

General conditions for the provision of publicly accessible electronic communications service UPC Česká republika, a.s. (hereinafter also referred to only as the “General Conditions”)

Article 1 Subject matter of the General conditions

- 1.1 In conformity with these General conditions UPC Česká republika, a.s., with the registered seat in Praha 4, Závěšova 5, ID No.: 00562262, recorded in the Commercial Register maintained by the Municipal Court in Prague, Section B, Entry 5452 (hereinafter also referred to only as the “**Provider**”) hereby undertakes to provide the Subscriber with the services of electronic communications which were ordered by the Subscriber in the relevant contract on the provision of electronic communications service (hereinafter also referred to only as the “**Services**”). Current text of the General Conditions is publicly available on the Provider’s website www.upc.cz and in the Provider's Client Centre (hereinafter also referred to only as the “**Client Centre**”). For the purposes of these General Conditions the Client Centre shall mean the Provider's organizational branch intended for contact with the Provider’s subscribers, in particular by telephonic, electronic or written means.

Article 2 Provision of services

- 2.1 The Provider provides the subscribers with the services of electronic communications, in particular public telephone service, access to Internet network and transmission of radio and television signals by means of cable and other supplementary services. The Provider also provides the service of transferring telephone numbers. Detailed information on the conditions of transferring telephone numbers to the Provider as the new operator are available on the Provider's website www.upc.cz in the section “Documents” and in the Client Centre. The terms of transferring the Subscriber’s telephone number to a different operator are described in the General Conditions, Paragraph 8.5.
- 2.2 The Provider has an obligation to provide the services in conformity with the generally binding legal regulations.
- 2.3 Current specification of services and information concerning supplementary services are available on the Provider's website www.upc.cz and in the Client Centre; specification of services form a part of the General Conditions. The Provider has the right to unilaterally change the selection of radio and television programs transmitted on the cable.
- 2.4 The Provider provides the ordered services through the Subscriber’s connector to the Provider’s network of electronic communications, which is located outside or inside the property located at the address indicated in the contract on the provision of publicly accessible services of electronic communications (hereinafter referred to only as the “**Contract**”) as the location of installation; such participant’s connector is considered as the endpoint of the Provider’s network of electronic communications (hereinafter referred to only as the “**Endpoint**”). Endpoint is usually located in the Subscriber’s wall receptacle.
- 2.5 The Subscriber hereby acknowledges that the Provider is not responsible for how the service is used and its consequences. In addition to that, the Provider is not responsible for the functionality and operability of links between the Subscriber’s endpoint and the Subscriber’s equipment, including accessories connected to the endpoint.
- 2.6 Condition for the conclusion of Contract is the presentation of documents which in particular certify the identity of the Contract applicant and the applicant’s right to use the place of installation and a submission of other documents reasonably required by the Contract.
- 2.7 The Subscriber undertakes to fulfill his obligations under this Contract and under these General Conditions and in conformity with the valid pricelist undertakes to pay for the relevant charges in accordance with the Provider’s invoices.
- 2.8 In accordance with these General Conditions, the range of services ordered by the Subscriber in the Contract can be changed by an agreement between contractual parties in conformity with the current selection of the Provider’s services. Contractual party has an obligation to inform the

other contractual party about the proposed change no less than 30 (thirty) days before the intended change is to become effective. The change in the range of ordered service cannot be usually made during the minimal term and cannot be made more than once in three calendar months. The Subscriber shall inform the Provider that he wishes to expand the ordered services by filling out and delivering the signed agreement on the amendment of Contract which contains the Subscriber's new requirements.

- 2.9 The Provider hereby declares that he has all necessary authorization to perform all his rights and obligations under the Contract and under the General Conditions.
- 2.10 Reduction or discontinuance of the services by the Provider resulting from the Subscriber's breach of obligations under the General Conditions does not relieve the Subscriber from his obligation to pay the applicable fees in accordance with the Contract and General Conditions and in conformity with the Provider's current price list.
- 2.11 The Provider has the right to ask the Subscriber to provide deposit payment according to the current price list.
- 2.12 The Provider has the right to install additional means of protecting the network or services, if the installation of such protection shall benefit the Subscriber or network.
- 2.13 The Provider has the right to decline signing the Contract in the event the Subscriber has not been or is not complying with his obligations towards the Provider or other subjects, or it can be reasonably assumed that he shall not comply with such obligations.

Article 3 Equipment used for the provision and use of services

- 3.1 Unless the contractual parties agree in writing otherwise, technical equipment and its parts through which the services are provided, is in the exclusive ownership of the Provider (hereinafter referred to only as the "**Provider's equipment**") and the Provider has the right to change, supplement, relocate or arrange the equipment at his discretion.
- 3.2 Unless the contractual parties agree in writing otherwise, acting in conformity with the generally binding legal regulations, the Subscriber has an obligation to obtain at his expense all necessary hardware and software equipment (including installation), input and output equipment with the functionality necessary for the connection to the endpoint location (hereinafter referred to only as the "**Subscriber's endpoint equipment**"), or the Provider's equipment. The Provider is not responsible for the functionality or operability of the Subscriber's endpoint equipment.
- 3.3 In order to use the services and based on a prior written Contract with the Subscriber, the Provider may temporarily provide the Subscriber with the relevant accessory equipment (hereinafter referred to only as the "**accessories**"); this temporary provision of accessories may be subject to the Subscriber's prior payment of deposit in the amount prescribed by the pricelist which is valid at the time the Contract on the provision of such equipment is concluded. This deposited shall serve to secure the Provider's ownership rights and shall be refunded under the conditions prescribed in the Article 3 and 6 of the General Conditions. Unless the parties agree otherwise, the Subscriber shall not be given the ownership title to the accessories. The Subscriber shall be responsible for the damage, loss or destruction of accessories which were provided to him until the time the equipment is returned in accordance with the Paragraph 3.6., unless the accessories suffered damage by other means.
- 3.4 The Subscriber hereby undertakes to use the Provider's equipment and accessories properly and in accordance with the Provider's instructions, respectively with the instructions from the manufacturer of the relevant equipment, in particular that its use would not reduce the equipment's functionality and that the equipment would not be used excessively. The Subscriber especially undertakes that he shall not connect the Provider's equipment to any other equipment and instruments which do not meet the requirements of the relevant generally binding legal regulations of the Czech Republic.
- 3.5 The Provider has the right to transfer the ownership of the selected accessories to the Subscriber, while this fact shall be indicated in the Contract. Ownership is transferred under the conditions and for the prices listed in the pricelist, which are generally reduced. In the event the Subscriber fails to comply with the conditions prescribed by the price list, the Provider shall

