**Rate Card** 

## of Nova Broadcasting Group AD

effective as of 1 January 2018

## Packages with audience guarantee

			Gross price per rating point /BGN/					
Number of channels	Sold-out advertising inventory	Package	A18-49	A18-34	A18-49U	A25-54	W25-54	M18-49
NOVA + 18 niche channels	Up to 60%	Package 1	470	588	456	420	362	642
NOVA + 11 niche channels	Up to 60%	Package 2	508	635	492	454	391	693
NOVA + 18 niche channels	From 60% to 70%	Package 1	494	617	479	441	380	674
NOVA + 11 niche channels	From 60% to 70%	Package 2	533	667	517	476	411	728
NOVA + 18 niche channels	From 70% to 80%	Package 1	518	648	503	463	399	708
NOVA + 11 niche channels	From 70% to 80%	Package 2	560	700	543	500	431	764
NOVA + 18 niche channels	0ver 80%	Package 1	544	681	528	486	419	743
NOVA + 11 niche channels	Over 80%	Package 2	588	735	570	525	453	803

#### Gross price per spot Nova Sport, Food Network, Fine Living & Nick Jr

KINC

Time zone	Gross price per spot 30"/BGN/	Time zone	Monday - Sunday	Time zone	Monday - Sunday
Prime time	85	Prime time	17:30 - 23:59	Prime time	22:00 - 00:59
Out of prime time	39	Out of prime time	00:00 - 17:29	Out of prime time	01:00 - 05:59

## Seasonal indexes

Month	Index
January	100%
February	115%
March	115%
April	130%
Мау	130%
June	130%
July	115%
August	100%
September	115%
October	130%
November	130%
December	115%

## **Time zone**

Time zone	Monday - Sunday
Prime time	17:30 - 23:59
Out of prime time	00:00 - 17:29

## Spot length coefficient

Length in sec and 0 frames	Coefficient
≤ 12	0.60
13-17	0.80
18-22	0.85
23-27	0.95
28-32	1.00
33-37	1.20
38-42	1.40
43-47	1.60
48-52	1.80
53-57	1.90
58-62	2.00
Over 62	Proportionally

## **Time zone for spirits**

travel

## Prime time coefficient

Prime time %	Coefficient
50%	0.90
55%	0.95
60%	1.00
65%	1.05
70%	1.10
75%	1.15
80%	1.20
85%	1.25
90%	1.30
95%	1.35
100%	1.40



## **Types of discounts**

#### **1. Agency discount** – 5%

#### 2. Volume discount

Net investment 1 January – 31 December 2018 /BGN/	Discount
10,000 - 100,000	5%
100,001 - 200,000	7%
200,001 - 300,000	8%
300,001 - 400,000	9%
400,001 - 500,000	10%
500,001 - 600,000	11%
600,001 - 700,000	12%
700,001 - 800,000	13%
800,001 - 900,000	14%
900,001 - 1,200,000	15%
1,200,001 - 1,625,000	16%
1,625,001 - 2,000,000	17%
Over 2,000,000	18%

#### 3. Special discount

3.1. Special discount with share guarantee

79% minimum guaranteed share and keeping or increasing the	Subject to negotiation but	
realized budget in 2018	not more than 25%	

## 3.2. Special discount without share guarantee

	Subject to
For keeping or increasing the net	negotiation but
investment in 2018	not more than
	15%

#### 4. Incentive discount

Budget growth by % points in 2018 compared to 2017	Discount
+3 - 5%	3%
+6 - 10%	5%
+11 - 20%	8%
+21 - 30%	9%
Over 30%	10%

#### 5. Package discounts

**5.1. Run by Station (RBS)** – subject to negotiation but not more than 10% (*with reference to the volume of campaigns positioned by NOVA*).

**5.2. Full inventory control** – 20% for campaigns managed entirely by NOVA on a yearly basis.

**6. Combined package discount for advertising on TV and in internet** – subject to negotiation but not more than 8%.

## Additional surcharges and fees

1. Two commercials in the same break	20% surcharge is applied to the second commercial
2. Co-advertising /additional brands/	Up to 40% surcharge
3. Combo advertising	80% surcharge
4. Fixed first or last position in a commercial break	25% surcharge
5. Fixed second or penultimate position in a commercial break	15% surcharge
6. Fixed first and last position in a commercial break	30% surcharge for both spots
7. Fixed advertising break	15% surcharge
8. Fixed advertising break and first/second/penultimate/last position	40% surcharge
9. Cancellation of booked spots for closed days	100% of their total net value is to be paid
10. Ordering a campaign for closed days (if possible)	30% surcharge for all spots planned in the closed days
11. Delay in delivering the advertising materials	Fixed surcharge of BGN 500
12. Incorrect spot length for closed days	Fixed surcharge of BGN 500
13. Time zone selection by advertiser/ advertising agency	50 % surcharge



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 forecast data (advertising inventory) provided by People metric agency Nielsen Admosphere Bulgaria EAD, UIC 201937832, reported by NOVA's internal information system and the current Net Info Advertising 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.

