

COMMERCIAL POLICY OF AMS S.A.

1. General provisions

1. This commercial policy (Commercial Policy) sets out the purchase price terms for Advertising Campaigns on Stationary Advertising Media of AMS S.A. (AMS).
2. The Commercial Policy does not apply to social advertisements, election campaigns/announcements of political parties, transactions with Public Finance Sector Units – concluded directly between such Units and AMS, contracts of mutual exchange of services and set-offs, as well as contracts concluded with any governmental or local government institutions, including Institutions of Culture and also with entities from the Capital Group of Agora.
3. The Commercial Policy is addressed to persons who are not consumers within the meaning of the provisions of Article 22¹ of the Act of 23 April 1964 – the Civil Code. The persons who are consumers within the meaning of the Civil Code are requested to contact representatives of AMS in order to conclude a contract on the provision of advertising services on individual terms and conditions.

2. Definitions

1. The capitalised terms, in the scope which is not defined by the Commercial Policy, shall have the meaning set out in the General Terms and Conditions of Display of Advertisements on Advertising Media of AMS S.A.
2. The words and expressions capitalised in the Commercial Policy shall have the following meaning:

Catalogue Price – the price of Advertisement Display on Advertising Medium stemming from the Price List currently binding at AMS.

Price List – the Price List of Display of Advertisements on Stationary Advertising Media of AMS S.A.

CRP (Cost Per Point) – the price for 1 Rating (1 GRP)

Declaration – a declaration regarding net expenditures on Advertising Campaigns of the Client/Advertiser for whose benefit the Client acts.

Additional Payment – an additional payment for an additional service rendered by AMS in accordance with the terms and conditions of the Commercial Policy.

Display – a calendar month- or half-calendar month-long display of advertisements on the Advertising Media. It shall be possible to change the Display period into 30/14 days in the event of any changes to the schedule of posting at AMS.

GRP (Gross Rating Points) – total Ratings of Advertising Campaign.

IBO – Instytut Badań Outdooru IBO Sp. z o. o.

Other Services – services rendered by AMS on the terms and conditions individually agreed with the Client, pertaining to special projects, City Transport, Digital OOH, printing of Advertisements, Restickers.

Institutions of Culture – entities within the meaning of the Act of 25 October 1991 on organising and conducting cultural activities.

Public Finance Sector Units – entities within the meaning of the Act of 27 August 2009 on public finance, in particular: Central Bodies of Governmental Administration, Territorial Government Units, other categories of units of the public finance sector, excluding enterprises, banks and commercial law companies.

Advertising Campaign – the service consisting in Advertisement Display and/or Other Services rendered by AMS on the basis of an Order.

Client – an entity that concludes with AMS an Order to perform an Advertising Campaign.

Multiformat – an Advertising Campaign that is executed on various types of Advertising Media and various formats during one Display.

Advertising Media – stationary advertising media, such as Citylight, Billboard, Backlight, Cityscroll and Frontlight, regardless of the display surface of such Media, on which AMS displays Advertisements.

General Terms and Conditions – General Terms and Conditions of Advertisement Display on Advertising Media of AMS S.A.

Outdoor Track – a study of visibility of Advertising Media performed by IBO based on Route methodology.

Package – an offer to perform an Advertising Campaign on the Advertising Media suggested by AMS whose number is not lower than 20 items.

Bands – 10 categories of Advertising Media with a specific audience expressed with the parameter of the number of contacts – VAC (P1-P10).

Discount – each decrease in the price of Advertising Display in line with the terms and conditions of the Commercial Policy.

Rating – number of contacts of Advertising Media equal to 1% of population covered by Outdoor Track study, aged 15-65.

Advertiser – an entity whose goods or services are the subject matter of the Advertisement.

Annual Framework Contract – a contract concluded by and between the Client and AMS for the performance of Advertising Campaigns in a given calendar year, setting out material commercial terms and conditions.

Net Advertising Campaign Expenditure – amounts invoiced by AMS, taking into account due discounts and additional payments for the services of an Advertising Campaign, including expenditure on account of the remuneration for Other Services, net of VAT, except the contractual penalty for withdrawing from the Order stipulated in the General Terms and Conditions.

