

General terms and conditions for advertising in the media published, operated and represented by company CZECH NEWS CENTER a.s

1. Scope of application

a) These General Business Terms regulate

– publication of advertisements (banner and text) and advertising supplements (inserted materials) in printed periodical and non-periodical titles published and represented by CZECH NEWS CENTER a.s.

– publishing of advertisements on Internet pages operated and represented by CZECH NEWS CENTER a.s.

– publishing of advertisements in applications for mobile telephones, tablets and similar devices operated and represented by CZECH NEWS CENTER a.s. (this advertising is subject as appropriate to the provisions on advertising on Internet pages).

b) These General Business Terms (“Business Terms”) is the current terms list for relevant types of advertising. The terms list may contain technical specifications, deadlines for cooperation, or other special requirements.

c) Legal relationships which are not regulated by these General Business Terms or a separate agreement are regulated by the Civil Code.

d) CZECH NEWS CENTER a.s. (the “Publisher”) reserves the right to a divergent course of action in setting advertising rates stemming from valid price lists and their enclosures if the divergent course of action is caused by a typing error in the terms list or its enclosure.

e) Information on audiences of servers on which advertisements are published is audited by an independent auditor, NetMonitor (www.netmonitor.cz).

f) The Publisher will allow the Advertiser free access to an online advertising system displaying statistics on the number of impressions during campaigns and the number of click through rates to WWW pages (URL) supplied by the Advertiser. An Internet page containing these data will be communicated to the Advertiser on the campaign launch date at the latest. The data from this system are decisive if the customer does not use its own system for measuring advertising impressions and clicks. If the customer already uses such a system, the decisive system will be decided by the publisher and the customer upon their agreement.

2. Orders

a) The Advertiser orders publication of an advertisement or advertising supplement using a written order. A written order is also an order made by fax or e-mail (provided it contains an electronic copy of an authorized person’s signature) provided it is clear from it who is making it.

b) An order must contain all requisites for proper publication of advertising, in particular the Advertiser’s company name, its registered address, company registration number, VAT registration number, bank, name and signature, plus the position of an officer authorized to make orders. For natural persons it is full name, personal ID number or date of birth, permanent address or postal address, bank, and signature. It must also include:

– In case of advertising in print media the title, publication date, type (banner advertisement, text advertisement, advertising supplement), and if necessary, further details for the order (e.g. unit of coverage, placement, section, reference, colour).

- In case of advertising on an Internet page every order must include a media plan marked with the same number of the order number, and signed in the same way as the order. The media plan refers to the Internet page for which the publication of advertising is being ordered, required page section, position, dimensions of advertising, required number of impressions and period in which the advertising is to be published, including timing of the campaign and impressions, average frequency, total number of impressions, prices of individual advertising formats, discount, if any, and price after discount and date due. The media plan always includes information about the URL address to which the advertising is directed.

c) The Advertiser is responsible for timely delivery of the order and all data necessary to execute the order. Delivery deadlines according to the last sentence are included in the price list for each medium.

d) The Publisher may notify the Advertiser about apparently inappropriate or missing data. The Advertiser is obliged to deliver to the Publisher in time replacements for apparently inappropriate or missing data. If Advertiser supplies replacements and apparently inappropriate or missing data with a delay or if the Advertiser insists on the use of apparently inappropriate or missing data, the Publisher has a right to terminate the agreement and charge cancellation fees in conformity with the currently valid price list.

e) The Advertiser is responsible for faultless content of advertising and for texts, visual and graphic materials to be used in advertisements or advertising supplements comply with the regulations. The Advertiser notes that the content of advertising must reflect reality. In the event of claims made by a third party the Advertiser is obliged to assume the obligations arising from the claims or indemnify the Publisher for losses sustained as a result of publication of erroneous or legally inadmissible advertisement or advertising supplement.

f) The Publisher will receive freely all necessary materials for the publication of advertisement or advertising supplement in a print medium and is not obliged to archive the materials or return them to the Advertiser.

