

## Article I INTRODUCTORY PROVISIONS

- SMART Comp. a. s. having its registered office at Jezuitská 3, Brno, Identification number: 25517767 (hereinafter referred to as the "Provider") providing electronic communication services under the name of "NETBOX" (hereinafter referred to as "services") hereby sets out the following conditions (hereinafter referred to as "conditions") regulating the provision of these services, in compliance with Czech Telecommunication Office, certificate nr. 217, for Subscribers under the Contract for the provision of electronic communication services (hereinafter referred to as the "contract") and appendices to the contract regarding the provision of individual services (hereinafter referred to as "appendices"). Services are provided only in the Czech Republic.
- These conditions, service price list, list of the types of services provided (incl. the description of the service and its guaranteed level of quality), types of services offered, programme offer and activation guide and any other agreements made between the parties to the contract are integral parts of the contract. In case of any dispute, the contract and its appendices and all the above mentioned integral parts take precedence over the provisions of the general conditions. The Subscriber confirms with his signature that he has read the contract and all the integral parts, including these conditions.
- The "Contract" used in these conditions is also deemed to include all the individual appendices to the contract to which general contract provisions apply. The services can be provided separately or together with other services of the Provider as part of the service packages, the service package is also considered a service.
- Under the contract and these conditions and any other agreements made between the parties to the contract, the Provider undertakes to render services to the Subscriber by providing him with a fixed connection to the Provider's network and the Subscriber undertakes to observe the duties pursuant to the contract and its parts, including these conditions, especially to pay the respective fees for the services in accordance with these conditions and the valid price list of the Provider. The Provider does not take any responsibility for the use of services by the Subscriber and for the content of the messages (information) sent.
- Definition of terms:**
  - "Subscriber" means any individual or legal entity which has entered into the contract with the Provider
  - "User" means any individual or legal entity which uses or requests the service. "User" in this contract can also mean a party to the contract, which can be interpreted from the context and the subject-matter.
  - "Provider's Electronic Communication Network" means transfer systems, connection or routing systems, if applicable, or any other systems enabling the transfer of a signal through wiring, radio, optical and electromagnetic devices etc. notwithstanding the type of information transferred (hereinafter referred to as "network")
  - "End Point" means the actual point (power point/socket, Ethernet port), which is the network access point for the Subscriber.
  - "Subscriber End Device" means a PC, i.e. a device enabling access to the Internet; gateway – home gateway – a device enabling the use of voice services; set-top-box (STB) – a device for the reception of digital television signal or the Subscriber's server.
  - "ZC" means Provider's Client Centre. The addresses of different Client Centres in the individual areas in which the services are provided are listed on the Provider's website – www.netbox.cz.Client Centres as well as www.netbox.cz or agents of the Provider provide all the latest information on the types of services offered (incl. the description and the guaranteed level of quality) and on the valid prices of services of the Provider.
- "CCC (Call centre)" means telephone number 841 400 500 (the telephone number is also available at www.netbox.cz). CCC receives requests for help with technical problems and orders for services to be performed and gives information on the latest services offered.
- "Restriction of service" means barring active access to a service; i.e. partial restriction of a service provided. During the restriction the services of the Provider are charged according to the valid Price list. Service can be reactivated upon the Subscriber's request and after he has paid a reactivation fee according to the valid Price list of the Provider.
