



RATE CARD

of Nova Broadcasting Group AD

effective as of 1 January 2017

Advertising air time from Nova Broadcasting Group AD, UIC 832093629 (NOVA) may be purchased by advertising agencies and advertisers by signing a Business agreement with a guarantee for a certain budget investment.

I. GENERAL PRINCIPLES

NOVA prices its advertising time based on the data provided by Peoplemetric agency Nielsen Admosphere Bulgaria EAD, UIC 201937832, reported by NOVA's internal information system and Smart Ad Server for the websites listed in the Rate card of Net Info AD, UIC 202632567. NOVA invoices the advertising agencies/advertisers for the actually delivered rating points until reaching the budget stated in the Business agreement.

1. Methodology of selling

Advertising airtime may be purchased in one of the following two ways, depending on the methodology of planning for the offered channels – Nova, Diema, Kino Nova, Diema Family, Nova Sport, Discovery Channel, TLC, IDx, Disney, Fox, Fox Crime, Fox Life, 24 Kitchen, National Geographic, AXN and City TV:

- 1) **packages with audience guarantee** based on TRP 30 (target rating points for a 30" spot) – for the group of channels as a whole. Compliance with the channel split announced by NOVA is obligatory for all advertisers. Audience delivery will be guaranteed for campaigns on Nova, Diema, Diema Family, Kino Nova, Discovery Channel, TLC, Disney, National Geographic Channel, Fox, Fox Crime, Fox Life and AXN. For Nova Sport, 24 Kitchen, City TV and IDx the budget will be distributed on a monthly basis with a fixed spot price;
- 2) **Separately for each channel by its monthly rate cards** - Nova, Diema, Kino Nova, Diema Family, Nova Sport, Discovery Channel, TLC, IDx, Disney, Fox, Fox Crime, Fox Life, 24 Kitchen, National Geographic Channel, AXN and City TV - at spot price per program without audience guarantee. There is no limit to the number of channels, which may be purchased this way.

2. Guaranteed audience packages

The advertiser/advertising agency plans and NOVA positions the campaigns so as to achieve the budget contracted in the Business agreement.

If a certain campaign delivers more or less than the planned number of target rating points, NOVA will respectively remove or add spots within the period of the Business agreement, keeping the overall channel and day-part split.

NOVA has the right to move (without prior approval by the advertiser or the advertising agency) up to 15% of the total number of ordered spots according to the parameters agreed by the parties. If the officially announced monthly channel split is not observed, NOVA has the right to move spots as to attain it.

The guaranteed audience packages offered by NOVA are based on an annual cost per point for the following target groups listed below:

3. Target groups and prices in BGN for TV campaigns

Target Groups	Gross CPP for 60% PT
A18-34	534
A18-49	430
A25-54	380
W25-54	325
M18-49	550
A18-49 Urban	415
A18-54 (A, B, C1, C2)*	415

*Viewers aged 18-54 with an average or higher socially-economic status according to Nielsen Admosphere Bulgaria EAD's "ABCDE" socially-economic classifier.

The costs per point (CPPs) listed above (applicable for a 30" spot) are based on the natural budget split of 60% in prime time (PT) and 40% - out of prime time (OPT). Any deviation of up to 5% in this split is subject to a respective 5% increase or decrease of the CPP.

The gross spot rates in BGN for the channels without audience guarantee - **Nova Sport, 24 Kitchen, City TV** and **IDx** - are as follows:

Time Zone	Gross Price per 30" Spot
Prime time 17:30-23:59	BGN 77
Out of prime time 24:00-17:29	BGN 35

4. Campaign delivery and payment terms

The advertising agency/advertiser pays the actually delivered rating points according to the campaign's target group or the number of spots by rate card. Along with every invoice issued by NOVA, the advertising agency/advertiser receives a preliminary report of the delivered rating points based on the peoplemetric agency's preliminary data reported by NOVA's internal information system.

After receiving the final data, NOVA notifies the advertising agency/advertiser and if reconciliation is needed, the parties exchange the necessary accounting documents according to the existing legislation.

