

EXPRES MEDIA s.r.o.  
General Terms and Conditions of the Contract  
to sell advertising services in Radio Expres ([www.expres.sk](http://www.expres.sk)) broadcasts

Effective from 1 January 2009

EXPRES MEDIA is a wholly-owned subsidiary of D.Expres, a. s. and, as the operator of Radio Expres (hereinafter referred to as "Radio Expres") and its media representative, is the sole and exclusive provider of services in the sale of advertising space on Radio Expres's frequencies, its [www.expres.sk](http://www.expres.sk) website and individual web pages thereof (hereinafter referred to as "commercial elements").

EXPRES MEDIA, s.r.o. is exclusively entitled to conclude commercial contracts to broadcast advertisements (for example: advertising spots, announcements, exclusive advertising blocks and PR interviews), sponsorship references, sponsored blurbs and other commercial elements in any and all, and even currently unknown, forms of technical dissemination.

These General Terms and Conditions constitute, together with current Radio Expres's advertising rates, an integral part of each and every commercial contract to sell advertising services in Radio Expres broadcasts.

#### Definition of Terms

Advertising space (elements, broadcast, time) – any and all advertising elements of a commercial presentation from a sponsor in Radio Expres broadcasts and any and all forms of Internet advertising on the [www.expres.sk](http://www.expres.sk) website and its individual web pages and in any forms of classified advertising and client promotion. The terms and conditions of the contract are defined in the categories below:

Advertising broadcast/space/time – advertising spot; advertising announcements; sponsored messages (sponsoring of spot lengths and selected shows)

Special commercial elements – special promotional campaigns (contests) created especially at the request of a sponsor; advertisement interviews and any other forms of advertising space not shown in the advertising rates

WEB advertisement – any and all forms of Internet advertising on the Radio Expres website [www.expres.sk](http://www.expres.sk) and its individual web pages and any other forms of classified advertising and client promotion.

### 1. Ordering services

1.1 EXPRES MEDIA s.r.o. accepts binding orders from natural and legal persons, including advertising and media agencies (hereinafter referred to as "Customers"). A written order shall be delivered via post, courier, fax or e-mail. This manner of delivery shall be applied in all cases unless otherwise agreed or unless anything else results from the nature of matters.

The order shall include the following:

- The Customer's exact name;
- The Customer's registered office (in the case of a legal person) or name, surname and permanent address (in the case of a natural person);
- The company registration number, tax registration certificate and VAT registration number of the Customer or the specific client, bank details and current extract from the Commercial Register or Trade License Register or other document registering a legal or natural person, which is no older than 3 months;
- The exact name of the specific client requesting the broadcast of a commercial element;
- Specification of the advertising campaign with regard to the period and time of the broadcast and footage;
- Price calculation;
- Exact data on the carrier being used, its name and application;

- Date the order was issued, signature and seal of the Customer or a responsible representative authorized to act on their behalf, where Expres Media, s.r.o. has the right to demand a written power of attorney with an officially certified signature.
- 1.2 EXPRES MEDIA s.r.o. is entitled to require sole written authorization from the advertising and/or media agency for the purchase of commercial elements at Radio Expres, issued by a specific client of that agency for that purpose.
- 1.3 In the case where an order fails to include any or all of the aforesaid conditions, EXPRES MEDIA s.r.o. has the right not to accept the order, notifying the Customer thereof without undue delay.
- 1.4 EXPRES MEDIA s.r.o. is entitled neither to accept an order nor to conclude a contract with a Customer, and it may immediately withdraw from any order which has already been accepted and any contract which has already been concluded in the case of the following:
- Where the Customer (sponsor) is in bankruptcy or a petition of bankruptcy has been filed against them;
  - Where, in the judgment of EXPRES MEDIA s.r.o., the broadcast of the commercial element could lead to a contravention of the laws in the Slovak Republic, possible recourse from third parties and/or a breach of the legitimate interests of EXPRES MEDIA s.r.o. and/or Radio Expres in relation to third parties;
  - Where the Customer has failed to settle invoices from previous periods in a due and timely manner;
  - Where parts or the entirety of a Radio Expres broadcast has been imitated or simulated and/or where existing or past names of programs, columns or other broadcast elements have been used;
  - Regarding the origin, content or form of a commercial element, due to programming reasons or in the case of a decision by the Arbitration Commission of the Advertising Standards Council concerning a breach of the Code of Advertising Practice in force within the Slovak Republic.
- 1.5 EXPRES MEDIA s.r.o. reserves the right to refuse an order delivered less than 5 working days before the first scheduled broadcast.
- 1.6 If an order is proven to have been accepted by EXPRES MEDIA s.r.o. and the Customer subsequently withdraws the order less than 5 working days before the first scheduled broadcast, EXPRES MEDIA s.r.o. shall have the right to demand the Customer pay severance in the amount of up to 100% of the volume of the entire order. Such severance is payable within 3 days of the date when EXPRES MEDIA s.r.o. requested its payment from the Customer.