- "Disconnection of service" means barring access to a service completely; i.e. disconnection of the service provided. After disconnection the services are not charged.
- "Termination of provision of services" means cancellation of the Subscriber's connection (upon termination of a contractual relationship).
- "Two-week test" applies to fixed-term contracts where the Subscriber, who is an individual and not a legal entity and by entering into the contract and fulfilling its provisions does not act within his or her business or other entrepreneurial activity, has the right to withdraw from the contract without stating a reason during the fourteen day period following the activation of the line. In such cases the activation fee and deposit will be refunded in full and the subscriber is only obliged to pay the fee for the services proportional to the number of days of the month in which he used the service (i.e. two-week test). The activation fee and deposit will be refunded within 90 days after the effective date of the withdrawal from the contract. Effective dates of withdrawal and delivery of mail are provided for by par. 3, Clause IV of the contract. If the contract is not withdrawn within the above mentioned period, a party can withdraw from the contract only for reasons stated in the following articles of these conditions. The two-week test only does not apply to legal entities or individuals which by entering into a contract and fulfilling its provisions act in the scope of their business or other entrepreneurial activity. Further, it does not apply to homes connected individually; i.e. in places not covered by the existing NETBOX network. The two-week test applies only to services for Internet access, hence it does not apply to such services as NETBOX TELEFON, NETBOX TELEVIZE or NETBOX BALČEK.
- "Refundable deposit for services" means the sum listed in the price list of the Provider which the Subscriber is obliged to pay upon signature of the contract to the Provider and applies to all payments with the exception of advance payments. The deposit is refunded in cash (if not agreed otherwise) not later than 90 days after the termination of the contract or of the appendix for a particular service at the Client Centre. The Provider has the right to set off the refundable deposit paid by the Subscriber against his (Subscriber's) outstanding payments, especially in cases of fees due for services provided, contractual fines, rental fees for equipment, charges arising from sending notices to the Subscriber to provide remedy for default or settle the payments due etc. In such cases the Provider has the right to demand that the Subscriber make up the deposited sum to its original value. Furthermore, the refundable deposit also applies in such cases where the Subscriber agreed with the Provider to pay for the services in advance but in the course of the contractual relationship made a request to change the type of payment to other than advance payment. The refundable deposit does not apply to legal entities and individuals who upon entering into the contract with the Provider act within the scope of their business or other entrepreneurial activity, if not agreed otherwise between the parties.
- "Call limit" means the sum listed in the Prices for services for NETBOX TELEFON, which the Subscriber using this service is not entitled to exceed in the course of one calendar month. The call limit amount can be set individually by agreement between the Provider and the Subscriber according to the refundable call deposit paid and can differ from the Price list. If, in the course of one calendar month, the Subscriber exceeds the call limit as listed in the Price list or set by the agreement of the parties, the Provider shall restrict the outgoing phone calls in respect of this service. This restriction will be cancelled by the Provider within 180 min after the refundable call deposit is paid in cash at the Provider's Client Centre (minimum payment 1,000 CZK). The call deposit is refundable in cash (if not agreed otherwise) at the Client Centre within 30 days from the termination of the contract or appendix for a particular service or within 30 days from the date the Provider's rented equipment for using the services of NETBOX TELEFON is properly returned. The Provider has the right to set off the call deposit paid by the Subscriber against the Subscriber's outstanding payments, especially in cases of fees due for services provided, contractual fines, rental fees for equipment etc.