g) The Advertiser undertakes to deliver to the Publisher advertising copy for an Internet page in electronic form suitable for deployment without the necessity of modifications. The copy must be in GIF, JPEG, PNG, Flash or HTML format. With Flash formats the copy supplied by the Advertiser must meet the specification recommended by the Association for Internet Development (SPIR) (www.spir.cz). Copy in Flash format must be made so that they allow the Publisher's advertising system to respond to user clicks on the advertisement. The Advertiser is obliged to inform the Publisher which version of the Flash plugin is required for correct display of Flash, and supply together with Flash an alternative image to be displayed to users who do not have a Flash plugin in their browser. Copy supplied in HTML code must be adjusted by the Advertiser so that they do not affect the display of the www page in which they will be inserted outside the space reserved for the advertisement. Copy must not exceed the data size specified in the price list. If the data size is exceeded, the copy may be used subject to a surcharge. The surcharge is agreed by the parties.

h) If the Advertiser inserts Internet advertisement to a position ordered by Advertiser, it may only use advertisement whose copy has been approved by the Publisher and which is in line with paragraph e) of this Article.

i) The print quality must meet the technical standard applicable to a title and print copy supplied by the Advertiser.

j) One Advertiser may order in one calendar year up to 20 text advertisements at the private text advertising rate.

k) If ordering text advertising the Advertiser may change the text only once.

l) The Publisher may demand an identity document if an order is placed in person.

3. Conclusion of agreement

a) Conclusion of an agreement means confirmation of an order by the Publisher (in writing on the order or in another usual way). If an order is not confirmed by the Publisher, conclusion of the agreement is regarded as publication of the advertisement or advertising supplement.

b) Acceptance of an order by the Publisher's employee cannot be regarded as conclusion of an agreement without further requisites.

c) The Publisher reserves the right, in every case and at any time, to refuse the publication of advertising or terminate the agreement in the case of an accepted order after having received the copy for the publication of an advertisement, if in the Publisher's opinion the advertising content runs contrary to the regulations, reality, or the Publisher's principles and interests, if a typeface, graphic and other elements of an advertisement evoke an editorial text or if the processing or format of the materials do not meet the Publisher's demands. (If the content of an application includes the full content of a print medium, the advertising is not regarded as advertising in the application). The Publisher may subject publication of advertising by signing a pledge of indemnification and/or declaration on the veracity of the advertising content made by the Advertiser. The Publisher may also refuse competitive advertising in relation to the Publisher's advertising products (in particular, advertising which includes promotion of an entity other than the Advertiser or its client for whom the advertising is ordered), the Publisher may condition the acceptance of such advertising on an increase in the advertising rate by 15% for each such person.

d) Advertising supplements in their final form must be delivered duly and in a timely fashion to be approved either in print or electronic form. If this obligation is not fulfilled, the Publisher may refuse their insertion and in this case may charge a cancellation fee.

e) If reasonable doubts arise about the Advertiser's liquidity and a reasonable and timely advance payment is not made, the Publisher reserves the right to refuse the publication of the advertisement or advertising supplement or to terminate the agreement.

f) In the event of a refusal to publish advertising or termination of the agreement according to paragraph c), d) or e), Publisher have to inform Advertiser without undue delay. The Publisher will not be held liable in this case for the Advertiser's costs of the unpublished advertisement or any loss incurred by the Advertiser or a third party.

g) A refusal to publish advertising according to paragraph c), d) or e) and a refusal to publish advertising for a lack of capacity are regarded by the Publisher and the Advertiser as a refusal for bona fide reasons in compliance with customary business practices.

h) In the event of cancellation of an order by the Advertiser after its acceptance by the Publisher, the Publisher may charge cancellation fees in conformity with the current price list. A cancellation of an order by Advertiser must be done in every case in writing according to Article 2(a) of these Business Terms.

4. General agreement

a) If Advertiser intends to publish from time to time advertisements in a certain financial volume or a certain number, the Advertiser may conclude with the Publisher a general agreement on publishing advertising to an extent agreed in advance, for a period of up to one year. This agreement must be in writing to be valid. The agreement must include a fixed period of time in which the agreed financial volume of the advertisements or agreed number of advertisements, and it must also include ensuing discounts, used medium or media; in the case of advertising in a print medium also a unit of coverage or other covenants of importance for the execution of a general agreement.

b) The Advertiser and the Publisher may agree that the advertising volume specified in a general agreement will include advertising carried within one year before the agreed expiry of the general agreement provided this advertising was paid for duly and on time. The condition is that the price of the previous advertising is less than 50% of the total advertising volume specified in the general agreement. In the event that as a result of a realized advertising campaign in the general agreement according to this paragraph, the Advertiser will qualify for a discount on the price of the advertising, the discount will be paid either after the expiry of the general agreement, or before its expiry, provided the advertising volume envisaged in the general agreement has been exhausted.

