

## GENERAL TERMS AND CONDITIONS

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### 1. Introductory provisions and definitions

1.1. KG MEDIA GmbH with headquarters in Austria and K.G. Media d.o.o., with its registered office in Croatia, are companies that provide various services and operate in the territory of the European Union.

1.2. These general terms and conditions apply to all contracts concluded by and between Clients and KG MEDIA GmbH or K.G. MEDIA d.o.o. as service providers and as an appendix represent an integral part of the contract.

1.3. These general terms and conditions are available at the business premises of KG MEDIA GmbH and K.G. MEDIA d.o.o. and on the website: <https://kg-media.eu/> . All amendments to these General Terms and Conditions will be published in the same way.

1.4. In accordance with the obligation to inform all service users provided by the applicable legislation of the countries of establishment and the registered office of the information society service provider and in accordance with the relevant Directives of the European Union implemented in the national laws of the Member States, the Republic of Croatia and the Republic of Austria, hereby the following GENERAL INFORMATION regarding service providers shall be published:

For the Republic of Austria	For the Republic of Croatia
KG Media GmbH	K.G. MEDIA d.o.o.
Buchenweg 10	Partizanska 4/1

5162 Obertrum am See, Austria Tel.: +43 6219 6143 Fax: +43 6219 6143 4 <a href="mailto:info@kg-media.at">info@kg-media.at</a> <a href="http://www.kg-media.at">www.kg-media.at</a> Landesgericht Salzburg FN 386336 f UID-Nr: ATU 67465735 Business account: Raiffeisenbank Salzburg-Lehen IBAN: AT34 3500 0000 0611 0118 Swift (BIC): RVSAAT2S	52 440 Poreč-Parenzo, Croatia OIB: 51873885410 MBS: 040194282 (Commercial Court in Pazin) VAT ID: HR51873885410 Tel. +385 (0)52 427-046 Fax. +385 (0)52 427-047 <a href="mailto:info@kg-media.hr">info@kg-media.hr</a> <a href="http://www.kg-media.hr">www.kg-media.hr</a> Founder/CEO: Katharina Göschl Business account: Raiffeisenbank Austria d.d. Petrinjska 59 10000 Zagreb Bank account: HR39 2484 0081 1025 42775
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1.5. For the purposes of these General Terms and Conditions, the following definitions shall be applied:

*KG MEDIA* – a common name for designating KG MEDIA GmbH with headquarters in Austria and K.G. Media d.o.o. with headquarters in Croatia, and the same applies in the case of using the word *WE, OUR, SERVICE PROVIDER*. For certain provisions of these General Terms and Conditions, which are valid only for contracts concluded with KG MEDIA GmbH or K.G. Media d.o.o., the names "KG MEDIA AUSTRIA" or "KG MEDIA CROATIA" shall be used.

*GTC, General Terms and Conditions* – means these common general terms and conditions KG MEDIA gmbh based in Austria and K.G. Media d.o.o. based in Croatia.

*Client* – legal or natural person who orders and uses KG MEDIA services for the purposes and /or in connection with his business and economic activities, the same applies in the case of using the words *YOU, YOUR, CLIENT*.

*Contract* - means any written or verbally concluded contract, including contracts concluded by By implicit or tacit consent such as acceptance of the offer submitted by KG MEDIA to the Client, acceptance of delivery, payment of the invoices, etc.

*Force Majeure* - (vis maior) includes all acts and events beyond the control of any of the contracting parties and which may include, but are not limited to pandemics, fires, earthquakes, states of war (published or unpublished), acts of terrorism, floods, storms, extreme weather events, etc., which KG MEDIA could not have foreseen, avoided nor eliminated at the time of the conclusion of the contract.

*GDPR - Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation)*

1.6. The content of the General Terms and Conditions and individual titles and/or names within these General Terms and/or Contracts shall not affect the interpretation of the General Terms and Conditions and/or The Contract, but are listed solely for the sake of transparency of the General Terms and Conditions and/or the Contract.