- "Programme offer" means the programme offer of NETBOX TELEVIZE service incl. the individual TV channels listed. The current programme offer is available at www.netbox.cz, the Client Centre or the Call Centre of the Provider. The Provider reserves the right to change the programme offer, especially the structure, number and order of programmes; e.g. due to changes in legal or technical conditions, changes in conditions from the suppliers of different programmes etc. The Provider does not take any responsibility for the content of programmes shown or for any damage caused by failure to supply programmes or defective delivery of programmes by the Provider's producers or distributors.
- "Test operation" means a period of test operation and provision of a service or services of the Provider. During the test operation period the provision of a service is governed by special contractual conditions for service test operation. Upon the termination of the test operation period the legal obligations between the Provider and the Subscriber cease to exist unless a contract is signed.
- PIN of the purchase – is a unique PIN code which is selected by the customer at the activation of the NETBOX TELEVIZE service or NETBOX BALČEK service which includes NETBOX TELEVIZE and which is further used especially for ordering titles (providing sub-licences) from the offer of NETBOX VIDEOEKA. You can change the PIN code any time during contractual relationship through customer info-pages in a way indicated there. The same procedure is for setting/changing a new parental PIN. PIN code/parental PIN is always bound with one particular set-top box of the user.
- NETBOX VIDEOEKA – an additional service of the virtual video library through which the provider provides the right to use a film for an unlimited time (sub-licence) to the subscriber. The subscriber undertakes to pay a negotiated fee for the sub-licence of a particular film. This service is accessible only to those users who have concluded a contract for NETBOX TELEVIZE service or NETBOX BALČEK service which includes NETBOX TELEVIZE. These are the conditions of service of the video library NETBOX VIDEOEKA:
  - the current offer of this service can be found on the users' set-top box or on www.netbox.cz
  - Providing the sub-licence for a given title is done when the subscriber orders this title through his set-top box. To book the title, you need to enter the purchase PIN code or the parental PIN code. Ordering of a title is bound with the particular set-top box of the customer.
  - The duration of providing the sub-licence to the subscriber is limited to maximally 24 hours from the moment of providing the particular title, that is from the moment the provider confirms the user's order. The provider is entitled to refuse to confirm the order, especially if the user has any payables.
  - The provider is entitled to limit the maximum number of titles per month to the subscriber based on a unilateral legal act. This limit does not include titles offered to the users for free.
  - Providing the sub-licence and paying the fee for this is always bound with the one terminal device of the user enabling to play the film (that is one set-top box).
  - Further conditions of providing this service are given by these trade conditions or can be found in the description of the service.

