

STANDARD TERMS AND CONDITIONS

1. DEFINITIONS

- 1.1. In these Terms and Conditions, unless the context otherwise indicates, the following words shall bear the meaning assigned to them:
- 1.2. "IMC" means Independent Media Corporation (Pvt.) Limited (registration number: K-08559 of 2001-2002 trading as IMC, a company with limited liability duly registered and incorporated in terms of the Company Laws of the Islamic Republic of Pakistan with its principal place of business situated at Printing House I.I. Chundrigar Road, Karachi, and with its registered address at Printing House I.I. Chundrigar Road, Karachi.
- 1.3. "The Advertiser" means any person, including an association of persons, a partnership, a firm, a company or a corporation or any other legal entity, making a booking for advertising space or time for the televised transmission of an advertisement other than through or by means of an Advertising Agent or Agency and includes its successors in titles and assigns.
- 1.4. "Advertising Agent" or "Agency" means any person, including an association of persons, a partnership, a firm, a company or a corporation or any other legal entity carrying on the business of making a booking for the selection and purchase of advertising space or time for the televised transmission of an advertisement on behalf of persons or partnerships or firms or companies or corporations intending to advertise.
- 1.5. "Advertisement Copy" means any advertising material intended for transmission
- 1.6. "Working Day" means Monday to Saturday inclusive in each week except Public Holidays. "Business Hours" mean 1000 hours to 1800 hours on Working Days. Standard Transmission Day mean from 0000 hours to 2359 hours on any calendar day
- 1.7. In these Terms and Conditions, any reference to one gender shall include the other and words importing the singular shall include the plural and vice versa. Headings appearing in these Terms and Conditions are for reference purposes only and shall not affect, dictate, modify or limit the meaning or interpretation of these Terms and Conditions.

2. ADVERTISEMENT PLACEMENT, AMENDMENT AND CANCELLATION

- 2.1. All release/insertion orders and cancellation/drop instructions will only be entertained, if duly received in writing, received at IMC Karachi Sales/Marketing office, 48 hours prior to the scheduled transmission day. All order and cancellation should be provided in original and shall reach IMC office at the above stated address within the stipulated time as mentioned above. Agency/Client should send separate Release Orders (ROs) for Annual Deals, Day branding, Program branding, Co-Sponsorships, barter deals, any special deal as agreed and RODP spots. Cancellation of non-occasion day branding will only be accepted if received at least 5 days prior to intended day branding day. Cancellation of day branding of an occasion day must be received at least 10 days prior.
- 2.2. All amendments to previous release orders (such as change of commercials, copy length, schedule, etc.) should be done through a new release order. Cancellation of corresponding spots in previous release order, if any, should be sent with proper reference number, along with the new release order
- 2.3. Placement of spots is subject to availability. Placement/positioning of spots will be as per IMC's Spot Placement policy.
- 2.4. Unless specified as program specific, IMC will consider all release orders as time band specific releases.
- 2.5. Unless an RO comes under a fixed positioning contract with IMC (for example, placement of spot within a break or placement of spot in a particular break or placement of spot on a particular time), IMC will be free to place the spots within the hour/program irrespective of instructions on release order.
- 2.6. Every RO should contain a unique reference number, intended scheduled date, intended scheduled time band, intended program's name (in case of program specific release), commercial's name, caption, duration and frequency, advertiser's complete postal address and Advertiser's GST Registration number.
- 2.7. IMC stands indemnified against all claims, litigations and disputes arising directly or indirectly from the telecast or non telecast of a commercial.
- 2.8. Due to emergency or exigency, IMC shall have the right to withhold the advertisement spots. In case of any delay, withholding or stoppage of any advertisement spot, IMC shall not be responsible for any liability towards Agency or its clients or Advertisers.
- 2.9. While IMC will make utmost efforts to accommodate release orders and cancellation requests even after the deadlines, however, no guarantees can be provided for the same. In case of late receipt of cancellation requests which could not be honored or accommodated, IMC will invoice for the spots aired.
- 2.10. IMC will have a right to run breaking news scrolls during its programming or in commercials, whenever required.

