver the duly signed Binding Order to the Provider without undue delay.
- 2.3 The obligation to execute the Binding Order shall not apply to the Advertiser who, in the given Relevant Period, exclusively purchases the Internet Advertisement. In such case, the Advertiser may execute only a Specific Order instead of a Binding Order, whereas if these Terms and Conditions or any other contractual documentation executed in writing between the Provider and the Advertiser in connection with the procurement of the placement of the Internet Advertisement stipulates any rights or obligations in relation to the Binding Order, then for the purposes of the procurement of the publication of the Internet Advertisement of such Advertiser, the Specific Order shall be deemed a Binding Order, except for any and all provisions of the relevant documentation that regulate the provision of the discount on the Internet Advertisement Price in connection with the direct execution of the Binding Order.
- 2.4 The Provider shall be entitled to cancel the already executed Binding Order or Specific Order in the event that the Office for the Protection of Competition, the Council for Radio and Television Broadcasting or any other duly empowered public authority commences or has commenced proceedings or an investigation following the execution of the Binding Order and/or Specific Order that (i) is aimed at prohibiting an activity which the Provider is bound to perform under such Binding Order or Specific Order, and/or (ii) could, in the reasonable opinion of the Provider, cause harm to or be to the detriment of the Provider or the Operator if the Provider continued performing activities pursuant to the relevant Binding Order and/or Specific Order
- 2.5 In the event that the Internet Advertisement has the form of a Programatic Advertisement, then the Internet Advertisement Price shall be determined in accordance with the Internet Advertisement Price List and for the purposes of providing the discount pursuant to Art. 2.22 of the Pricing Terms and Conditions of Promotion on TV Channels NOVA issued by the Provider for the period from October 18, 2022, the Internet Advertisement Order Volume in the Programatic Advertisement format will be reflected only partially, in the amount of 10/13.

PART 3

PLACEMENT OF INTERNET ADVERTISEMENT

- 3.1 The Internet Advertisement Order Volume shall be placed on the Servers by the Advertiser by means of one or more Specific Orders. The Advertiser shall be obliged to deliver to the Provider a draft

Specific Order, by means of which the Advertiser intends to place the Internet Advertisement Order Volume on the Servers, no later than ten (10) working days prior to (i) the commencement of the particular Advertising Campaign and/or (ii) the date of the contemplated publication of the Sponsorship Message.

- 3.2 The Specific Order shall contain, in particular, the following:
 - (a) an indication of the Server where the Internet Advertisement shall be published;
 - (b) the Internet Advertisement Order Volume or a part thereof that shall be published on the particular Server;
 - (c) the date of publication of the Internet Advertisement;
 - (d) the Advertising Format or an indication of the format that shall be the subject of the Sponsorship; and
 - (e) the particular Advertising Position.
- 3.3 The Specific Order shall be deemed executed when confirmed by the Provider in writing and further shall be deemed executed in case the Advertiser confirms by email to the Provider the acceptance of the Specific Order proposal received from the Provider. In such case the Advertiser shall deliver the duly signed Specific Order to the Provider without undue delay. The Provider undertakes to confirm the Specific Order within two (2) working days following its delivery by the Advertiser to the Provider or, as the case may be, to state the reasons for the refusal thereof within the same period of time (see Article 5.11 hereof). In the event that the Advertiser delivers to the Provider, within the aforesaid period of time, an order in the Provider’s own format or a mediaplan containing all data stipulated in the template of the Specific Order and the Provider accepts such documents instead of the Specific Order, such document shall be deemed the Specific Order.
- 3.4 In the event that the Advertiser wishes to cancel the already executed Specific Order or any part thereof, it shall be obliged to inform the Provider of such cancellation in writing no later than seven (7) working days prior to the agreed date of publication of the Internet Advertisement. In the event that the Advertiser fails to comply with the aforesaid obligation, the Provider shall be entitled to request that the Advertiser pay a cancellation fee in the amount of:
 - (a) 30% of the Internet Advertisement Price corresponding to the Internet Advertisement in a volume which will not be duly placed, due to the cancellation of the Specific Order or a part thereof, in the event that the Specific Order or a part thereof is cancelled within six (6) to five (5) working days prior to the contemplated date of publication of the Internet Advertisement;
 - (b) 50% of the Internet Advertisement Price corresponding to the Internet Advertisement in a volume which will not be duly placed, due to the cancellation of the Specific Order or a part thereof, in the event that the Specific Order or a part thereof is cancelled within four (4) to three (3) working days prior to the contemplated date of publication of the Internet Advertisement;
 - (c) 70% of the Internet Advertisement Price corresponding to the Internet Advertisement in a volume which will not be duly placed, due to the cancellation of the Specific Order or a part thereof, in the event that the Specific Order or a part thereof is cancelled two (2) to one (1) working days prior to the contemplated date of publication of the Internet Advertisement; and
 - (d) 100% of the Internet Advertisement Price corresponding to the Internet Advertisement in a volume which will not be duly placed, due to the cancellation of the Specific Order or a part thereof, in the event that the Specific Order or a part thereof is cancelled on the day of the agreed publication of the Internet Advertisement or during the publication of the Internet Advertisement.

PART 4

INTERNET ADVERTISEMENT PRICE

- A. **General Provisions for Determination of the Internet Advertisement Price**
- 4.1 The Internet Advertisement Price shall be determined and paid pursuant to (i) these Terms and Conditions and the relevant Internet Advertisement Price List effective as of the day of the execution of the Binding Order and (ii) any other potential written contractual arrangements concluded between the Provider and the Advertiser.
- 4.2 Unless stipulated otherwise, the Provider shall determine the Internet Advertisement Price based on the Provider’s Statistics. The Provider shall determine the Internet Advertisement Price based on the Provider’s Statistics also in the event that the Advertiser and the Provider agreed that the Internet Advertisement Price will be

determined based on the External Statistics; but the External Statistics differs from the Provider's Statistics by more than 5% of the Internet Advertisement Price. The price of Non-Standard Advertising shall be provided by the Provider to the Advertiser upon its request.

