



## Standard Terms and Conditions

### 1. Definitions and Interpretation

- 1.1. In these Terms and Conditions and in any Deal Memorandum or in any Booking Form words and expressions shall have their ordinary meaning unless otherwise defined in the attached Annex.
- 1.2. In these Terms and Conditions unless otherwise expressly stated:
  - 1.2.1. any reference to a "party" or "parties" means a party or the parties set out in a Booking Agreement or a Term Agreement;
  - 1.2.2. references to clauses are references to the clauses of the Terms and Conditions;
  - 1.2.3. references to any enactment is deemed to include references to such enactment as re-enacted, amended or extended and to any subordinate legislation made under it;
  - 1.2.4. headings are inserted for convenience only and must be ignored in construing the Terms and Conditions; and
  - 1.2.5. references to the singular include the plural and vice versa.
- 1.3. If there is any conflict;
  - 1.3.1. in a Term Agreement, between the Terms and Conditions and the Deal Memorandum, the Deal Memorandum shall prevail; and
  - 1.3.2. in a Booking Agreement, between the Terms and Conditions, the Deal Memorandum and a Booking Form or between the Terms and Conditions and the Booking Form, the Booking Form shall prevail.

### 2. The Purchaser liable as principal

- 2.1. Where the Purchaser (other than a Purchaser of Creative Services) is an Agency the Purchaser contracts with STV as principal in all respects and the Purchaser shall be liable to STV for payment of all sums due to STV. STV shall not be liable, in any circumstances, to pay any commission to such Purchaser.
- 2.2. Where the Purchaser of Creative Services is an Agency the Agency contracts as an agent on behalf of the Purchaser and not as principal (save in respect of the matters specified in Clauses 2.3, 2.4 and 2.5) and, save in those limited respects, the terms of the Booking Agreement shall be binding on the Purchaser as if the Purchaser had entered into the Booking Agreement on its own account.
- 2.3. The Agency represents and warrants to STV as principal that;
  - 2.3.1. it has full power and authority to enter into the Term Agreement and/or Booking Agreement on behalf of the Purchaser;
  - 2.3.2. where it exercises any rights and/or performs any obligations under the Term Agreement and/or Booking Agreement (whether as agent or principal) it has full power and authority to do so;
  - 2.3.3. it is lawfully entitled to grant the rights granted to STV under the Term Agreement and/or Booking Agreement;
  - 2.3.4. the use of such rights as contemplated under the Term Agreement and/or Booking Agreement by STV will not infringe the rights (of whatever nature) of any third parties;
  - 2.3.5. that all corporate and other action required to authorise its execution of the Term Agreement or Booking Agreement, its exercise of rights and its performance of obligations under the Term Agreement or Booking Agreement has been taken.
- 2.4. The Agency agrees to indemnify and keep indemnified STV against any losses, damages, claims or expenses (including legal costs) sustained by STV arising from any breach of the representations and warranties in Clause 2.3.
- 2.5. The Agency agrees to be bound and liable to STV jointly and severally or severally with the Purchaser for payment to STV of all and any sums due under the Term Agreement or Booking Agreement.

### 3. Booking Agreement

- 3.1. A Booking is subject to acceptance by STV and may be accepted by STV either in writing (including electronically) or by the provision of Airtime, Digital and/or Creative Services.
- 3.2. These Terms and Conditions, a Deal Memorandum where appropriate, and a

Booking Form shall together comprise the commercial terms;

3.2.1. upon which Airtime and/or Digital is bought and sold; and/or

3.2.2. upon which the commissioning of Creative Services in respect of specified Deliverables is made;

of themselves or as part of a STV Advertising Package from time to time (a "Booking Agreement").

3.3. Unless otherwise stated in a Term Agreement or a Booking Agreement STV Central enters into such agreement on its own behalf and/or, where appropriate, on behalf of STV North.

### Airtime Specific Terms

#### 4. Purchaser's Commitment

- 4.1. The Purchaser undertakes to STV that the Purchaser Budget during the Term shall be not less than the Purchaser's Commitment.
- 4.2. If there is Underspend STV and the Purchaser shall seek to agree terms under which Airtime is bought and sold for the period following the expired Term which terms shall allow for such Underspend to be carried forward and paid in full over the term of that agreement. If STV determines that agreement cannot be reached STV shall be entitled forthwith to recover the amount of any Underspend from the Purchaser as a debt.

#### 5. Specials

Discounts shall not apply to Specials. STV shall be entitled to determine rates applying to the booking of Airtime during or around Specials in its absolute discretion and without regard to Discounts.

