

## CONTRACTUAL TERMS AND CONDITIONS

for Commercial Messages in the Expres and Classic radio station programmes

The company **4S PRODUCTION, a.s.**, ID No. (IČO): 25113054 operates, in accordance with the licence terms and conditions, the radio broadcasting of the Expres FM programme (hereinafter "**Radio Expres**") and the company **RKR s.r.o.**, ID No. (IČO): 60198184 operates in accordance with the licence conditions the radio broadcasting of the Classic Praha programme (hereinafter referred to as "**Radio Classic**") (hereinafter collectively referred to as "**the Radio Stations**" or "**the Broadcasters**") and issues these Business Terms and Conditions for the purchase and broadcasting of Commercial Messages in the Expres and Classic Radio Stations (hereinafter referred to as the "**the BTC**").

Comprehensive sale of commercial messages to the broadcasting is ensured by the company **Seznam.cz, a.s.**, Company ID No. (IČO): 26168685, who is authorized to deal with the clients about the terms and conditions of cooperation, accept orders, enter into agreement, issue invoices as a tax document, accept payments for broadcasting commercial messages and perform other related activities based on their own agreement with the Broadcasters (hereinafter referred to as the "**Vendor**").

If it is cooperation in the sense of a 100% barter, then the Broadcaster itself acts as the Vendor with all the rights entrusted to the Vendor on the basis of the BTC.

These BTC are part of any order or contract that involves the broadcasting of commercial messages on radio.

### Art. I Definition of Terms

1. **Client:** any natural person or legal entity interested in broadcasting a commercial message on radio.
2. **Commercial Message:** advertising or sponsorship.
3. **Advertising Space:** a time-limited segment within a radio programme designated for the broadcast of Commercial Messages, divided into (1) **prime time**, which is the broadcast time from 7:00 a.m. to 7:30 p.m., and (2) **off prime time**, which is any broadcast time outside of prime time.
4. **Campaign:** broadcasting one or more Commercial Messages or repeating them according to the Client's requirements.
5. **Advertisement:** any public announcement broadcast for remuneration or similar consideration or broadcast for the purpose of self-promotion by the Broadcaster to promote the supply of goods or services for consideration, including immovable property, rights and obligations.
6. **Sponsorship:** any contribution from a person who does not operate a radio or television broadcasting service, does not provide on-demand audio visual media services, or does not produce audio visual works, made to finance, directly or indirectly, a radio programme or programme with the aim of promoting his name or name, trademark, products, services, activities or image to the public.
7. **Campaign Materials:** all materials relating to the Commercial Message, including the medium on which these materials are stored and handed over to the Vendor.
8. **Website:** <http://www.voiceofprague.cz/>, <http://www.expresfm.cz/>, <http://www.classicpraha.cz/>

### Art. II Contracts for the Broadcasting of Commercial Messages

1. The broadcasting of Commercial Messages on radio stations can be carried out on the basis of:
  - a. written **orders** from the Client;
  - b. written **contracts** for the broadcasting of Commercial Messages.

If the subject of cooperation is the broadcasting of advertising spots, the Media Plan of the Advertising Campaign is also part of the order or contract.

2. According to the Client's requirements and specifications, the Vendor prepares a draft order or contract and submits it to the Client for possible modifications.
3. If the Client is a media or advertising agency, then upon request of the Vendor, the Client shall provide a written document showing that the Client has been authorized by a specific advertiser to purchase Commercial Messages on radio programmes for specific products or services.

4. The order or contract shall contain in particular:
  - a. Identification of the Client (business name, ID number [IČO]);
  - b. identification details of the Campaign's contractor and processor;
  - c. name of the product or service to which the Campaign relates;
  - d. duration of the Campaign;
  - e. length or other key characteristics of the Commercial Message;
  - f. the number of Commercial Messages ordered;
  - g. price of the Campaign.
5. The Campaign requested by the Client by means of an order is binding at the moment the Client signs the order with the signature of his/her/its authorized representative, delivers it to the Vendor and the Vendor does not reject it within 72 hours of its delivery.
6. The Campaign requested by the Client through the contract is binding when the contract is signed by the authorized representatives of the Vendor and the Client.
7. The Campaign is considered fulfilled if the agreed number of Commercial Messages have been broadcast in accordance with the order or contract.

Individual Commercial Messages may be broadcast at times other than the agreed times in justified cases. However, the Commercial Messages will be broadcast within the agreed duration of the Campaign and the agreed prime time and off prime time schedule will be adhered to. In these cases, the Campaign is deemed to have been fulfilled.

8. The Vendor reserves the right to refuse the Client's order or not to enter into a contract with the Client to broadcast a Commercial Message for any reason whatsoever.
9. Neither the Broadcasters nor the Vendor are responsible for the success of the Campaign or its listenership.