4.3 The Advertiser shall become obliged to pay the Internet Advertisement Price to the Provider upon the moment of publication of the Internet Advertisement. As the moment of publication of the Internet Advertisement shall be deemed the moment when:

- (a) the Internet Advertisement was published on the particular Server; or
- (b) the Internet Advertisement should have been published on the particular Server but was not published for reasons on the part of the Advertiser.

4.4 Unless stipulated otherwise herein, the Internet Advertisement Price shall be payable on the basis of the invoices issued by the Provider on a monthly basis retrospectively. The relevant amount of the charged VAT shall also be included in the invoices. The last day of the relevant calendar month for which the invoice is being issued shall be deemed the date of the taxable supply within the meaning of Act No. 235/2004 Coll., on Value Added Tax, as amended. The Internet Advertisement Price shall be paid by the Advertiser within forty (40) days following the date of the issuance of the invoice, whereas the payment shall be deemed settled upon the entire amount of the Internet Advertisement Price being credited to the Provider's bank account.

4.5 In the event that the Advertiser is in default with the payment of the Internet Advertisement Price, or with the fulfillment of any other financial obligation towards the Provider, the Provider shall be entitled:

- (a) to claim a contractual penalty from the Advertiser in the amount of 0.5% of the outstanding amount for each day of the Advertiser's default with the payment of such financial obligation; and
- (b) not to publish any Internet Advertisement purchased by the Advertiser until the payment of all outstanding amounts by the Advertiser.

4.6 Notwithstanding Article 4.4 hereof, the Provider shall be at any time entitled to require a payment of 100% of the Internet Advertisement Price in advance. In such case, the Provider shall issue an invoice no later than fifteen (15) days prior to its due date. The relevant amount shall be credited to the Provider's bank account no later than one (1) working day prior to the agreed date of publication of the Internet Advertisement. In the event that the payment is not duly and timely credited to the Provider's bank account, the Provider shall be entitled not to publish the Internet Advertisement.

4.7 Should any entitlement to a contractual penalty arise for the Provider in connection with the procurement of the publication of the Internet Advertisement, the Provider shall be entitled to issue an invoice for the amount corresponding to the amount of the relevant claim. The invoice so issued shall be payable within forty (40) days following its delivery to the Advertiser.

4.8 In the event that the Advertiser is granted any discount by the Provider or the respective coefficients are applied, but the Advertiser subsequently fails to fulfill the conditions stipulated for the granting of such discount or for the application of such coefficients, an amount corresponding to the discount, respectively to the application of such coefficients to which the Advertiser had not become entitled shall be charged by the Provider to the Advertiser for payment in the month immediately following the end of the period wherein the Provider had assessed the Advertiser's fulfillment of the conditions for being granted the discount or at any time in the future, but no later than in the month immediately following the end of the Relevant Period.

4.9 Unless expressly stipulated otherwise in the relevant contractual documentation, all prices, other financial considerations and data expressed in financial amounts shall not include the applicable VAT. Should any fulfillment be subject to VAT, the applicable VAT determined in accordance with the applicable legal regulations shall be charged to the Advertiser along with such fulfillment.

B. Discounts and Coefficients Applicable in relation to the Internet Advertisement Price

4.10 Depending on the amount of the Current Order Volume of Internet Advertisement actually placed on the Servers during the given Relevant Period, the Advertiser shall be entitled to a discount on the Internet Advertisement Price applicable to the Partial Order Volume of Internet Advertisement purchased by means of the corresponding Binding Order or Multichannel Binding Order based on the following table:

Current Order Volume of Internet Advertisement (in CZK)	Discount on Internet Advertisement Price
15,000 – 29,999	2%
30,000 – 59,999	3%
60,000 – 99,999	4%
100,000 – 149,999	6%
150,000 – 199,999	8%
200,000 – 299,999	10%
300,000 – 399,999	12%
400,000 – 499,999	14%
500,000 – 649,999	16%
650,000 – 849,999	17%
850,000 – 999,999	18%
1,000,000 – 1,499,999	20%
1,500,000 – 1,999,999	22%
2,000,000 – 2,499,999	24%
2,500,000 – 2,999,999	26%
3,000,000 – 3,999,999	28%
4,000,000 – 4,999,999	30%

In the event that the amount of the Current Order Volume of Internet Advertisement reaches at least CZK 5 000 000, the Advertiser shall be entitled to the discount on Internet Advertisement Price in an amount determined by the Provider depending on the specific amount of the Current Order Volume of Internet Advertisement reached and, as the case may be, other objective criteria determined by the Provider and announced to the Advertiser before concluding the relevant Binding Order or Multichannel Binding Order.

4.11 In the event that the Advertiser (i) enters into a Binding Order or Multichannel Binding Order with the Provider no later than on December 1, 2022, and, at the same time, (ii) duly places on the Servers by means of one or more Specific Orders the Partial Order Volume of Internet Advertisement purchased by this Binding Order or Multichannel Binding Order, the Advertiser shall be entitled to a discount in the amount of 10% on the Internet Advertisement Price discounted pursuant to Article 4.10 hereof, provided that this discount applies.