- have the right to ask the Subscriber to pay the difference between the reduced and the regular price of the equipment listed in the price list.
- 3.6 The Subscriber has an obligation to return the equipment or accessories provided to him by the Provider (identified by the serial number) to the address of LICA s.r.o., Kostomlátecká 20/39, 28802 Nymburk no later than 7 days after the contract is terminated and must do so at his own expense and risk (the Provider recommends that if the equipment is returned through the postal service, to insure the shipment by the amount equivalent to the listed value of the equipment). The equipment is deemed to have been returned at the moment it is accepted by the Provider or by the person authorized by the Provider for that purpose.
- 3.7 The Subscriber shall return the equipment in accordance with the Paragraph 3.6 even in case that only some of the services for which the equipment was provided to the Subscriber are no longer used. Provisions of the Paragraph 3.8 shall not apply in this case.
- 3.8 If the Subscriber does not return the Provider's equipment or accessories within the period specified in the Paragraph 3.6, or if he returns them in the nonfunctioning state or in the condition which clearly does not correspond with the normal wear and tear, then the Provider has the right to charge the Subscriber a one-time contractual fine in the amount of 5,000.00 CZK.
- 3.9 Returning the equipment prior to termination of this Contract shall not relieve the Subscriber from his obligation to pay the regular fees until the time the Contract is terminated. Prematurely returned equipment shall be again lent to the Subscriber upon his request. Any costs in connection with the re-lending under this paragraph shall be borne by the Subscriber.
- 3.10 The Subscriber is not allowed to handle the equipment and accessories by any means. In particular the Subscriber is not allowed to change the location of installation of such equipment without the Provider's prior written consent, to provide availability of such equipment to third-parties, to use this equipment as a lien or to remove the equipment outside the Czech Republic. The Subscriber is not allowed to interfere with the Provider's equipment and must not allow such interference to a third party which has not received a prior written consent from the Provider. The Subscriber's breach of obligations in this Article shall be considered as a substantial breach of this Contract.
- 3.11 The Subscriber has an obligation to inform the Client Centre if the Provider's equipment or accessories are stolen, lost, damaged or destroyed and must do that at least 24 hours after such occurrence or after he finds that such situation has occurred. If the equipment or its parts are stolen, lost, damaged or destroyed as per the previous sentence, then the Subscriber has the right to have the equipment replaced and that after reimbursing the Provider for the damages the Provider has suffered as a result of the equipment being lost, damaged, stolen as a result of the breach of obligations prescribed by the Paragraph 3.10 of the General Conditions and the Subscriber has an obligation to pay the Provider a contractual fine in accordance with the Paragraph 3.8.
- 3.12 The Provider hereby undertakes to return deposit which was paid by the Subscriber in accordance with the Paragraph 3.3 and shall do that no later than within 60 (sixty) days after the completed and undamaged accessories were returned to the Provider, unless in accordance with the Paragraph 6.10 of the General Conditions this deposit was credited against the funds owed by the Subscriber for the services provided.

Article 4 The use of ordered services

- 4.1 The Subscriber hereby undertakes that he shall provide the Provider with all necessary assistance to perform the subject of this Contract. At the same time he declares that in the event there is a need to install electronic communications network in the property in which the endpoint is to be located, the owner of this property has given his content with such installation. In the event the Subscriber fails to meet this obligation, he shall be responsible for the damages which the Provider shall suffer as a result thereof.
- 4.2 The Subscriber has an obligation to inform the Client Centre about all changes in the information concerning the Subscriber or payer indicated in the Contract (in particular their

- telephone numbers and correspondence addresses) and as a rule must do so in advance, however no later than 7 days after such change has occurred.
- 4.3 If the implementation of service delivery requires necessary technical cooperation with the supplier of the Subscriber's endpoint equipment, then the Subscriber is obliged to provide such cooperation at his expense. The Subscriber undertakes to become familiar with the servicing principles related to the network and electronic communications equipment, knowledge of which is necessary for using the Provider's services.
- 4.4 The Subscriber hereby grants his permission to the Provider or his authorized contractor to carry out the work related to the supply of services, especially with installation, maintenance, adjustments, additions, changes, relocation, inspections, measurements or dismantling of the Provider's equipment in the premises of installation and other areas of the property which contain the network endpoint, while the Subscriber or his representative is present. For the purposes of carrying out the work under this Contract, upon request the Subscriber undertakes to allow the Provider or his authorized contractor access to the premises of installation during the entire term of this Contract, as well as in connection with its termination. The Subscriber acknowledges that failure to provide cooperation under this provision may result in the Provider's inability to provide the service or in the limiting of its supply.
- 4.5 The Subscriber is aware that installation, inspection, maintenance, repair or removal of the Provider's equipment and accessories may result in the loss of service.
- 4.6. The Subscriber undertakes to use the Service solely for his own use and to allow the use of service only to persons sharing a common household with the Subscriber. Without the Provider's prior written consent the Subscriber shall not permit the use of the service by third parties, whether it is for free or for payment. Breach of this provision is considered to be a serious breach of this Contract. The Subscriber shall be responsible for the damages which may occur as a result of unauthorized use of the ordered service by third parties.
- 4.7 The Subscriber further undertakes:
- a) To use the Service in accordance with its specifications, these General Conditions and currently valid generally binding legal regulations; the Subscriber has an obligation to immediately inform the Provider through the Client Centre about all changes or services which were not initiated by the Subscriber or which were not announced by the Provider;
 - b) Not to interfere with the Provider's network equipment and not to change the setup of endpoint equipment owned by the Provider;
 - c) Not to connect the endpoint location with more Subscriber's endpoint equipment than it is allowed by the service specifications;
 - d) Not to connect the endpoint location or the accessories to such equipment, whose nature, purpose or use is not in conformity with the generally binding legal regulations or General Conditions;
 - e) Not to use the service by the methods or for the purposes which violate the generally binding legal regulations or the rights of third parties. In particular, the Subscriber is not allowed to attempt entering the network, systems or services for which he did not obtain a prior authorization from their owners or operators.
 - f) Not to make any nuisance or disturbance calls.
- 4.8 The Subscriber further undertakes not to use or distribute any instruments, codes or devices which could be threatening the security and integrity of the Provider's or third parties' network, or endpoint equipment of other subscribers.
- 4.9 Any breach of obligations prescribed by this Article, or any acts which could be labeled as the misuse of service caused by the Subscriber shall be considered as a substantial breach of the Contract and the Provider shall have the right to immediately limit or interrupt the provision of services to the Subscriber and that without any prior notification; if the Subscriber proves to the Provider that he has remedied the situation, then the Provider can reinstate the provision of services to the Subscriber, which usually happens after the Subscriber's written request and after the payment of the relevant charges prescribed by the pricelist.
- 4.10 In the event the Subscriber is in breach of any obligations prescribed by this Article, then the Provider has the right to ask the Subscriber to pay a contractual fine amounting to 10,000.00 CZK (ten thousand Czech korunas) for each such instance of breach and the Subscriber has an