c) An order is always needed for publishing of advertisements in an agreed financial volume or number specified in a general agreement.

d) Discounts under a general agreement will only be allowed if advertisements are published in an agreed financial volume or an agreed number during the period of time specified in the general agreement and the price is not paid duly and on time according to the current price lists (or in an agreed amount). Otherwise the claim to the agreed discount is forfeited.

e) The advertising volume specified in a general agreement may be increased, even repeatedly.

f) If during the fixed period of time advertisements in an agreed financial volume or an agreed number have not been published, for reasons for which the Publisher is not liable, the Advertiser undertakes to pay to Publisher the difference between the agreed and the published financial volume of the advertisements or number of advertisements. The difference will be reduced by discounts on actually published financial volume of the advertisements or number of advertisements.

5. Placing orders

a) If the deadline for publishing an advertisement or advertising supplement is not expressly agreed, their publication depends on the Publisher's capacity.

b) If the parties do not expressly agree in case of advertising in print media a certain placement or a certain unit of coverage where an advertisement or advertising supplement is to be published, and in case of advertising on an Internet page a certain placement or a certain format, their publication depends on the Publisher's capacity.

c) An order for an advertisement or advertising supplement which is to be run exclusively on a certain date with a certain placement or in a certain unit of coverage or in a certain format must be communicated to the Publisher in time so that the Advertiser can confirm it. In the event of inserted material the Publisher may, shift the insertion because of a closing date and/or because of the printer's production capacity doing the insertion to the subsequent issue of the title, even without the Advertiser's permission. Such a shift of the insertion is not regarded as unsatisfactory performance and do not give grounds for complaint.

d) Text advertisements are published wherever possible in an appropriate section without the necessity of an express agreement.

e) The Publisher reserves the right to mark advertisements as paid advertising. In the event of full-page advertisements the Publisher reserves the right to place the marking in the surface of the advertisement. In this case the marking of the advertisement will not be regarded as a change of the form of the advertisement or unsatisfactory performance.

f) If the Advertiser orders an advertisement in a print medium in a size that does not fit the dimensions of a bleed or page division into columns, or on an Internet page or in size that does not fit the format of that Internet page, the Publisher will modify the advertisement in the usual manner.

- g) If the Advertiser orders an advertisement without graphic design, the Publisher will design the advertisement in the usual manner.
- h) The Publisher is obliged in case of advertisements published with a reference to collect, transmit or send forth two weeks after the publication of the advertisement replies received with the reference. Replies with a reference received after this time limit may be destroyed by the Publisher. The Publisher stores replies with reference with the care of a proper business partner. Replies with reference that exceed the dimensions of C4 format (228 x 325 mm), books, catalogues, packages or merchandise are not accepted by the Publisher.
- i) The Publisher reserves the right for small-scale advertising in print media (less than 400 mm of surface) to publish it if necessary in a unit of coverage other than that specified in the order.
- j) In one advertising position purchased by the Advertiser on an Internet page may be alternated by up to 4 variants of an advertising message unless the parties agree otherwise. Unless the parties agree otherwise, each advertisement may only be directed at one target URL.
- k) The Publisher may, in the event of a title published by it converted into electronic form and distributed in this way (on the Internet, applications for mobile telephones, tablets, and similar devices, or on electronic information media), to include in the electronic form advertisements published in the relevant title in conformity with these Terms. Advertising which is part of a print medium is not regarded as advertising in an application.
- l) The Advertiser undertakes to inform the Publisher in writing without undue delay of all facts that may affect the performance on its part. In the event of the Advertiser's delay all resulting losses are incurred by the Advertiser.
- m) By ordering advertising the Advertiser grants the Publisher content to the use of advertising sample as part of promotion of the Publisher's services.
- n) In the case of advertising on a website, the advertising position may update during a session without user action on advertising. To resume, your ad position must be at least 50% visible for at least 15 seconds cumulated. This rule is based on the IAB standard viewable definition (at least 50% viewable area for at least 1 second). The time it takes to renew your ad position may vary during the calendar year, depending on the website.