4.12 In the event that the Advertiser (i) enters into a Binding Order or Multichannel Binding Order with the Provider between December 2, 2022 and January 13, 2023 (inclusive), and, at the same time, (ii) duly places on the Servers by means of one or more Specific Orders the Partial Order Volume of Internet Advertisement purchased by this Binding Order or Multichannel Binding Order, the Advertiser shall be entitled to a discount in the amount of 5% on the Internet Advertisement Price discounted pursuant to Article 4.10 hereof, provided that this discount applies.

4.13 In the event that the Advertiser (i) purchases an Internet Advertisement by means of a Multichannel Binding Order in a Partial Order Volume of Internet Advertisement lower than CZK 1,000,000, and, at the same time, complies with the Binding Allocation or (ii) purchases an Internet Advertisement by means of a Binding Order in a Partial Order Volume of Internet Advertisement lower than CZK 1,000,000, the Advertiser shall be entitled to a discount in the amount of 5% on the price of the Internet Advertisement so purchased, discounted pursuant to Articles 4.10, 4.11 or 4.12 hereof, provided that these discounts apply. For the purposes of this Art. 4.13 the Multichannel Binding Order or the Binding Order, respectively, shall mean only the first Multichannel Binding Order or the first Binding Order, respectively, concluded for any given Relevant Period; any subsequent Multichannel Binding Orders and/or Binding Orders concluded for the same Relevant Period shall be disregarded.

4.14 In the event that the Advertiser (i) purchases an Internet Advertisement by means of a Multichannel Binding Order in a Partial Order Volume of Internet Advertisement of at least CZK 1,000,000, and, at the same time, complies with the Binding Allocation, or (ii) purchases an Internet Advertisement by means of a Binding Order in a Partial Order Volume of Internet Advertisement of at least CZK 1,000,000, the Advertiser shall be entitled to a discount in the amount of 10% on the price of the Internet Advertisement so purchased, discounted pursuant to Articles 4.10, 4.11 or 4.12 hereof, provided that these discounts apply. For the purposes of this Art. 4.14 the Multichannel Binding Order or the Binding Order, respectively, shall mean only the first Multichannel Binding Order or the first Binding Order, respectively, concluded for any given Relevant Period; any subsequent Multichannel Binding Orders and/or Binding Orders concluded for the same Relevant Period shall be disregarded.

- 4.15 In the event that the Advertiser (i) purchases by means of a Binding Order or Multichannel Binding Order and places by means of one or more Specific Orders an Internet Advertisement in a Partial Order Volume of Internet Advertisement lower than CZK 1,000,000, and, at the same time, (ii) it is an Internet Advertisement promoting the Advertiser or one of its Clients who did not advertise on the Media Channels in the previous 12 months before the conclusion of relevant Binding Order or Multichannel Binding Order, the Advertiser shall be entitled to a discount in the amount of 10% on the price of the Internet Advertisement so purchased, discounted pursuant to Articles 4.10, 4.11, 4.12, 4.13 or 4.14 hereof, provided that these discounts apply.
- 4.16 In the event that the Advertiser (i) purchases by means of a Binding Order or Multichannel Binding Order and places by means of one or more Specific Orders an Internet Advertisement in a Partial Order Volume of Internet Advertisement of at least CZK 1,000,000, and, at the same time, (ii) it is an Internet Advertisement promoting the Advertiser or one of its Clients who did not advertise on the Media Channels in the previous 12 months before the conclusion of relevant Binding Order or Multichannel Binding Order, the Advertiser shall be entitled to a discount in the amount of 15% on the price of the Internet Advertisement so purchased, discounted pursuant to Articles 4.10, 4.11, 4.12, 4.13 or 4.14 hereof, provided that these discounts apply.
- 4.17 In the event that the total volume of Internet Advertisement purchased and duly placed on the Servers by the Advertiser, who in the given case is acting as the Client, is higher in the time period from January 1, 2023 till the end of the calendar year 2023 than in the time period from January 1, 2022 till December 31, 2022, and this increase is less than CZK 1,000,000, the Advertiser shall be entitled to a discount in the amount of 5% on the Internet Advertisement Price, discounted pursuant to Articles 4.10, 4.11, 4.12, 4.13, 4.14, 4.15 or 4.16 hereof, provided that these discounts apply.
- 4.18 In the event that the total volume of Internet Advertisement purchased and duly placed on the Servers by the Advertiser, who in the given case is acting as the Client, is higher in the time period from January 1, 2023 till the end of the calendar year 2023 than in the time period from January 1, 2022 till December 31, 2022, and this increase is at least CZK 1,000,000, the Advertiser shall be entitled to a discount in the amount of 8% on the Internet Advertisement Price, discounted pursuant to Articles 4.10, 4.11, 4.12, 4.13, 4.14, 4.15 or 4.16 hereof, provided that these discounts apply.
- 4.19 In the event that the Advertiser (i) purchases an Internet Advertisement by means of a Binding Order or Multichannel Binding Order, (ii) duly places this Internet Advertisement during the given Relevant Period, and, at the same time, (iii) pays the Provider an amount corresponding to 100% of the Partial Order Volume of Internet Advertisement arising under the relevant Binding Order or Multichannel Binding Order within forty (40) days of the date of its execution, but no later than seven (7) days prior to the first publication of the Internet Advertisement so purchased on the relevant Server, then the Advertiser shall be entitled to a discount in the amount of 3% on the Internet Advertisement Price, discounted pursuant to Articles 4.10, 4.11, 4.12, 4.13, 4.14, 4.15, 4.16, 4.17 or 4.18 hereof, provided that these discounts apply.
- 4.20 Potential further discounts on the Internet Advertisement Price may be stipulated in the relevant Internet Advertisement Price List.
- 4.21 In the event that the Internet Advertisement also contains the promotion of a trademark (brand) of an entity or entities other than the entity for whose promotion or the promotion of whose products or services such Internet Advertisement is intended (hereinafter the “**Other Entity**”), the Provider shall charge the Advertiser a surcharge in the amount of 30% of the price of such Internet Advertisement for each such trademark (brand). A situation where a logo, product or service of an Other Entity is included in an Internet Advertisement promoting a consumer’s contest shall also be deemed a promotion of a trademark (brand) of the Other Entity.
- 4.22 In the event that the Internet Advertisement contains a depiction of a logo of an Other Entity, and such Other Entity is not by any other means presented in the Internet Advertisement, and the length of the depiction of the given logo does not exceed five (5) seconds, then the Provider shall not charge the Advertiser a surcharge pursuant to Article 4.21 hereof. Similarly, the Provider shall not charge the Advertiser a surcharge pursuant to Article 4.21 hereof in the event that a product of the Other Entity appears in the Internet Advertisement without a simultaneous depiction of or verbal reference to its trademark (brand) or logo.
- 4.23 In the event that the Advertiser places the Internet Advertisement on the Servers in the period from May 29, 2023 to August 27, 2023, the