## **2. Contract**

- 2.1 Pursuant to an order duly delivered and in the case where EXPRES MEDIA s.r.o. decides to accept it, EXPRES MEDIA s.r.o. shall send a draft commercial contract to the Customer/sponsor. A commercial contract, signed by the Customer, shall be delivered to the registered office of EXPRES MEDIA s.r.o. no later than 5 working days before the first scheduled broadcast of the ordered campaign. EXPRES MEDIA s.r.o. shall be entitled to request earlier delivery of a signed commercial contract from a sponsor. Any commercial contracts sent to the Customer/sponsor which have not been signed by them and subsequently delivered before the aforesaid 5-day period shall not be legally binding upon EXPRES MEDIA s.r.o. and shall henceforward be disregarded.
- 2.2 If the Customer withdraws from a signed contract, they shall be obliged to notify EXPRES MEDIA s.r.o. in writing thereof no later than 2 calendar weeks before the first confirmed broadcast date. If such is done later, the Customer shall be obliged to pay to EXPRES MEDIA s.r.o. a penalty fee based on the following terms and conditions:
- In the case of a withdrawal less than 2 calendar weeks before the first confirmed broadcast date, a penalty fee amounting to 50% of the price from the volume of the entire contract shall

be paid. The penalty fee is payable within 3 days of the date when EXPRES MEDIA s.r.o. requested its payment from the Customer.

- In the case of a withdrawal less than 5 working days before the first confirmed broadcast date, a penalty fee amounting to 100% of the price from the volume of the entire contract shall be paid. The penalty fee is payable within 3 days of the date when EXPRES MEDIA s.r.o. requested its payment from the Customer.

- 2.3 Contractually agreed broadcast times on Radio Expres may not be exchanged between either Customers or specific clients.

### **3. Price Conditions**

- 3.1 The current advertising rates constitute an integral part of these General Terms and Conditions. VAT, in the words of relevant laws in the Slovak Republic, shall be added to the prices shown in the current advertising rates. Any changes in advertising rates shall be published by EXPRES MEDIA s.r.o. no later than 8 weeks before they become effective.

- 3.2 The base for calculating the price for a broadcast is the length (footage) of the commercial element stated in the current advertising rates, calculated using the relevant coefficient (spot index). In the case of any overrun in the length of a commercial element stated in the advertising rates, the nearest longer footage in the range of coefficients shall be considered the base for calculating the price. Where the Customer fails to observe footage of the commercial element which they ordered and which has been contractually confirmed, EXPRES MEDIA s.r.o. shall have the right not to schedule this element in its broadcast and to exercise a contractual penalty amounting to 100% of the price from the volume of the entire contract. The contractual penalty is payable within 3 days of the date when EXPRES MEDIA s.r.o. requested its payment from the Customer.

- 3.3 In the case of any special commercial products or product packages, the price shall be determined pursuant to a written agreement.

- 3.4 Any ordered advertisements shall be scheduled by EXPRES MEDIA s.r.o. for broadcast from Radio Expres in accordance with the current order or pursuant to current advertising rates in the contract with the Customer. EXPRES MEDIA s.r.o. reserves the right to change any scheduling. EXPRES MEDIA s.r.o. guarantees that the Customer will only pay the price for any actual broadcast and such procedures shall not be considered a breach of contract on the part of EXPRES MEDIA s.r.o.