6. Terms of payment

- a) The Advertiser may be allowed a discount on the list prices by agreement or a supplement may be charged.
- b) Unless the parties agree otherwise, the Publisher will send the Advertiser an invoice without undue delay after publication of advertising or advertising supplements as a rule within 7 days after publication. The invoice will be payable within 14 days after the day the advertisement is published. If text advertising is ordered, the Publisher will only issue an invoice at the Advertiser's request. The Advertiser agrees that the Publisher will deliver to the Advertiser, at its discretion, an invoice in writing or electronic mail in digitised form to the address given in the order unless the Advertiser supplies another address for this purpose.
- c) If a campaign is ordered on an Internet page for 2 and more months, a payment plan may be drawn up by agreement of the parties.
- d) In the event of advertising in a print medium the Publisher sends Advertiser together with the invoice at its request evidence of the publication the advertisement or advertising supplement. According to the nature of the advertisement or advertising supplement, and the scope of the order, print previews are provided preferentially containing the advertisement in pdf format by e-mail. If sending such evidence is not possible due to the nature of the advertisement or if the Publisher and the Advertiser so agree, cutting, pages or full copies may be provided. If such evidence cannot be

procured, the Advertiser will receive from the confirmation of the publication of the advertisement or advertising supplement.

e) In the event of delay in payment the Advertiser is obliged to pay default interest at a rate ensuing from the regulations of the outstanding amount for each day of the default, and costs of recovery of the outstanding amount or part payments. The Publisher may in the event of default in payment refuse a further performance including fulfilment of a general agreement or may subject their realization to reasonable advance payments.

f) If the Advertiser does not specify exactly the size of an advertisement and leaves the decision up to the Publisher, then the basis for the billing for the advertisement is the size of the advertisement actually published.

g) In cases where an Advertiser (in particular, advertising and media agency) order advertising for third-party purposes, the volumes of advertising for those parties cannot be added up for calculation of the amount of a discount to be given.

h) The Publisher reserves the right to set for a special edition rates different from those in the current price list.

i) A special price list exists for publishing non-commercial and text advertising. The Publisher decides whether advertising has a commercial character.

j) If an order cannot be executed for reasons for which neither the Publisher nor the Advertiser is responsible, and advertising or advertising supplement cannot be published on an alternative date, the Advertiser is obliged to pay to the Publisher only costs related to the order incurred demonstrably until that time.

k) All excess payments (amounts) up to CZK 100 paid the Publisher in relation to advertising are not refunded to the remitter's account and can only be repaid in cash at the Publisher's headquarters. Funds remitted to the Publisher's account for which the Publisher does not receive within 3 months an order for advertising are forfeited in favour of the Publisher.

l) The Publisher reserves the right to demand payment in advance, particularly in cases involving an Advertiser's first order or in case of an uncreditworthy Advertiser (payment behaviour). In such cases the Advertiser will be asked to credit the funds to the Publisher's account at least 3 working days before the publication of the advertising.

7. Complaints – alternative performance

a) The Advertiser is entitled, in the event of completely or partly illegible, incorrect or incomplete publication of an advertisement for which it is not culpable, and in the event of advertising on an Internet page when the guaranteed number impressions is not complied with, to a discount on the price or to publication of faultless facultative compensation, but only to the extent to which the purpose of the advertisement was defeated; in the event of advertising on an Internet page to the extent of the performance which was provided faulty or was not provided at all. The Advertiser is obliged to claim this right in writing to the Publisher within 2 weeks after the date when the advertising is published. In case of advertising on an Internet page this right can be also claimed within 2 weeks after the end of the period in which the relevant number impressions was guaranteed, otherwise it lapses. Right of option between the methods in the first sentence goes to the Publisher. If the Publisher fails to provide a facultative compensation without undue delay or a facultative compensation is provided with defects, then:

– In the event of advertising in print media, the Advertiser has a right to a discount on the price. The procedure is analogous for advertising supplements.

– In the event of advertising on an Internet page, the Advertiser has a right with a guaranteed number of impressions to a price discount as follows: If the deliverables do not amount to 80% of the confirmed quantity on order, the Advertiser is entitled to a discount of 25%; if the deliverables do not amount to 60%, the Advertiser is entitled to a discount of 50%, if the deliverables do not amount to 40% of the order, the order will be considered unfulfilled.