3. CREDIT AND BILLING

- 3.1. Advertiser or Agency will provide IMC Advertiser's GST Registration Number on every RO (or exemption certificate, if available)
- 3.2. IMC shall render invoices to the Advertiser or Agency for actually aired portion of the release order(s) issued by the Agency or Advertiser.
- 3.3. IMC may extend credit facilities to an Advertising Agent or Advertiser as the case may be in accordance with its Credit Policy and on approval of IMC's Credit Committee. As part of its Credit Policy, IMC may require a post-dated check from an Advertiser or an Agency for accepting their RO, in case of extending the credit
- 3.4. Standard credit period is 60 days from the date of invoicing for Advertiser or Agency approved by IMC's Credit Committee
- 3.5. Payments should be made in the name of Independent Media Corporation (Pvt) Ltd., through pay order or demand draft or cross check.
- 3.6. All payments should be supported by an invoice knock-off plan. In the absence of this knock-off plan available to IMC within 10 days of payment, IMC will adjust the payments against invoices in chronological order.
- 3.7. IMC is exempted from deduction of withholding tax (exemption certificate numberJud-3/CIT/Cos-IV/2005-

2006/1137 dated 27-Oct-05). This exemption certificate is also available on www.geo.tv . Agencies and clients making payments to IMC should not deduct withholding tax.

3.8. Agency is responsible and liable to make all payments timely to IMC for the advertisements released/booked for its various clients and IMC shall have no concern of privity of contract with the clients of Agency for any reason whatsoever including the recovery of advertisements dues, etc.

3.9. Failure by IMC to render or dispatch Accounts Statements will not affect the obligation of the Advertising Agent or the Advertiser as the case may be to make payment as required in accordance with these Terms and Conditions and shall not affect any early payment incentive or late payment fees applicable.

3.10. In case of default on payments, IMC shall, without prejudice to its other rights, be entitled to suspend the broadcasting/telecasting of advertisement/programs brought by Agency or Advertiser.

3.11. In case a check submitted to IMC by an Advertiser or Agency is dishonored, IMC reserves the right to immediately suspend the business until settlement of overdue amount through a demand draft or a pay order and seek advance payment for future bookings, without extending any incentive for advance payment. IMC will not be responsible for any loss incurred to Advertiser or Agency due to such suspension

3.12. In case of any disputes relating to transmission of spots, IMC transmission certificates shall be considered as final, binding and authentic until such time that Agency or Advertiser provides monitoring/tracking documentary/VHS proof, contrary to TCs. Billing query should be submitted within 7 days from the date of receipt of invoice and supported by recorded proof, tracking report, specific RO and disputed items highlighted, failing which no claims will be entertained. Existence of a billing query of any item in any invoice should only affect the indicated item. Rest of the invoice amount should be paid within due date. This notification must include the reason for the query and should be addressed to the Marketing Operations Manager (billingquery@geo.tv) and a copy should be marked to concerned salesperson. Any credit note issued, subject to IMC's approval of billing query, will be adjusted from relevant invoices.

4. INCENTIVES ON EARLY PAYMENTS AND LATE PAYMENT FEE

4.1. IMC offers following incentives on early payments:

4.1.1. Early bird payment incentive: 5% cash incentive on all releases provided the entire RO amount is paid in advance along with release instructions.

4.1.2. Prompt payment incentive: 5% airtime equivalent to gross advertising value, subject to the payment of entire invoice amount within 60 days from the date of invoice.

4.2. Starting from March 1, 2006; IMC will charge 1% per month Late Payment Fee on entire overdue amount beyond stipulated credit period. The billing system will automatically charge 1% LPF on entire overdue amount on the 1st day of every month, starting from 01-Mar-06.

