

GENERAL TERMS AND CONDITIONS OF THE PUBLIC CALL FOR JOINT ADVERTISING IN PROMOTIONAL CAMPAIGNS OF THE PUBLIC AND PRIVATE SECTORS IN 2016

1) <u>Subject of the Public Call:</u>

- a) Model I Joint advertising of the Republic of Croatia as tourist destination, the offer of coastal counties and the City of Zagreb, professional associations in tourism, providers of the accommodation offer and special destination programmes
- b) Model II Joint advertising of the Republic of Croatia as tourist destination and organised travel programmes
- c) Model III Joint advertising of the Republic of Croatia as tourist destination, the offer of continental counties, providers of the accommodation offer and organised travel programmes in continental areas.

2) Period and type of programmes to which the joint advertising of the destination and of its content applies

- a) The joint advertising programmes carried out by the Croatian National Tourist Board together with partners from the tourism sector, in accordance with this Public Call refer exclusively to the offer and the programmes in the pre and post season 2016 (January June and September December).
- b) The advertising of programmes for July and August is not subject of this Public Call.
- c) For the continental areas, except for the City of Zagreb, the joint advertising programmes carried out by the Croatian National Tourist Board together with partners from the tourism sector, in accordance with this Public Call refer to the offer and the programmes throughout the year.

3) Marketing activities eligible for joint advertising

- a) For all models
- print media advertising
- TV and radio advertising
- outdoor advertising (billboards, displays in public locations and public transport)
- online advertising (including social media advertising)
- b) Addendum to special destination programmes advertising (model I-d), organised travel programmes advertising (model II), advertising of organised travel programmes in continental areas (model III-c)
- Advertising through own sales and promotional channels (advertising on own websites, printed promotional brochure, printed catalogue, printed program, other forms of promotion through own promotional/sales channels)
 For model II:
- Tour operators shall invest one part of funds in leasing media space for offline and online advertising, as follows: strategic partners a minimum of 40%, leaders a minimum of 70%, air transport consolidator a minimum of 20%, organised travel consolidator a minimum of 20%.

Holder of the promotional campaign shall publish in all types of advertising the ad showing clearly that this is a joint advertising with the CNTB and with the system of tourist boards as partners.

- 5) Subject of advertising does NOT include:
- a) Printing brochures and newsletters;
- b) Creation of own websites;
- c) Participation in fairs and presentations.

6) Payment and evidentiary documentation

- a) The payment of funds shall be performed after the realization of the agreed advertising. Prior to invoicing a complete and accurate evidentiary documentation shall be sent, consisting of:
 - Signed contract with a mandatory part including the agreed media plan with specified advertising activities per media and terms, a financial specification of each single advertisement and the total advertising financial amount,
 - Signed annex to the contract between the advertising holder and other participants at destination level that participate in advertising,
 - Calculation of the realized media plan,
 - Specification of all costs and submitted attachments in accordance with the approved media plan,
 - > Original copies of published advertisements in printed media, according to the media plan,
 - Photo-documentation for poster advertising, according to the media plan, and with submitted certified list of poster locations,
 - Computer print and audio-video recording on CD or DVD for TV and radio advertising, according to the media plan, and with submitted certified list of broadcast timing,