- b) If advertisements or advertising supplements are published repeatedly, the Advertiser is obliged to check immediately after each publication their correctness and completeness. The Publisher will not allow a claim to free publication of a replacement advertisement or discount if in repeating the same shortcoming is identified without being reported to the Publisher immediately and not later than 3 days after the preceding publication.
- c) If by fault of the Advertiser shortcomings are in typesetting, printing or insertion which were not identifiable when the order was accepted, the Advertiser has no entitlement to a discount or publication of an alternative advertisement free of charge.
- d) The Publisher has a right to modify without the Advertiser's prior permission materials for the publication of an advertisement so that they meet the technical specifications for supplying materials which are part of the current price list. The right to register complains does not apply to differences between supplied materials and published advertisement resulting from such modifications.
- e) Proofreading is only done at the Advertiser's express demand. The Advertiser is responsible for correctness and completeness of proofs sent back to the Publisher. The Publisher considers proofs communicated to it against a set deadline. In the event of text advertising an approved proof is text given in an order confirmed by the Advertiser.
- f) In the event of claims for damage compensation made by the Advertiser due to defective performance on the part of the Publisher only foreseeable and proved losses will be recouped. The amount of a foreseeable and proved losses may amount up to the price of published advertising or advertising supplement.
- g) The Advertiser notes that the Publisher is not liable for deviations in the size of a print advertisement within 0.5 of the required size due to a technological method employed in the production of the title. Neither is the Publisher liable for a technological error in realization of advertising that causes defect in 0.5% copies of a specific advertisement or missing insertion in 1% of the number of impression on order. Shortcomings in the performance to the extent specified in this article are not regarded as defective performance and do not give grounds for complaint. The Advertiser notes that if the Publisher delivers materials for realization of advertising after a closing date and the Publisher does not refuse to publish the advertising, the Advertiser has a right to register a complaint.
- h) The Advertiser notes that the Publisher may set and alter the print run of its published titles. In case of a decrease or increase in a print run against its expected amount, the Publisher will inform the Advertiser without undue delay but this fact is not regarded as defective performance and does not establish a right to complain, not even if in view of the supplied number of units insertion cannot be made into the whole print run or not all the units of the supplied advertising supplement are inserted.

8. Settlement of disputes

- a) In the event that in connection with the conclusion of an advertising publication agreement a dispute arises between the parties to be settled by legal action, the Publisher and the Advertiser agree that the court's local jurisdiction is governed by the location of the Publisher's place of business.
- b) If the Advertiser is a consumer, it may contact for an out-of-court settlement of a consumer dispute the Czech Trade Inspection Authority, Internet address adr.coi.cz.

9. Miscellaneous

- a) The Advertiser and the Publisher undertake to protect from misuse all information exchanged by them in connection with carrying out orders.
- b) If the Advertiser is a natural person, the Publisher will process the Advertiser's personal data in connection with the conclusion of the agreement and running the advertising. More information about processing of personal data can be found at www.cncenter.cz.
- c) The Advertiser notes that the Publisher may use advertising figures on Internet pages for research into advertising within the Association for Internet Development in the Czech Republic, z.s.p.o.
- d) Changes in these Business Terms or the current price list will be communicated by the Publisher to an Advertiser who has concluded with the Publisher a general agreement according to paragraph 4 of these Business Terms at least one month before the changes take effect. If Publisher does not meet this deadline, order made after the changes in these Business Terms or price list will be governed by the original Business Terms or price list for one month following the notice of the change. If no notification of change in these Business Terms or price list is made, orders will be governed by the original Business Terms or price list for three months from the effective date of the new Business Terms or new price list. In the event of a change in these Business Terms affects the Advertiser's position and the Advertiser does not agree to the change of the Business Terms, it may terminate the general agreement do 14 days after learning of the change of the Business Terms. The term of notice is 14 days. The provision of Article 4(f) of these Business Terms will not be invoked in this case and the price of the advertising under a general agreement will not be changed.
- e) Prescription period for the Publisher's and the Advertiser's obligations arisen in relation to the publication of advertising is 4 years.
- f) The Publisher issues special Terms for advertising some products in media published/operated by CZECH NEWS CENTER a.s., which regulate advertising of specific types of goods and/or services under the applicable regulations. Rights and obligations not regulated by the special term are governed by these General Business Terms.
- g) The purpose of these Business Terms is to lay down rules according to which the Publisher provides advertising in media published or operated by it. Provisions of the Advertiser's business terms or the Advertiser's unilateral acts or declarations aiming to rule out the use of these Business Terms are disregarded.
- h) If the Advertiser is the entrepreneur, the provisions of Sections 1799 and 1800 of Act No. 89/2012 Coll. (Civil Code) will not apply.