obligation to pay such contractual fine to the Provider. Claiming his rights for the contractual fine does not affect the Provider's right to be reimbursed for the damages.

Čl. 5 Elimination of breakdowns and defects (Complaints)

- 5.1 The Subscriber has an obligation to inform the Provider through the Client Centre about decreases in the supply and interruption of Service and defects on the Provider's equipment or accessories (hereinafter referred to only as the "defects") immediately after the situation is discovered.
- 5.2 In the event the Subscriber is not able to use the services in accordance with the Paragraph 1.1, the Provider undertakes to eliminate the defects caused by the Provider within 2 (two) business days after the Client Centre was notified about these defects, unless the Provider is prevented from doing so by objective reasons, such as inability to access the endpoint location or other Provider's equipment or if the supply of electricity is interrupted and other similar situations.
- 5.3 All expenses incurred in connection with elimination of defects shall be borne by the Provider, with the exception of situations when the defect was caused by the Subscriber or by a third party related to the Subscriber, if the defect was caused by the breakdown of the Subscriber's endpoint equipment or if the Subscriber insisted on servicing even though he was notified that the defect is not on the Provider's equipment.
- 5.4 As soon as the Provider has been informed in accordance with the Paragraph 5.1, the Subscriber has the right to receive a discount amounting to a proportionate part of the regular monthly charges for the period when the Subscriber was not able to use the services because of defects caused by the Provider. Subject to the Subscriber's written request, such discount shall be usually applied during the following month, however no later than one month after the written request for discount was delivered to the Client Centre and as a rule it shall be applied by the method described in the Paragraph 6.10 in the General Conditions. The request must be delivered without any undue delay, however no later than 2 (two) months from the day when it was not possible to use the services. Compensation for the breakdown is not possible.
- 5.5 In the event the Subscriber believes that the scope, quality or the prices charged for the services do not meet the stated conditions and therefore show imperfections, then the Subscriber has the right to claim his respective rights in the Client Centre. The Subscriber must complain about any errors and incorrectly calculated regular charges or other charges for the provided services without undue delay, however no later than 2 (two) months after the receipt of an invoice, otherwise his right shall be forfeited. All other errors in the service must be reported by the Subscriber without undue delay after these errors were discovered, however no later than 2 (two) months after the provision of faulty services.
- 5.6 Filing a complaint against the above regular charges shall not suspend the Subscriber's obligations and the Subscriber must pay the amounts charged for the service in full amount by the due date.
- 5.7 The Provider has an obligation to settle the complaints against the amounts of regular charges or other charges for the provided services no later than within one month after such complaint was filed, or if the settlement of complaint requires discussion with the foreign operator, this obligation is extended to two months after the complaint was filed. In the event the complaint is settled positively, then the Provider has an obligation to refund the incorrectly charged amount to the Subscriber and must do so no later than one month after the complaint was settled, generally as set out in the Paragraph 6.10 of the General Conditions. In the event the Provider does not agree with the complaint according to this Paragraph, then the Subscriber has the right to file a complaint at the relevant authority about the manner in which his complaint was handled and must do so without any undue delay, however no later than 30 (thirty) from the day when the result of the complaint settlement was delivered to the Subscriber.
- 5.8 Other instances of the Subscriber's complaints shall be settled by the Provider according to their complexity and technical or administrative demand.
- 5.9 The Subscriber hereby acknowledges that the Provider has no obligation to compensate the Subscriber for the damages caused by his failure to provide the service or by the provision of faulty service.

- 5.10 The Subscriber hereby undertakes to pay for all services requested by the Subscriber which exceed the level of services provided by the Provider at no charge, in accordance with the Paragraph 5.3 of the General Conditions.