At the end of each monthly campaign, and after receiving of the final data, NOVA shall issue final report and aired campaign certificate.

For deals for broadcasting of an agreed number of advertising forms, NOVA shall issue together with the invoice and final report based on the peoplemetric agency's data reported according to NOVA's internal information system together with the aired campaign certificate.

The advertising agency/advertiser accepts that in case of differences between the data from NOVA's internal information system and the peoplemetric agency's software, smaller than 0.3%, the data from NOVA's internal information system are considered final.

For differences bigger than 0.3%, the peoplemetric agency's data will be accepted as final. Such variances are reconciled by the parties on 15 July 2017 and 29 December 2017 by

exchanging the necessary accounting documents according to the requirements of the existing legislation.

Claims regarding the parameters of an aired campaign are accepted no later than the 15th day of the month following the one in which the respective advertising forms have been aired. In case NOVA does not receive any claims within the required deadline, this right is precluded for the advertising agency/advertiser.

Bonuses provided according a Business agreement shall be positioned by NOVA, unless explicitly stated otherwise.

5. Time zones

The standard time zones distribution, valid for all channels, is:

- 60% of the budget - in prime time;
- 40% of the budget - out of prime time.

NOVA defines the time slots as described below:

Time zone	Mon - Sun
Prime Time	17:30 - 23:59
Out of Prime Time	00:00 - 17:29

For spirits advertizin the time zones are as follows:

Time zone	Mon - Sun
Prime Time	22:00 - 00:59
Night time	01:00 - 05:59

The standard split of the advertising materials on the different channels of the group is applied to all advertising campaigns, except when the channels are purchased separately. The split is published at least 10 (ten) days prior to the first day of the relevant month on NOVA's website. It is defined according to the audience by target groups for the respective channels.

6. Spot length coefficient

In defining the price of every advertising material its length is taken into consideration by using a coefficient as follows:

Length in sec and 0 frames	Coefficient
≤ 12 sec	0.60
13-17 sec	0.80
18-22 sec	0.85
23-27 sec	0.95
28-32 sec	1.00
> 32 sec	Linear

7. Seasonal index

When defining the price of the advertising material, the respective month of the year is taken into consideration. The seasonal index is valid for all channels of the group - Nova, Diema, Diema Family, Kino Nova, Discovery Channel, TLC, Disney, National Geographic Channel, Fox, Fox Crime, Fox Life, AXN, Nova Sport, 24 Kitchen, City TV and IDx, as follows:

Month	Index	Month	Index
January	100%	July	115%
February	115%	August	100%
March	115%	September	115%
April	125%	October	125%
May	125%	November	125%
June	125%	December	115%

When campaigns run across two or more months, the seasonal index is applied to the planned number of TRPs in the corresponding month.

II. TYPES OF DISCOUNTS

1. Agency discount

All advertising agencies who purchase advertising air time from NOVA receive a 5% discount from the prices in the current Rate card.

2. Volume discount

NOVA offers a volume discount based on the advertiser's net budget investment, as follows:

Net Investment in BGN January - December 2017	Volume Discount
BGN 10,000 - 100,000	1%
BGN 100,001 - 200,000	2%
BGN 200,001 - 300,000	3%
BGN 300,001 - 400,000	4%
BGN 400,001 - 500,000	5%
BGN 500,001 - 600,000	6%
BGN 600,001 - 700,000	7%
BGN 700,001 - 800,000	8%
BGN 800,001 - 900,000	9%
BGN 900,001 - 1,200,000	10%
BGN 1,200,001 - 1,625,000	11%
BGN 1,625,001 - 2,000,000	12%
BGN 2,000,001 - 2,500,000	13%
Over BGN 2,500,000 BGN	Subject to negotiation but not more than 15%

3. Incentive discount

NOVA offers an incentive discount to each advertiser according to its net budget increase compared to the previous year.