#### 6. Dates/Times of Transmission of Airtime

- 6.1. STV will have regard to any dates, Dayparts, or Strike Weights requested by the Purchaser but cannot guarantee to meet the Purchaser's requests and reserves total discretion to schedule, vary, or re-schedule Airtime purchased.
- 6.2. Where a Purchaser purchases TVRs on the STV Macro Region STV reserves the right to deliver up to ten percent (10%) on a STV Micro Region.
- 6.3. In the event of partial transmission of any Advertisement Copy, for whatever reason, STV shall transmit the Advertisement Copy on another date of its choosing and shall have no further liability at all to the Purchaser arising out of such partial transmission.
- 6.4. Transmission of Advertisement Copy in error, through no fault of the Purchaser, shall not constitute a breach of any Booking Agreement and STV shall have no liability at all to the Purchaser arising out of such transmission.

#### 7. Delivery and Reconciliation of Airtime

- 7.1. Indications of National Ratecard Price made or given by STV prior to transmission are estimates only and are not binding on STV. Delivery of fewer or greater TVRs than may be estimated is to be expected. If the National Ratecard Price is greater than estimated, the amount paid by a Purchaser under a Booking Agreement (except where a fixed number of Spots or TVRs is purchased for an agreed price) will purchase less TVRs and if the National Ratecard Price is less than estimated, the amount paid by a Purchaser under a Booking Agreement (with the same exceptions) will purchase more TVRs.
  - 7.2. National Ratecard Price will be determined by STV following transmission with regard to (i) the Net Advertising Revenue and (ii) the number of Impacts during the relevant month.
  - 7.3. Clauses 7.4 to 7.6 inclusive shall not apply;
    - 7.3.1. where the Purchaser purchases a fixed number of Spots or TVRs for an agreed price including as part of a STV Advertising Package;
    - 7.3.2. if the Purchaser is a Non-Approved Purchaser;
    - 7.3.3. if the arrangements under the Deal Memorandum are line by line; or
    - 7.3.4. if the Booking Agreement is in respect of any region other than the STV Macro Region.
- 7.4. In the event of Under Delivery the Purchaser shall be entitled to a Purchaser Airtime Credit. In the event of Over Delivery STV shall be entitled to a STV Airtime Credit.
- 7.5. Purchaser Airtime Credits and STV Airtime Credits shall be reconciled following a Campaign or at the end of the Term of a Deal Memorandum, as STV shall determine.
- 7.6. Following such reconciliation the parties will, in good faith, seek to agree terms for the period following the expired campaign or expired Term which terms shall permit the entitled party to receive value for reconciled Airtime Credits. In the event of such agreement, or in the event of no agreement,

all Airtime Credits between the parties, and their value, shall be extinguished and neither party shall have any claim against the other in respect of Airtime Credits or any value that may have been attributed to them prior to such value having been extinguished.

#### Digital and Airtime Specific Terms

##### 8. Advertisement Copy

- 8.1. Advertisement Copy must comply with all Applicable Laws, satisfy the Technical Delivery Code and be approved for transmission by STV and by a Clearing Body. Such approval shall not, in any way, prejudice STV's right to decline to transmit Advertisement Copy.
- 8.2. The Purchaser shall not alter Advertisement Copy that has been approved for transmission.
- 8.3. STV shall be entitled, but not obliged, to edit Advertisement Copy that does not satisfy the Technical Delivery Code including, but not limited to, reformatting, cropping and re-sizing the Advertisement Copy in order that it complies with the Technical Delivery Code.
- 8.4. Advertisement Copy, compliant with 8.1, shall be delivered to STV, where it is intended to be transmitted on STV Services at least two (2) Working Days, and where it is intended to be transmitted on STV Digital Services at least three (3) Working Days, prior to the date of the intended transmission or such other date as STV may notify Purchaser of from time to time (each, respectively, the "**Delivery Date**"). Delivery of Ads intended to be broadcast on STV Digital Services ("Digital Ads") may be effected via IMD, Adstream, Honeycomb or other Ad delivery service recognised by STV. STV may, in its discretion and without liability to the Purchaser, refuse to accept delivery of Advertisement Copy that is not compliant with 8.1 and of Advertisement Copy that, although compliant with 8.1, is delivered to STV after the relevant Delivery Date and, in either event, shall be entitled to payment in full.
- 8.5. The Purchaser shall notify STV forthwith in writing of any changes to Applicable Laws or otherwise occurring after approval for transmission that renders, or could render, Advertisement Copy non-compliant with Clause 8.1. In the event of such non-compliance the Purchaser shall deliver compliant Advertisement Copy, of new, to STV in accordance with the first sentence of Clause 8.4.
- 8.6. Where a Campaign comprises more than one Advertisement Copy (or variations thereof) STV will use reasonable endeavours to transmit them in the Purchaser's preferred order of transmission.
- 8.7. Unless STV otherwise agrees Advertisement Copy shall be of a Standard Time-Length.
- 8.8. STV shall take reasonable care of Advertisement Copy delivered to it but does not accept liability for loss of, or damage to, Advertisement Copy howsoever caused and the risk of loss of, or damage to, Advertisement Copy shall remain with the Purchaser at all times.
- 8.9. Unless STV agrees otherwise in writing, STV may destroy or otherwise dispose of Advertisement Copy without further reference to the Purchaser upon the expiry of three months from the later of its (i) delivery to STV (if not transmitted within that time) and (ii) last transmission.

