

INCENTIVE SCHEME OF DISNEY BROADCASTING (INDIA) LIMITED
FOR DIGITAL ADDRESSABLE PLATFORMS

1. **Incentive Schemes:**

1.1. The Broadcaster is offering the following incentives to the Operators on the Bouquet Rates or A-la Carte Rates (as applicable) as set out in **Annexure – A** of the Agreement, subject to fulfillment of the terms and conditions (hereinafter ‘**Criteria**’) set out below:

1.1.1. Incentive Scheme – I for Bouquet(s) subscribed by the Operator.

1.1.2. Incentive Scheme – II for A-la carte Channels subscribed by the Operator.

2. **Definitions:**

2.1. “**Incentive**” shall mean the applicable rate of discount in this Incentive Scheme which are subject to the fulfilment of all the criteria contained in this Incentive Scheme.

2.2. “**Incentivized A-la carte Rate**” shall mean the A-la carte Rate as set out in **Annexure A** of the Agreement, less any specified percentage(s) as applied on A-la carte Rate as per this Incentive Scheme

2.3. “**Incentivized Bouquet Rate**” shall mean the Bouquet Rate as set out in **Annexure A** of the Agreement, less any specified percentage(s) as applied on the Bouquet Rate as per this Incentive Scheme.

2.4. “**Pay Channel(s)**” shall mean the channel(s) for which subscription fee is paid by the Operator to the Broadcaster for its re-transmission through its addressable system.

3. **Miscellaneous Terms:**

3.1. **Conversion from Pay Channel to FTA Channel or new Channel:** In the event of (i) conversion of a Pay Channel to FTA Channel; and/or (ii) launch of any new Pay Channel by the Broadcaster, the Broadcaster reserves the right to modify the Incentive Schemes inclusive of such channels, subject to after giving notice as per applicable Law.

3.2. **Report(s):** In order to be eligible for the Incentive Schemes, the Operator shall provide the Broadcaster the Report(s) referred to in Clause 12 of the Agreement in the format set out in **Annexure – C** of the Agreement.

3.2.1. In the event the Operator is unable to provide the Report(s) for a consecutive period of 3 (three) months to the Broadcaster, then the Broadcaster shall be entitled to withdraw, in its entirety, the relevant Incentive Scheme for which the Report(s) has/have not been submitted by the Operator for the concerned months and the Operator shall be liable to pay the Monthly Subscription Fee at Bouquet Rates and A-la carte Rates (as applicable) as set out in **Annexure A**.

3.2.2. Non-provision of Report(s) will not only entail withdrawal of the relevant Incentives for the concerned month, but shall also amount to breach of the terms of the Agreement and the consequences of breach of the terms of the Agreement shall follow accordingly.

3.3. **Capitalized Terms:** For the purposes of these Incentive Schemes, the capitalized terms shall have the meanings ascribed to them in Section 2 (Definitions) hereto, unless otherwise expressly stated in any provision of the Agreement.

INCENTIVE SCHEME

1. Eligibility requirements for this Incentive Scheme:

- 1.1. In order to be eligible for this Incentive Scheme, it is mandatory for the Operator to carry the Subscribed Channel(s) on A-la Carte or Bouquet(s) basis on its Platform throughout the Authorized Areas during the Term of the Agreement without any interruption and on 24 x 7 x 365(6) basis.
- 1.2. The Criteria under the Incentive Scheme shall be applied only in the manner specified below:
Percentage Channel/Bouquet Penetration Incentive (if availed of) = total percentage incentive to be applied on the A-la carte Rate or Bouquet Rate as may be applicable.
- 1.3. The Operator shall have to submit the following in writing on or prior to the execution of the Agreement:
- 1.3.1. Network Pay Subscriber Base Report of the Operator
1.3.2. Package in which the Subscribed Channel(s) are offered by the Operator to its Subscribers.

2. Criteria for the Incentive(s):

- 2.1. **Criteria No. 1 - Channel Penetration Incentive** shall mean the Incentive based on minimum penetration of the A-la Carte Channels and/or Bouquet(s) subscribed by the Operator for its Platform.

2.1.1. **Incentive Scheme – I** for Bouquet(s) subscribed by the Operator is set out below:

All Channels in the Bouquet	% Channel Penetration	% Channel Penetration Incentive
Universal Bouquet	80 or above	15

Illustration for calculation of Monthly Subscription Fee after applicable Incentives on the Bouquet Rate:

Bouquet(s)	Bouquet Rate (INR)	Network Pay Subscriber Base of the Operator	Monthly Average Subscriber Level	Bouquet Penetration %	Incentive %	Incentivized Bouquet Rate
Universal Bouquet	10	60,000	48,000	80	15	8.50

2.1.2. **Incentive Scheme – II** for A-la carte Channels subscribed by the Operator is set out below:

Channel(s)	% Channel Penetration	% Channel Penetration Incentive
Disney Junior	80 or above	15
UTV Movies	80 or above	15
bindass	80 or above	15
UTV Action	80 or above	15
Hungama TV	80 or above	15
Disney Channel	80 or above	15
Disney XD	80 or above	15
Disney International HD	80 or above	15

Illustration for calculation of Monthly Subscription Fee after applicable Incentives on the A-la Carte Rate:

Channels forming part of the Bouquet	Genre	A-la Carte Rate (INR)	Network Pay Subscriber Base of the Operator	Monthly Average Subscriber Level	Channel Penetration %	Incentive %	Incentivized A-la carte Rate
bindass	General Entertainment (Hindi)	5	60,000	48,000	80	15	4.25
UTV Movies	Hindi Movies	10	60,000	48,000	80	15	8.50
UTV Action	Hindi Movies	5	60,000	48,000	80	15	4.25
Disney Channel	Kids	10	60,000	48,000	80	15	8.50
Disney XD	Kids	8	60,000	48,000	80	15	6.80
Hungama TV	Kids	10	60,000	48,000	80	15	8.50
Disney Junior	Kids	10	60,000	48,000	80	15	8.50
Disney International HD	General Entertainment (English)	15	60,000	48,000	80	15	12.75