1.7. In the event that these General Terms and/or the Contract are translated into other foreign languages, in the event of a dispute, the meaning of certain provisions of the Contract shall be interpreted within the meaning those have in Croatian language and in Croatian law when the contract is concluded with KG MEDIA CROATIA, and when the contracting party is KG MEDIA AUSTRIA, the meaning that certain provisions of the Contract shall be interpreted within the meaning those have in German language and in the Austrian law.

## **2. Scope of application of GTC**

2.1. These General Terms and Conditions govern the contractual relations between KG MEDIA as a service provider on the one side and the Client as the service recipient on the other side. These GTC applies to all contractual relationships arising between KG MEDIA and the Client, including contractual relationships arising from the acceptance of the KG MEDIA offer by the Client, as well as to all other service contracts concluded by and between KG MEDIA and Clients, except for those contractual relationships in which the application of the GTC is expressly excluded in writing.

2.2. KG MEDIA is authorized to change and/or amend these GTC at any time. In the event of a change to the GTC, the Client will be notified of the same through the KG MEDIA website or in another appropriate way.

2.3. The Client may not refuse to give consent to the amendment of those provisions of the GTC which do not change the legal nature of its contractual relationship with KG MEDIA or do not prejudice the equality of the contracting parties and the equivalence of the agreed performances under the concluded contract/ accepted offer.

2.4. If certain provisions of the accepted offer or the concluded written contract in the form of a separate document differ from the provisions of these General Terms and Conditions, the contractual relationship with that Client shall be subject to the conditions from the accepted offer or the concluded contract, and in the remaining part these General Terms and Conditions and the applicable regulations of the applicable law shall apply.

## **3. Conclusion of contracts**

3.1 KG MEDIA makes the offer/offer for the provision of services on the basis of data and information provided by the Client.

3.2. KG MEDIA may, at the request of the Client, make a preliminary cost estimate, which is considered to be a special service of KG MEDIA and precedes the preparation of a offer for long-term contract and/ or project based contract. Such a preliminary cost estimate is non-binding for KG MEDIA and the Client and it is of informative nature only. A preliminary cost estimate may be binding for KG MEDIA and the Client, if this is expressly stated in the offer submitted by KG MEDIA to the Client. The preliminary cost estimate, which includes the development of the Media plan, is a chargeable service

provided by KG MEDIA, which service is the Client obliged to pay, regardless of whether, after the preparation of the Media plan, the Client will use other KG MEDIA services.

3.3. KG MEDIA shall, on the basis of an oral or written inquiry or inquiry received by e-mail from the Client, make an offer as soon as possible. The validity period of the offer is 30 (thirty) days from the date of issuance of the offer, unless it is a different validity period of the offer specified in the offer.

3.4. The offer shall be considered accepted if KG MEDIA receives a statement of acceptance of the offer from the Client or the Client otherwise agrees in writing to the previous submitted offer or make a downpayment according to the offer.

3.5. A contract concluded in the form of a special document shall be effective from the day indicated on such a document, and if the date is not specified, then from the day when the same document is signed by both contracting parties or the day when the Client signs a copy of the document intended for KG MEDIA as the other contracting party.

3.6. Acceptance of the offer or signature on a special document will be considered valid, and the contract will be considered concluded even when it is made in electronic form (e.g. electronic signature, sending a scanned document with a handwritten signature and stamp, an email letter accepting the terms of the offer or proposed contract, etc.)

3.7. The place of conclusion of the contract specified in the offer or contract shall also be considered as the place of where services are provided(delivered). In the event that the offer or contract does not indicate the place of conclusion of the contract or lists several different places, the place of conclusion of the contract and the place where the services are provided(delivered) shall be determined according to the place of the headquarters of KG MEDIA AUSTRIA or KG MEDIA CROATIA, depending on which company is indicated as the offeror and the contracting party.

#### **4. Duration of the contract**

4.1. The duration of the contract shall be determined by an offer from KG MEDIA or by a separate written contract between KG MEDIA and the Client. KG MEDIA offers several service models, and the basic ones are – *long-term* and *project-based(short-term)*.