##### Creative Services Specific Terms

##### 9. Production

- 9.1. The Purchaser shall ensure the delivery to STV (in reasonably sufficient time for the fulfillment by STV of its obligations under the Booking Agreement) of all materials and information, including the Purchaser's Material, required by STV for the performance of its obligations under the Booking Agreement.
- 9.2. Subject to Clause 9.1, STV shall provide the Creative Services in a diligent manner with all due skill and care of a professional provider of creative and production services in accordance with the Creative Brief, and effect Delivery by the Delivery Date.
- 9.3. Clauses 9.4 and 9.5 shall not apply where Creative Services are purchased as part of a STV Advertising Package.
- 9.4. The parties acknowledge that provision of Creative Services is a collaborative process, that the Budget is STV's reasonable estimate at the time it is given of the sum payable by the Purchaser to STV in consideration of the Creative Services and that sums in excess of the amount of the Budget may be required in the provision of the Creative Services. Accordingly, STV shall monitor costs during the Creative Services and may, from time to time, notify the Purchaser of increases to the Budget required in order that the Deliverables are in accordance with the Creative Brief. Where increases are so notified, the parties shall act reasonably and in good faith to agree a Revised Budget or amendments to the Creative Brief. In the event of no agreement, STV shall determine the amount of the Revised Budget, and the Purchaser shall be liable to STV for payment of it in accordance with clause 13.4.2.
- 9.5. Where the Purchaser requests changes to the Creative Brief prior to Delivery, STV shall effect the changes where it is reasonably practicable for STV to do so, subject always to the Purchaser meeting, on demand, all additional costs reasonably incurred, or anticipated, by STV in effecting those changes and the Budget shall be revised accordingly.
- 9.6. Where, following Delivery, the Purchaser requests changes to the Deliverables, STV shall not be bound to agree to effect such changes. Where

STV agrees to effect the changes, or any of them, the Purchaser shall meet all additional costs reasonably incurred, or anticipated, by STV in effecting those changes, on demand.

- 9.7. Following Delivery, STV shall be under no obligation to retain the Rushes, the final master, or any other copy of the Deliverables, and shall not be liable in any way for their loss or destruction, the latter of which STV is hereby expressly authorised, by the Purchaser to do.

##### 10. Deliverables

- 10.1. STV provides to the Purchaser no undertaking or warranty other than those that are expressly set out in Clause 9.2.
- 10.2. It is a condition of broadcast that the Deliverables are compliant with Applicable Laws and in a format appropriate for the uses specified in a Booking Agreement.
- 10.3. The Purchaser shall co-operate fully and promptly with any query or request made by a Clearing Body.

##### 11. Grant of Licence

Subject to payment by the Purchaser to STV of all sums due under the Booking Agreement, STV grants to the Purchaser an exclusive licence to exploit the Deliverables for the Campaign Period (and any extension thereof pursuant to Clause 12 if applicable), and in accordance with the Uses.

##### Digital Specific Term

##### 12. Reconciliation of Digital

- 12.1. Where the fee is based upon the number of Impressions, the number of Impressions stated on the Booking Form is a target only and STV shall have no liability to the Purchaser for failure to meet the target number of Impressions. Where the target number of Impressions is not delivered by the end of the Campaign Period, STV shall either extend the Campaign Period (and any licence granted under Clause 11) accordingly for such further period necessary to enable delivery of the target number of Impressions or provide the Purchase with a credit note representing the value of Under Delivery.
- 12.2. In respect of an HPTO Impressions shall be an approximation and not a target and Clause 12.1 shall not apply.

##### Terms of General Applicability

##### 13. Payment

##### Specific Terms Applicable to Purchase of Airtime and/or Digital

- 13.1. Where the Purchaser is a Non-Approved Purchaser, payment of the amount stated on the Booking Form shall be made by the Purchaser immediately following signing of the Booking Form and, in any event, no later than ten (10) days prior to the intended first date of transmission of Advertisement Copy.
- 13.2. Where the Purchaser is an Approved Purchaser, STV shall be entitled to invoice following commencement of the Campaign Period either a) the full amount stated on the Booking Form or b) a proportion of the amount stated on the Booking Form attributable to proportion of the Campaign delivered at the end of each month of the Campaign Period.

##### Specific Terms Applicable to Purchase of Creative Services

- 13.3. Where the Purchaser is a Non-Approved Purchaser, payment of the Budget shall be made on the date of signing of the Booking Form. The difference between the Budget and the Revised Budget shall be payable by the Purchaser upon demand.
- 13.4. Where the Purchaser is an Approved Purchaser, the Purchaser shall pay to STV:
  - 13.4.1. on the date of signing of the Booking Form, the Sum due on Signing, if applicable;
  - 13.4.2. upon Delivery, the greater of the Budget or the Revised Budget less any Sum due on Signing or other sum paid to STV.
- 13.5. The Purchaser shall pay to STV, on demand from time to time, Third Party Costs, as, or before, they are incurred by STV.