Article 6 Fees charged for the ordered services and payment conditions

- 6.1 Overall extent of the services provided is prescribed by the Contract. The Subscriber has an obligation to pay the applicable fees in conformity with the currently valid pricelist and must do so no later than by the due date indicated on the statement, or if the date is not indicated, he must make the payment within 10 (ten) days after the receipt of such statement. Statement means the issuance of an invoice – tax document, which is usually prepared in electronic format, or a simplified tax document or other document of a similar character according to the Subscriber's selection, which includes the fees charged to the Subscriber under the Contract and General Conditions and that usually for the period of one month (individual Contract period). Tax applicable on the analog and digital television cable services and on the services which provide access to the Internet network is charged on the day when the invoice is issued, with other services it is charged when the actual extent of the services provided has been determined. An exception to this rule are the statements for the first and last billing period, which in case of the first statement include the section of the month during which the service was used after the service started, plus the following first full month (the first individual taxable period) and in case of the last billing period the statement usually includes cancellation of fees for the services which were charged in the previous billing period on the date when the service was terminated, the date of taxable transaction is indicated on the statement. Statements with regular charges are prepared in accordance with the payment schedule.
- 6.2 In the event the currently valid legal regulations give the Provider an obligation to provide the Subscriber with the statements for the services provided, these statements shall be prepared electronically or in the printed format. The Subscriber shall select the format in which the statements are sent by marking the applicable box in the Contract. In the event the Subscriber does not make the selection in accordance with the previous sentence and if the Subscriber provides his e-mail address, it shall be assumed that he has selected the electronic format.
- 6.3 Activation fees, joining fees and subscriptions are payable in the same manner as statements, in accordance with the Paragraph 6.1, or on the Provider's demand.
- 6.4 The Subscriber may receive a special statement in connection with the change of the date on the invoice, the program selection, the amount of regular fees, for administrative reasons or in other justified situations (such as charges involving contractual fine and provision of security deposit) without prior written notice. The Subscriber has an obligation to settle such special statement within the due date indicated on the statement, otherwise within 5 (five) days after the receipt of the statement.
- 6.5 Methods and intervals of regular payments may be changed by an agreement between both contractual parties. The contractual party must inform the other contractual party in writing about the proposed changes in the methods or intervals of regular payments and must do so at least 30 (thirty) days before the proposed change becomes effective. If the Subscriber is a physical person, then he can pay the regular payments through the Concentrated Collection of Public Payments (hereinafter referred to only as the CCPP). The participant (payer) is identified by his connection number. The Provider (recipient of payments) can activate the Subscriber in the CCPP only on the basis of this connection number. In the event the Subscriber gives the Provider incorrect connection number or if he doesn't provide it at all, then the method of his regular payments shall be changed to payments by the postal payment coupons.
- 6.6 Any time while this Contract is in force, the Provider has the right to change the amount of the Subscriber's regular fees by the method indicated in the Paragraph 10.3.
- 6.7 The Subscriber has an obligation to pay the fees prescribed by the current pricelist which differ from the fees under the Paragraph 6.1, or which differ from the contractual fines and must do so by the due date indicated on the statement, or within 10 (ten) days after the receipt of the statement, if the due date is not indicated on the statement.

English translation of General Conditions of UPC Česká republika, a.s.

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- 6.8 Unless agreed otherwise, the Subscriber shall pay for all the fees listed in the Contract, General Conditions and in the Pricelist by rendering the payment to the Provider's bank account which shall be indicated at the latest in the first statement and shall do so within the agreed terms. In the event of doubts, except for special statements, all statements are deemed to have been delivered to the Subscriber on the 5th (fifth) day after their consignment. The payment is considered to have been made on the day when the full amount of payment was credited to the Provider's bank account.
- 6.9 The Subscriber is not allowed to make any deductions or changes to the fees or other charges. If the Subscriber fails to make any regular payment or other payments which are due under this Contract, General Conditions or the Pricelist and is delayed with the payment, then the Provider shall ask the Subscriber to make the payment by the alternative deadline, which is usually not shorter than 1 (one) week. If the Subscriber fails to provide a remedy within such alternative time, then the Provider has the right to limit the provision of the service by preventing the active access to the service, or if that is not technically possible, to interrupt the service to the Subscriber without any prior notice. If the fees are not paid repeatedly, then the Provider has the right to discontinue the service, irrespective of that the Provider has the right to repudiate this Contract and demand immediate reimbursement of damages and payment of all contractual fines under this Contract, General Conditions and the Pricelist. If the payer or Subscriber pays the entire amounts owed, or any amounts which are payable under this Contract or General Conditions, then the Provider may restore the service within reasonable time. Any potential surplus in the Subscriber's account which was caused by the breach of the Subscriber's obligations shall be recorded by the Provider as an unidentified payment.
- 6.10 The Provider has the right to set-off his claims against the Subscriber by unilateral notice of set-off against the deposit paid in accordance with the Paragraph 3.3., the discount provided in accordance with the Article 5 or an unidentified payment in the Paragraph 6.8. with the effect of agreement on set-off, while preference shall be given to unpaid contractual fines, unpaid fees or reimbursement of damages caused to the Provider. Statement which reflects this set-off shall serve as a notice to the Subscriber. In the event of doubts, the Provider shall typically credit deposit, discount or unidentified payment against any amounts owed by the Subscriber, gradually from the oldest amounts and if any amounts owed are not covered by this method, then the set-off shall be made in the prorated amount against each amount owed which has the same due date; for the purposes of this sentence the funds owed to the Provider consist of any charges related to electronic communications service provided to the Subscriber which have not been paid by the due date. The provisions of the previous sentence shall apply even if the amount of unidentified payment corresponds to just one of the claims or their total.
- 6.11 In the event the Subscriber is delayed with payments, the Provider has the right to charge interest on the delay amounting to 0.1% of the amounts owed for each new day of the delay.
- 6.12 Regular fees which were paid by the Subscriber under this Contract in advance and which were payable for the period during which the Subscriber was not using the ordered services in anticipation of Contract termination are subject to refund only if the Contract is terminated by the Provider's repudiation. In all other situations the Subscriber shall receive a refund of the relevant overpayment within 60 (sixty) days.
- 6.13 During the entire validity of this Contract the Provider is entitled to a payment of regular fees which are payable under this Contract, General Conditions and the Pricelist, regardless of the fact whether the Subscriber was actually using the ordered services or not. The fact that the Provider has decreased or interrupted the provision of services as a result of the Subscriber's breach of General Conditions does not release the Subscriber from the obligation to pay for the services in accordance with this Contract and General Conditions and in conformity with the Provider's current pricelist.
- 6.14 Payment of contractual fines does not affect the Provider's right to be reimbursed for damages in full amount and according to the pricelist.
- 6.15 If the supply of services was decreased or interrupted upon the Subscriber's request as a result of his breach of General Conditions, then on the day when the service was decreased or interrupted, the Subscriber shall be no longer entitled to any discounts, including discounts indicated in the Contract.

IN CASE OF INCONSISTENCY BETWEEN CZ AND EN VERSION, CZ VERSION SHALL PREVAIL.