4.2. *Service Contract – long-term* - This contract is concluded for an indefinite period, which is divided into the Initial Period and the Extended Period.

The initial period lasts one year, unless otherwise specified in the Contract between KG MEDIA and the Client.

The Extended period starts from the first day following the last day of the Initial Period, and is divided into periods of one year that are marked with ordinal numbers, with the first year of the Extended Period being marked with the number 1, the year of the conclusion of the contract and with the client's internal designation (example Extended Period 1-23-client code).

The purpose of dividing the provision of services into an initial and extended periods, and then the division of the extended period by year, is to enable KG MEDIA to plan annual business activities, use of its own resources and budgets for marketing activities through third parties, and to the Client to unilaterally terminate the contract without a special reason, within the deadlines and conditions specified in Art. 13.2.

After the end of the Initial Period, the contracting parties may amicably evaluate the contracted Service and other terms of the contract.

4.3. *Service contract – project based(short term)* - This contract is concluded for a fixed period of time for a period of 1 month, 3 months or 6 months, depending on the requirements of the Client.

If the Client requests extension of the term after the expiration of the period for which the contract was concluded, KG MEDIA may continue to provide services under the same conditions and duration as the previous contract or may submit to the Client a new offer with amended conditions.

4.4. Where the duration of the contractual relationship is not determined by an offer or a separate written contract between KG MEDIA and the Client, the contract shall be deemed to have been concluded as long-term.

4.5. If the Client requests and agrees to a offer that KG MEDIA provides several different services, some of which are *project based* and others on the principle of *a long-term* contractual relationship, to those services which are marked in the Contract or in the Offer accepted by the Client as services with a price envisaged on a basis of one year, KG MEDIA and the Client shall be deemed to have concluded the contract referred to in point 4.2 of these GTC in respect of such services, and with regard to others that they have concluded the contract referred to in point 4.3 of these GTC.

## 5. Prices and payments

5.1. Unless otherwise expressly agreed, all prices stated in informative calculations, preliminary cost estimates, KG MEDIA offers and service contracts shall be indicated in euro currency and all amounts of the offered and contracted fees **do not include VAT** which shall be calculated and stated on the invoice by KG MEDIA in accordance with the applicable regulations of the Republic of Austria and the Republic of Croatia, depending on whether the provider is KG MEDIA AUSTRIA or KG MEDIA CROATIA.

5.2. KG MEDIA forms the prices of its work according to the time spent, type and complexity of certain services and the prices and fees of digital platforms such as Google, Meta (Facebook, Instagram), Microsoft. KG MEDIA may publish standardized price lists on its website regarding certain services, the application of which KG MEDIA and the Client may specifically stipulate.

5.3. If, after the conclusion of the contract, it is determined that there will be an increase in prices without the influence of KG MEDIA (e.g. inflation, fluctuations in exchange rates, unavailability and/or price increase of external associates and digital platforms, etc.), KG MEDIA has the right to calculate a higher price if the total price increase does not exceed the value of 5% of the contracted services. If the higher price exceeds the value of 5% of the contracted services, then KG MEDIA informs the Client of price changes, who must inform KG MEDIA within 5 days whether it agrees to the price changes or proposes to terminate the contract. If the Client does not respond to KG MEDIA's notice of price changes, it is deemed that he has agreed to them. If the Client proposes to terminate the contract, KG MEDIA may accept the proposed termination in relation to part or in relation to all services provided or offer a different price to the Client. If the price increase offered by KG MEDIA does not exceed the value of 5% of the contracted services, the Client is not entitled to reject the amended offer.

5.4. Provision 5.3 of these General Terms and Conditions shall apply appropriately when KG MEDIA, at the request of the Client, makes a preliminary cost estimate and/or MEDIA PLAN and when KG MEDIA and the Client agree that such preliminary cost estimate and/or MEDIA PLAN is binding.