Provider shall charge the Advertiser a surcharge in the amount of 40% of the price of such Internet Advertisement.

- 4.24 In the event that the Advertiser places the Internet Advertisement on the Servers in the period from August 28, 2023 to December 17, 2023, the Provider shall charge the Advertiser a surcharge in the amount of 35% of the price of such Internet Advertisement.

- 4.25 Potential further surcharges on the Internet Advertisement Price charged by the Provider may be stipulated in the relevant Internet Advertisement Price List.

C. Recalculation

- 4.26 In the event that the Advertiser fails to duly place on the Servers during the Relevant Period, by means of one or more Specific Orders, the Current Order Volume of Internet Advertisement arising from the latest Binding Order or Multichannel Binding Order, then the Internet Advertisement Price shall be adjusted so that any discount provided corresponds to the portion of the Current Order Volume of Internet Advertisement actually duly placed on the Servers by means of one or more Specific Orders (hereinafter the “**Recalculation**”).

- 4.27 The Provider shall issue an invoice for the difference between the originally invoiced Internet Advertisement Price and the newly calculated Internet Advertisement Price resulting from the Recalculation within fifteen (15) calendar days following the end of the Relevant Period. The Advertiser shall be obliged to pay the Provider the difference in the Internet Advertisement Price determined as a result of the Recalculation within fifty (50) calendar days following the date the relevant invoice was issued by the Provider.

PART 5 PRODUCTION AND DELIVERY OF INTERNET ADVERTISEMENT

- 5.1 Unless agreed otherwise in writing between the Advertiser and the Provider, a production of the Internet Advertisement shall be procured by the Advertiser. The Advertiser shall also be obliged to deliver the Internet Advertisement to the Provider in compliance with these Terms and Conditions, the Specific Order, the Technical Conditions of Internet Advertisement and/or any other contractual documentation executed in writing between the Provider and the Advertiser in connection with the procurement of the publication of the Internet Advertisement.
- 5.2 The Advertiser shall be fully liable for the contents of the Internet Advertisement and shall indemnify the Provider in connection with any and all claims of any nature asserted towards the Provider or the Operator by third persons, in particular, claims asserted in connection with the Act on Operation of Radio and Television Broadcasting, the Act on Regulation of Advertising, the Act on Consumer Protection, protection of personal rights, competition law as well as unfair competition law, copyright law and rights relating thereto, unless stipulated otherwise herein, industrial property rights, rights relating to the appellation of origin and any other rights and any other costs incurred by the Provider or the Operator in connection with the claims asserted by third persons within the meaning of this Article 5.2.
- 5.3 Upon conclusion of the Specific Order, the Advertiser represents and warrants that it has duly entered into license agreements with the holders of the copyrights and rights related thereto and is entitled to incorporate the relevant copyrighted works in the Internet Advertisement, including a right to use them for the purposes of the Internet Advertisement by making them public on the Servers, and that it has settled any and all remunerations for such use. The licenses to incorporate the works of the authors not represented by OSA and authors of currently protected works represented by OSA in the Internet Advertisement shall be acquired by the Advertiser directly from such authors and, at the same time, the Advertiser shall be obliged to settle with such authors any and all fees for such use, whereas in the event that the author is represented by OSA, the Advertiser shall be obliged to do so through OSA. Accordingly, the Advertiser shall be obliged to acquire a license for the publication of the relevant works on the Servers directly from the authors not represented by OSA and settle directly with such authors any and all authors’ fees for such use. Should the Internet Advertisement contain any audio or audiovisual recording, the Advertiser represents and warrants that it has acquired from the producers and the performing artists whose artistic performances are recorded on such recordings the license to incorporate such artistic performances and recordings in the Internet Advertisement and that it has settled any and all fees for the license to use them for the publication of the Internet Advertisement on the Servers, and that it has settled the respective entitlements of such producers of audio or audiovisual