- Computer print and CD recording for internet advertising, according to the media plan (screen shot of the page where the banner has been published or the advertorial with the CNTB advertisement, screen shot of the page with displayed advertisement according to keywords, screen shot of the page to which the keywords lead and where the ad of CNTB and the tourist boards that participated in advertising shall be placed, list of keywords, and campaign statistics,
- In the case when the holder of the promotional campaign realizes the contract individually, it is necessary to submit the copies of the original invoice of the vendor where advertising was performed in the overall amount, according to the media plan,
- Proof that all contracting partners have paid their share in advertising (extracts issued by the Financial Agency FINA or by the bank stating that the invoice for advertising has been paid, a certified statement by the invoice issuer that all obligations linked to the invoice have been settled, set-off / compensation according to the Civil Obligations Act. CNTB directly and/or through competent institutions (State Inspectorate Office and others) reserves the right to check the original documentation on the performed payment.
- b) After checking the submitted documentation, the CNTB will approve to the County Tourist Board (I-a, I-c, I-d, III-a, III-b) / association (I-b) / organizer (II, III-c) the issuance of invoice for the calculated advertising part.
- c) CNTB shall pay to the County Tourist Board (I-a, I-c, I-d, III-a, III-b) / association (I-b) / organizer (II, III-c) on the basis of the issued invoice its share of funds according to the contract for joint advertising.
- d) The deadline for settling the invoice is 30 days from the day of receipt of the invoice with complete and accurate documentation. CNTB shall pay to the County Tourist Board (I-a, I-c, I-d, III-a, III-b) / association (I-b) / organizer (II, III-c) its share in the realized advertising after a submitted evidence that all participants in the contract (advertising holder, system of Tourist Boards, tour operator) have paid their share of costs of the realized advertising.
- e) Calls for payment towards the CNTB in 2016 shall be issued in three instalments according to the realization of advertising as follows:
 - > 1. instalment for advertising carried out in the period January June 2016
 - > 2. instalment or advertising carried out in the period July September 2016
 - 3. instalment or advertising carried out in the period September December 2016 not later than 15 December 2016.

All invoices for joint advertising for the indicated three instalments shall contain a complete and accurate documentation referred to in Article 6 of these General Terms and Conditions.

Exceptionally, for advertising in promotional campaigns whose term of realization is after 30 November 2016, the advertising holder may deliver to the CNTB the complete and accurate documentation referred to in Article 6 of this Public Call by 30 December 2016.

In the case when the documentation is delivered after the indicated deadlines referred to in Article 6 of these General Terms and Conditions, the CNTB shall not have the obligation to pay the costs stated in the advertising contract that are not in compliance with Article 6 of these General Terms and Conditions.

f) The CNTB shall not have the obligation to pay the costs stated in the joint advertising contract that are not in compliance with Article 6 of these General Terms and Conditions and if in all types of advertising the advertising holder did not fulfil the obligations foreseen for single models of joint advertising.

7) Provisions of the CNTB Head Office (CNTB)

- a) CNTB shall not participate in 2016 in joint advertising programmes that include subjects who do not pay the sojourn tax, tourist membership fee and other financial obligations towards the CNTB.
- b) Bids shall be taken into consideration according to the order of receipt in the CNTB and may be approved up to the total available funds for advertising in promotional campaigns of the tourism sector, with the possibility of redistribution among other joint advertising models that are part of this Public Call.
- c) The CNTB Tourist Council, on the proposal of the Commission nominated by the CNTB Tourist Council, shall decide upon the selection of promotional campaigns in which the CNTB in 2016 shall implement the joint advertising of Croatian tourism.
- d) For all advertising models the CNTB shall reserve the right to select and accept partners in accordance with the strategic marketing plan, the criteria of a traditional / mature or new and growing market, the importance of the partner for the development of the destination strategic partner / strategic market, the growth potential of the program and the emitting markets, the new program with a high level of risk, the type of program / transport, the length of the period in which the program is performed.
- e) CNTB shall monitor the implementation of the agreed advertising and in relation to this may request, if needed, all necessary evidentiary documentation.
- f) CNTB reserves the right to involve relevant state institutions for the verification of submitted data on the realization of the program scope (inspection / revision).