5.5. KG MEDIA issues an invoice for the services provided, and the Client is obliged to settle the invoice within 7 days from the date of issue of the invoice, or, if different, then within the due date indicated on the invoice.

5.6. KG MEDIA usually issues an monthly invoice for the services provided, in such a way that an invoice for the services provided in the current month is issued in the following month, indicating to which month the invoice in the description of the services refers. KG MEDIA reserves the right to issue one invoice for services provided for several months, if it is a project based contract, and other cases if the Client agrees or KG MEDIA has a justified reason for this, such as organizational difficulties, delay of notification of prices and calculations of external associates and digital platforms, etc.

5.7. KG MEDIA shall deliver invoices in electronic form by e-mail or in paper form by ordinary mail. When concluding a contract, the Client can choose the invoice form and the method of delivery that he accepts. In the event that the Client does not choose the form and method of delivery of the invoice, KG MEDIA reserves the right to choose and change it. The client may, during the duration of the contract, decide on the form and method of delivery of the invoice and inform KG MEDIA thereof. If the Client chooses as a method of delivery to send invoices in paper form by regular mail, KG MEDIA has the right to charge the Client for material costs that arise in connection with the same (e.g. postage, envelopes, etc.)

5.8. When KG MEDIA delivers invoices in electronic form, it shall deliver them to the e-mail address of the contact person designated by the Client. If the Client has not designated such a person, then KG MEDIA invoice is delivered to the e-mail address through which communication between KG MEDIA and the Client is regularly carried out, and in case there is no such person, then to the publicly accessible and published email address of the Client, which is located on the website of the Client. In the event of a change in the client's email address, he is obliged to notify KG MEDIA without delay, otherwise the delivery of the invoice to the earlier, previously known email address will be considered duly executed. The client is obliged to provide a correct e-mail address to which he wishes to receive the invoice in electronic form and take care that possible filters or other procedures do not block the receipt of the invoice in electronic form.

5.9. When KG MEDIA delivers invoices in paper, it delivers them by regular mail to the address of the Client's headquarters. In the event of a change in the address of the Client's seat, the Client is obliged to notify KG MEDIA without delay, otherwise the delivery of the invoice to the earlier, previously known address of the Client's seat will be considered duly executed.

5.10. In case of delay in payment of issued invoices, KG MEDIA has the right to calculate default interest in accordance with the applicable law which is determined by who provides services and issues invoices, KG MEDIA AUSTRIA or KG MEDIA CROATIA.

5.11. In the event of non-payment, the Client shall pay all costs related to the collection of unpaid amounts, which include, but are not limited to, the costs of reminders, collection costs or other costs related to the measures and procedures related to the enforcement of KG MEDIA rights.

5.12. The Client is not authorised to declare set-off its own claims with claims of KG MEDIA, except in cases where the Client's claim is recognized in writing by KG MEDIA or determined by a valid court decision.

## **6. Services and conditions of service provision**

6.1. KG MEDIA provides services within its scope of business in the domain of registered activity 7311, The Promotion Agency (advertising and propaganda).

6.2. KG MEDIA shall provide services professionally and in a manner appropriate to achieve the agreed objectives, but bear no responsibility for their ultimate achievement.

6.3. The description and scope of the services provided by KG MEDIA to the Client shall be determined by a specific written document and/or offer. Information from other sources not included in the offer (e.g. websites, presentation documents, prior cost estimate) is not considered part of the description of the service. The Client shall verify that the description of the service corresponds to its requirements and that all necessary information is included. After the contract between KG MEDIA and the Client has been concluded, changes to the description of the service can only be carried out by mutual agreement and may affect changes in deadlines, terms and prices.

6.4. In order to provide services, KG MEDIA may prepare materials, templates for printing or digital publication or other types of digital or other content that it submits to the Client for review and confirmation. The Client is obliged to review and confirm or object to the submitted content within the deadline indicated by KG MEDIA, and if such a deadline is not indicated, then no later than 8 days of receiving them. If the Client does not confirm or object to the submitted content within the above mentioned deadlines, KG MEDIA will continue to provide services as if the Client agrees with them.