- recordings and performing artists in connection with the aforesaid use. Should the Internet Advertisement contain any audio recording made for commercial purposes or a musical audiovisual recording, the Advertiser shall be obliged to acquire the license for its incorporation in the Internet Advertisement directly from the producer of such recording and pay the producer the relevant remuneration for such use. The license to incorporate artistic performances recorded on an audio recording made for commercial purposes or a musical audiovisual recording in the Internet Advertisement shall be acquired by the Advertiser through INTERGRAM and, at the same time, the Advertiser shall settle through INTERGRAM any and all remuneration for such use. The Advertiser undertakes to provide the Provider upon its request with copies of the agreements proving the settlement of claims of the relevant right holders in the aforesaid extent and a copy of the report to INTERGRAM.
- 5.4 The Advertiser shall, no later than as of the day of the handover of the carrier containing the Internet Advertisement, supply the Provider with information concerning the producer of the Internet Advertisement and the musical arrangement of the Internet Advertisement containing the name of each music composition used, the name of the author of the music and the lyrics, a translation of the lyrics (if applicable), the name of the publisher and the exact length of the music used. If the Internet Advertisement also contains an audio recording made for commercial purposes or a musical audiovisual recording, the Advertiser shall indicate such fact in the musical arrangement of the Internet Advertisement and shall supply information on the audio recording made for commercial purposes or the musical audiovisual recording used, *i.e.* in particular, the name of the producer of the audio recording made for commercial purposes or the musical audiovisual recording. If the musical arrangement of the Internet Advertisement does not explicitly indicate that the Internet Advertisement contains an audio recording made for commercial purposes or a musical audiovisual recording, such fact shall be deemed as a binding representation of the Advertiser that the Internet Advertisement does not contain any such recording.
- 5.5 Upon the execution of the Specific Order, the Advertiser grants the Provider consent to distribute the Internet Advertisement through the Servers within the world-wide Internet computer network and confirms that it is entitled to exercise any and all rights necessary for the publication of the Internet Advertisement in the form handed over to the Provider and in the manner stipulated in the Specific Order, in particular, that it is entitled to exercise the potential proprietary copyrights and is entitled to use potential trademarks or other items which are subjects of intellectual property included in the Internet Advertisement, and confirms that it does not violate the rights of any third party.
- 5.6 Upon the execution of the Specific Order, the Advertiser grants the Provider consent to use the previews of the Internet Advertisement in connection with the promotion of the Provider, its services or the Servers.
- 5.7 The Advertiser shall supply the Provider with the Advertising Documentation no later than five (5) working days prior to the contemplated date of publication of the Internet Advertisement to the following address reklamnipodklady@nova.cz or any other address that the Provider notifies to the Advertiser for this purpose in writing. In case of the Non-Standard Advertising, the time period for the provision of the Advertising Documentation pursuant to the previous sentence shall be ten (10) working days. In the event that the Advertiser fails to supply the Advertising Documentation in the deadlines stipulated in this Art. 5.7, the Provider shall be entitled (i) not to publish the Internet Advertisement for reasons on the part of the Advertiser, or (ii) to publish the Internet Advertisement in a limited extent so that the publishing of the Internet Advertisement commences on the fifth (5) business day and, in case of the Non-Standard Advertising on the tenth (10) business day, following the supply of the Advertising Documentation and terminates on the date agreed in the relevant Specific Order. In both scenarios the Advertiser will be obliged to pay to the Provider the Internet Advertisement Price in full in accordance with Art. 4.3(b) herof, *i.e.* inclusive the time period during which the Internet Advertisement was not published.
- 5.8 The Advertising Documentation shall be in compliance with the Technical Conditions of Internet Advertisement. In case of the Standard Advertising and the Advertising Spots, the Provider shall, no later than on the day of execution of the Specific Order, specify the technical conditions which the provided Advertising Documentation relating to the Non-Standard Advertising must comply with.
- 5.9 The Provider shall enable the Advertiser to publish the Internet Advertisement by means of a system independent of the Provider with respect to which the Provider shall provide the Advertiser with the particular html codes (hereinafter the “**External System**”), whereas the External System shall be operated by a person approved in writing by the Provider. In such case, the Advertiser shall be obliged to enable the Provider to freely access the External Statistics relating to the particular External System in relation to the Internet Advertisement placed on the Servers. The Provider shall not be liable for any faults occurring as a result of the use of the External System.
- 5.10 In the event of a repeated failure of the External System that in each individual case lasts for at least thirty (30) minutes, the Provider shall be entitled to notify the Advertiser, by means of an e-mail message, of such repeated failure. In the event that the Advertiser does not remedy the failure without undue delay, the Provider shall be entitled not to publish the Internet Advertisement via the External System until the failure is remedied by the Advertiser, whereas such situation shall not be deemed as the Provider’s faulty performance.
- 5.11 The Provider shall be entitled to refuse, suspend or cancel the publication of the Internet Advertisement in the event that:
- (a) the Advertising Documentation is not in compliance with the Technical Conditions of Internet Advertisement or, as the case may be, with the technical conditions set forth by the Provider pursuant to Article 5.8 hereof;
 - (b) the content of the Internet Advertisement is, according to the Provider’s opinion, in breach of the generally binding legal regulations, in particular, the Act on Operation of Radio and Television Broadcasting, the Act on Regulation of Advertising or the Act on Consumer Protection, international treaties binding on the Czech Republic, *bono mores* or the Advertising Codex, or it threatens the public order;
 - (c) the Internet Advertisement is aimed at promoting an entity that is a competitor of the Provider, the Operator or their business partners or it redirects a user to the web pages of such entity after a Click;
 - (d) the content of the Internet Advertisement is contradictory to the Provider’s or the Operator’s business or other interests;
 - (e) the Internet Advertisement does not correspond to the current offer of the Advertising Positions pursuant to the relevant Internet Advertisement Price List or pursuant to a previous agreement between the Provider and the Advertiser;
 - (f) the number of displays of the Advertising ordered by the Advertiser is unrealistic;
 - (g) the part of the Partial Order Volume of Internet Advertisement being placed by means of one Specific Order is less than CZK 10,000 excluding VAT;
 - (h) the Specific Order relates to an advertising space on the Servers which has already been sold out for the particular period;
 - (i) the Specific Order relates to a purchase of the Internet Advertisement with respect to a more distant period of time (usually six (6) months or more) with respect to which the Provider cannot guarantee, due to potential changes in the media portfolio, Advertising Formats, audience, Internet Advertisement Price, Technical Conditions of Internet Advertisement or other conditions, the publication of the required Internet Advertisement under the conditions applicable at the moment such Specific Order is sent;
 - (j) the Specific Order is aimed at purchasing the Internet Advertisement regarding a service or web page with respect to which the Provider or the Operator grants exclusivity to another Advertiser;
 - (k) the Provider has reasonable doubts as to whether the Advertiser holds all the rights (see Article 5.3 hereof) necessary for the publication of the Internet Advertisement, until the Advertiser reliably proves to the Provider that it holds such rights;
 - (l) the Advertising published by means of the External System or supplemented by a measuring point or points (or another means enabling the collection of data on users to whom the Advertising will be displayed), when such External System or supplements are or shall be used in a way that is not acceptable to the Provider; or
 - (m) the Advertiser is in default with a payment of the Internet Advertisement Price.