- 6.16 The Subscriber can obtain the current pricelist by visiting the Provider's website address www.upc.cz and or in the Client Centre. In this format the pricelist forms an integral part of this Contract.
- 6.17 The Subscriber has the right to order services from other providers through the use of the Provider's network (hereinafter referred to only as the "other providers" and "services from third parties") and has an obligation to pay for these services exclusively through the Provider. Ordering the services from third parties is subject to payment of deposit prescribed by the pricelist. The Subscriber shall order the services from third parties by contacting the telephone number indicated in the other provider's offer. The Subscriber hereby undertakes to pay for the services ordered from third parties and agrees with the fact that the selection of such price is the exclusive authority of the Provider. The Provider shall include the prices charged by third parties in the statement. If the third parties do not provide the services to the Subscriber properly and on time, that fact does not release the Subscriber from his obligation to pay the Provider for these services. The Provider shall not be responsible for any defects in the services provided by third parties and the Subscriber must file a complaint concerning such defects and failure of providing the services strictly at the provider of such services. Upon the Subscriber's explicit request, the other provider shall provide the Subscriber with an invoice. The list of other providers can be obtained at www.upc.cz. The Provider has no authority to issue a tax document for the services provided by third parties.

Article 7 Decreases and inactivation of network operations

- 7.1 The Provider ensures the availability of service within the extent specified in the Contract and Service Specifications.
- 7.2 The Provider has the right to restrict the provision of services for serious technical or operational reasons for as long as it is necessary.
- 7.3 The Provider shall not be responsible for the nonfunctioning, disruptions or reduced operations of the Internet network or if the Internet disruption affects the delivery of services.
- 7.4 The Provider may reduce or interrupt the provision of service in the event of crisis situations, in particular in the event the country is in the state of military emergency, in the event of natural disasters, epidemics or in the event the Provider shall have to apply such restrictions or interruptions in response to the decisions of the Czech Republic's governmental authorities.
- 7.5 Subject to prior notice, the Provider has the right to reduce or interrupt the service provided under the Contract between the Subscriber and Provider in the event the Subscriber breaches the General Conditions, or if the Subscriber is delayed with the payment for the service even after the expiry of additional payment deadline, or if the Subscriber uses equipment which has not been approved for the use in the Czech Republic, or if there is a reasonable suspicion that the Subscriber or a third-party has misused the service, or if the Subscriber refuses to provide deposit or other guarantee required by the Provider, or if the Subscriber uses the services by the method which can negatively affect the operations of the network or any of its parts or which can affect the quality of services provided to other subscribers. The misuse of services includes the use of service by other means than the means prescribed in the General Conditions, such as the means which do not conform to the General Conditions or Service Specifications. In such case the Provider has the right to restrict or prevent the use of service.
- 7.6 The Provider may reinstate the supply of service which was restricted or interrupted for one of the reasons indicated in the Paragraph 7.5 after he becomes convinced that these reasons for the restrictions and interruptions of services no longer exist. The Provider has the right to charge for the reinstatement of the services in accordance with the pricelist.
- 7.7 The obligation prescribed by the Paragraph 7.1 shall not be complied with if there is a danger that the network may become overloaded, or if such situation has already occurred. In such situation the Subscriber has the right to use the service only within the permitted capacity. The Provider may specify the permitted amount of the transferred data for each individual service. The permitted volume shall be exceeded when the first and the last day of the period specified by the Provider (hereinafter referred to only as the "period") was exhausted by the volume of the transferred data allowed for the specific service. At the moment the Subscriber exceeds the

permitted volume of the transferred data, the Provider shall have the right to reduce the provision of services to the Subscriber by reducing the speed of the transferred data. The services shall be restored in full extent in the beginning of the period following the period in which the permitted volume of the transferred data was exceeded.

- 7.8 The Provider reserves the right to restrict access to e-mail account which was not accessed for at least 5 (five) months and has the right to do that even without notifying the Subscriber in advance. Access can be reinstated through the Client Centre. In the event the Subscriber does not request to access the e-mail account within 1 (one) month after the access was restricted, the Provider reserves the right to delete such e-mail account.
- 7.9 The Provider also reserves the right to restrict access to voicemail messages which were not accessed for at least 5 (five) months and has the right to do that even without notifying the Subscriber in advance. Access can be reinstated through the Client Centre. In the event the Subscriber does not request to access the voice mail messages within 1 (one) month after the access was restricted, the Provider reserves the right to delete such voicemail box.

Article 8 Contract duration and termination

- 8.1 This Contract has been made and entered into for an unspecified period of time.
- 8.2 Unless indicated otherwise, this Contract shall be valid from the day of its signing by both parties and shall be effective on the day when the service is delivered. Delivery of services shall start on the day when the Provider's equipment shall be successfully installed. The Provider can verify whether the installation was successful with the help of the Subscriber's endpoint equipment.
- 8.3 The Subscriber shall be receiving the ordered services and shall be paying the fees for these services for a specific period of time (**Minimum term of the use**). The Subscriber may receive a discount, which is usually represented by a discount on activation or other one-time fees listed in the pricelist. The Minimum term of the use also applies to individual services ordered after the conclusion of the Contract and shall be indicated in the written agreement on amendments to the Contract. If no Minimum term of the use is specified in the Contract, it shall be assumed that it is 3 (three) full calendar months.
- 8.4 The Subscriber has the right to repudiate this Contract or to cancel individual service without providing any reasons. Repudiation must be prepared in writing. Repudiation notice is one month and starts to be effective on the first day of the month following the month in which the notice was delivered to the Provider. If the Subscriber does not identify which service is being canceled, or vice versa, if he identifies all subscribed services, it shall be assumed that he is canceling the entire Contract; otherwise it shall be assumed that he is canceling only the services which he identified in his written notice of repudiation. The Subscriber is allowed to repudiate the Contract even during the Minimum term of the use. However, if the Subscriber has received a discount on activation or other one-time fees listed in the pricelist, then he must pay the Provider a proportionate part of difference between the regular price applicable to activation or other similar fees and the actually invoiced amount of this fee calculated in accordance with the provisions of Paragraph 8.10. If the Subscriber cancels his access to the Internet network before the last month of the Minimum term of the use, then the Subscriber must pay the Provider a cancellation fee prescribed by the pricelist (this obligation which is specified by this sentence applies only to contracts concluded after December 31, 2009).
- 8.5 The Subscriber has the right to cancel telephone service in writing if his telephone number is transferred to other telephone operator. Provision of telephone service ends on the day when the telephone number was transferred. However, if the Provider does not receive a notice of termination from the Subscriber within 10 business days after the new operator requested the transfer of the telephone number and consequently the Provider refuses to accept the order for that reason, then the Subscriber's notice of termination shall be considered as the cancellation of telephone service within the meaning of the Paragraph 8.4., unless the notice of termination suggests that if the telephone number is not transferred, the Subscriber would like to continue receiving the telephone service. If the Subscriber cancels the telephone service before the Provider receives an order from the new telephone operator to transfer the telephone number,