4.3. Some specific terms and conditions that will apply on above are as under:

4.3.1. Early bird payment incentive can be availed in the form of deducted payments and hence is a cash incentive.

4.3.2. For an advertiser to avail the Prompt payment incentive, IMC will hand over to the advertiser/advertising agency the "Entitlement Voucher". Value of "Entitlement Voucher" would be net of GST.

4.3.3. IMC will invoice the advertiser/ad agency for the Prompt payment incentive and simultaneously issue the credit note for non-GST portion of the invoice. This would allow the advertiser to claim the GST input.

4.3.4. Advertising against "Entitlement Voucher" will be allowed between 0100 to 1559 hours and will have to be availed within 30 days of issuance of voucher.

4.3.5. Early bird payment incentive can be availed provided there is no outstanding amount in the ledger at the time of making the advance payment in order to avail the cash discount.

5. MATERIAL MANAGEMENT

5.1. Agency shall provide DVC/DVC pro (Pal Format, Panasonic tapes) at least 5 working days before the scheduled date of transmission. Agency shall not deliver to IMC any original or master recording of the advertising films. Unless otherwise agreed in writing, all materials will be discarded by the channel if not transmitted for a period of 3 months without further reference to Agency or Advertiser. In no event shall IMC be liable for any delay in delivery, loss or damage to any of the materials.

5.2. As a matter of policy, IMC will not return, in any circumstance, the original material sent by agency/client

5.3. Minimum acceptable length of commercial is 5 seconds. If the exact duration of commercial runs in fractions, 10 frames or more beyond the previous full second will be charged at full second. For example: a commercial having length of 20 seconds and 10 frames will be charged 21 seconds.

5.4. The Client or Agency grants IMC the right to make recordings of ad material for the archival purposes.

5.5. IMC reserves the right not to air advertising material found incongruent with its Censor Policy. In this regard, the decision of IMC shall be absolute and final. Any censor approval given in respect of any part of the advertising copy shall be without prejudice to IMC's right to withhold approval of any other such element or part. IMC reserves the right in its absolute discretion and without accepting any liability therefore to the client to refuse to transmit any advertisement without assigning any reason. In such cases, IMC will refund advance payment received, if any, prior to the broadcasting.

5.6. Delivery of the Advertisement Copy shall be deemed to have been made only when the IMC's technical requirements have been met and the relevant transmission instructions have been given.

6. WARRANTIES AND INDEMNITIES

6.1. The Advertiser or the Agency, as the case maybe, hereby warrants, represents and undertakes to the IMC as follows:

6.1.1. That the Advertising Copy does not infringe the copyright or other rights or be defamatory to any third party

6.1.2. That they have obtained and paid for all necessary consents, licenses and permissions for the transmission of the advertising copy

6.1.3. That they will keep IMC fully indemnified and harmless against all actions, proceedings, costs, damages,

expenses, penalties, claims, demands and liabilities howsoever arising from any breach of the Advertiser's or the Agency's warranties, obligations or agreements contained herein or in any manner whatsoever in consequence of the use, recording, transmission or broadcasting in the form submitted or prescribed of any Advertising Copy or matter supplied by or transmitted for the Advertiser or Agency

7. GENERAL

7.1. All business with IMC will be governed in accordance with the Laws of Pakistan. In case of disputes, competent Courts at Karachi shall have exclusive jurisdiction to deal and decide the dispute between the parties.

7.2. IMC reserves the right to change rates and/or terms and conditions.

7.3. Any term or condition agreed specifically with an Agency or Advertiser supersedes the corresponding term or condition mentioned herein.

8. FORCE MAJEURE

IMC shall not be responsible for any delay or hindrance in the telecast of advertisement due to an event of force majeure (e.g. Acts of God, flood, fire, earthquake, war, riot, satellite malfunction, terrestrial or extra terrestrial interference, insurrection, strike, act of any civil or military or governmental authority) or any other causes of similar nature or for any other reason beyond its reasonable control.