

CONTRACTUAL TERMS AND CONDITIONS

Commercial Communications in the Seznam.cz TV Programme

In accordance with the licence terms, **Seznam.cz TV, s.r.o.**, ID No.: 06387233, operates the television broadcasting of the programme of Seznam.cz TV (hereinafter the “**Broadcaster**”) and issues these terms and conditions for the purchase and broadcasting of Commercial Communications in this programme (hereinafter the “**Terms**”).

The comprehensive sale of Commercial Communications for the television broadcasting of Seznam.cz TV is provided by **Seznam.cz, a.s.**, ID No.: 26168685, which is, on the basis of its own agreement with the Broadcaster, entitled to negotiate the terms of cooperation with clients, accept orders, conclude agreements, issue invoices with the status of a tax document, accept payments for broadcasting of Commercial Communications and perform related activities (hereinafter the “**Vendor**”).

In the case of cooperation which is 100% barter, the Broadcaster itself acts as the Vendor and holds all the Vendor’s rights granted under the Terms.

These Terms form part of each order or agreement of which the subject is the broadcasting of a Commercial Communication in the Seznam.cz TV programme.

I. Definitions

1. **Client:** any natural or legal person that is interested in the broadcasting of a Commercial Communication in the Seznam.cz TV programme.
2. **Commercial Communication:** any Advertising, Sponsorship, Teleshopping and Product Placement or other images with or without sound intended for the direct or indirect promotion of the products or services of a person engaged in economic activity or of its public image, while the same accompanies or is included in a programme in return for a payment or similar consideration or for the purpose of self-promotion.
3. **Advertising Space:** a time-limited period within the Seznam.cz TV programme designated for the broadcasting of Commercial Communications, which is divided into 1) **prime time**, which is the broadcasting time from 5:30 p.m. to 11:30 p.m. and 2) **off-prime time**, which is any broadcasting time outside prime time.
4. **Campaign:** the broadcasting of one or more Commercial Communications or their rebroadcasting according to the Client’s requirements.
5. **Advertising:** any public announcement broadcast in return for a payment or similar consideration or broadcast for the purpose of the Broadcaster’s self-promotion, in order to promote the supply of products or services, including immovable property, rights and obligations, in return for a payment.
6. **Sponsorship:** any contribution from a person that is not a radio or television broadcaster, does not provide on-demand audio-visual media services and does not produce audio-visual works, which is provided for the direct or indirect financing of a television programme or show in order to promote its name, brand, trademark, products, services, activities or public image.
7. **Teleshopping:** a direct offer of products, including immovable property, rights and obligations, or services which is targeted at the public and included in television broadcasting in return for a payment or similar consideration.

8. **Product Placement:** any integration of a product, service or trademark related to a product or service, or a reference to a product or service in a programme in return for a payment or similar consideration.
9. **Campaign Materials:** all materials related to a Commercial Communication, including the medium on which these materials are stored and submitted to the Vendor.
10. **Website:** www.Seznam.cz/TV.

II. Agreements on Broadcasting of Commercial Communications

1. Commercial Communications may be broadcast in the Seznam.cz TV programme on the basis of:
 - a) a Client's written **order**,
 - b) a written **agreement** on the broadcasting of Commercial Communications.

If the subject of cooperation is the broadcasting of advertising spots, the order or agreement also includes a spotlist.
2. The Vendor shall prepare a draft order or agreement based on the Client's requirements and assignment and submit it to the Client for possible modifications.
3. If the Client is a media or advertising agency, the Client shall provide the Vendor at its request with a written document indicating that the Client was authorised by a specific advertiser to purchase Commercial Communications in the Seznam.cz TV programme for specific products and services.
4. The order or agreement shall contain in particular:
 - a) client identification (business name, ID No.);
 - b) the identification data of the advertiser or processor of the Campaign;
 - c) designation of the product or service to which the Campaign is related;
 - d) the duration of the campaign;
 - e) the length and other key features of the Commercial Communication;
 - f) the number of Commercial Communications ordered;
 - g) campaign costs.
5. A Campaign demanded by the Client through an order becomes binding when the order is signed by the Client's authorised representative and delivered to the Vendor, and the Vendor does not reject the order within 72 hours of its receipt.
6. A Campaign demanded by the Client through an order shall be binding when the agreement is signed by authorised representatives of the Vendor and the Client.
7. A Campaign is considered completed when the agreed number of Commercial Communications has been broadcast in accordance with the order or agreement.