##### Specific Terms Applicable to Purchase of a STV Advertising Package

- 13.6. Where the Purchaser is a Non-Approved Purchaser the Purchaser shall pay to STV the amount stated in the Booking Form immediately upon signing of the Booking Form.
- 13.7. Where the Purchaser is an Approved Purchaser STV shall be entitled to invoice the Purchaser such amount on or around the end of the month in which the Advertisement Copy is first transmitted.

##### General Payment Terms

- 13.8. Unless provided otherwise elsewhere, payment by an Approved Purchaser shall be made not later than the twenty fifth (25<sup>th</sup>) day of the month following the month in which the invoice is raised.

- 13.9. Interest shall accrue on sums due beyond their due date at the rate of three percent (3%) above the base lending rate of The Royal Bank of Scotland plc from time to time.
- 13.10. The Purchaser shall notify STV of any query in respect of an invoice within 5 days of its receipt of it. In that event STV shall investigate and determine the query.
- 13.11. STV shall not, without prejudice to its other rights and remedies under any Term Agreement or Booking Agreement or otherwise at law, be under any obligation to transmit any Advertisement Copy where payment is not made in accordance with relevant payment terms and shall have no liability to the Purchaser for not doing so.
- 13.12. STV shall not be responsible for any of the Purchaser's third party ad-serving costs.
- 13.13. STV Central is authorised as billing agent on behalf of STV North.
- 14. Intellectual Property**
- 14.1. Nothing in a Booking Agreement or a Term Agreement shall affect the ownership of any IPR in the Purchaser's Material.
- 14.2. The Purchaser irrevocably grants to STV the right to use any and all of the Purchaser's Material in the Creative Services.
- 14.3. All IPR in the Deliverables shall vest in and be the property of STV and there shall not accrue to the Purchaser any rights therein (other than as expressly granted under the Booking Agreement).
- 15. Warranties and Indemnity**
- 15.1. The Purchaser undertakes and warrants to STV that:
- 15.1.1. it has the right and authority to enter into the Term Agreement, where appropriate and a Booking Agreement, and is not bound by any previous agreement which adversely affects the Term Agreement or any Booking Agreement;
- 15.1.2. the Purchaser's Material is not in breach of or contrary to any Applicable Laws and is not likely to cause distress or offence to any person;
- 15.1.3. it owns the IPR in, or has sufficient rights to, the Purchaser's Material such that the incorporation or use by STV of any or all of the Purchaser's Material in the Creative Services and/or in the Deliverables does not, and will not, infringe any third party rights;
- 15.1.4. all necessary consents, licences and fees required in relation to the use by STV of the Purchaser's Material in accordance with these terms and conditions have been obtained and paid for;
- 15.1.5. in relation to each Advertisement Copy delivered by it to STV both at the time of delivery and, absent notification in terms of 8.5, in relation to all Advertising Copy and immediately prior to each transmission of Advertisement Copy;
- 15.1.5.1. the Advertisement Copy complies with all Applicable Laws and the Technical Delivery Code;
- 15.1.5.2. the Advertisement Copy, or the transmission thereof, does not infringe the rights of any third party;
- 15.1.5.3. all consents, licences and fees required in relation to the transmission of the Advertisement Copy have been obtained and paid; and
- 15.1.5.4. the Advertisement Copy is not in breach of, or contrary to, any common law, statute, regulation or code of practice, is not defamatory of, or racist, sexist, threatening or menacing towards, any person or group of people, is not obscene and does not or is not likely to cause distress or offence to any person.
- 15.1.6. it shall not without the prior written consent of STV publish any information in connection with the Airtime.
- 15.2. The Purchaser will indemnify and keep STV indemnified against all liabilities, claims, demands, proceedings, damages, losses, charges and expenses (including legal expenses) arising out of or in connection with;
- 15.2.1. any breach of the undertakings and warranties in clause 15.1;
- 15.2.2. any failure to inform or other giving rise to a breach of clause 8.5; or
- 15.2.3. the use, recording, transmission or broadcasting of any Advertisement Copy delivered to STV pursuant to a Booking Agreement, howsoever caused.
- 16. Cancellation or Postponement**
- 16.1. Clauses 16.2 to 16.4 shall not apply where a Purchaser purchases a STV Advertising Package.
- 16.2. STV, in its absolute discretion, may consider requests in writing from a Purchaser to cancel a Booking Agreement. For the avoidance of doubt the STV may decline such request. Where it accepts such request and agrees to a cancellation the Purchaser shall pay to STV the following proportions of the amount stated on the Booking Form, or the Budget or Revised Budget (as appropriate) or cancelled part thereof as appropriate, depending on how much prior to the date of the earlier of first transmission, or Delivery, of the relevant Advertisement Copy the request is made:
- 16.2.1. more than four (4) weeks; 50%;
- 16.2.2. more than two (2) weeks but not more than four (4) weeks; 60%;
- 16.2.3. more than one (1) week but not more than two (2) weeks; 75%; and
- 16.2.4. a week or less; 100%.
- 16.3. STV, in its absolute discretion, may consider requests in writing from a Purchaser to vary a Booking Agreement by the postponement of the transmission of Advertisement Copy or Campaign and/or the postponement of the Creative Services. For the avoidance of doubt STV may decline such requests. Any acceptance of such a request shall be conditional upon the Purchaser having (i) paid for the postponed Airtime, Creative Services and/or Digital (ii) re-booked to a date not more than three (3) calendar months after the date of the postponement and, in any event, within the same Calendar Year as the completion of the Booking Agreement; and (iii) paid to STV a further sum equivalent to thirty (30) percent of the amount stated on the Booking Form, or the Budget or Revised Budget (as appropriate) for the postponed Airtime, Creative Services or Digital.
- 16.4. The Purchaser acknowledges that the charges set out in this clause 16 are a genuine pre-estimate of the losses likely to be suffered by STV.
- 17. Termination**
- 17.1. Without prejudice to its other rights and remedies either Party may terminate a Term Agreement or Booking Agreement at any time by giving notice in writing to the other party if:
- 17.1.1. the other party commits a material breach of any provision of such agreement and if that breach is capable of remedy, fails to remedy that breach within ten (10) Working Days of receiving written notice from the other party specifying the breach and requiring its remedy; or
- 17.1.2. if the other party is unable to pay its debts when they are due or any material step is taken with a view to the other party ceasing to carry on business, or going or being put into receivership, administration, bankruptcy, liquidation or any equivalent process in any jurisdiction.
- 17.2. Termination or expiry of a Term Agreement or Booking Agreement shall not affect any rights or obligations of either party which have accrued prior to the date of termination or expiry and all provisions which are expressed to, or do by implication, survive termination or expiry of such Agreement shall remain in full force and effect.
- 18. Liability**
- 18.1. Nothing in any Term Agreement or Booking Agreement shall exclude or limit any party to such agreement's liability that may not be excluded or limited by Applicable Laws.
- 18.2. Subject to Clause 18.1, a payment obligation under Clause 13 or the Purchaser's obligation to indemnify STV in Clauses 2.4 and 15.2, the maximum aggregate liability of either party in contract, delict or otherwise arising in connection with the Term Agreement or Booking Agreement shall be limited to the amounts paid to STV under the relevant Booking Agreement.
- 18.3. Subject to clause 18.1, no party shall be liable to the other for any: (a) loss of profits, business, revenue, goodwill or anticipated savings (whether such loss is direct or indirect) or (b) indirect, incidental, special or other consequential loss arising as a result of any breach of any Term Agreement or Booking Agreement.
- 18.4. Except as expressly set out in any Term Agreement or Booking Agreement, all conditions, warranties, terms and undertakings, express or implied, statutory or otherwise in respect of the obligations of the parties under the Term Agreement or Booking Agreement are excluded insofar as it is possible to do so in law.
- 19. Entire Agreement**
- Each Term Agreement or Booking Agreement constitutes the entire agreement and understanding of the parties relating to its subject matter and supersedes any discussions, correspondence, all prior proposals, representations, agreements and understandings between the parties or any of them or their advisors relating to such subject matter made prior to the conclusion of the Term Agreement or Booking Agreement. Each of the parties acknowledges and agrees that it has not entered into the Term Agreement or Booking Agreement in reliance on any statement or representation of any person (whether a party to that agreement or not) other than as expressly incorporated in the Term Agreement or Booking Agreement.
- 20. Force Majeure**
- 20.1. Neither party shall be liable in any way for any losses arising directly or