- 5.12 The Provider shall be entitled to exercise the rights referred to in Article 5.11 hereof also in the event that the facts set forth therein are revealed in the course of the Advertising Campaign or publication of the Sponsorship Messages.
- 5.13 In the event that any situation referred to in Article 5.11(a) to (l) hereof occurs (hereinafter the “**Inappropriate Advertisement**”), the Provider shall, in the event that there are at least five (5) working days until the scheduled publication of the Internet Advertisement, notify the Advertiser in writing of the Inappropriate Advertisement and request that the Advertiser rectify the situation by submitting a corrected or substitute Internet Advertisement that shall comply with these Terms and Conditions and the Technical Conditions of Internet Advertisement, if such rectification is possible. In the event that (i) there are less than five (5) working days until the scheduled publication of the Internet Advertisement; or (ii) the Advertiser fails to deliver a rectified or substitute Internet Advertisement sufficiently in advance with respect to the scheduled publication of the Internet Advertisement, however, no later than in the time limit stipulated in Article 5.7 hereof, the Provider shall not be obliged to procure the publication of the Inappropriate Advertisement and, at the same time, the Provider shall have the right to claim a contractual penalty amounting to the part of the Internet Advertisement Price corresponding to the price of publication of the Internet Advertisement determined in the Specific Order, the publication of which was not procured by the Provider for reasons stipulated in this Article, and, at the same time, the Provider shall be entitled to fully or partially cancel the Specific Order.
- 5.14 Upon Provider’s request the Advertiser shall communicate to the Provider within 5 (five) working days who is the processor (in Czech: “*zpracovatel*”) of the Advertisement in with the meaning of the Act on Regulation of Advertising.

PART 6 OTHER CONDITIONS OF INTERNET ADVERTISEMENT

A. Claims

- 6.1 In the event that a faulty performance pursuant to Article 6.4 hereof is provided by the Provider to the Advertiser, the Advertiser shall be entitled to claim (i) an appropriate substitute fulfillment, or (ii) the Internet Advertisement Price discount pursuant to Article 6.7 hereof. The choice between the claims referred to in this Article 6.1 shall be made by the Provider.
- 6.2 The time limit for asserting the Claim shall be fourteen (14) days following the day when the Advertiser became aware, or in the exercise of professional care could have become aware, of the faulty performance on the part of the Provider, however, no later than seven (7) days after the end of the Advertising Campaign or the publication of the Sponsorship Message.
- 6.3 The Claim must be asserted with the Provider in writing and it must be evident therefrom what, in the opinion of the Advertiser, the Provider’s faulty performance consists in.
- 6.4 The following shall be deemed as the Provider’s faulty performance:
- (a) with respect to the Advertising Formats sold for a fixed time period: (i) malfunction of the particular Server or any part thereof; or (ii) failure to display the Advertising Format for a period of more than six (6) hours per one calendar day or twenty-four (24) hours per week;
 - (b) failure to deliver the number of displays ordered by the Advertiser or guaranteed by the Provider as compared to the data from the Provider’s Statistics, or breach of the exclusivity relating to the Advertising Format sold for a fixed time period;
 - (c) malfunction of the Click caused by a fault on the part of the Provider; or
 - (d) displaying of the Advertiser’s Internet Advertisement in a significantly different part of the web page than the Advertising Position agreed in the Specific Order;
- whereas faulty performance pursuant to (a) to (d) above shall not be deemed a material breach of contract.
- 6.5 Notwithstanding the fulfillment of the conditions referred to in Article 6.4 hereof, the following shall not be deemed the Provider’s faulty performance:
- (a) a decrease of the Server’s viewers;
 - (b) malfunction of the particular Server caused by events beyond the Provider’s control. Events beyond the Provider’s control shall include, for instance, civil unrest, military operations, states of emergency or alert, interference by the state or other public authority, weather, failure of communication services, technical failure, lack of electricity, observance of legal regulations by the Provider, including observance of statutory obligations such as providing information to the public, disputes between employees and employers, and any other similar events;
- (c) interruption of the publication of the Internet Advertisement in cases of extraordinary events, including technical reasons (e.g. a significant increase of the website viewers causing an overload of the Servers); or
 - (d) publishing of an Advertising Spot in a visual form only even when it is produced in an audiovisual form.
- 6.6 In the event that a substitute performance is provided, the Provider and the Advertiser shall, without undue delay, agree in writing on the form and extent of the substitute performance in the first possible or a mutually convenient term. Should the substitute performance not be possible due to reasons on the part of the Provider, the Provider shall, in the event of a justified Claim, grant the Advertiser a discount from the Internet Advertisement Price.
- 6.7 In the event that a discount from the Internet Advertisement Price is provided, the Provider shall grant the Advertiser a discount as follows:
- (a) In the event that the performance provided by the Provider is less than 80% of the Internet Advertisement Order Volume being placed by the Advertiser by means of the relevant Specific Order, the Advertiser shall be entitled to a discount in the amount of 25% of the Internet Advertisement Price actually placed by the Advertiser on the basis of such Specific Order;
 - (b) In the event that the performance provided by the Provider is less than 60% of the Internet Advertisement Order Volume being placed by the Advertiser by means of the relevant Specific Order, the Advertiser shall be entitled to a discount in the amount of 50% of the Internet Advertisement Price actually placed by the Advertiser on the basis of such Specific Order; and
 - (c) In the event that the performance provided by the Provider is less than 40% of the Internet Advertisement Order Volume being placed by the Advertiser by means of the relevant Specific Order, such Specific Order shall be deemed as unexecuted and the Advertiser shall not be obliged to pay the Internet Advertisement Price actually placed on the basis of such Specific Order.
- 6.8 The Provider shall be entitled to assess the Claim and provide the Advertiser with a discount on the Internet Advertisement Price in an amount other than the amount set forth in Article 6.7 hereof depending on the character and the extent of the faulty performance against which the Claim is being made.
- 6.9 In the event that an invoice for the Internet Advertisement Price, with respect to which the rightful Claim was applied, has already been issued by the Provider, the discount on the Internet Advertisement Price shall be provided by virtue of a correcting tax document. In other cases, the Provider shall decrease by the relevant discount the Internet Advertisement Price invoiced to the Advertiser for the Provider’s faulty performance.