## Art. II RIGHTS AND DUTIES OF THE PARTIES TO THE CONTRACT A. Rights and duties of the User (the Subscriber)

- The User is obliged to provide his own hardware and software devices including their installation, input and output devices and television receiver (hereinafter referred to as "devices of the User") and ensure their functionality and compatibility with the service in order to enable the connection to the end point of the Provider. The Provider does not take responsibility for the functionality or operation of the devices of the User. The connection of devices other than those approved by the Provider can only be done at the User's own risk. Devices approved by the Provider are listed at www.netbox.cz. If non-approved devices are used, the Provider cannot guarantee the quality of the services provided and cannot be held responsible for unsatisfactory performance of the service, its unavailability or low availability.
- The User undertakes not to connect to the end point of the Provider such devices as those failing to meet safety, technical and other standards or devices which have not been homologated for operation according to Czech regulations. The User does not have the right to provide services to third parties unless agreed otherwise between the Provider and the User in writing. In the event of breach of these duties the User is obliged to pay the Provider a contractual fine amounting to 15,000 CZK (in words fifteen thousand Czech crowns) within 7 days upon the receipt of the billing statement of the contractual fine. The date of the receipt of the statement also includes the day on which it returns to the Provider as undelivered. The statement and payment of the contractual fine does not invalidate the Provider's right to compensation for damage and its amount.
- The User is not entitled to change the location of installation without notifying the Provider. The User is not entitled to interfere in any way with the Provider's devices or accessories or enable third party interference without the Provider's prior written consent. In such an event the User is fully liable for the damage caused. The User is obliged to arrange for regular checks of end devices (gateway, STB or switch, router, if applicable etc.) to be carried out by competent and authorized persons.
- Both the User and the Subscriber undertake to give the Provider all the cooperation necessary to fulfil the subject matter of the contract and its conditions.
- Both the User and the Subscriber are obliged to inform the Provider at least 7 days prior to any change concerning their own person or the payer, if different from the User or Subscriber (especially about changes relating to phone numbers and addresses for receiving mail, changed surnames after marriage, change of company names or name of a cooperative, or in connection with company conversions etc.) He or she shall notify the Provider in one of the following ways:
  - visiting in person the Client Centre or electronically at his own info pages or in writing by registered letter sent to the address of the Client Centre.
- The Subscriber or User undertakes to use the assigned e-mail box@nbx.cz to communicate with the Provider. E-mails sent by the Provider to the User's or the Subscriber's e-mail box are considered without any further confirmation as delivered. If a different e-mail box is used to communicate with the Provider, he does not take any responsibility for delivering e-mails to this box.
- If the User wants to have access to the secured part of the Provider's info pages in order to be able to amend or terminate contracts with the Provider, he is obliged to arrange by means of an electronic request with the Provider for a valid personal certificate which includes the identification of the User (Subscriber) and the password to identify the User (Subscriber). A personal certificate can only be issued if the Provider and the Subscriber (User) have entered into a contract; i.e. the first contract between the Provider and the User (Subscriber) must be made in writing and signed by the Subscriber (User). The Subscriber undertakes not to disclose the password (which is part of the personal certificate) for his identification to a third party, not to make any changes whatsoever to the password without prior consent of the Provider and is fully liable for loss or misuse of the certificate. In case of breach of this duty the Subscriber is taken to be liable for the acts performed by those other parties.
- When a contract is amended or terminated electronically; i.e. using the secured part of the Provider's info pages, the contract is archived by the Provider for the period set by valid laws and is available at the address of the Client Centre. The contract can only be made in the Czech language. Information on how to enter into a contract, how to find and correct data entered incorrectly before the order is sent and other necessary information is available to the User at his info pages before he enters into a contract. By entering into a contract through the secured part of the info pages the Subscriber expresses his agreement to having a service set up by the Provider upon the signature of