6.5. The client is obliged to provide KG MEDIA with all information and data necessary for the realization of the contracted services in a timely manner. The Client is obliged to notify KG MEDIA of all events important for the provision of the contracted services, even if such circumstances become known in the course of providing the services.

6.6. The Client shall be liable for the costs incurred to KG MEDIA due to the postponement of the provision of some or all of the contracted services or if the services already provided must be repeated due to incorrect, incomplete or subsequently modified information that the Client is obliged to provide to KG MEDIA. If certain services, due to incorrect, incomplete or subsequently changed data of the Client, need to be repeated, or if this event causes a delay, the Client is obliged to cover the costs incurred in this regard, as well as to compensate KG MEDIA for the damage caused.

6.7. The materials (texts and photographs) submitted by the Client to KG MEDIA for the purpose of subsequent support by publishing editorial articles will be submitted to KG MEDIA, without KG MEDIA specifically requesting these materials, no later than 14 days from the date of the advertising order. If such material is not delivered in a timely manner, KG MEDIA reserves the right to use replacement material.

6.8. KG MEDIA is not responsible for incorrect information or lack of mandatory data in advertising materials.

6.9. Unless otherwise provided in the written description of the services, KG MEDIA is obliged to carry out its services professionally, in accordance with the rules of the profession and regular (usual) business practice, whereby it has the freedom to choose the method of performance, if there are several technologically correct possibilities for doing so. If this is in line with the objectives of the contract, KG MEDIA shall be allowed to deviate from the description of the services at certain points and adequately replace individual services.

6.10. Where KG MEDIAs' services include measures in the field of optimising websites for search engines the use of digital platforms operated by third parties, KG MEDIA shall be deemed to have provided the services in an orderly manner if it has implemented such measures professionally and in a manner appropriate to achieve the objectives and/or results set by the Client but bears no responsibility for the ultimate achievement of the Objectives and/or results of the Client.

## **7. Terms and Deadlines**

7.1. KG MEDIA will endeavour to respect the agreed dates and deadlines, and if and when the Client requests that the deadline becomes an essential ingredient of the contract, it must inform KG MEDIA beforehand and KG MEDIA must expressly confirm in writing that it agrees and indicate which deadlines are going to be considered as essential.

7.2. The terms and deadlines proposed by KG MEDIA (e.g. in the offer, in the contract, in written or oral communication with the Client) do not constitute an essential ingredient of the contract and are not binding, except for the payment deadlines specified in Art. 5 of these General Terms and Conditions.

7.3. In the event that KG MEDIA does not comply with the dates and deadlines for the fulfilment of the contractually assumed obligations, the Client shall be authorised to require KG MEDIA to fulfil its obligations within a subsequent appropriate period of time, which may not be shorter than 30 days. The subsequent appropriate deadline for the fulfilment of obligations begins to run from the date of delivery of the client's request to KG MEDIA.

7.4. If KG MEDIA has not fulfilled its contractual obligations after the expiry of the subsequently determined period, the Client is authorized to terminate the contract. The client is entitled to compensation for non-fulfilment of the contractual obligations only if the damage was caused by intent or gross negligence of KG MEDIA. The client is obliged to pay for the services provided by KG MEDIA to the date on which the contract was terminated.

7.5. The Client has no right to invoke Art. 7.3. and 7.4. of these General Terms and Conditions, if the delay in fulfilling KG MEDIA's obligations is due to (i)unavoidable or unforeseeable events, i.e. Force majeure, (ii) if this is the result of a delay in the digital platforms/suppliers/subcontractors of KG MEDIA and (iii) if the Client fails to fulfil or duly comply with its contractual obligations (e.g. delivery of information, disclosure materials, etc.), the fulfilment of which is necessary in order for KG MEDIA to fulfil its obligations to comply with the order (e.g. delivery of information). In such cases, the agreed date or time limit shall be postponed at least for time of existence of the circumstances referred to in (i), (ii) and (iii) or KG MEDIA and the Client shall mutually establish new terms and deadlines.