Budget Growth by % points 2016/2017	Discount
+10-19%	3%
+20-29%	5%
+30-39%	8%
+40-49%	9%
Over 49%	10%

The above mentioned incentive discount for advertisers is applied in advance, after signing a Business agreement guaranteeing the annual budget growth compared to the previous year. If the guaranteed growth level is increased during the year, the respective higher discount may be granted after signing an amendment to the already signed Business agreement. The new discount comes into force for the advertising campaigns realized after the date the amendment is concluded, while the budget growth compared to the previous year is calculated for the whole year.

In case at the end of the Business agreement's validity period the guaranteed budget is not fulfilled, the lower discount rate

corresponding to the actually realized growth level shall be applied.

4. Special discount

NOVA offers different levels of special discount, depending on the budget share invested in TV advertising the previous year and realizing the same budget in 2017 as well:

Share in NOVA	Discount
50% minimum guaranteed share in 2016 and realizing the same budget in 2017	10%
60% minimum guaranteed share in 2016 and realizing the same budget in 2017	12%
70% minimum guaranteed share in 2016 and realizing the same budget in 2017	15%
79% minimum guaranteed share in 2016 and realizing the same budget in 2017	18%

Share in NOVA 2015-2017	Discount %
79% minimum guaranteed share in 2015 and 2016 and realizing the same budget in 2017	Subject to negotiation but not more than 22%

The two types of special discount are mutually exclusive. In case the advertiser fits the criteria for both discounts, the one chosen by him is applied.

The special discount is valid for advertisers with a minimum net investment of BGN 100 000 in each of the years.

5. Discount for an early signed annual Business agreement

- Signing before 30 December 2016 – 8%;
- Signing before 31 January 2017 – 3%;
- Signing before 30 December 2016 – 12% for advertisers who keep or increase their realized advertising budget from the previous year;
- Signing before 31 January 2017 – 8% for advertisers who increase their realized advertising budget from the previous year by minimum 10%, but not less than BGN 50 000;
- Signing before 31 January 2017 – 5% for advertisers who keep their realized advertising budget the same as in the previous year.

6. Package discounts

6.1. Standard package discount

NOVA offers a package discount according to certain planning criteria, defined by it, including the day part split at specific investment levels.

Share in Prime Time	Net Investment 1 January - 31 December 2017 /BGN/			
	Up to 300 000	Up to 600 000	Up to 1 000 000	Over 1 000 000

40%	9%	10%	11%	12%
50%	8%	9%	10%	11%
60%	5%	5%	5%	5%

6.2. Discount for advertising campaigns management by NOVA

6.2.1. Run by Station (RBS)

NOVA grants a RBS discount for campaigns positioned by NOVA, without prior approval of a media plan and without a commitment for airing in specific programs, with guaranteed audience for Nova, Diema, Kino Nova, Diema Family, Discovery, TLC, Disney, Fox, National Geographic, Fox Crime, Fox Life and AXN, based on the standard annual cost per rating point with up to 10% discount (*subject to negotiation with reference to the volume of campaigns, positioned by NOVA*) and under the following conditions:

A/ defined by the advertising agency/advertiser - period of the campaign, target group and budget;

B/ defined by NOVA – rating points distribution by channels at the chosen target group and for a period, no shorter than four weeks.

If NOVA adds a new channel to its portfolio, then NOVA reserves its right to include this channel to the already existing group in compliance with the conditions stated in the current Rate Card.

6.2.2. Full inventory control - NOVA grants 20% Full inventory control discount for campaigns managed by NOVA

on a yearly basis, without prior approval of a media plan and without a commitment for airing in specific shows. Nova guarantees audience for Nova, Diema, Kino Nova, Diema Family, Discovery, TLC, Disney, Fox, National Geographic, Fox Crime, Fox Life and AXN, based on the standard annual cost per rating point under the following conditions:

A/ signed annual business agreement;

B/ rating points distribution – 45% (+/-5%) in PT and 55% (+/-5%) out of PT;

C/ rating points channel split for the chosen target group – defined by NOVA;

D/ rating points distribution within the month – defined by NOVA;

E/ flexibility allowed to NOVA to redirect budgets from one month to another, following the inventory availability on a yearly basis.