B. Contractual Penalty

- 6.10 In the event that during the given Relevant Period the Advertiser places, by means of one or more Specific Orders, an Internet Advertisement on the Servers in a volume representing less than 50% of the Partial Order Volume of Internet Advertisement ensuing from the relevant Binding Order, then the Provider shall be entitled to a contractual penalty in the amount of the difference between the actually duly placed volume of Internet Advertisement purchased on the basis of such Binding Order and 50% of the Partial Order Volume of Internet Advertisement ensuing from this Binding Order.
- 6.11 The provisions of Article 6.10 hereof shall not affect the Recalculation, nor shall they affect the Advertiser’s obligation to return all discounts granted by the Provider in the event that the Advertiser fails to fulfill the conditions for the granting thereof.

C. Compensation for Damage

- 6.12 In the event that the Advertiser or the Provider is in breach of any of its obligations arising under these Terms and Conditions, the Binding Order, the Specific Order and/or any other contractual documentation executed in writing between the Provider and the Advertiser in connection with the procurement of the publication of the Internet Advertisement, it shall compensate the other party for damage caused by such breach. The Provider shall be liable for potential damage caused by the Provider only up to the amounts provably paid by the

Advertiser to the Provider for procuring the publication of the Internet Advertisement in the Relevant Period. The liability for damage as well as compensation for damage shall be governed by the relevant provisions of the Civil Code. The right to compensation for damage incurred as a result of a breach of obligation in respect of which the contractual penalty or late payment interest is applicable shall not be affected by the payment of the contractual penalty or late payment interest.

- 6.13 The Provider shall not be liable for the non-fulfillment or delayed fulfillment of its obligations caused by events beyond the Provider's control. Events beyond the Provider's control shall mean force majeure, e.g. civil unrest, military operations, states of emergency or alert, interference by the state or other public authority, weather, failure of communication services, technical failure, lack of electricity, observance of legal regulations or the license conditions by the Provider, including observance of statutory obligations such as providing information to the public, disputes between employees and employers, and any other similar events.

D. Termination Notice and Withdrawal

6.14 The Provider is entitled to terminate any Binding Order, Specific Order or any other contractual documentation concluded between the Advertiser and the Provider in connection with the procurement of the publishing of the Advertisement on the Media Channels for reasons stipulated by law as well as for the following reasons:

- (a) the Advertiser breached any of its payment obligations under the contractual documentation concluded between the Provider and the Advertiser in connection with the procurement of the publishing of the Advertisement on the Media Channels, provided such breach is not remedied within seven (7) days of the Provider's request to remedy the breach;
- (b) the Advertiser or any third person files an insolvency petition concerning the Advertiser; or
- (c) the Advertiser or any third person takes any steps towards a suspension of Advertiser's payments, a declaration of a moratorium, the dissolution of the Advertiser, the Advertiser ceasing to exist and/or the appointment of a liquidator of the Advertiser;

the termination becomes effective upon delivery to the Advertiser, unless a later effective date is stipulated therein.

- 6.15 In the event of a breach of a contractual obligation of the Advertiser (irrespective of whether it is a substantial breach or not), the Provider is entitled to withdraw from any Binding Order, Specific Order or any other contractual documentation concluded between the Advertiser and the Provider in connection with the procurement of the broadcasting of the Advertisement on the Media Channels at any time during the duration of the breach and within twenty (20) working days after the Advertiser has already fulfilled its obligation. The right of the Provider to withdraw in the event of a breach of a contractual obligation of the Advertiser shall be retained even if the Provider grants the Advertiser an additional period to fulfill its obligation.