Annual Net Expenditure – Net Advertising Campaign Expenditure, including amounts invoiced on account of the remuneration for Other Services, net of VAT. Annual Net Expenditure pertains to Advertising Campaigns performed in a given calendar year.

Exclusivity – Display of Advertisements of one Advertiser on all Advertising Media of Citylight type mounted on a single bus/tram shelter or on a single advertising column.

Sector Exclusivity – Display of Advertisements of one Advertiser on Advertising Media of Citylight type mounted on a single bus/tram shelter or on a single advertising column, excluding any display on a given shelter or column of Advertisements for goods or services of the same type.

VAC (Visibility Adjusted Contacts) – the scale of audience of an Advertising Medium expressed with the number of contacts, specified in the Outdoor Track study performed by IBO.

Selection – an individual choice of Advertising Media made by the Client, on the basis of a pool of available Advertising Media presented by AMS.

Package Purchase – purchasing an Advertising Campaign, when the Client receives an Package of a specified size Advertising Media, expressed with the media ratings. Package Purchase does not include Selection.

Order – a contract whose subject is Advertisement Display and/or Other Services (or any other separate arrangement, including any arrangement made by e-mail) concluded by and between the Client and AMS, which sets out at least the subject of the Advertisement, period of the Advertising Campaign, number and type of Advertising Media and the net remuneration.

3. Advertising Campaign purchase options

1. The Commercial Policy and the Price List, each time posted on the website of AMS, shall specify the available Advertising Campaign purchase options.
2. AMS reserves itself the right to amend the adopted purchase options and to temporarily limit the availability of the selected purchase options.
3. The remuneration rates published in the Price List pertain to a calendar month-/30-day-long Advertisement Display. Should the duration of Advertisement Display be a half calendar month/14 days, the remuneration rate shall be calculated with the use of the multiplier of 0.70.
4. The Order value shall be calculated based on the Price List effective on the day on which the estimate of a given Advertisement Campaign is made.
5. The Advertising Campaign purchase at AMS shall be made according to the following options:
 - a) Purchasing an Advertising Campaign with limited Selection shall mean that the Client receives an offer of Advertising Media of a specific audience expressed with the number of VAC, and that the Client shall have the right to make a Selection in the scope specified in the discount policy referred to in item 6.1.c. below.
 - b) Purchasing an Advertising Campaign based on the Price List shall mean that the Client shall have the right to make a Selection of Advertising Media as per all the Advertising Media offered by AMS provided that they are available.
 - c) Purchasing an Advertising Campaign as a Package shall mean that the Client receives an Package of a specified size Advertising Media, expressed with the media ratings. Package Purchase does not include Selection.

6. The amount of the remuneration due to AMS on account of performing Other Services shall each time be agreed as a result of individual negotiations with the Client.

4. Principles of calculating the Additional Payments and Discounts

1. The amount of remuneration due to AMS on account of the performance of an Advertising Campaign shall be subject to Additional Payments and Discounts on the terms and conditions set out in the Commercial Policy.
2. In the event of purchasing an Advertising Campaign, the price published in the Price List shall be increased – first of all – by any Additional Payments due. Each successive Additional Payment shall be calculated based on the sum following the previous Additional Payment. The amount calculated in this manner shall be then decreased by any Discounts the Client is entitled to. Each successive Discount shall be calculated based on the amount that remains after the deduction of the previous Discount.

5. Additional Payments

1. The following Additional Payments shall be added to the Advertisement Display prices:
 - a) **Additional Payment for Exclusivity** – it shall amount to 100% of the price list value of a Display on all Advertising Media on a given shelter or advertising column, subject to Exclusivity.
 - b) **Additional Payment for Sector Exclusivity** – it shall amount to 50% of the price list value of a Display on all Advertising Media on a given shelter or advertising column, subject to Sector Exclusivity.
 - c) **Additional Payment for placing Advertisement for an alcoholic beverage** – it shall amount to 11.11% of the price list value of a Display of Advertisements for an alcoholic beverage.