This discount excludes the use of the Standard package discount under art. 6.1.

The discounts under art. 6.2.1. & 6.2.2. are mutually exclusive.

6.3. Combined package discount for advertising on TV and in internet

Advertisers who guarantee advertising investment in the websites listed in Net Info AD's Rate card will be granted one of the following discounts:

- in case of realization and growth of the total investment in internet advertising by 10% minimum compared to the previous year – 1% discount;

- in case of realization and growth of the total investment in internet advertising by 25% minimum compared to the previous year – 2% discount;
- in case of realization and growth of the total investment in internet advertising by 40% minimum compared to the previous year – 5% discount.

The discount is valid for advertisers with BGN 20 000 minimum net investment in Net Info's websites in 2016, or for those, whose net internet investment is no less than 10% over their TV budget for 2017.

The above mentioned three options of **Combined package discount for advertising on TV and in internet** are mutually exclusive and valid for advertisers, whose TV and internet investment in NOVA and Net Info AD is not decreased in 2017 compared to 2016.

Net Info AD's websites are listed in its Rate card.

The discounts in the current Rate card are calculated as a sum total (sum of all applicable discounts), unless otherwise is stated.

In case during the year the advertiser starts using another advertising agency's services for its campaign management, the conditions, granted by NOVA under the yearly Business agreement, remain valid for the advertiser, not for the advertising agency.

The discounts for sponsorship, product placement and other alternative advertising forms are defined separately and are listed below.

III. ADVERTISING AND SPONSORSHIP IN THE TV CHANNELS Diema Sport and Diema Sport 2

NOVA offers advertising and sponsorship in the TV channels Diema Sport and Diema Sport 2 under the following conditions:

1. Prices for a spot in an advertising break* and sponsorship (sponsorship tags) in the following championships/races:

Sports Event	Sponsorship Tags 2x7"	Advertising Spot up to 7"	Advertising Spot 8-15"
Ligue 1	BGN 2,200	BGN 1,320	BGN 1,760
Premier League	BGN 2,200	BGN 1,320	BGN 1,760
European Qualifiers	BGN 1,000	BGN 600	BGN 800
Formula 1	BGN 1,900	BGN 1,140	BGN 1,520
NBA	BGN 1,250	BGN 750	BGN 1,000

*Advertising breaks in a championship/race are considered to be all advertising breaks aired up to 15 minutes before the beginning, during, and 15 minutes after the end of the concrete championship/race.

2. The maximum length of an advertising spot is 15 (fifteen) seconds.

3. The maximum length of an advertising break cannot exceed 45 (forty-five) seconds.

4. No discounts under the current Rate Card are applied to the prices written in the table in Section III, art.1, except for the 5% Agency discount.

5. NOVA does not guarantee rating points delivery for the advertising and sponsorship in the current section.

6. For all other sports programs, different from the ones listed in Section III, art.1, as well as for programs, aired on TV channels different from Diema Sport and Diema Sport 2, special rates and discounts are applied and they are published on the website www.nova.bg.

In 2017, all or some of the following sports forums' editions will be aired on NOVA's channels:

- First Professional League / Second Professional League / Bulgarian Cup / Bulgarian Super Cup;
- Premier League;
- EFL Championship;
- The FA Cup, The EFL Cup, FA Community Shield;
- European Qualifiers – World Cup 2018;
- Ligue 1;
- NBA;
- Formula 1;
- European Volleyball Championship 2017;
- Boxing Sauerland Events 2017;
- Boxing Matchroom Events 2017.

Some of the sports events are subject to specific requirements/limitations for sponsorship and advertising of certain products and services, according to the contracted conditions with the respective licensors. NOVA reserves the right to determine other programs to apply special rates and discounts.