- 3.5 Advertising and media agencies are entitled to a commission of 15% from total fees (book prices), after all other discounts have been deducted, provided the Customer includes advertising and promotional activities in their line of business and has purchased advertising space for a third party.

### **4. Surcharges**

- 4.1 EXPRES MEDIA s.r.o. adds a 30% surcharge to the price in its current advertising rates for requested positioning of an advertising spot in an advertising block. "Requested positioning" means the first or last position in an advertising block or any other requested positioning within the advertising block.

- 4.2 EXPRES MEDIA s.r.o. adds a 30% surcharge to the price in its current advertising rates for requested product exclusivity. EXPRES MEDIA s.r.o. has the right to refuse product exclusivity or to adjust the terms and conditions for its provision.

- 4.3 In the case of tandem spots (two advertising spots placed by a specific client in one advertising block), the price shall be calculated separately for each spot.

4.4 In the case of co-branding (i.e. promoting every additional order and/or specific client/product/brand), a 20% surcharge shall be added to the price of an advertising spot. EXPRES MEDIA s.r.o. has the right to refuse such an advertising spot or to adjust the conditions for its broadcast.

4.5 Where several surcharges are applied together, these surcharges shall be cumulatively added.

## **5. Discounts**

5.1 EXPRES MEDIA s.r.o. may provide volume discounts for orders in accordance with current advertising rates. The basis for acknowledging volume discounts is the contracted price to broadcast advertisements for one client via one agency.

## **6. Media cooperation**

6.1 In the case of media cooperation between EXPRES MEDIA s.r.o. and the Customer, the Customer shall secure exclusivity for Radio Expres among radio stations located in the Slovak Republic, unless otherwise expressly agreed.

6.2 The Customer shall undertake to place Radio Expres's color logo and/or visual or other agreed logo/and or visual on all materials related to a promoted event at the event's venue and at all accompanying events or activities, in compliance with Radio Expres's design manual.

6.3 Each and every placement of Radio Expres's visual and/or logo shall be provided by the Customer to EXPRES MEDIA s.r.o. for approval within a sufficient span of time, and EXPRES MEDIA s.r.o. shall be provided at least 24 hours to express its opinion thereof. Consequently, the Customer shall consider any comments expressed by EXPRES MEDIA s.r.o. and expend maximum effort to incorporate its comments therein.

6.4 After the promoted event ends, the Customer shall send to EXPRES MEDIA s.r.o. a complete photo documentation of Radio Expres's color logo and/or visual or other agreed logo/and or visual used.

6.5 The Customer shall undertake to inform EXPRES MEDIA s.r.o. immediately regarding any and all other partners in the event, where EXPRES MEDIA s.r.o., in the event of any conflict with its own interests or in other cases, shall have the right to withdraw from the media partnership.

6.6 The maximum allowed number of partners in an event stated in an audio recording is three, unless otherwise expressly agreed.

6.7 In the case of any failure to comply with the provisions of clauses 6.1 – 6.6, EXPRES MEDIA s.r.o. shall have the right to demand from the Customer/sponsor a penalty fee in the following amounts:

- a) 16,000 € (in words: sixteen thousand euros) for breaching provisions of clause 6.1 or 6.5;
- b) 3,320 € (in words: three thousand three hundred twenty euros) for each single breach of clauses 6.2 – 6.4.

## **7. Invoicing**

7.1 EXPRES MEDIA s.r.o., by virtue of a contract, issues every month a final invoice, from which any advance payment is deducted, no later than 15 days from the date of taxable supply. Invoices are payable within 14 days from issue of the invoice, unless otherwise agreed in a commercial contract pursuant to an agreement with the Customer. Any contractual penalty is

payable within 3 days of the date when EXPRES MEDIA s.r.o. requested its payment from the Customer.

7.2 EXPRES MEDIA s.r.o. has the right to request an advance payment (based on a decision from EXPRES MEDIA s.r.o. up to 100% of the total amount in the contract). The Customer shall be obliged to pay any pro forma invoice before the date the advance payment is due, though no later than 3 working days before the first confirmed broadcast of the commercial element. The invoice is considered to be paid when the account of EXPRES MEDIA s.r.o. has been credited. In the case where an invoice was not paid before the due date, EXPRES MEDIA s.r.o. has the right to withdraw from any contract already concluded and demand the payment of a contractual penalty amounting to 100% of the total amount in the contract.