indirectly from any failure or delay in performing any of its obligations under the Term Agreement or a Booking Agreement caused by any Force Majeure Event.

- 20.2. If a party (the "Affected Party") is unable to perform any of its material obligations under the Term Agreement or any Booking Agreement as a result of a Force Majeure Event for more than thirty (30) Working Days then the other party may terminate such agreement at any time and without further liability, upon giving written notice to the Affected Party.

#### 21. Notices

- 21.1. Any notice given by one party to the other shall be in writing and if sent by post, it shall be sent by pre-paid recorded delivery or registered post to the other party's registered office.
- 21.2. In the case of a notice given or served by fax, hand or email, where this occurs after 5:00pm on a Working Day or on a day which is not a Working Day, the date of service will be deemed to be 9:00am the following Working Day.

#### 22. Audit

- 22.1. The Purchaser shall keep true and accurate records and books of account containing all data necessary for the purpose of verifying that it is complying with its obligations under a Term Agreement and/or a Booking Agreement (as appropriate), which records or books of account shall be open at all reasonable times during business hours for inspection by an independent auditor nominated by STV. Such auditor may take copies of all such records and books of account.
- 22.2. The nominated auditor shall be entitled to report to STV the full extent and findings of its investigations and the Purchaser shall not be entitled to impose any obligation of confidentiality on the auditor which would restrict such duty.