- the contract. When the contract is made between the parties and in the manner herein described, the Subscriber has the right to withdraw from the contract in writing without giving a reason within fourteen days from the signature of the contract without a penalty. If no services have been provided yet by the Provider, the Subscriber has the right to withdraw from the contract within one month. This does not apply to cases when the Subscriber has explicitly asked the Provider to visit him for the purpose of making an order or when the Subscriber agrees to have a service set up immediately or if the service has already been set up. The Subscriber can withdraw from the contract in writing delivered at the address of the Client Centre. The Subscriber is obliged to pay the proportional amount of service fees for the period starting from the set-up date to the effective date of withdrawal from the contract.
- The Subscriber undertakes not to disclose to third parties the password for using the services listed in the Contract for services or in the activation guide. If he violates this duty the Subscriber is taken to be liable for acts performed by those other parties.
- The Subscriber or User agrees to learn about the rules of network services and operational systems knowledge of which is necessary for the use of services.
- The Subscriber or User is obliged to enable the Provider to perform work relating to the performance of services and repairs, modifications, maintenance, adjustment, upgrading, replacement, relocation, check-ups, measurement taking and dismantling etc. of the Provider's device in the installation premises or the end point. If the Subscriber or User does not provide the above, the Provider is not obliged to perform the duties under the contract and these conditions, or has the right to disconnect the User and does not guarantee the quality of service provided to the Subscriber. If as a consequence of the above default of the Subscriber or other breach of the contract or its integral parts by the Subscriber (User), the quality of the services provided is diminished, the Subscriber (User) is not entitled to damages or a refund for the service or its proportional part.
- The Subscriber or User is aware and agrees that the Provider shall keep an electronic database of the User's operations performed within the Provider's network and outside of it. The Subscriber or User hereby gives his consent to the Provider to carry out measurements in respect of volume of data transferred using the technical means of the Provider or other activities of a similar type. This does not infringe the rights of the Subscriber to the protection of personal and transferred data and the confidentiality of the messages and working data pursuant to the Electronic Communications Act.
- The Subscriber or User is aware and agrees that certain tasks performed on devices of the Provider may cause service failure. The Subscriber or User, is responsible for data back-ups on his end device and the Provider does not take any responsibility for the failure to make back-ups and for data or information loss.
- The Subscriber or User is aware and agrees that communication via electronic communication networks is not secure and data transferred can be affected, monitored or lost. The Provider does not take any responsibility for damage caused by the access of a third party to the User's end device or for the loss of data input in his end device.
- The Subscriber or User is aware of the fact and agrees that using NETBOX TELEVIZE and NETBOX VIDEOEKA (video library) can affect Internet band width when the services are used simultaneously.
- Using the NETBOX TELEVIZE and NETBOX VIDEOEKA (video library) services does not establish the Subscriber's (or User's) right to use its contents under section 12 of Act nr. 121/2000 Sb. (Collection of laws), Author's Act as amended. It is absolutely prohibited to make the contents obtained within this service available to third parties; the User is obliged to use all the contents obtained from the NETBOX TELEVIZE service or NETBOX VIDEOEKA (video library) in compliance with valid legislation, good morals and common habits. It is especially prohibited to reproduce and copy contents, to distribute them, change and modify them or manipulate the author's rights in any other way or neighbouring rights and technical, protective or informational systems, which can be part of the contents of this service. The User is liable for any misuse of the service or its contents. In case of breach of the duty described in this paragraph, the Provider has the right to withdraw from the contract with immediate effect.
- The User is obliged to report any malfunction in the service or defects in the device or accessory devices of the Provider upon their detection to the Client Centre of the Provider.
- The Subscriber or User undertakes to:
  - pay the service fees according to the Price list valid at the time of service provision, also in accordance with the valid conditions of the Provider and other agreements made between the parties and use the services ordered in compliance with valid legislation, the contract and these conditions.
  - not to seek access to other data networks or services he is not authorized to enter or is not authorized to use.
  - not to use the services or devices of the Provider or his accessory devices for the purposes of violating authorisation or security of another host, data network or account or seek to acquire unauthorized access to an end point of another User, to his software or data.
  - not to use or distribute any other systems or tools which are a threat to the security of the data network or could interfere with it.
  - refrain from any acts violating ethical rules of Internet behaviour, especially from sending unsolicited e-mails (spamming), from scanning ports etc.
  - treat in confidence the access password, especially in order to prevent its misuse
  - check at least once a week (from Monday to Sunday) the contents of the assigned e-mail box <name>@nbx.cz. Even if he does not do so, the messages sent by the Provider to the User are still considered as delivered.
  - pay fees for any extra service work requested by the User which are not part of the standard work performed to clear defects and malfunctions on the devices of the Provider, the fees are determined according to the valid price list of fees for service work.
  - reimburse all costs incurred in relation to searching for payments made, sending notices to remedy and recovering late payments according to the valid price list of the Provider.
- For any such breach of the above mentioned duties the Provider has the right to immediately restrict or interrupt the provision of services to the Subscriber (User) with no prior notice and is entitled to charge the User a contractual fine amounting to 1,000 CZK (in words one thousand Czech crowns). The User is obliged to pay the fine within 7 days from the date of receipt of the billing statement. The date of receipt also includes the day when the statement is returned to the Provider as undelivered. The statement and the payment of the contractual fine does not restrict the Provider's right to damages or their amount.