7.3 Any bank fees resulting from the transfer of payments from outside the Slovak Republic shall be borne by the Customer. Only amounts which have been credited to the account of EXPRES MEDIA s.r.o. may be considered to have been paid.

7.4 Any sponsor which has no registered office, permanent address, business unit, permanent establishment or business operated by a non-resident legal person within the territory of the Slovak Republic shall explicitly state this fact in the order.

In the event of any change in the sponsor's legal position within the territory of the Slovak Republic as opposed to the position confirmed in their representation, they shall undertake to notify EXPRES MEDIA s.r.o. immediately thereof. This representation is provided especially for the purpose of avoidance of doubt regarding the exclusion of indirect taxation on the services EXPRES MEDIA s.r.o. provides to clients outside the Slovak Republic by means of value added tax. In the case of any failure to fulfill this obligation, the Customer shall bear responsibility for any and all damages incurred in the causal relationship.

7.5 For every day in delay of paying an invoice, EXPRES MEDIA s.r.o. has the right to invoice to the Customer late payment interest for each working day in delay, amounting to 0.05% of what the other contracting party is in delay of paying.

7.6 EXPRES MEDIA s.r.o. reserves the right not to broadcast or to interrupt the contractually confirmed broadcast of advertisements in the case where the Customer fails to comply with the General Terms and Conditions, terms and conditions of the contract and, in particular, any deadlines for payment. Damages incurred by such a failure to fulfill the contract shall be borne in full by the Customer.

## **8. Broadcast material**

8.1 In the case where a Customer provides Radio Expres with any documents for broadcast, they shall undertake to have their content, format and manner comply with the current laws of the Slovak Republic and the Code of Advertising Practice of the Advertising Standards Council. The Customer shall concurrently undertake to ensure and take heed that the broadcast of any of the commercial elements they have ordered and supplied do not interfere with the rights and legitimate interests of third parties. In any case where the Customer breaches this obligation, they shall compensate EXPRES MEDIA s.r.o. for any damage they have incurred. Any claim for indemnification shall at all times include an obligation by the Customer to compensate the amount which EXPRES MEDIA s.r.o. or Radio Expres has paid or should pay, by virtue of a final decision from the Council of Broadcasting and Retransmission to impose a fine or from a final decision by the Court that was issued as a consequence of the Customer or specific client breaching those obligations. Any claim for indemnification which has not been paid shall not be thereby prejudiced. At the request of EXPRES MEDIA s.r.o., the Customer shall prove that the commercial element does not contravene legal regulations governing the use of the official language or any minority languages.

8.2 The Customer shall concurrently add their Accompanying Documentation to the advertising spot. This documentation shall include information regarding the author of the music,

text and the title of the musical work with its footages. The Customer, through their signature, confirms they have paid for all copyright releases, operating royalties, rights to executive artists and any other rights related to relevant use. At the request of EXPRES MEDIA s.r.o., the Customer shall substantiate these facts with provable documents. In any case where untrue facts are presented, neither EXPRES MEDIA s.r.o. nor Radio Expres shall bear responsibility therefore and the Customer shall undertake to settle any and all claims immediately or to compensate EXPRES MEDIA s.r.o. for any damage incurred in that regard.