## **8. Confidentiality and trade secret**

8.1. During the business cooperation, the Client shall provide KG MEDIA with all relevant information of a business and legal nature relating to the Client's business, which is necessary in order for KG MEDIA to provide the contracted Services.

8.2. All information regarding the content and/or performance of the Contract received from the Client, including all related documentation and other materials in any form, KG MEDIA shall keep confidential even after termination of the contractual relationship, unless there is a information that needs to be disclosed to the competent authorities in accordance with the law and/or is information that is generally known and/or data that is the same or similar to the data of the other Contracting Party or those of the other Party third parties.

8.3. If the contract or separate agreement does not specify something different for individual data from Art. 8.2. each Contracting Party is obliged to keep confidential all information, affairs, documents, materials, instructions, etc. which the counterparty has undoubtedly and expressly designated as confidential, or which it should consider confidential in view of all the circumstances in which it has learned of them, and the communication to unauthorized third parties could have adverse consequences for the economic interests of the Contracting Party - the information provider.



8.4. The obligation to maintain the confidentiality of confidential information having a specific market value shall persist for the entire duration of the contractual relationship and shall remain in force even after the termination of the duration of the contractual relationship.

8.5. Neither Contracting Party shall disclose the confidential information of the other Party to unauthorized third parties, and in particular its market competitors, nor shall it use such information in any way and/or for any purpose, except for the performance of Contract, without the prior express written consent of the Contracting Party - the information provider.

## **9. Intellectual property rights**

9.1. In order for KG MEDIA to perform its contractual obligations, the Client shall establish for KG MEDIA a non-exclusive, limited and revocable right to use the Client's intellectual property for the purpose of performing contractual obligations for the entire duration of the contractual relationship.

9.2. If, as a result of the provision of services or in connection with the provision of services, a copyright-protected work is created, KG MEDIA retains all copyright until the Client fully settles the invoices for the services provided. After the Client fully settles the invoices for the services provided, it is considered that KG MEDIA has fully transferred all rights to the copyright work that was created as a result of the provision of services to the Client.

9.3. The Client guarantees that it is authorized to dispose, reproduce, distribute, communicate to the public and process materials (e.g. texts, photographs...) submitted by KG MEDIA for the purpose of providing contracted services and that they are not subject to copyright protection or related rights, trademark, industrial design or any other intellectual property or personal rights of third parties. KG MEDIA shall not be liable for infringements of the rights of third parties arising from the use of materials that Client has previously submitted to the KG MEDIA. In the case of filing a claim or initiating any judicial or extrajudicial proceedings against KG MEDIA as a result of such infringements, the Client is obliged to compensate KG MEDIA for all material and non-material damage incurred, and in particular, if possible and permitted, to enter into proceedings instead of KG MEDIA, and in any case to relieve it of any liability and to compensate KG MEDIA for all costs incurred as a result of such claims by third parties.

## **10. Non - competition**

10.1. The Client may not employ persons who are employed by KG MEDIA or are business associates of KG MEDIA which are involved in the provision of services to the Client, or who were employed during the term of the contract and for a period of one year after the termination of the contract. Otherwise, KG MEDIA has the right to charge the Client a contractual penalty in the amount corresponding to the double annual fee for services provided under the contract concluded with the Client, and in the event that the contract is concluded for a period of less than one year, then in an amount corresponding to double the total fee for the services provided.

## **11. Personal data protection**

11.1. Simultaneously with the conclusion of a service contract between KG MEDIA and the Client, KG MEDIA as the Processor and the Client as the Controller of Personal Data are concluding a Contract on the processing and protection of personal data of natural persons and its additions: A) List of personal data and the purpose of their processing and B) Technical and organizational measures in accordance with Article 32 of this Regulation.