#### 23. No set-off

No amount due and payable by one party to the other under any Term Agreement or Booking Agreement, or otherwise, shall be set-off against any other amount due and payable or alleged to be due and payable by that other party to the first party.

#### 24. Confidentiality

The terms of all Term Agreements and Booking Agreements between the Purchaser and STV shall be kept confidential by the parties and shall not be disclosed by either party to any third party without the prior written consent of the other party except where such disclosure is necessary to establish a bona fide claim by the disclosing party against the other in relation to one or more of the agreements or where disclosure is required by any law, stock exchange rule, regulation, court order or government agency, in which event the relevant party shall notify the other as promptly as reasonably practicable (and if possible prior to making any disclosure) and shall use its reasonable endeavours to seek confidential treatment of such information. The terms of the agreements may also be disclosed on a need-to-know basis to each party's employees, accountants, auditors, investors, lenders and legal counsel provided that any such person to whom they are disclosed abides by the provisions of this clause 24 as if it were party to the agreement.

#### 25. Severability

The invalidity, illegality or unenforceability of any part of any Term Agreement or Booking Agreement between STV and the Purchaser shall not affect the validity, legality and enforceability of the remaining terms and conditions.

#### 26. No partnership/agency

Nothing in any Term Agreement or Booking Agreement shall operate to create a partnership, agency or joint venture between the parties.

#### 27. Waiver and remedies

Any waiver of any right or remedy provided by any Term Agreement or Booking Agreement between STV and the Purchaser must be in writing and failure by any party to exercise any right or remedy arising under such agreement shall not preclude or impair the exercise of any other right, power, privilege or remedy.

#### 28. No assignment

The Purchaser shall not assign or sub-contract any of its rights or obligations under any Term Agreement or Booking Agreement between STV and the Purchaser without STV's prior written consent. STV recognises that where the Purchaser is an Agency Airtime purchased is intended to be used for the transmission of Advertisement Copy of the Purchaser's advertiser's Purchasers and not, necessarily, the Purchaser. That shall not affect the status of the Purchaser and STV as principal contracting parties. The Purchaser shall not be permitted to use Airtime purchased for the transmission of Advertisements of Excluded Advertisers.

#### 29. Governing Law

All Term Agreements and Booking Agreements between STV and the Purchaser shall be governed by Scots law and the parties irrevocably submit to the non-exclusive jurisdiction of the Scottish Courts.

#### DEFINITIONS:

"Actual Delivery" means the Consolidated Viewing delivered by STV in respect of a Booking as reported by BARB following transmission of any Advertisement Copy;

"Actual Expenditure" means such sum as a Purchaser spends with STV in respect of Airtime during the Term after deduction of VAT and any other sales tax or duty payable in respect of the purchase of Airtime;

"Advance Booking Deadline" means the date(s) specified as such in the Deal Memorandum;

"Ad" or "Advertisement Copy" means an advertising message intended for transmission by STV on STV Services and, where the context so admits, includes any tape or other means of its storage or communication and includes Repeat Copy;

"Agency" means an advertising agent or agency, being a person, firm or company carrying on business involving the purchase of inter alios Airtime;

"Airtime" means advertising airtime on STV Broadcast Services (excluding any interactive or sponsorship elements);

"Airtime Credits" means STV Airtime Credits and/or Purchaser Airtime Credits;

"Applicable Laws" means all applicable regional, national and international laws, rules, regulations, codes of practice, guidance and industry standards including those imposed by any governmental or regulatory authority (including, in particular, the CAP Code, the BCAP Code and the Ofcom Broadcasting Code);

"Approved Purchaser" means a Purchaser approved for credit by STV from time to time;

"BARB" means the Broadcasters' Audience Research Board Limited, a company incorporated in England and Wales (Company No. 3611026) and having its registered office at 2<sup>nd</sup> Floor, 18 Dering Street, London W1S 1AQ, or any successor body;

"BCAP" means the Broadcast Committee of Advertising Practice;

"BCAP Code" is the Code written by BCAP and includes any guidance notes published by BCAP in relation thereto;

"Booking" means a proposal for the purchase of Airtime, Creative Services or Digital or any combination thereof on a Booking Form;

"Booking Agreement" shall have the meaning set out in clause 3.2 of these terms and conditions;

"Booking Form" means the appropriate standard form or any other form of writing that is accepted by STV as communicating a Booking;

"Budget" means the amount specified in the Booking Form as the Budget which, subject to any Revised Budget, shall be the sum payable by the Purchaser to STV in consideration of the Creative Services unless such Creative Services are purchased as part of a STV Advertising Package;

"Calendar Year" shall mean any period of twelve months commencing on 1st January;

"Campaign" means all or part of the Airtime or Digital within a Booking Agreement which relates to a single burst of activity for a single product or service for a single promotional purpose;

"Campaign Period" the period it is agreed in the Booking Agreement that the Advertisement Copy will be transmitted on STV Services;

"CAP" means the Committee of Advertising Practice;