IV. ALTERNATIVE ADVERTISING FORMS

NOVA offers for the programs of Nova, Diema, Kino Nova, Diema Family, Nova Sport, Discovery Channel, TLC, IDx, Disney, AXN and City TV all or some of the following alternative advertising forms:

- 1) **Sponsorship tags** – form of sponsorship, 7 seconds long, aired before and after the program's separate parts. Sponsorship tags are always sold in pairs – opening and closing one;
- 2) **Branded promo** – promotes a certain program and contains an advertising part with a maximum duration of 7 seconds;
- 3) **Branded Break ID** – an advertising spot, 5 seconds long, marked with a caption "Advertisement", opening and closing the advertising break. Branded break IDs are always sold in pairs – opening and closing one;
- 4) **Branded bug/cut-in** – a short static or dynamic advertising form, up to 7 seconds long, aired during the program's content;
- 5) **Branded menu** – an advertising form, integrating the advertiser's graphic elements into the channels' program menus. The total duration of the form is up to 15 seconds.

Advertising Form	Price by 30" spot	Maximum Duration in Seconds
2 x 7" Sponsorship tags	100%	14"
Sponsored promo	60%	20"

2 x 5" Break IDs	120%	10"
Branded bug/cut-in	50%	7"
Branded menu	120%	15"

NOVA prices alternative advertising forms as described in the table above, in accordance with the current monthly rate card for Nova, Diema, Kino Nova, Diema Family, Disney, Discovery, TLC, IDx, City and AXN. Alternative advertising forms are offered without rating points guarantee.

Upon request and for an additional payment, NOVA may offer the production of each of the alternative ad forms listed above.

Discounts for campaigns containing alternative advertising forms on Nova, Diema, Kino Nova, Diema Family, Disney, Discovery, TLC, IDx, City and AXN.

1. Agency discount

All advertising agencies who purchase alternative advertising forms from NOVA are granted a 5% discount from the Rate card.

2. Volume discount

NOVA offers a volume discount based on the advertiser's net investment in alternative forms for each separate campaign. If within the year a net investment corresponding to a higher level of volume discount is reached, the respective higher discount may be granted after signing an amendment to the already concluded business agreement. The new discount comes into force for the advertising campaigns realized after the date the amendment is signed.

Advertiser's Net Investment 1 January-31 December 2017	Volume Discount
Up to BGN 15,000	25%
BGN 15,001 – 30,000	30%
BGN 30,001 - 50,000	35%
BGN 50,001 - 100,000	40%
Over BGN 100,000	45%

3. Combined package discount

NOVA offers a 10% discount, in case the campaign does not include Nova and it is aired on at least two of the following channels: Diema, Kino Nova, Diema Family, Nova Sport, Disney, Discovery, TLC, IDx, City and AXN.

NOVA reserves its right to name other sports events, for which to offer special rates and discounts.

Every month NOVA announces the deadlines for placing orders and advertising materials for each separate channel

Additional surcharges and fees	
1. Two commercials in the same break	20% surcharge is applied to the second commercial
2. Co-advertising (additional brands)	40% surcharge
3. Fixed first or last position in a commercial break	25% surcharge
4. Fixed first and last position in a commercial break	30% surcharge for both spots

5. Fixed advertising break	15% surcharge
6. Fixed advertising break and first/last position	40% surcharge
7. Cancellation of booked spots for closed days	100% of their total net value is to be paid
8. Ordering a campaign for closed days (if possible)	30% surcharge for all spots planned in the closed days
9. Delay in delivering the advertising materials	Fixed surcharge of BGN 500
10. Incorrect spot length for closed days*	Fixed surcharge of BGN 500
11. Time zone selection by advertiser / advertising agency	50% surcharge

**Every deviation from the spot length indicated in the media plan is considered an incorrect length.*

All amounts stated in the current Rate card, as well as in a Business agreement with NOVA, are VAT excluded, unless explicitly specified otherwise.

NOVA's Rate card for 2017 is approved for publishing on 14 November 2016. It is subject to change with a 20-days notice and regulates the terms for commercial communications aired after 24:00 p.m. on 31 December 2016.

In case of discrepancy between the English and Bulgarian versions of the present Rate card, the Bulgarian version shall prevail.