#### 1. Methodology of selling

Advertising airtime may be purchased in one of the following three ways, depending on the methodology of planning for the offered television channels - Nova, Diema, Kino Nova, Diema Family, Nova Sport, Disney, Fox, Fox Crime, Fox Life, 24 Kitchen, National Geographic, Nat Geo Wild, AXN, City TV, Travel Channel, Food Network, Fine Living, Nickelodeon, Nick Jr:

- 1) Packages with audience guarantee based on TRP 30 (target rating points for a 30" spot) for the group of channels as a whole or for package of channels defined by NOVA. Compliance with the announced channel split is obligatory for all advertisers. Audience delivery shall be guaranteed for campaigns on the channels Nova, Diema, Kino Nova, Diema Family, Disney, Fox, Fox Crime, Fox Life, 24 Kitchen, National Geographic, Nat Geo Wild, AXN, City TV, Travel channel, Nickelodeon. For Nova Sport, Fine Living, Food Network and Nick Jr the budget shall 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, Disney, Fox, Fox Crime, Fox Life, 24 Kitchen, National Geographic, Nat Geo Wild, AXN, City TV, Travel Channel, Food Network, Fine Living, Nickelodeon, Nick Jr at spot price per program without audience guarantee. There is no limit to the number of channels, which may be purchased this way.
- 3) Advertising and sponsorship on the channels Diema Sport and Diema Sport 2 are regulated separately in Section III below, and Alternative advertising forms (for the channels for which they are offered) – separately in Section IV below.

#### 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. 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.

NOVA determines the cost per rating point with audience guarantee for the advertiser/advertising agency, depending on the number of television channels included in the package, as well as on NOVA's available advertising inventory at the time of signing a Business agreement with the advertiser/ advertising agency.

When a certain percentage of advertising inventory is sold out, NOVA shall have the right, but not the obligation, to change the cost, notifying the advertisers/advertising agencies thereof by an announcement on NOVA's website, and the new price shall come into effect two working days after the announcement's publishing. The condition for applying the respective cost per rating point is the signing of a Business agreement within the period in which the respective inventory is available (before its selling out).

The advertiser/advertising agency may buy packages with audience guarantee for the indicated target groups.

The guaranteed audience packages include the television channels specified in the table:

Package	Television channels
Package 1	Nova, Diema, Kino Nova, Diema Family, Nova Sport, Disney, Fox, Fox Crime, Fox Life, 24 Kitchen, National Geographic, Nat Geo Wild, AXN, City TV, Travel Channel, Food Network, Fine Living, Nickelodeon, Nick Jr.
Package 2	Television channels according to the standard monthly split announced by NOVA for each target group, but not less than twelve television channels

The costs per point (CPPs) (applicable for a 30" spot) are based on the natural budget split of 60% in prime time (PT) and 40% - out of prime time. Any deviation of up to 5% in this split is subject to a respective 5% increase or decrease of the CPP. The budget share for advertising materials in PT cannot be less than 50%.

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

#### 3. 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.

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.

#### 4. Spot length coefficient

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



#### **5. 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 NOVA's group. When campaigns are realized in two or more months, the seasonal index is applied to the planned number of rating points/spots 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.

#### 3. Special discount

**3.1. Special discount with share guarantee** – NOVA offers a special discount to advertisers who guarantee minimum 79% share of the target rating points in NOVA's group of channels while keeping or increasing in 2018 the budget realized in 2017.

**3.2. Special discount without share guarantee** – for advertisers who do not guarantee minimum share but keep or increase their investment compared to the previous calendar year.

The discounts under Art. 3.1. and 3.2. are mutually exclusive. In case the advertiser meets the criteria for both discounts, the one chosen by him shall be applied.

#### 4. Incentive discount

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

The incentive discount for advertisers shall be 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 level of 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 term the guaranteed budget is not fulfilled, the lower discount rate corresponding to the actually realized growth level shall be applied.

#### 5. Package discounts

**5.1. 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, Disney, Fox, Fox Crime, Fox Life, 24 Kitchen, National Geographic, Nat Geo Wild, AXN, City TV, Travel channel, Nickelodeon, based on the standard annual cost per rating point with a 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 consecutive weeks.

**5.2. Full inventory control** – NOVA grants **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 programs. NOVA guarantees audience for Nova, Diema, Kino Nova, Diema Family, Disney, Fox, Fox Crime, Fox Life, 24 Kitchen, National Geographic, Nat Geo Wild, AXN, City TV, Travel channel, Nickelodeon, 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 for NOVA to redirect budgets from one month to another, following the inventory availability on a yearly basis. The current discount is applicable only in case of buying advertising time according to the conditions of Package 1.