## B. Rights and duties of the Provider

- The Provider is obliged to assign the Subscriber or User an access password or a password for using the services upon signing the contract or service activation. The Provider has the right to change the password for technical, operational or organizational reasons. The Provider is obliged to notify the Subscriber about the change of password at least three (3) days in advance.
- During the whole contractual period the Provider reserves the right to change IP addresses assigned to the Subscriber or User and make all other technical changes necessary for the satisfactory provision of services. The Subscriber is not entitled to any compensation for possible damage incurred and is obliged and agrees to provide the necessary cooperation during the implementation of the technical changes.
- The Provider does not bear any responsibility for materials, information or data placed in the User's home page or for any information and data used by the User in connection with the use of the services.
- If the Subscriber is in default of payment for services or does not abide by any other conditions of the contract, the Provider has the right to deliver a notice to remedy in which a new date for payment or other remedy is set. If the Subscriber does not remedy the default or pay for the services, the Provider has the right to restrict the use of services

- by barring active access to the service. If the Subscriber has persistently failed to abide by the conditions of this contract, the Provider has the right to terminate the provision of services (by disconnecting or cancellation of the service) and withdraw from the contract with immediate effect. The Subscriber is obliged to reimburse the Provider for all costs incurred for the delivery of notices to remedy the default or notice to pay the amounts due according to the valid price list of the Provider. The Provider is also entitled to use the refundable deposit to cover the above mentioned sums which he shall do by the setoff of mutual claims.
- The provider is entitled to refuse to conclude a contract or its annex if he has any payables towards the user – until the time all the payables have been settled including all extra payments.
  - The Provider provides the services at the guaranteed quality of individual services as listed in the service types list in compliance with Electronic Communications Act and relevant regulations issued by the Czech Telecommunication Office. The Provider is not liable for any reduction in quality of the NETBOX TELEVIZE service if the reduction is caused by the providers of radio and television transmissions (suppliers of different programmes), which the Provider uses.
  - The Provider undertakes to remedy the default on his side within two working days after the User reports it to the CC with the exception of genuine reasons which make the repair of defects or malfunction impossible, such as inaccessibility of the end point, power failures etc. and Acts of God. An Act of God is a situation which is outside the Provider's control and prevents him from fulfilling the conditions pursuant to this Contract and it is not possible for the Provider to prevent such a situation or its consequences even though the Provider has used all his efforts to do so, which the User can demand and insist upon. Acts of God are mainly considered to be riots, revolts, sabotage, terrorist attacks, emergencies, floods, fire or other natural disasters or extremely bad weather.
  - If a service can be used only partly or not at all due to a technical or operational defect on the Provider's side (therefore, the guaranteed quality/accessibility of the services is not met), the Provider is obliged to arrange to remedy the default and lower the price accordingly or make an agreement with the User for alternative provision of the services. Restriction of services due to the Subscriber's (or User's) failure to fulfil duties pursuant to the Contract and its Appendices is not considered interruption of services. The Provider is not obliged to pay the User compensation for damage incurred in respect of interruption of service or unsatisfactory provision of services. The time of a planned regular maintenance which is set for every Tuesday of every calendar week between 2 and 6 a.m. is not considered interruption of services or a lowered quality/accessibility of services. The Provider must remedy the default at his own cost with the exception of cases when the defect is caused by the User or Subscriber or if the defect is caused by the failure of the User's end device. In such cases the Subscriber or User is obliged to pay for defect clearance according to the price list of the Provider.
  - In the case of NETBOX TELEVIZE the Provider does not take responsibility for the contents of transmitted television or radio programmes or for violation of rights of third parties by making these contents available. The Provider provides the NETBOX TELEVIZE service continuously in compliance with the law except for periods necessary for maintenance of technical and software devices and with the exception of failures caused by the providers of radio and television transmission, which the Provider uses.

### Art. III COMPLAINTS AND TERMS

- The Subscriber (i.e. the person who has entered into the contract with the Provider) or a person authorized by the Subscriber by power of attorney signed and authenticated has the right to make a complaint about billing statements of fees for services or a service provided. Both the Provider and the Subscriber agree to deal with all complaints in respect of the scope, quality or price of the services in accordance with these conditions following the procedure below and in compliance with the law.
- All complaints must be delivered in writing to the address of the Client Centre (CC) of the Provider (in person or by registered mail). A complaint form available at [www.netbox.cz](http://www.netbox.cz) can be used for these purposes.
- The Subscriber is entitled to submit a complaint about a billing statement of fees for services without delay but not later than 2 months after the delivery of the statement or the claim lapses. Delivering a complaint does not suspend any contractual obligations and the User must still perform his duty to pay the whole sum in question for the services when it is due.
- The Subscriber is obliged to make any complaint about a service without delay but not later than 2 months after the day of the unsatisfactory provision of the service or the right lapses.
- The Provider is obliged to resolve a complaint in respect of an invoice for services without delay within 30 days from the date of the receipt of the complaint. If dealing with the complaint also requires a discussion with an external Provider, the Provider is obliged to resolve the complaint within 60 days from its receipt.
- In the case of miscalculation of service fees to the detriment of the Subscriber or User, the Provider is obliged to refund the difference within 30 days from the date of the resolution of the complaint by means of a credit note or a price reduction for the next invoice, if not agreed otherwise with the User.
- If the Provider does not acknowledge the complaint in respect of the invoice for services or a service provided, the Subscriber, or User has the right to file a petition for the resolution of complaint without delay but not later than 1 month after the date of the receipt of the processed complaint from the Provider.