8) <u>Planned funds</u>

a) The planned funds of the Croatian National Tourist Board Head Office for joint advertising in 2016 amount to **55,000,000.00 HRK** (including VAT) and are distributed according to the models as follows:



Hrvatska turistička zajednica

MODEL	NAME OF THE MODEL	2016 PLAN
MODEL I	Joint advertising of the Republic of Croatia as tourist destination, the offer of coastal counties and the City of Zagreb, professional associations in tourism, providers of the accommodation offer and special destination programmes	34,000,000.00 HRK
MODEL II	Joint advertising of the Republic of Croatia as tourist destination and organised travel programmes	14,000,000.00 HRK
MODEL III	Joint advertising of the Republic of Croatia as tourist destination, the offer of continental counties, providers of the accommodation offer and organised travel programmes in continental areas	7,000,000.00 HRK
TOTAL		55,000,000.00 HRK

9) Dispute resolution

- a) The applicable law is the Croatian law and the Contract shall be interpreted in accordance with the laws of the Republic of Croatia.
- b) Contracting parties agree that all possible disputes that may arise in connection to the Contract shall endeavour to resolve by mutual agreement. If the agreement is not reached, all disputes or requests that arise or are in connection with the Contract, including disputes that refer to the validity, implementation, termination or nullity of the Contract, shall be resolved according to arbitration rules of the Permanent Arbitration Court at the Croatian Chamber of Economy (Zagreb rules), by one arbitrator nominated in accordance with the above rules.
- c) The place of arbitration shall be Zagreb. The language of the arbitration shall be Croatian.
- d) The applicable law is the Croatian law without the possibility to refer to the dispositions of the Act on Resolution of Conflicts of Law with Regulations of Other Countries.
- e) The Arbitration Court may, at the request of the contracting party, issue a temporary measure for the protection of a specific right that is subject of the arbitration before or during the arbitration, which will not be considered as acting contrary to the rules of arbitration.
- f) Each contracting party shall deliver to the arbitration court a copy of the documents and any other documents required for the determination or calculation of duties. The arbitration court shall act urgently within its competence and established circumstances. The decision of the arbitration court is final and binding. Contracting parties expressly waive the right to appeal or objection in respect to the arbitration procedure or the arbitration award to the competent body of the judiciary.

10) Addresses of the County Tourist Boards (Model I):

- Istria Tourist Board, Pionirska 1a, 52440 Poreč
- Kvarner County Tourism Office, Nikole Tesle 2, 51410 Opatija
- Lika-Senj County Tourist Board, Budačka 12, 53000 Gospić
- Zadar Tourist Board, Sv. Leopolda Bogdana Mandića 1, 23000 Zadar
- Šibenik-Knin County Tourist Board, Fra Nikole Ružića bb, 22000 Šibenik
- Split and Dalmatia County Tourist Board, Prilaz braće Kaliterna 10/I, 21000 Split
- Dubrovnik and Neretva County Tourist board, Vukovarska 24, 20000 Dubrovnik
- Zagreb Tourist Board, Tourist office, Kaptol 5, 10000 Zagreb

11) Addresses of the continental County Tourist Boards (Model III):

- Bjelovar-Bilogora County Tourist Board, Dr. Ante Starčevića 8, 43000 Bjelovar
- Brod-Podravina County Tourist Board, Petra Krešimira IV. br. 2, 35000 Slavonski Brod
- Karlovac County Tourist Board, Ambroza Vraniczanya 6, 47000 Karlovac
- Koprivnica-Križevci County Tourist Board, Antuna Nemčića 5, 48000 Koprivnica
- Krapina-Zagorje County Tourist Board, Krambergerova 1, 49000 Krapina
- Međimurje County Tourist Board, Ruđera Boškovića 2, 40000 Čakovec
- Osijek-Baranja County Tourist Board, Kapucinska 40, 31000 Osijek
- Požega-Slavonia County Tourist Board, Županijska 7, 34000 Požega
- Sisak-Moslavina County Tourist Board, Rimska 28/II, 44000 Sisak
- Varaždin County Tourist Board, Uska 4, 42000 Varaždin
- Virovitica-Podravina County Tourist Board, Augusta Šenoe 1, 33000 Virovitica
- Vukovar-Srijem County Tourist Board, Glagoljaška 27, 32100 Vinkovci
- Zagreb County Tourist Board, Preradovićeva 42, 10000 Zagreb.