#### **Art. III Terms and Conditions Applicable to Campaign Implementation**

1. The Vendor is entitled to refuse to broadcast a binding campaign or to interrupt its broadcast if:
  - a. the Client fails to deliver Campaign Materials to the Vendor or the Campaign Materials do not comply with the order or contract and these T&C;
  - b. the Client is in default in the payment of a deposit or outstanding obligation to the Broadcaster or Vendor;
  - c. the broadcasting of the Campaign may violate legal regulations (in particular Act No. 231/2001 Coll. and Act No. 40/1995 Coll.);
  - d. the broadcasting of the Campaign may violate the obligations set out in the radio broadcasting licences;
  - e. the broadcasting of the Campaign may lead to possible sanctions against the Broadcasters or the Vendor by third parties (e.g. copyright owners, competitors or public authorities);
  - f. the broadcasting of the Campaign may violate the Advertising Council's Advertising Code of Conduct or other self-regulatory regulations or ethical rules;
  - g. the broadcasting of the Campaign may violate the legitimate interests of the Broadcasters or the Vendor.

In such cases, the Vendor shall invite the Client to negotiate a remedy in writing, always at least to the Client's e-mail address. If the Client fails to remedy the situation, the Vendor has the right to withdraw from the contract with immediate effect.

2. The Client is entitled to request the Vendor in writing to suspend, modify or cancel the binding Campaign.
3. For all the above mentioned cases of this article of the T&C, it applies that if for reasons on the Client's side the implementation of the binding Campaign does not take place, the Broadcaster or Vendor incurs damage, since the vacant advertising space may not be reoccupied.

In these cases and for the reasons stated above, the Vendor shall be entitled to pay the Client a contractual penalty in the amount of the price of the unrealised Campaign stated in the order or contract, in full, in the amount of the amount excluding VAT, unless the Parties agree otherwise.

#### **Art. IV Fee and Terms of Payment**

1. Commercial Messages are sold at prices in accordance with the:
  - a. **price list**, which is placed on the website and contains the basic prices of Commercial Messages in Radio Station programmes;
  - b. **individual agreements** between the Vendor and the Client.

2. The final price for the Campaign is set out in the order or contract (the "**Price**").
3. All prices will be increased by **VAT** at the statutory rate.
4. The Vendor shall be entitled to demand payment of an advance on the basis of an advance invoice before the start of the Campaign, up to the full amount of the agreed price plus VAT at the statutory rate (hereinafter referred to as the "**Advance Payment**"). In such a case, the Vendor shall issue an invoice containing the essentials of a tax document on the basis of the payment received, no later than 15 days from the date of the taxable transaction, which is the date of receipt of the payment.
5. As standard, the advance payment must be credited to the Vendor's account no later than **21 working days** before the start of the Campaign or in exceptional cases by individual agreement.
6. If the full payment of the advance is not required, the Vendor shall issue an invoice containing the essentials of a tax document after the completion of the Campaign, within 15 days of the date of the taxable supply, which is the date of issue of the tax document or the last day of the Advertising Campaign or the end of each calendar month if the Advertising Campaign takes place continuously in several consecutive calendar months, whichever is earlier. Invoices (tax documents) are due **14 calendar days** from their issue by the Vendor. Payment of the price means crediting the full amount of the invoiced amount to the Vendor's account specified in the invoice (tax document).
7. In the event of a delay in the proper payment of the price, the Vendor is entitled to contractual default interest of 0.05 per cent of the amount due for each calendar day of delay in payment of the invoice (tax document). The payment of default interest under this provision is without prejudice to the Vendor's right to claim damages against the Client in excess of the contractual default interest paid.

#### **Art. V Campaign Materials**

1. The Client is obliged to provide the following campaign materials to the Vendor prior to the implementation of a binding Campaign:
  - a. a musical composition in the format required by the collective administrators (but at least the following: title of the composition, name of the author or lyricist, artist designation, publisher designation, year of release and the exact duration of the music used in the Commercial Message);
  - b. the so-called birth certificate of the advertising spot containing the author of the script, the director, the date of production, the duration of the spot, the number of authorised copies and the time scope of the licence.
2. Campaign Materials must be provided in digital form, either on CD or in mp3 format in quality from 192 kbps, 44.1 Khz, unless otherwise agreed, and must be free from all legal and factual defects.
3. The Client is responsible for the costs of delivering the Campaign Materials.
4. The Client must deliver the Campaign Materials to the Vendor at least **5 working days** before the agreed start of the Campaign or in exceptional cases by individual agreement.
5. Broadcasters or the Vendor are entitled to archive Commercial Messages for internal purposes for an unlimited period of time.