### Article IV CONTRACT

- The contract becomes effective upon its signing by both contracting parties. The contract is signed by the Subscriber or a person authorized by the Subscriber by the power of attorney signed and authenticated (the power of attorney must also be presented for any changes of services ordered or when terminating the contract, which also applies to spouses). The contract becomes effective from the day which is set in the activation manual as the day of commencement of services (the day of service activation).
- The contract is made for an indefinite term or for a definite term which is stated in the contract depending on the conditions of service. If the contract is made for a definite term and neither party to the contract shows the will to terminate the contract before the end of the term, the contract is extended to an indefinite term. The term of the contract commences on the day of effect.
- In the case of a contract for an indefinite term the Subscriber and the Provider both have the right to withdraw from the contract at any time without having to state a reason. In the case of the contract for a definite term the Subscriber and the Provider have the right to withdraw from the contract only if the place of installation stated in the contract is changed, after submitting a written certificate of the change (such as documents issued in respect of lease termination or transfer or passage of ownership of the property) and at the same time submitting a new lease contract or a similar document as evidence of a new place of residence or the registered office of business premises) and the Provider cannot provide the same service in the new location (i.e. in the place of new residence, registered office or business premises). The Subscriber also has the right to withdraw from the contract if he has been notified about substantial amendments to the conditions of the contract, which are to his detriment. The notice period is 1 calendar month and starts from the last day of the month in which the notice was received. The day of receipt is also the day when the notice is returned to the sender as undelivered for whatever reason. The notice period terminates on the date which corresponds with the date on which the notice period commences. If the notice period should end on a date which is not in that month, the notice period terminates on the last day of the month. Notice must be submitted in writing at the address of the Provider's Client Centre (i.e. must be submitted in person at the Client Centre or delivered by registered mail at the address of the Client Centre).

- In the case of a contract or appendix for the NETBOX TELEFON service, the contract becomes ineffective at the moment of transferring the number to another Provider of voice services (operator). Transferability of phone numbers is governed by the relevant legal provisions regulating electronic communications and general provisions issued by the Czech Telecommunication Office.
- If one of the parties repeatedly fails to perform their duties resulting from this contract, these conditions, price list or any other agreements and does not provide remedy in an additional period, both parties have the right to withdraw from the contract with immediate effect. The withdrawal becomes effective for the other party the moment it receives the notice. The day of the delivery of notice also means the day when the notice is returned to the sender as undelivered. The delivery of notice is sent to the User's last reported address.
  - The Provider has the right to withdraw from the contract in the following cases:
    - in the case of the Subscriber's (or User's) late payment of fees or violation of the conditions pursuant to this contract if the Subscriber or User does not remedy the default in the additional period given,
    - if the Provider loses the authorization for the provision of services which are the subject of this Contract
    - if a contract made between the Provider and the owner of the property about the installation of equipment terminates
    - if unpredictable circumstances occur during the installation of the end point, which prevent the Provider from installing the services as ordered
    - if the Subscriber or User gives false data, does not inform the Provider about a change of address stated in the contract or without obvious reasons refuses to provide adequate cooperation when fulfilling the subject of the contract.
  - The Subscriber has the right to withdraw from the contract if the Provider causes continuous interruption of the services for more than 120 hours in the course of one calendar month or if the Provider did not repair a defect of services reported by the Subscriber within 3 working days. This does not apply if the interruption of services or the failure to repair a defect or no service provision are due to the Subscriber's, or User's default (e.g. due to the failure to perform duties resulting from this contract which caused the restriction of service provision for the Subscriber or User). It is not considered an interruption of service provision or its restriction if the interruption or restriction of the service is planned for the purposes of satisfactory provision of services (e.g. repairs, modifications, settings, dislocation etc.), which the Subscriber has been notified about in writing or electronically. The Subscriber who by entering into a contract and fulfilling it does not act within his business or other entrepreneurial activity also has the right to withdraw from the contract in writing without giving a reason or with no sanctions within 14 days from the date of entering into the contract, if the contract was not made at the Client Centre of the Provider stated at [www.netbox.cz](http://www.netbox.cz). If so far no service has been provided by the Provider, the Subscriber can withdraw from the contract within one month. This does not apply to contracts where the Subscriber has explicitly arranged with the Provider to visit him in order to enter into a contract. Withdrawing from the contract must be done in writing at the Provider's Client Centre, the address of which is stated at [www.netbox.cz](http://www.netbox.cz).
  - After the contract termination the Provider undertakes to dismantle his devices without delay and the Subscriber, or User undertakes to provide all necessary cooperation in this. If the Subscriber or User does not make the disassembly of the Provider's devices possible, the Provider is entitled to all damages incurred. If the User has a device rented or leased from the Provider, the User is obliged to return such device without delay after the termination of the contract or its annex in accordance with the provisions of the contract about rent or lease.