- 8.3 The Customer shall undertake to pay in full and without delay any and all prospective damages caused due to a conflict with the content of a concluded contract or legal regulations and, concurrently, to declare that they relieve EXPRES MEDIA s.r.o. and Radio Expres of any and all claims therefrom and that they bear responsibility in relation to claims from third parties thus exercised. EXPRES MEDIA s.r.o. is concurrently entitled not to schedule such a commercial element for broadcast and simultaneously to withdraw from the contract with immediate effect, without prejudicing a claim by EXPRES MEDIA s.r.o. for indemnification.
- 8.4 In the case where EXPRES MEDIA s.r.o. produces the commercial elements itself, the price for the production thereof shall be agreed in dependence on the nature, footage and challenge of the commercial element. If the Customer insists upon changing/adjusting the commercial element after it has been approved by the Customer, EXPRES MEDIA s.r.o. shall have the right to add a surcharge up to 100% for such a change/adjustment to the originally agreed price for producing the advertisement.
- 8.5 The Customer shall provide EXPRES MEDIA s.r.o. with material for broadcast no later than 3 working days, in the case of an audio recording of the produced spot, and 5 working days, in the case of text, before the first confirmed broadcast date. The Customer shall concurrently provide a schedule for the broadcast of individual spots in the case where several alternative spots will be broadcast as part of a single order. In the case of an audio recording, a professional quality recording shall be supplied on CD, in USB memory devices or in an e-mail with a maximum size of 2 MB. Recording formats are wav – 44.1 kHz/16 bit, stereo – and MP3 – 44.1 kHz/16 bit, stereo and a minimum bit rate of 256 KBps, ideally 320 KBps. The recording may be modulated to a maximum level of 0.5dBfs.
- 8.6 In the case of any failure to comply with the terms and conditions in the words of clause 8.5, the Customer shall bear any and all consequences of amendments to the contract thereby caused.
- 8.7 In the case of any failure to comply with the obligation in clause 8.5, EXPRES MEDIA s.r.o. shall have the right to demand payment of a contractual penalty amounting to 100% of the price from the volume in the affected part of the contract. The contractual penalty is payable within 3 days of the date when EXPRES MEDIA s.r.o. requested its payment from the Customer. EXPRES MEDIA s.r.o. is entitled to unilaterally set off this contractual penalty against any advance payments or other monetary receivables from the Customer unless such contravenes the law.
- 8.8 EXPRES MEDIA s.r.o. reserves the right to add a 50% surcharge to the agreed price for producing advertisements in the case where documents for production were provided less than 3 working days before the scheduled broadcast of the advertisement.
- 8.9 EXPRES MEDIA s.r.o. reserves the right to add a 100% surcharge to the agreed price of producing commercial elements in the case where documents for production will be delivered 24 hours or less before the scheduled first broadcast.
- 8.10 In the case of any interest in further use or dissemination of commercial elements, where the author thereof is EXPRES MEDIA s.r.o., the sponsor shall settle obligations and pay the price for a copyright release, amounting to 30% of the price for producing the commercial element for each commercial element. In the case where a commercial element will be used in several media, the price for a copyright release shall be multiplied by the number of media to be used.

- 8.11 EXPRES MEDIA s.r.o. reserves the right to change the text of advertising notices which contain information in the first person singular or plural (where an impression may be created that the product/service presented therein is recommended directly by Radio Expres).
- 8.12 "Announcement" means a product scheduled to be broadcast for a maximum of two weeks, where, in the case of a longer application, it is classified as an advertising spot. It is taped using a single voice and standard audio graphics with Radio Expres background music. A 30-second long announcement contains 5 lines of text (approx. 60 words).
- 8.13 "Advertisement interview" means a product interview scheduled with advance approval from EXPRES MEDIA s.r.o., where broadcast material not exceeding two minutes in length is prerecorded.
- 8.14 If the Customer decides to change the motif of a commercial element or to apply another version less than 3 days before the first scheduled application of the commercial element, EXPRES MEDIA s.r.o. shall have the right to refuse to make any such change.

### **9 Closing provisions**

- 9.1 EXPRES MEDIA s.r.o. shall not be held responsible for any breach of its obligations pursuant to a concluded contract unless it was caused by force majeure, e.g. civil disorders, war, legislative changes, weather, natural catastrophes, technical failures in connections or broadcasting, electricity supply or similar events.
- 9.2 These General Terms and Conditions are, together with Radio Expres's current advertising, an integral part of each and every contract between EXPRES MEDIA s.r.o. and the Customer for advertising services in Radio Expres broadcasts.
- 9.3 Any and all other facts which are not addressed by these General Terms and Conditions and any prospective contractual cooperation with the Customer shall be governed by the current laws of the Slovak Republic.
- 9.4 In the event of any litigation, the locally competent court shall be the Court in Bratislava.
- 9.5 The Customer (sponsor) has read these General Terms and Conditions, consents to them and declares that they will comply with them. EXPRES MEDIA s.r.o. shall not be liable for any damages incurred by the Customer's failure to respect the General Terms and Conditions.