6. Discounts

1. AMS may grant the Client the following discounts:
 - a) Discount for Advertiser expenditure,

DISCOUNT FOR ADVERTISER EXPENDITURE	
declared expenditure in PLN	discount level
≤ 49,999	1.0%
50,000-99,999	1.5%
100,000-199,999	2.0%
200,000-299,999	2.5%
300,000-499,999	3.0%
500,000-749,999	3.75%

750,000-999,999	4.5%
1,000,000-1,499,999	5.5%
1,500,000-1,999,999	6.5%
2,000,000-2,999,999	7.5%
≥ 3,000,000	to be negotiated

b) Agency Discount,

AGENCY DISCOUNT	
declared net budget	commission level
≤ 999,999	3.0%
1,000,000-4,999,999	5.0%
5,000,000-14,999,999	10.0%
≥ 15,000,000	15%

c) Discount for limited Selection,

DISCOUNT FOR LIMITED SELECTION	
selection	discount level
up to 10% of media number	5.0%
up to 5% of media number	10.0%

d) Conditional Discount.

2. **Discount for Advertiser expenditure** is granted to the Client provided that the given Client, by 29 February 2020, submits the Declaration regarding net expenditures of a given Client or Advertisers for whose benefit the Client acts, and it acts in line with the Declaration. The Discount for Advertiser expenditure is granted also based on the actual annual expenditure of the Client/Advertiser.
3. Should the Declaration submitted by the Client pertain to more than one Advertiser, only the declared net expenditure of that Advertiser shall be taken into account in order to determine the Discount for annual expenditure for a given Advertiser.
4. The amount of Discount for Advertiser expenditure for Clients who failed to submit the Declaration shall be calculated progressively, in accordance with the discount table included in the Commercial Policy. The progressive method of calculation of the Discount for Advertiser expenditure shall mean that the amount of Discount for successive Advertising Campaigns shall be calculated on the basis of the sum of net expenditure for a planned Advertiser Campaign and the campaigns already performed since 1 January 2020.
5. The performance of the Declaration shall mean meeting the declared Annual Net Expenditure. Should the Declaration not be performed, it shall

mean the obligation to reimburse or adjust the Discount for Advertiser expenditure. Reimbursement or adjustment of the Discount for Advertiser expenditure shall be made via correction of invoices for each Order covered by a Discount for Advertiser expenditure, in accordance with item 7.8 of the Commercial Policy.

6. **Agency Discount** is granted solely to a Client that is a media house or an advertising agency.
7. The Agency Discount is granted provided that the Client, by 29 February 2020, submits the Declaration and it acts in line with the Declaration. The Agency Discount is granted also based on the actual annual expenditure of the Client. Advertising agencies or media houses may jointly declare expenditure, however in such a case the consequences of incurring Annual Net Expenditure below or above the amount jointly declared shall pertain to all the Clients that jointly submitted their Declaration.
8. The amount of the Agency Discount shall be calculated progressively, in accordance with the discount table included in the Commercial Policy. The progressive method of calculation of the Agency Discount shall mean that the amount of Agency Discount for successive Advertising Campaigns shall be calculated on the basis of the sum of net expenditure for a planned Client Campaign and the campaigns already performed since 1 January 2020.
9. The performance of the Declaration shall mean meeting the declared Annual Net Expenditure. Should the Declaration not be performed, it shall mean the obligation to reimburse or adjust the Agency Discount. Reimbursement or adjustment of the Agency Discount shall be made via correction of invoices for each Order covered by the Agency Discount, in accordance with item 7.8 of the Commercial Policy.
10. **Discount for limited Selection** shall be granted to the Client that purchased the Advertising Campaign and made Selection in the scope not exceeding 10% of the aggregate number of media offered, in accordance with the discount table included in the Commercial Policy.
11. **The Conditional Discount** shall be granted based on individual negotiations conducted with the Client, and its amount shall depend on, among others, the type of Media on which a given Advertising Campaign is to be performed, Other Services performed in connection with a given Advertising Campaign, the period in which a given Advertising Campaign is to be organised and the type of business conducted by the Advertiser.
12. For the purpose of calculation of discounts due to the Client/Advertiser, AMS shall take into account the Net Advertising Campaign Expenditure, including Other Services performed at AMS by a given Client/Advertiser in the period from 1 January 2020 to 31 December 2020.