11.2. KG MEDIA treats the personal data provided by the Client with consideration and in accordance with all applicable regulations on the protection of personal data and applies its own technical and organizational protection measures. The Client must explicitly request any additional protection measures from KG MEDIA in writing, leaving an appropriate time to KG MEDIA for the implementation of the proposed measures. If the implementation of the proposed measures requires additional costs, KG MEDIA has the right to demand from the Client the reimbursement of such costs, and if the Client refuses to reimburse the costs, KG MEDIA is not obliged to implement additional technical and organizational measures.

## **12. Filing a complaint, limitation of liability and damages (compensation)**

12.1. The client has the right to file a complaint to KG MEDIA regarding the quality of the services provided. Such an objection must be reasoned and contain the facts and evidence on which it is based. The complaint can be filed within 3 days of the provision of service in relation to which it submits the complaint and the Client must decide whether he wants to change a particular service or exchange for another service provided by KG MEDIA.

12.2. In the event of a on-time complaint referred to in the Art. 12.1, KG MEDIA must comment in writing on the Client's complaint whether it accepts the complaint or not, if the complaint is justified, KG MEDIA is obliged to immediately address the identified deficiencies.

12.3. KG MEDIA is obliged to remedy the deficiencies within a reasonable time, and the Client is obliged to enable KG MEDIA to take all measures necessary for the analysis and elimination of deficiencies. KG MEDIA is authorized to refuse to make certain changes in the provision of services required by the Client, if they are impossible or such conduct would cause unreasonable costs to KG MEDIA.

12.4. When the contract is concluded with KG MEDIA AUSTRIA as service provider, the transfer of the burden of proof under Section 924 (Austrian) of the General Civil Code (Allgemeines Bürgerliches Gesetzbuch, ABGB) to the detriment of KG MEDIA shall be excluded. The client is obliged to prove that the defect existed at the time of delivery as well as at the time of knowledge of the defect, and that the notice of the defect was submitted within the prescribed period.

12.5. KG MEDIA shall not be liable or obliged to compensate the Client for damage sought as a result of the provision of services or in connection with the provision of services, which occurred due to force majeure. KG MEDIA's liability for damage to the Client arising from breach of contractual obligations is excluded, unless the damage is due to the intention or gross negligence of KG MEDIA. In any case, liability for lost profit and non-material damage to KG MEDIA is excluded, unless the damage is caused by intentional or gross negligence.

12.6. In cases where the Client is entitled to compensation in accordance with these General Terms and Conditions, the maximum amount of compensation that KG MEDIA is obliged to pay cannot be higher than the agreed fee for the provision of services, less taxes, material costs and fees paid to third parties (such as Google, Meta, Microsoft, etc.)

## **13. Termination of the contract**

13.1. Service Contract – project based(short-term) ceases at the expiration of the period for which it was contracted.

13.2. Service contract – long-term regularly terminated by sending a notice of termination at least **90 days** before the end of the Initial Period, or **60 days** before each subsequent year of service provision

marked as extended period expires. Termination will be considered valid if it is sent within the deadline per post to the address of KG MEDIA AUSTRIA or KG MEDIA CROATIA headquarters, depending on with which company the Client has concluded the contract or has been sent in within the deadline to the email address KG MEDIA: [info@kg-media.hr](mailto:info@kg-media.hr)

13.3. KG MEDIA and the Client may terminate the Contract by mutual agreement in the form of a separate written agreement, signed by authorised persons.

13.4. KG MEDIA may exceptionally terminate the contract, regardless of the type of contract in question, with immediate effect (without notice) by sending a notice of termination by registered mail or by e-mail to the last known address of the Client, in the following cases:

- if the Client does not settle the invoice for the services provided BY KG MEDIA

- if the Client at least three times settles the monthly invoices after the due date,

- if pre-bankruptcy, bankruptcy, liquidation proceedings, compulsory management, prohibition of performing activities, termination of business, etc. are opened or declared over the Client, provided that the Client is obliged to notify KG MEDIA of these changes immediately, and no later than within 8 days

- the provision of services becomes impossible due to the reasons for which the Client is responsible