#### **Art. VI Commercial Messages and Client's Liability**

1. The Client is responsible for ensuring that the Commercial Messages are in accordance with the legal regulations and that their broadcast in radio programmes will not violate the applicable legal regulations and will not infringe the rights of third parties.
2. The Client shall be fully liable to the Broadcasters or the Vendor for any damage or injury incurred by them as a result of the broadcast of a Commercial Message in violation of applicable law or the rights of third parties and shall pay such claims upon the request of the Broadcasters or the Vendor. In particular, the Client shall be liable to the Broadcaster or the Vendor for administrative sanctions imposed, for claims under competition law, unfair competition law, general personality rights, copyright and copyright-related rights and legitimate claims brought by third parties, including any legal or administrative costs reasonably incurred in connection with the appropriate procedural defence against such administrative sanctions, legal proceedings and third party claims.
3. In the event that any legal or administrative proceedings are initiated against the Broadcaster or the Vendor, the Client shall, at the Client's expense, provide them with all necessary assistance that may reasonably be required of them, including the provision of any explanations, documents or information requested from the Client.

4. The Client is obliged to obtain and settle all rights of third parties related to the production and use of the Commercial Messages. In particular, the Client is obliged to obtain from all owners of copyrights and copyright-related rights or other rights to intangible goods or personality rights the authorization to include the relevant subject matter in Commercial Message and the authorization to use them in radio broadcasts and to pay these entities the appropriate remuneration.
5. With regard to the music used in the Commercial Message, the following applies:
  - a. if a musical work with or without lyrics or an audio or audio-visual recording, or an audio recording produced for commercial purposes, is used in a Commercial Message, the Client is obliged to obtain and settle the synchronization rights and authorizations for their use in the production of the Commercial Message at his/her own expense and to pay a fee to the affected entities for such use;
  - b. authorization for the use of musical works in radio broadcasting and the settlement of the remuneration shall be ensured by the Broadcasters or the Vendor.
6. The Client undertakes to provide, without undue delay, upon request of the Broadcasters or the Vendor, copies of the relevant agreements proving the settlement of the claims of all rights holders to the extent specified above, as well as proof of payment of fees.
7. In the event of any defects in the Commercial Message, the Client shall be obliged to claim such defects in writing delivered to the Vendor's registered office without undue delay, but no later than **30 calendar days** from the date of broadcast of such Commercial Message, otherwise its claims on account of defective performance shall lapse and the Client shall forfeit them to the Broadcaster or the Vendor.

#### **Art. VII Personal Data**

1. When processing personal data, the Broadcasters and the Vendor shall proceed in compliance with Regulation (EU) No. 2016/679 of the European Parliament and of the Council on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (General Data Protection Regulation, hereinafter referred to as the "**Regulation**"), Act No. 110/2019 Coll., on the processing of personal data, Act No. 111/2019 amending certain acts with the adoption of the act on personal data processing, Act No. 480/2004 Coll., on certain information society services, Act No. 127/2005 Coll., on electronic communications, and other legislation governing personal data protection.
2. Within the meaning of Act No. 480/2004 Coll., on certain information society services, the Client grants their approval to the Vendor to send commercial messages with information about services and products of the Vendor to the email addresses provided by the Client.
3. For the proper provision of the service, which is the subject of the order or the contract, the Vendor is authorized to process personal data provided or entered by the Client (in particular their address and descriptive/billing data) for the purpose of proper identification of the parties, fulfilment of the order or contract and invoicing. Such processing of personal data is legal because it is necessary for fulfilment of the order or contract, the party of which is the Client as a data subject.
4. If the Client has handed or will hand over personal data of natural persons (typically employees or cooperating partners of the Client) to the Vendor, the Client is obligated to inform these natural persons about the processing of personal data and the sending of commercial messages to the Vendor to the extent specified herein in order to ensure the lawfulness of personal data processing. Otherwise, the Client shall be liable to Vendor for the damage incurred.

#### **Art. VIII Application of the Business Terms and Conditions**

1. Unless the Vendor and the Client agreed otherwise in the contract or in the order, their mutual relationship is governed by these T&C and the generally binding legal regulations of the Czech Republic. This also applies for the Czech jurisdiction, even if the Client is a foreign entity.
2. Deviating contractual provisions expressly contained in the contract or order shall prevail over the T&C.
3. Broadcasters and Vendors have the right to change the T&C or replace it with a new wording at any time, informing the Client at least one calendar month before the change takes effect. The Client has the right to refuse such changes to the T&C and the Client has

the right to terminate his/her commitment in writing to the Vendor's address, within 14 days after such change to the T&C has been made.