"Clearing Body" means an entity providing a service through which it is determined whether Advertisement Copy (including, where appropriate, Deliverables) comprising, amongst others, on demand or broadcast audiovisual media content complies with Applicable Laws;

"Collection" means a collective series of Spots sold across a given period of time;

"Consolidated Viewing" means the total of real time (at transmission time) and timeshift viewing (including VOSDAL and non VOSDAL) occurring within seven days of first transmission on STV Broadcast Services;

"CPM" means the cost to the Purchaser of each 1,000 Impressions on each Advertisement Copy as detailed on the relevant Booking Form;

"Creative Brief" means a brief agreed between STV and the Purchaser (which may form part of the Booking Form or may be separate) identifying Deliverables, which may include a script, story board, treatment and/or mockup;

"Creative Services" means the services provided in the production of the Deliverables;

"Daypart" means part of the day specified by STV;

"Deal Delivery" means the TVRs or Spots agreed to be delivered by STV to the Purchaser under a Booking Agreement;

"Deal Memorandum" means the document or documents containing specific commercial terms for the sale and purchase of Airtime during the Term forming part of the Term Agreement;

**"Deliverables"** means the deliverables identified in the Creative Brief and/or as may be specified in brief in a Booking Form;

**"Delivery"** means the delivery of the Deliverables to the Purchaser in a format agreed between the Purchaser and STV or, failing agreement, as determined by STV;

**"Delivery Date"** means the date specified as such in the Booking Form, or such other date as may be agreed between the parties;

**"Demograph"** means an audience type defined by age or social classification or a combination thereof as defined by BARB and any Demograph specified in a Term Agreement or a Booking Agreement shall have the meaning ascribed to it by BARB;

**"Digital"** means space on STV Digital Services for the transmission of Advertisement Copy;

**"Discount"** means any credit for Airtime to be applied to the National Ratecard Price specified in a Deal Memorandum;

**"Excluded Advertisers"** means advertisers specified in a Term Agreement and/or Booking Agreement as being precluded from using Airtime purchased pursuant to that Term Agreement and/or Booking Agreement;

**"Footage"** means any filmed or recorded audio, visual and/or audio visual material;

**"Force Majeure Event"** means an event, inability or delay that is caused by circumstances beyond the relevant party's reasonable control and which cannot be cured by measures which might reasonably be taken in the course of that relevant party's business, including war, terrorism, riot, civil commotion, accident, breakdown, damage to machinery or equipment or technology, fire, floods, acts of God, regulatory, legislative or administrative interference, ruling or decision provided that no circumstance or cause shall be considered to be beyond the control of a party if it arises as a result of a party's failure to take reasonable care. For the avoidance of doubt, the loss of a Purchaser or a Purchaser's brand by an Agency shall not be deemed to be a Force Majeure Event;

**"HPTO"** means a takeover of the home page of stv.tv comprising such display advertising and wallpaper as STV may specify;

**"Impact"** means a single viewing of any Advertisement Copy in any relevant period as reported by BARB on the relevant part of STV Broadcast Services;

**"Impressions"** means user views of Advertisement Copy on STV Digital Services;

**"IPR"** means any intellectual property rights including patents, copyrights, trade marks and service marks, trade secrets and moral rights;

**"National Ratecard Price"** means the price for Airtime specified in the Ratecard before application of any Discount calculated as:

$$\frac{\text{Total Net Advertising Revenue for Area} + 0.738}{(30\text{-second Equivalent Impacts (for the relevant Target Audience)} \div 1000)}$$

**"Net"** means 0.85 of the gross;

**"Net Advertising Revenue"** means monthly advertising revenue as declared by STV to Ofcom;

**"Non-Approved Purchaser"** means a Purchaser not approved for credit by STV;

**"Ofcom"** means the Office of Communications or any other body that assumes its regulatory role;

**"Over Delivery"** occurs when Actual Delivery under a Booking Agreement is more than Deal Delivery and Over Delivered shall be construed accordingly;

**"Premium"** means any additional charge or price over and above the National Ratecard Price that STV may specify as being applicable to any Bookings from time to time;

**"Purchaser"** means a purchaser of Airtime, Creative Services or Digital individually or as part of a STV Advertising Package;

**"Purchaser Airtime Credits"** means a credit from STV to the value of the number of TVRs (expressed as National Ratecard Price less any applicable Discount or plus any applicable Premium as appropriate) that have been Under Delivered;

**"Purchaser's Commitment"** means the minimum commitments made by the Purchaser in relation to share of broadcast revenue and/or cash spend set out in the Deal Memorandum;

**"Purchaser Budget"** means, in relation to circumstances to which clauses 7.4 to 7.6 apply, the gross of the amount in cash paid by the Purchaser to STV for Airtime (excluding VAT) during the Term; and in all other cases means the net amount in cash paid (excluding VAT);

**"Purchaser's Material"** means all material, including the Purchaser's name, trading name, logos and trade marks, Footage and photographs, provided by the Purchaser to STV in relation to the Creative Services;