In justified cases, individual Commercial Communications may be broadcast at other than the agreed times. However, Commercial Communications will be broadcast during the agreed Campaign period and the agreed prime-time and off-prime-time schedule will be followed. In these cases, the Campaign is considered completed.
8. The Vendor reserves its right to reject a Client's order or not to conclude an agreement on the broadcasting of Commercial Communications with the Client for any reason.
9. Neither the Broadcaster nor the Vendor is responsible for the success of a Campaign or its viewer ratings.

III. Terms of Campaign Implementation

1. The Vendor is entitled to refuse to broadcast a binding Campaign or to suspend its broadcasting if:
 - a) the Client fails to provide the Vendor with Campaign Materials or the Campaign Materials are contrary to the order or agreement and these Terms;
 - b) the Client is in default with the payment of a deposit or a payable to the Broadcaster or Vendor;
 - c) the broadcasting of such a Campaign may constitute a breach of legal regulations (in particular Act No. 231/2001 Sb. and Act No. 40/1995 Sb.);
 - d) the broadcasting of such a Campaign may constitute a breach of the obligations under licences to broadcast the Seznam.cz TV programme;
 - e) the broadcasting of such a Campaign may result in possible sanctions being imposed on the Broadcaster or Vendor by third parties (e.g. copyright owners, competitors or public authorities);
 - f) the broadcasting of such a Campaign may constitute a breach of the Code of Advertising Practice of the Advertising Council (Rada pro reklamu) or other self-regulatory regulations and ethical rules;
 - g) the broadcasting of such a Campaign may constitute a breach of the legitimate interests of the Broadcaster or the Vendor.

In these cases, the Vendor will ask the Client in writing, always at least to the Client's e-mail address, to remedy the situation. If the Client fails to remedy the situation, the Vendor is entitled to withdraw from the agreement without undue delay and with immediate effect.

2. The Client is entitled to ask the Vendor in writing to suspend, modify or cancel a binding Campaign.
3. In all the above-mentioned cases of this Article of the Terms, if a binding Campaign is not implemented for reasons attributable to the Client, a claim for damages arises on the part of the Broadcaster or the Vendor, as it is possible that the freed Advertising Space may not be reassigned.

In these cases and for the above reasons, the Vendor is entitled to request the Client to pay a contractual penalty, the amount of which corresponds to the price of the unrealised Campaign indicated in the order or agreement, in full and without VAT, unless the Parties agree otherwise.

IV. Price and Terms of Payment

1. Commercial Communications are sold at prices according to:

- a) **the price list** which can be found on the Website and contains basic prices for Commercial Communications in the Seznam.cz TV programme and also prices for what are termed weekly packages;
 - b) **individual agreements** between the Vendor and the Client.
2. The final price of the Campaign is indicated in the order or agreement (hereinafter the “**Price**”).
 3. All Prices shall be increased by **VAT** at the statutory rate.
 4. Before a Campaign is initiated, the Vendor is entitled to demand an advance payment based on an advance payment invoice, up to the full amount of the agreed price increased by VAT at the statutory rate (hereinafter the “**Advance Payment**”). In this case, the Vendor issues an invoice with the status of a tax document based on the payment received within 15 days of the date of the taxable event, which is the date of receipt of the payment.
 5. The Advance Payment shall be credited to the Vendor’s account no later than **21 business days** prior to the launch of the Campaign.
 6. Unless the Advance Payment is paid in full, after the Campaign is completed, the Vendor will issue an invoice with the status of a tax document based on the payment received within 15 days of the date of the taxable event, which is the date of issue of the tax document or the last day of the implementation of the Campaign, or the end of each calendar month if the Campaign runs continuously for several consecutive calendar months. The invoices (tax documents) are payable within **14 calendar days** of their date of issue. The Price is deemed paid when the full amount of the invoice is credited to the Vendor’s account indicated on the invoice (tax document).
 7. If the Price is not paid in due time, the Vendor is entitled to request the Client to pay contractual interest on the late payment of 0.05% of the outstanding amount for each commenced calendar day of delay on the payment of the invoice. The payment of interest on late payments under this provision shall be without prejudice to the Vendor’s right to request the Client to compensate for damage exceeding the contractual interest on late payments made.