E. Dispute Resolution

- 6.16 Any disputes between the Provider and the Advertiser arising under or in connection with these Terms and Conditions, the Binding Order or the Specific Order and/or any other contractual documentation executed in writing between the Provider and the Advertiser in connection with the procurement of the publication of the Internet Advertisement shall at first be settled in an amicable way. In the event that such amicable settlement is not reached within one (1) month after the initiation of the dispute resolution, such dispute shall be finally resolved in *ad hoc* arbitration proceedings in accordance with the UNCITRAL arbitration rules, as effective on the date on which the relevant Binding Order was entered into, by three arbitrators. The Provider and the Advertiser shall each appoint one arbitrator and the third arbitrator, who shall chair the arbitration court, shall be appointed by virtue of the mutual agreement between such two appointed arbitrators. In the event that such appointed arbitrators do not agree on the name of the chairing arbitrator within thirty (30) days after the appointment of the second arbitrator, the third arbitrator shall be appointed in accordance with the legal regulations of the Czech Republic by a competent court of the Czech Republic. The venue of the arbitration shall be Prague and the language of the arbitration shall be Czech.

F. Confidentiality

- 6.17 The Provider and the Advertiser undertake not to use for themselves or any third party nor to disclose to any third party any confidential

information which they acquire or which will be disclosed to them in connection with the procurement of the publication of the Internet Advertisement. For the purposes hereof, confidential information shall be deemed, in particular, any Binding Order, Specific Order, or any other contractual documentation executed in writing between the Provider and the Advertiser in connection with the procurement of the publication of the Internet Advertisement, and furthermore business, organizational, financial, proprietary, marketing, and other related information concerning the Provider and/or the Advertiser, their business partners or entities personally or proprietarily connected to them, and which are not publicly available, regardless of whether or not its disclosure is capable of causing harm to the entity which the information concerns (hereinafter "**Confidential Information**"). Any Confidential Information concerning or relating to the Provider, especially any Binding Order, Specific Order or any other contractual documentation executed in writing between the Provider and the Advertiser in connection with the procurement of the publication of the Internet Advertisement, shall be deemed a business secret of the Provider.

- 6.18 The confidentiality obligation under Article 6.17 hereof shall not apply to the disclosure of Confidential Information:

- (a) to the Operator and companies which form a holding with the Provider or the Advertiser pursuant to the relevant provisions of the Business Corporations Act;
- (b) to the employees of the Provider or the Advertiser and to persons acting to their benefit (e.g. lawyers, auditors, experts, etc.), provided that the knowledge of such Confidential Information is necessary for the fulfillment of such person's tasks within the realization of these Terms and Conditions;
- (c) provided that the Provider or the Advertiser granted prior written consent to disclosure of Confidential Information; and/or
- (d) in the event of the duty to prevent or report a commitment of a criminal offence, any other duty imposed by law or in the event that the disclosure is required by the competent public authority. In such an event, the Provider or the Advertiser shall indicate the provided information as a business secret and the Advertiser shall notify the Provider of its provision without undue delay.

- 6.19 Notwithstanding Article 6.17 hereof, the Provider or the Advertiser shall be entitled to provide the relevant Binding Order and/or Specific Order or information contained therein and/or related to it as well as the draft Binding Order or Specific Order or price calculation, which is the basis for such draft, to the Client for whose presentation or for promotion of whose products and/or services such Binding Order and/or Specific Order was or will be entered into between the Provider and the Advertiser. Should this be the case, the Advertiser is obliged to designate the provided information as a business secret of the Provider and impose an obligation on the Client in writing not to disclose the provided information to any third party. The Provider is further entitled to use and, to the extent necessary, disclose the Confidential Information to third parties in the event that it is necessary for the purposes of protecting its rights and legitimate interests, including the enforcement or assignment of its outstanding receivables.

PART 7 GENERAL AND FINAL PROVISIONS

- 7.1 Should a written form be required by these Terms and Conditions, such requirement shall be deemed fulfilled even in the event that a fax or e-mail is used. However, acts may be performed via e-mail only under the condition that the reception of such e-mail is confirmed by the other party (an automatic response of the mail server shall not be deemed as such confirmation). The Provider or the Advertiser shall be obliged to confirm the date and time of the receipt of the other party's e-mail upon such party's request.
- 7.2 In the event that a Binding Order or Specific Order is entered into between the Provider and the Advertiser, such Binding Order or Specific Order shall represent the complete agreement between the Provider and the Advertiser regarding the subject matter thereof and shall supersede any and all preceding contracts, agreements or arrangements, whether written or oral, regarding the subject matter of this Binding Order or Specific Order, except for other Binding Orders or Specific Orders concluded to date between the Provider and the Advertiser in the given Relevant Period.
- 7.3 The content of a Binding Order or Specific Order entered into between the Provider and the Advertiser may be amended only on the basis of a written agreement between the Provider and the Advertiser, signed by the Provider and the Advertiser.

- 7.4 A Binding Order or Specific Order may be validly concluded between the Provider and the Advertiser only if the relevant contractual party (offeree) accepts the proposal for conclusion of the Binding Order or Specific Order without any amendments or deviations.
- 7.5 The Provider shall be authorized to unilaterally amend these Terms and Conditions and the relevant Internet Advertisement Price List; however, any relations arising under Binding Orders or Specific Orders that have already been concluded shall not be affected by any such amendment.

- 7.6 All relations arising under these Terms and Conditions, including all relations arising under the Binding Orders and/or Specific Orders, shall be governed by the laws of the Czech Republic. The application of Sections 1765 and 1798 to 1800 of the Civil Code is hereby expressly excluded.
- 7.7 These Terms and Conditions are issued both in the Czech and English language. In the event of any discrepancy between the Czech and English versions, the Czech version shall prevail.