13.5. The Client may exceptionally cancel the contract, regardless of the type of contract in question, with immediate effect

- if pre-bankruptcy, bankruptcy, liquidation proceedings, compulsory management, prohibition of performing activities, termination of business, etc. are opened or declared over KG MEDIA, provided that KG MEDIA is obliged to notify the Client of these changes immediately, and no later than within 8 days

- if there is a business interruption of KG MEDIA and/or external associates and digital platforms (such as Google, Meta, Microsoft, etc.) caused by strikes, exclusions, power outages, Internet connection interruptions and other cases of force majeure, and if such interruption lasts at least 30 days and within that period KG MEDIA does not offer an alternative way of fulfilling contractual obligations.

13.6. In the event of cancellation/termination of the contractual relationship, the Client is obliged to pay all KG MEDIA invoices issued by the time of receipt of the notice of cancellation/termination. When it comes to the cancellation of the contract referred to in the Art. 13.2., KG MEDIA is obliged to continue to provide services until the end of the Initial Period or the Extended Period, depending on when the cancellation is declared, and the Client is obliged to pay the contracted fee for the services provided according to the invoices issued.

13.7. If the fixed-term contract is prematurely cancelled/terminated, regardless of the type of contract concluded, and the Client has paid the agreed fee in advance, KG MEDIA is not obliged to refund the amount paid in case of cancellation or termination of the contractual relationship.

13.8. Right and obligations not regulated by these General Terms and Conditions relating to the termination of the contractual relationship are governed by the applicable law of the country of residence KG MEDIA AUSTRIA or KG MEDIA HRVATSKA, depending on which of the listed companies has concluded a contract with the Client.

## **14. Final provisions**

14.1. If not otherwise stipulated in this GTC for certain cases, notices, requests or other communication between KG MEDIA and the Client shall be made in writing and sent by registered mail to the contractual addresses published in publicly available registers or by email, and which are known at the time of conclusion of the contract. In the event of any changes, KG MEDIA and the Client are obliged to inform the other party without delay, otherwise written notices and other documents will be considered served if they are sent to a previously known postal address or email address.

14.2. Each article, paragraph, subparagraph of the Contract and these General Terms and Conditions represents a separate and independent provision. If a court or any other competent authority declares any provision of the Contract and/or these General Terms and Conditions to be invalid or unenforceable, the other provisions shall remain in force. In the event that certain provisions of these General Terms and Conditions are invalid and/or would become invalid, this does not affect the validity of the other provisions and the contracts concluded based on them between KG MEDIA and the Client. An invalid provision will be replaced by a valid provision that is closest to its meaning and economic purpose.

14.3. The Client and KG MEDIA shall seek to resolve amicably all disputes that may arise from contractual relations, including disputes regarding the interpretation, application or execution of these GTC. If the contracting parties fail to resolve this amicably, the applicable law and jurisdiction of the court as described further in these GTC will be applicable for the resolution of disputes.

14.4. For all matters that are not regulated by the contract or this GTC, the contractual relationship between the Client and KG MEDIA shall be governed by the law applicable at the place of the Headquarters of KG MEDIA AUSTRIA or KG MEDIA CROATIA, depending on with whom the Client is in a contractual relationship.

14.5 Unless otherwise stipulated in the Contract or these General Terms and Conditions, the place where the services are delivered is considered to be the place where the KG MEDIA office that provided service is situated, i.e. the headquarters of KG MEDIA AUSTRIA or KG MEDIA CROATIA.

14.6. For all legal issues arising between KG MEDIA and the Client, the Austrian or Croatian court shall be the competent, depending on which has jurisdiction over the place of the headquarters of KG MEDIA AUSTRIA or KG MEDIA CROATIA depending on with which company the Client has concluded the contract.

14.7. These General Terms and Conditions shall enter into force on December 1, 2023, upon publication on the official website of KG Media, thereby superseding and repealing the "General Terms and Conditions for KG Media GmbH and K.G. Media d.o.o. from September 1, 2019".