V. Campaign Materials

1. Before a binding Campaign is implemented, the Client shall provide these Campaign Materials:
 - a) a Commercial Communication, incl. the AKA code;
 - b) a music set in the format required by the collective administrators (always including at least the song title, the name of the author or the lyricist, the artist’s name, the publisher’s identification, the year of release and the exact footage of the music used in the Commercial Communication).
2. The Campaign Materials shall be provided in digital form and shall:
 - a) meet the technical requirements published on the Website, which may be updated or amended at any time;
 - b) be free of all legal and factual defects.
3. The costs of delivery of the Campaign Materials shall be borne by the Client.
4. The Client shall deliver the Campaign Materials to the Client no later than **5 business days** prior to the agreed launch of the Campaign.

5. The Broadcaster or the Vendor is entitled to archive Commercial Communications for an indefinite period of time for internal purposes.

VI. Commercial Communications and the Client's Liability

1. The Client is responsible for ensuring that Commercial Communications comply with legal regulations and their broadcasting in the Seznam.cz TV programme will not constitute a breach of legal regulations or interference with third parties' rights.
2. The Client shall fully indemnify the Broadcaster or the Vendor for any damage or harm incurred as a result of the broadcasting of a Commercial Communication in contradiction of applicable legal regulations or third parties' rights, and compensate them for the damage at the request of the Broadcaster or the Vendor. In particular, the Client is liable to the Broadcaster or the Vendor for administrative sanctions imposed, claims under competition law, the right to protection against unfair competition, general personality rights, copyrights and rights related to copyright, and legitimate claims raised by third parties, including any costs of court or administrative proceedings reasonably incurred in connection with the respective defence against these administrative sanctions, court proceedings and third parties' claims.
3. If any court or administrative proceedings against the Broadcaster or Vendor are initiated, the Client shall provide them at its own expense with all necessary assistance that may be reasonably required, including any explanations, documents or information that the Client will be required to provide.
4. The Client is obliged to obtain and settle all third parties' rights related to the production and use of Commercial Communications. In particular, the Client is obliged to obtain the authorisation to include the relevant protected subjects in Commercial Communications and the authorisation to use them in television broadcasting from all copyright owners and owners of rights related to copyrights, other rights to intangible assets and personality rights, and to pay these entities appropriate remuneration.
5. Regarding the music used in Commercial Communications:
 - a) If a musical work with or without lyrics or a sound or audio-visual recording or a sound recording produced for commercial purposes is used, the Client is obliged to obtain and settle the synchronisation rights and authorisations to use these in the production of a Commercial Communication at its own expense and to remunerate these entities;
 - b) The authorisation to use musical works in television broadcasting and the settlement of remuneration shall be ensured by the Broadcaster or the Vendor.
6. The Client undertakes to provide the Broadcaster or the Vendor at their request with copies of the respective contracts proving the settlement of claims of all right holders to the above-mentioned extent and proofs of remuneration payments.
7. In the event of any defect of the Commercial Communication, the Client is obliged to make a claim with regard to the defect by a written notice delivered to the Vendor's registered office without undue delay but no later than within **30 calendar days** of the broadcasting of such a Commercial Communication; otherwise, the Client's claims with regard to the defective performance expire and the Client exempts the Broadcaster or the Vendor from them.

VII. Application of the Terms and Conditions

1. Unless the Vendor and the Client agree otherwise in an agreement or order, their mutual relationships shall be governed by these Terms and the legislation of the Czech Republic. This also applies to the Czech jurisdiction, even if the Client is a foreign person.
2. If the provisions of these Terms are in conflict with contractual provisions contained in an agreement or order, the latter shall prevail.
3. The Broadcaster and the Vendor are entitled to amend these Terms or replace them with a new text and are obliged to inform the Client about such changes at least one calendar month before the changes come into effect. The Client is entitled to refuse such changes to the Terms and to renounce its obligation by a written notice sent to the Vendor's registered office within 14 days of the changes to the Terms being made.