**"Repeat Copy"** means Advertisement Copy transmitted previously by STV pursuant to another Booking Agreement;

**"Revised Budget"** means the increased Budget agreed or determined in accordance with Clause 10.4;

**"Rushes"** means unedited Footage shot or otherwise compiled during the Creative Services not included in the Deliverables;

**"Specials"** means programmes determined by STV, in its absolute discretion, as being of a premium nature and include (by way of example and not exhaustive list) feature films, prime programming such as series finales, unique programming and events of national, sporting or other significance;

**"Spot"** means a portion of Airtime identified by STV as available for purchase for advertising;

**"Standard Time Length"** means ten (10) seconds or a multiple of ten (10) seconds;

**"Strike Weights"** means requested timing of the distribution of Airtime over the period of any Campaign;

**"STV" and "STV Commercial"** are trading styles of either, or both of STV Central and STV North as the context so admits and as may be specified in the Deal Memorandum or Booking Form;

**"STV Aberdeen Micro Region"** means the northmost micro region of STV North;

**"STV Advertising Package"** means a commercial package including one or more of Airtime, STV Digital Services and Creative Services for a fixed fee;

**"STV Airtime Credits"** means the value of the number of TVRs (expressed as National Ratecard Price less any applicable Discount or plus any applicable Premium as appropriate) by which Actual Delivery exceeds Deal Delivery;

**"STV Broadcast Services"** means the Channel 3 service in the Ofcom licensed broadcast regions of Central and North Scotland;

**"STV Central"** means STV Central Limited, a company incorporated in Scotland (Company No. SC172149) having its registered office at Pacific Quay, Glasgow, G51 1PQ or the regional Channel 3 service operated by STV Central, as the context so requires;

**"STV Central Region"** means STV Central's Ofcom licensed Channel 3 broadcast region of Central Scotland (by digital transmission);

**"STV Creative"** is a trading style of STV Central;

**"STV Digital Services"** means STV branded online services and include, by way of example, STV's website [www.stv.tv](http://www.stv.tv); STV Player (carrying both (i) live simultaneous internet transmission of our on-air broadcast services; and (ii) on demand catch-up programme services); any of STV's mobile or tablet apps; and STV's online social media accounts;

**"STV Dundee Micro Region"** means the southmost micro region of STV North;

**"STV East Micro Region"** means the eastmost micro region of STV Central

**"STV Macro Region"** means the STV North Region and the STV Central Region together;

**"STV Micro Region"** means any of the STV Aberdeen Micro Region, STV Dundee Micro Region, STV East Micro Region and STV West micro regions;

**"STV North"** means STV North Limited, a company incorporated in Scotland (Company No. SC35733) having its registered office at Pacific Quay, Glasgow, G51 1PQ or the regional Channel 3 service operated by STV North, as the context so requires;

**"STV North Region"** means STV North's Ofcom licensed Channel 3 broadcast region of Northern Scotland (by digital transmission);

**"STV Services"** means STV Broadcast Services and STV Digital Services;

**"STV West Micro Region"** means the westernmost micro region of STV Central;

**"Sum due on Signing"** means a sum equivalent to one half of the Budget where the Budget is in excess of Ten Thousand pounds (£10,000);

**"Target Audience"** means a Demograph within a particular area;

**"Technical Delivery Code"** means STV's technical delivery requirements for Advertisement Copy, from time to time;

**"Territory"** means in the case of STV Central and STV North, the Ofcom licensed broadcast regions of Central and North Scotland, respectively;

**"Term"** means the period defined as such in the Deal Memorandum;

**"Term Agreement"** means the agreement comprising a Deal Memorandum and these Terms and Conditions;

**"Terms and Conditions"** means the terms and conditions contained herein;

**"Third Party Costs"** means costs incurred by STV to third parties for goods or services used in the Creative Services;

**"Time-Length"** means the duration of a Spot;

**"Total Package Price"** means the price of the STV Advertising Package as set out in the Booking Form;

**"TVRs"** means the percentage of the Target Audience for the Advertisement Copy purchased by the Purchaser;

**"Under Delivery"** occurs where Actual Delivery is less than Deal Delivery and Under Delivered shall be construed accordingly;

**"Underspend"** occurs where, at the end of the Term the Purchaser Budget is less

than the Purchaser Commitment;

**"VOSDAL"** means viewing on the same day as the live transmission other than viewing the live transmission;

**"Working Day"** means any day other than a Saturday or Sunday or any other day which is a public or bank holiday in Glasgow;

**"30-second Equivalent Impacts"** means Impacts weighted in accordance with the following factors:

<b>Time-Length</b>	<b>National Weighting Factor</b>	<b>Regional Collection Weighting Factor</b>
10 seconds	0.500	0.550
20 seconds	0.833	0.850
30 seconds	1.000	1.000
40 seconds	1.333	1.350
50 seconds	1.666	1.670
60 seconds	2.000	2.000

Any Spot over 60 seconds will be weighted pro rata to the 60 seconds factor.

**Revised: October 2019**