- then this cancellation shall be viewed as a cancellation of telephone service according to Paragraph 8.4., and that until the Provider receives such an order. The Provider has the right to charge the Subscriber a fee for the transfer of telephone number in accordance with the pricelist. If the Subscriber intends to transfer his telephone number and as a result cancels the telephone service during the Minimum term of the use and the Subscriber received a discount on activation or other one-time fees listed in the pricelist, then he must pay the Provider a proportionate part of difference between the regular price applicable to activation or other similar fees and the actually invoiced amount of this fee calculated in accordance with the provisions of Paragraph 8.10. Subject to the Subscriber's written or telephone request, the Provider shall inform the Subscriber about the exact amount of such financial settlement through the Client Centre. Detailed information which specifies the conditions applicable to transferring of telephone numbers can be viewed by visiting the Provider's Internet website www.upc.cz in the section "Documents" and in the Client Centre.
- 8.6 During the passage of the termination notice period, the Provider has the right to charge the Subscriber all regular fees, or other fees chargeable under the Contract and currently valid pricelist and the Subscriber has an obligation to pay these fees properly. Contract termination has no effect on the Provider's right to receive payment for all outstanding amounts which were charged for the services, or for any other amounts which were charged under this Contract.
- 8.7 The Subscriber has the right to terminate the Contract even in the event that he does not accept the proposal for changes of the regular fees made by the Provider in accordance with the Paragraph 6.6 of the General Conditions, or in the event that he does not accept the changes in the General Conditions which were not caused by the amendments of legal regulations and which represent worsening of the Subscriber's conditions. In such case the notice of termination can be filed no later than 15 (fifteen) days from the date of publication of new regular fees or new General Conditions. Notice of termination is 30 (thirty) days and starts to be effective on the first day of the month following the month in which the Subscriber's written notice was delivered to the Provider.
- 8.8 In the event of doubts, it shall be assumed that the written notice, request, proposal, termination or other communication under this Contract have been provably delivered to the other contractual party on the 5th (fifth) day after the consignment was sent by mail to the address of Subscriber or Client Centre indicated in the Contract, or on the 2nd (second) day if the message was sent by electronic means to the contact address of Subscriber or Client Centre indicated in the Contract, or in accordance with the Paragraph 4.2, if the Subscriber informs the Provider that his contact information has changed – that these were delivered to the last known Subscriber's address or contact information.
- 8.9 The Provider has the right to repudiate this Contract (a) in the event the Subscriber persistently fails to make payments or is persistently late with the payments (persistent nonpayment means the existence of at least 3 (three) unpaid invoices for the services and persistent delays with the payment means the payment of two consecutive invoices after the due date), (b) in the event the Subscriber provided false claims in the Contract, or if he did not notify the Provider about the change of contact information in the Contract, or if he unreasonably refuses to provide adequate cooperation for the implementation of this Contract, (c) if the Subscriber does not provide a guarantee in accordance with the Article. 2.11, (d) or if the Subscriber has filed for bankruptcy or his application for bankruptcy was declined because of insufficient funds, or if the Subscriber is subject to property settlement or liquidation, (e) or in case of repeated substantial breach of the Subscriber's obligations prescribed by the Contract or General Conditions.
- 8.10 In the event the Subscriber received discount on activation fee or other one-time fee at the time the Contract was concluded and the Subscriber terminates the Contract during the Minimum term of the use for the reasons specified in the Paragraph 8.9, then the Subscriber must pay the Provider a proportionate part of the difference between the regular price applicable to activation or other similar fees and the actually invoiced amounts of this fee, calculated as the number of full calendar months which are remaining until the end of the Minimum term of the use, multiplied by the number of months in the Minimum term of the use and the difference between the regular and the actually charged amount of the specific fee. The Subscriber has an obligation

- to pay the proportionate part of the activation or other similar fees within 30 (thirty) days after the Contract was terminated.
- 8.11 Further, the Provider has the right to terminate this Contract (a) if the Provider loses the license to provide the services which form the subject of this Contract, (b) if the Provider's contract with the owner or administrator of the relevant property in which the endpoint is located is terminated, (c) in the event of unforeseen circumstances which may occur during the installation of endpoint terminal which would prevent the Provider from starting the delivery of service within 60 (sixty) days after the signing of Contract, (d) for other technical reasons on the side of Provider which would prevent the Provider from executing the subject of this Contract for the period in excess of 30 (thirty) days, unless the contractual parties agree otherwise.
- 8.12 The Subscriber has the right to repudiate this Contract in the event it has been proven that the Provider has not been delivering the services for the period exceeding 30 (thirty) days.
- 8.13 Contractual parties have agreed that in the event the Contract is terminated, the activation fees and joining fees shall not be refunded, with the exception of the situation when the Contract was terminated for the reasons indicated in the Paragraph 8.11, Item c) of the General Conditions, in which the Provider undertakes to refund the Subscriber all the fees which had been paid thus far, and that within 60 (sixty) days after the Contract was terminated.
- 8.14 If the Contract termination or repudiation shall result in the fact that the Subscriber has overpaid the regular fees as a result of unidentified payments, then upon the Subscriber's request the Provider has an obligation to refund this overpayment within 60 (sixty) days after the notice of the Subscriber's request was delivered to the Provider. The Provider shall not refund the overpayments in the amounts that are lesser than the cost of making such refunds.