The discounts under Art. 5.1. and 5.2. are mutually exclusive.

# 6. 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 shall be granted a discount, subject to negotiation with reference to the volume of campaigns.

NOVA and the advertiser/advertising agency may negotiate additional discounts in accordance with agreed specific requirements, which are to be included in the Business agreements, observing the good commercial practices.

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

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 advertising and sponsorship on the television channels Diema Sport and Diema Sport 2, sponsorship, product placement and other alternative advertising forms are defined separately and are listed below. In case the advertiser/advertising agency does not comply with any of the conditions for granting a discount or due to the actual parameters of the deal with NOVA, should be granted a different level of a certain discount, NOVA recalculates the discounts granted to the advertiser/advertising agency in a concluded Business agreement.

In case of change in the portfolio of channels, listed in this Rate Card, NOVA notifies the advertisers/advertising agencies on

its website, 10 days prior to the respective change's coming into effect.

## 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	Advertising spot up to 7" /BGN/	Advertising spot 8-15" /BGN/	Advertising spot 16-30" /BGN/
First Professional League, Bulgarian Cup	1 320	1 760	2 200
Premier League, FA Cup, EFL Cup	1 320	1 760	2 200
Ligue 1	750	1 000	1 250
Formula 1	1 1 4 0	1 520	1 900
NBA	750	1 000	1 250

Sports event	Gross price for sponsorship tags 2x7" /BGN/	
First Professional League, Bulgarian Cup	2 200	
Premier League, FA Cup, EFL Cup	2 200	
Ligue 1	1 250	
Formula 1	1 900	
NBA	1 250	

\* 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 respective championship/race.

**2.** The maximum length of an advertising spot is 30 (thirty) seconds.

**3.** The maximum length of an advertising break cannot exceed 120 (hundred and twenty) seconds.

**4.** No discounts under the current Rate Card shall be applied to the prices specified 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 shall be applied and they are published on the website <u>www.nova.bg</u>.

In 2018, 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;
- Ligue 1;
- NBA;

- Formula 1;
- Boxing Sauerland Events 2018;
- Boxing Matchroom events 2018.

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 all or some of the following alternative advertising forms:

**1) Sponsorship tags** – form of sponsorship, up to 7 seconds long, aired before and after the program's separate parts. Sponsorship tags are sold in pairs – opening and closing one;

**2) Branded promo** – promotes a certain program and contains a sponsorship or an advertising part with a maximum duration of 25 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. It is 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 to 30" spot	Price to 30" spot*	Maximum duration in seconds
2 x 7" sponsorship tags	100%	60%	14"
Branded promo	Depending on the duration of the advertising/ sponsorship part, NOVA's official length coefficients are applied		25" – of the advertising / sponsorship part
2 x 5" break IDs	120%	80%	10"
Branded bug/cut-in	60%	40%	7"
Branded menu	120%	120%	15"

\*For the time period between 12:30 and 17:30 from Monday to Friday (excluding national holidays).

NOVA prices alternative advertising forms as described in the table above, in accordance with the current monthly rate card for the channels Nova, Diema, Kino Nova, Diema Family and Nova Sport.

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 & Nova Sport

## 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 2018 /BGN/	Volume discount
Up to 15 000	25%
15 001-30 000	30%
30 001-50 000	35%
50 001-100 000	40%
Over 100 000	45%

#### 3. Combined package discount

NOVA offers a 5% 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 и Nova Sport.

#### Additional surcharges and fees

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

"Co-advertising/additional brand" exists when up to 30% of the total length of the advertising message feature goods and/or services and/or trademarks, which are not property of the advertiser to the Business agreement or which the advertiser is not licensed to use under an Exclusive License Agreement according to the Trademarks and Geographical Indications Act by virtue of which agreement no person or entity including the IP holder has the right to use the licensed trademarks. The Exclusive License Agreement shall be considered current evidence only if registered with the State register to the Patent Office of Republic of Bulgaria. The surcharge applies to every additionally included good, service and/or trademark.

"Combo advertising" exists when more than 30% of the total length of the advertising message feature goods and/or services and/or trademarks which are not property of the advertiser to the Business agreement or which the Advertiser is not licensed to use under an Exclusive License Agreement according to the Trademarks and Geographical Indications Act by virtue of which agreement no person or entity including the IP holder has the right to use the licensed trademarks. The Exclusive License Agreement shall be considered current evidence only if registered with the State register to the Patent Office of Republic of Bulgaria. The surcharge applies to every additionally included good, service and/or trademark. Every deviation from the spot length indicated in the media plan is considered an incorrect length.

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

NOVA's Rate Card for 2018 was approved for publishing on 16 November 2017. It is subject to change with a 20-days' notice and it regulates the terms for commercial communications aired after 00:00 a.m. on 31 December 2017.

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