7. Final provisions

1. All the commercial arrangements made in the course of negotiations as well as the content of the Order, framework contracts and arrangements made by e-mail as well as any information and data received by the parties due to their conclusion shall constitute business secret within the meaning of the Act of 16 April 1993 on combatting unfair competition, and may not be disclosed to any third parties without prior written consent of the party they pertain to, unless they are commonly known or if the obligation to disclose them stems from the provisions of binding law or a final decision of the court or administration body, or the disclosing is connected with performing the transparency audit of the executed Commercial Policy.
2. AMS shall have the right to perform a quarterly verification of whether the Clients/Advertisers met the declared Annual Net Expenditure.
3. If in the course of the quarterly verification AMS observes any circumstances which may threaten the performance of the provisions of the Annual Framework Contract (if such a contract was concluded) and the Declarations submitted by the Client, AMS shall have the right to amend the commercial terms and conditions agreed beforehand for the subsequent quarters of 2020, and it shall take as the basis for Annual Net Expenditure the value in the band between the expenditure estimated pro rata to the relation of the actually incurred expenditure to the declared Annual Net Expenditure at the end of a given quarter, calculated cumulatively from the beginning of the year, and the value ensuing from the actually made expenditure.
4. Following the termination of 2020, AMS shall verify the Annual Net Expenditure actually made by Clients/Advertisers in a given year, and it shall issue proper correction invoices.
5. Based on the actual Annual Net Expenditure AMS shall set out the commercial terms and conditions the Client/Advertiser is entitled to in accordance with the Commercial Policy, and based on that it shall calculate the amount by which the value of Orders shall be corrected.
6. Should the Client/Advertiser make actual Annual Net Expenditure lower than the declared amount, AMS shall have the right to request that the Client reimburse or adjust the granted Discounts, in accordance with items 6.5 and 6.9 of the Commercial Policy. The Client shall pay the complementary remuneration within 30 days of receipt of a correction invoice from AMS.
7. Should the declared Annual Net Expenditure be increased or should the Annual Net Expenditure exceed the declared amount, AMS and the Client, at the request of the Client, may agree new commercial terms and conditions, however the negotiated commercial terms and conditions may not be more advantageous for the Client/Advertiser than it would ensue from the currently binding Commercial Policy.

8. If in line with the agreements made under items 7.7 above the Client shall be entitled to the discount due/reimbursement, the settlement shall be made based on the correction invoice issued by AMS.
9. If in the course of a calendar year the Client, who in its own name and for the benefit of the Advertiser purchases Advertising Campaigns, changes, the amount of Net Advertising Campaign Expenditure of a given Advertiser incurred through the intermediary of the previous Client in 2020 shall be summed with the Expenditure made through the intermediary of a new Client, provided that the above arrangement does not lead to any divergence from the provisions of the Commercial Policy.

8. Term of the Commercial Policy and amendment hereto

1. This Commercial Policy and the Price List shall enter into force on 1 January 2020 and they shall be effective until 31 December 2020.
2. In the event of any conflict of the provisions of the Commercial Policy with the provisions of the General Terms and Conditions of Display of Advertisements on Advertising Media of AMS S.A., the provisions of the Commercial Policy shall apply.
3. Any amendments to the Commercial Policy and/or the Price List shall be made in the event of:
 - a) amendments to the provisions of law which significantly affect the possibility to Display Advertisements or in any other material way amend the principles of doing business on the media market or require an amendment to the currently binding terms and conditions of the Commercial Policy,
 - b) decision of AMS,
 - c) amendments to the provisions of local law which significantly affect the conditions and the possibility of Advertisement Display, entered into force as a result of adopted acts on landscape.
4. The information on the amendment to the Commercial Policy and/or the Price List shall be posted on the website of AMS, and the Clients that are bound by contracts with AMS will be additionally notified of the fact and the scope of the amendment by sending them information to the e-mail address indicated by the Client. If within two weeks as of the day on which the information is received the Client does not oppose to it in writing, it shall be taken to mean that the Client agreed to the amendment of the Commercial Policy and/or the Price List, subject to the fact that an amendment to the Commercial Policy and/or the Price List that results in an amendment of material contract element shall require conclusion of an amendment. If the Client, within the time limit referred to above, opposes to the amendment to the Commercial Policy and/or the Price List, depending on the decision of AMS the contract shall continue to be performed on the currently binding terms and conditions or it shall be

terminated in the part that pertains to the unperformed Advertising Campaigns affected by the amendment of the Commercial Policy and/or the Price List, and the Client shall have no right to make any claims towards AMS for contract termination.

02.01.2020