Article 9 Collecting and using information on subscribers

- 9.1 The Provider shall keep and maintain a current list of Subscribers, their authorized representatives and the list of users (hereinafter referred to only as the **"subjects of the data"**). This list contains personal data, mediation data, operating and localizing data (hereinafter referred to only as the **"Data"**). Personal and mediation data shall mean the title, name, surname, address, birth number, business name, registered seat, place of business, identification number and similar information, as well as information on payment discipline, bank connection, etc. Operating data shall mean any data processed for the purposes of transmitting messages through electronic communication networks or for the purposes of billing (telephone calls, data transmission, short message texting and other services provided by the Provider), in particular incoming call numbers, outgoing call numbers, date, time, length of transmission, type of provided service, etc. Localizing data shall mean any data processed in the electronic communication networks, which define the geographic location of the user's endpoint equipment. Provider shall protect the data in the maximum possible extent which corresponds with the degree of technological development.
- 9.2 The subject of the data acknowledges and agrees that the Provider processes the data manually as well as automatically, either on his own or through persons referred to in the Paragraph 9.5 and 9.9 and that he has the right to collect, to process (within the meaning of the Act on Protection of Personal Information) and to use the data in conformity with the laws of the Czech Republic for the purposes of relevant legal regulations and for the purposes of operating and protecting networks, providing of his services and other related services, billing for the services and carrying out the tasks associated with the above and to the extent necessary for the operation and protection of networks, provision of his services and other related services, their billing, carrying out the tasks associated with the above and for transmission of information through the networks and that for the time which is necessary to achieve these purposes, however no longer than for the duration of contractual relation, or until a complete settlement of rights and obligations under this contractual relation, or for the time prescribed by the relevant legal regulations or in conformity with them. The subject of the data acknowledges that in order for this Contract to be executed and carried out, the following mandatory information is required: business name or name, registered seat of the organizational branch in the Czech Republic and identification number, name, surname and residence address of the person

authorized to represent if the situation involves a legal person active in business; name, surname, or business name, residence address, business address and identification number if the situation involves a physical person active in business and the name, surname, residence address, date of birth and birth number or name and registered seat, or the seat of organizational branch in the Czech Republic, or identification number of legal person if it involves a person not active in business. If this data shall not be provided by the subject of the data, the Contract cannot be executed or carried out. Other personal information is provided by the subject of the data voluntarily.

- 9.3 The subject of the data agrees that the Provider acting on his own or through the persons referred to in the Paragraph 9.4 and 9.5 has the right to process the data for the purposes of offering products and services, for the services with added value, for marketing and business purposes and for other purposes agreed with the Subscriber, all that in extent in which the information was provided by a subject of the data or arising from the nature of the services provided or in the extent in which the Provider obtained such data during the course of providing the services or other services related to them, if they are indispensable for achieving the purposes set out in the Paragraph 9.3. The Provider has the right to process the data for the above purposes for the period of time indicated on the relevant office form or other document and if this period is not prescribed, then he is allowed to do that for the entire duration of the contractual relation or until a complete settlement of the rights and obligations under this contractual relation, or for the entire time prescribed by the relevant legal regulations or in conformity with them. The subject of the data freely, knowingly and clearly agrees with the above processing of his data by the Provider, his business representative or the persons indicated in the Paragraph 9.4 and 9.5. The format of expressing the will can be prescribed by the Provider and it can differ depending on the type of approval, such as a signature on the relevant office form or other document or by the use of the service, sending a message through electronic mail, completion of registration form on the Provider's website or by other similar act. If the Subscriber has withdrawn his consent with the processing of the data in accordance with the Paragraph 9.7 and carries out the above described tasks, it shall be assumed that he again agrees with the above described processing of the data. Unless the law prescribes otherwise, this repeated consent with the processing of the data also applies to the data obtained at the time when the consent was not given. The subject of the data agrees that for the purposes indicated in the Paragraph 9.3 and 9.9 the Provider continues to have the right to process the name, surname and address of the subject of the data even after the settlement of the rights and obligations under this contractual relation for the purposes of offering business and services.
- 9.4 The subject of the data further agrees that the Provider, acting in conformity with the valid legal regulations, has the right to provide the persons which are securing or which are authorized to secure public communications network or other associated means, with the data that is indispensable for the provision of services, and that for the purposes of interconnection and access to the network, for a mutual settlement and to prevent the misuse of network services during the period of time referred to in the Paragraph 9.2. The subject of the data agrees that the Provider also has the right to provide the data in the extent, for the purposes and for the period of time referred to in the Article 9 to persons who are representing the Provider, or who otherwise rightfully protect his interests, or who in particular contribute to the creation, offering, arranging, providing and operating of the services, the services with added value or other related services, or who contribute to the operations and maintenance of the systems through which such services are provided to the subjects of the data.
- 9.5 Unless the legal regulations prescribe otherwise, the Provider hereby undertakes that he shall treat the data only in conformity with this Article 9, he shall ensure that the data shall be adequately protected and with the exception of situations prescribed or allowed by the law or agreed to by the subject of the data, he shall not disclose the data to third parties. The subject of the data agrees that the Provider has the right to disclose the data, including the birth number and information about the extent and nature of breaching the contractual obligations to pay for the provided service properly and in timely manner and to disclose information about the subsequent payment discipline to the persons administering the data register on subscribers and other persons for the purposes of verifying and evaluating their payment discipline and

subscribers' trustworthiness. This consent is provided by the Subscriber from the moment this Contract becomes valid and further for the period of three years after the payment of the last outstanding amount which is due and payable to the Provider. The rights and obligations of the administrators, processors and the subjects of personal data are contained in the generally binding legal regulations. The Provider shall send the data to third parties only in the necessary extent.

