

Guidelines and regulations concerning

agency commission

applicable to APG|SGA AG and its subsidiaries and segment companies (hereinafter referred to as "APG|SGA") in Switzerland

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1. Purpose

These guidelines specify which advertising, PR, media and web agencies are entitled to receive commission.

APG|SGA pays advertising, PR, media and web agencies (hereinafter referred to as "agencies") a sum of money (known as commission or agency commission) for carrying out services pertaining to the publication of digital and analogue posters.

The commission is remuneration paid to agencies that are entitled to receive commission for providing technically flawless services (consulting, design, execution, monitoring, administration) to clients and to APG|SGA.

The guidelines set out the **Conditions** (2) and the **Procedure** (4) for the granting of commission entitlement and – together with the regulations on business relationships between advertising, PR, media and web agencies and APG|SGA – the rights and obligations of the agencies entitled to receive commission.

2. Conditions regarding commission entitlement

2.1. Agencies entitled to receive commission and consultants

Commission entitlement is granted to an agency if the agency and the employee it appoints to carry out the work eligible for commission (hereinafter referred to as "consultant") fulfil the following conditions.

The entitlement of an agency to receive commission is linked to the appointed consultant. If this consultant leaves the agency or if the agency fails to meet the conditions below, then that agency must commence a new process for the granting of commission entitlement.

2.2. Conditions to be met by agencies

2.2.1. VAT liability

Agencies not liable to pay VAT are not entitled to receive commission.

2.2.2. Independence

The agency must be independent of clients, advertising companies and providers of advertising media and must have no legal, organizational, personal or economic links to such entities. In particular, if the agency is involved in the advertising departments of client companies, in advertising companies or in media companies, no commission entitlement can be granted.

2.2.3. Full-service provision

The agency must provide a full range of specialist services, incorporating consulting on, design, execution, monitoring and administration of poster advertising as part of or as the sole communication measure of their advertising client. Provision of services covering only sub-areas, such as printing, programming of websites, graphic design, web design, photography, text writing, sponsorship, direct mailing, management consultancy, product placement, etc. will preclude commission entitlement if the provision of these services significantly outweighs full-service provision.

2.3. Conditions to be met by consultants

2.3.1. Professional conditions

Consultants appointed from within agencies that are members of the industry association Schweizer Werbe- und Kommunikationsagenturen (BSW), active members of the Allianz Schweizer Werbeberater (ASW), members of the Interessengemeinschaft Mediaagenturen (IGMA) or members of the Bund der PR-Agenturen der Schweiz (BPRA) fulfil the professional conditions.

Consultants who are honorary, independent or passive members of the industry association Schweizer Werbe- und Kommunikationsagenturen (BSW/ASW) or are named on the professional register of the Schweizerische Public Relations Verband (SPRV) fulfil the professional conditions.

Holders of an Advanced Federal PET Diploma Examination certificate as communication managers or PR consultants fulfil the professional conditions.

Holders of a Federal PET Diploma Examination certificate as communication planners or PR specialists must provide proof that they have worked continuously as full-time consultants for at least two years in one or more of the following positions:

- Independent advertising, PR, media or web consultant;
- Account Executive in an advertising, PR, media or web agency;
- Account Executive in the advertising or PR department of a major company.

These consulting activities can be accumulated.

The Head of Advertising Market & Subsidiaries at APG|SGA makes the final decision on whether diplomas or memberships of industry associations not listed are equivalent to the above.

All other consultants must be able to provide proof of having worked continuously as a consultant in one or more of the above positions for at least five years. The consulting activities can be accumulated. The five-year period can be reduced to four years for consultants who can provide proof that they have attended courses at an institution recognized by the advertising industry (e.g. SAWI).

2.3.2. Full-time consultant work

The consultant must pursue his consulting activities full time for the agency which is seeking to receive commission entitlement.

3. Withdrawal of commission entitlement

Commission entitlement will be withdrawn

- If the agency itself asks to be removed from the list of agencies entitled to commission;
- If the conditions previously fulfilled by the agency or consultant in order to be granted commission entitlement are no longer fulfilled;
- If the agency becomes insolvent;
- If sales income via the agency to APG|SGA over three consecutive years does not reach a total for those three years of at least CHF 10'000.
- or in non-compliance with the "General Terms and Conditions of APG|SGA" or the principles of the Swiss advertising standards committee (Lauterkeitskommission).

4. Procedure

Central Sales Services at APG|SGA hold a list of consultants and of agencies entitled to commission and regularly update this in collaboration with Sales itself.

The Head of Sales Service (or his/her deputy) makes the decision on whether or not a consultant or agency is entitled to commission.

In cases of doubt, the Head of Advertising Market & Subsidiaries at APG|SGA makes the final decision.

These guidelines are published on the APG|SGA website.

5. Final provisions

If a gender-specific term is used in these guidelines, then this shall be taken to mean both male and female persons.

These guidelines enter into force on 1st July 2015.

Regulations

concerning business relationships between advertising, PR, media and web agencies which are entitled to commission and APG|SGA

1. The advertising, PR, media and web agencies entitled to commission place their orders for the publication of digital and analogue posters in the name of and for the account of their advertising clients. They are at all times able to fulfil their obligations of accountability and delivery to their advertising clients.
2. APG|SGA produces invoices and order confirmation documents in the name of the advertising client, but sends these to the agency.
3. Commission is only paid on orders to which the Swiss tariffs apply. Where an order is for certain offers, products or services, APG|SGA reserves the right not to pay commission.
4. Commission is calculated on the basis of the net price (gross price minus volume discount) and is 5% for the Swiss tariff. The agency will either pass the commission on to the advertising client in full, or will offset it against the consulting fee.

«These regulations have been translated into French, Italian, German and English. If any problems of comprehension or interpretation should arise from these translations, the German version alone shall be legally binding.»