- 9.6 The subject of the data agrees that the Provider shall allow his Subscriber or user number to be accessible to other network subscribers or to other third parties. The Subscriber further agrees that the Provider has the right to publish the list of subscribers with their name, surname, address and a subscriber number, as well as the business name, address of registered seat or place of business, e-mail address and information whether the Subscriber or user does not wish to be contacted for the purposes of marketing. This does not apply to subscribers or users who do not agree with the publishing or who are using the service that does not allow publishing of their subscriber numbers. The Provider shall disclose the above data about the Subscriber only to the persons authorized by special regulations or on the basis thereof. In such case the Subscriber or the user has the right to verify the published data and to request their correction by the method prescribed by the Provider.
- 9.7 The subject of the data has the right to anytime withdraw his consent with the processing of the data in accordance with the Paragraph 9.6, 9.8 and 9.9 by explicit, understandable and specific expression of his will (such as by a letter sent by registered mail) after a proper identification of the subject of the data. After the withdrawal of consent the Provider or third-party shall no longer process the data which was received after the consent was withdrawn and shall no longer process the data obtained before such withdrawal, however which was not processed yet. When using the services with added value the subject of the data has the right to temporarily refuse the processing of the localizing data according to Paragraph 9.2 for individual connection to the network or transmission of messages and that by the method prescribed by the Provider. The subject of the data has the right not to give permission for the use of his e-mail contact information even in connection with the sending of each individual message.
- 9.8 The subject of the data has the right to have his data corrected. A subject of the data also has the right to be informed about the personal data which the Provider is processing on his own or through the persons indicated in the Paragraph 9.4 and 9.5 and that in the extent and under the conditions prescribed by the Section 12 in the Act on Protection of Personal Information. In the event the subject of the data finds that the Provider processes the data in contradiction of the provisions on the protection of private and personal life of the subject of the data or in contradiction with the law, then the subject of the data has the right to ask the Provider for explanation. In these situations the subject of the data also has the right to ask the Provider to eliminate such a situation (in particular this can involve blocking, correction, completion or complete elimination of the personal data). In the event the Provider does not comply with the request made by the subject of the data and does not provide any explanation or does not eliminate the faulty situation described in the previous sentence, then the subject of the data has the right to contact the Office of Personal Data Protection (hereinafter referred to only as the "Office"). The subject of the data can contact the Office directly. Other rights of the subjects of the data are prescribed in the Section 21 of the Act on Protection of Personal Information.
- 9.9 The subject of the data agrees to be informed by means of commercial messages about the Provider's services and products, or about the services and products of the subjects who are in contractual relation with the Provider and that by means of his postal address, e-mail address, subscriber number, by means of automatic dialing equipment, by fax or by other similar methods.

Article 10 Joint and final provisions

- 10.1 The Subscriber is not allowed to transfer or to assign his rights and obligations arising from this Contract to a third-party without the Provider's prior written consent.
- 10.2 The Subscriber hereby grants his consent with the assignment of the Provider's rights and obligations under this Contract to another person which is subject to uniform management

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within the meaning of the provision of the Section 66a of the Commercial Code; the Provider can assign the receivables which are due for the services under this Contract under the conditions prescribed by the legal regulations.

- 10.3 This Contract can be amended by a written agreement between contractual parties or by the procedures set out in the Contract. The Provider has the right to unilaterally amend the General Conditions, Complaint Procedures and Pricelist, including the amount of regular charges, or conditions of marketing events, as well as conditions for the provision of services, or to unilaterally terminate their provision, in particular in the event of amendments to legal regulations, introduction of new services and technologies or as a result of changes in the market of electronic communications; the Provider shall inform the Subscriber through his Internet website which is available at www.upc.cz, or through the Client Centre, or by the method selected by the Subscriber for the delivery of service invoices, or by other suitable method. If these changes represent a worsening of the Subscriber's conditions and these changes were not caused by the changes in the legal regulations, the Provider shall inform the Subscriber no less than 30 days before the intended changes become effective.
- 10.4 In conformity with the provisions of the Section 262, Paragraph 1 of the Commercial Code the contractual parties have come to an agreement that their obligations which are prescribed by this Contract and disputes arising thereof shall be governed by the Commercial Code. At the same time this Contract shall be governed by the provisions of the Act No. 127/2005 Coll., on Electronic Communications, as amended.
- 10.5 The Subscriber hereby agrees that his telephone conversations with the Provider relating to the implementation of the rights and obligations under the Contract can be recorded, in order to give the Provider internal control over his services and to improve their quality.
- 10.6 Contractual parties have agreed that any potential complaints filed by the Subscriber shall be handled by the Client Centre. For the purposes of these General Conditions the Client Centre shall serve as the Client Complaint Centre. Handling of complaints shall be governed by the Complaint Procedures issued by the Provider.
- 10.7 As a rule, this Contract has been prepared in one original and two counterparts, the Provider shall receive one original and one counterpart and the Subscriber shall receive one counterpart; in the event the Contract is prepared as one original and one counterpart, the Provider shall receive one original and the Subscriber shall receive one counterpart.
- 10.8 The Provider has the right to assign the Subscriber with the access password, which serves to secure communication between the Subscriber and Provider. The Subscriber undertakes to treat the access password as confidential information and shall be responsible for the handling of his password, its loss or disclosure. In the event the password is disclosed or lost, the Subscriber must immediately inform the Provider through the Client Centre.
- 10.9 Communication between the Subscriber and Provider shall be conducted with the use of contact information provided by the Subscriber in the Contract. If the Subscriber does not inform the Provider about the change of contact information, it shall be assumed that this information was provided correctly, providing it was delivered to the last available postal address (or e-mail address, or telephone number). If the Provider has assigned the Subscriber with e-mail address as one of the features of accessing the Internet network, then this address shall be usually used for communication with the Subscriber. In the event of doubts whether this Service was provided or whether the task (request, reminder, etc.) was performed, extract from the switchboard operations or other Provider's facilities shall be decisive.
- 10.10 In the event that any provisions of the General Conditions shall be found to be illegal, invalid or unenforceable, it shall not affect the validity or effectiveness of other provisions thereof.
- 10.11 These General Conditions for the provision of electronic communications service shall be effective on December 1, 2009 and shall cancel and replace the Provider's previous General Conditions for the provision of publicly accessible electronic communications service. These General Conditions shall cease to be effective at the moment their amended version becomes effective.