### Article V PRICES FOR SERVICES ORDERED AND TERMS OF PAYMENT, BILLING STATEMENTS, CONTRACTUAL FINES

- The Subscriber or User is obliged to pay the fees for the services according to the price list of the Provider valid on the day of the provision of service if not agreed otherwise. The valid price list of the Provider is available at the Client Centre of the Provider and at [www.netbox.cz](http://www.netbox.cz).
- Payment of the fee is considered effective when the Provider's account is credited with the sum or a payment in cash is made (advance payment) or in the case of Centralized Collection of Resident Payments (SIPO) its payment at the post office. If not stated otherwise in this contract, the price list or these conditions, the service fees (including contractual fines and other payments) are due within 15 days from the delivery of the billing statement. The method of payment of service fees is agreed on in the contract made with the Subscriber. The SIPO method cannot be used if the Subscriber or User entered into more than one contract with the Provider; i.e. there are separate contracts for the provision of services for the User.
- The Provider and the Subscriber hereby agree that the Provider shall provide clear and comprehensible billing statement for the services in electronic form at his info pages. This statement is provided not later than the 15th day of the month after the month in which the services were provided. Issuing the billing statement in a printed form and posting it can be charged according to the valid price list. The date of delivery of the statement to the Subscriber is considered the date when it is displayed on the info pages of the Provider. If according to a contract made with a Subscriber who is a legal entity or a business person the payment is agreed to be made by invoice, the invoice (statement) is sent to the address of the User or Subscriber given in the contract.
- NETBOX VIDEOTEKA video library service is stated in the billing statement as a separate item and it is a total sum of prices for ordered titles from the video library for a given calendar month. A detailed list of ordered titles of NETBOX VIDEOTEKA (title name, date of providing the right of use, price) service is available on the Subscriber's info-pages. Issuing the billing statement in a printed form and posting it can be charged according to the valid price list.
- Fees for the services provided are billed from the day of service activation. The billing period is a calendar month.
- The Subscriber or User is responsible for giving the correct payment instructions, especially giving the correct number of the recipient's account (Provider's), variable and specific codes. If the Subscriber or User does not comply with this duty, he undertakes to pay all the costs necessary with the payment identification, including charges incurred for searching for the payment or payment incorrectly made. If the payment made is only partial but with all the data correct, especially with the correct variable and specific codes, it will be considered as a payment of that outstanding invoice. If, however, a partial payment is not made correctly, the Provider has the right to set off the payment against any payment due at the time, to which the Subscriber agrees.
- If the Subscriber who is a legal entity or a business person has made more than one contract with the Provider for several electronic communication services and he and the Provider agree that the Subscriber shall receive only one invoice for all the services provided, the Provider has the right to restrict or disconnect all the services provided and subject to invoicing if the Subscriber does not make a full payment.
- The User is obliged to pay the following prices and fees for the services provided:
  - activation fee as listed in the price list unless the contract states a different sum, and which is due in cash on signature of the contract if not agreed otherwise
  - regular fees for the services provided (e.g. flat-rate charges, telephone charges, rental charges for a device or devices for NETBOX TELEFON, NETBOX TELEVIZE etc.)
  - refundable deposit for services according to the price listed in the price list
  - other charges or prices according to the price list of the Provider, the contract or other agreements made between the parties.
- The method of payment for the services and charges, types and settings of services provided can be changed upon the Subscriber's request. The party proposing a change must notify the other party at least 30 days prior to the date on which the change shall be effected. He must do so in person at the Client Centre, in writing by registered mail sent to the address of the respective Client Centre or on the info pages of the User following the instructions given

- there (using the valid personal certificate). In general these changes cannot be made more than once a month. The same applies to proposed changes of services ordered according to the current offer of the Provider where the changes cannot be made more often than once a month and the change shall be effected not later than the first day of the month after the month in which the request was delivered. Individual changes with respect to services and their implementation are described in the valid price list of the Provider or in the overview of services and also at [www.netbox.cz](http://www.netbox.cz).
- The Provider reserves the right to change prices as well as the method and interval of payments for the services in accordance with the valid price list. The Provider undertakes to notify the User about all such changes to his e-mail address which he has been assigned by the Provider.
  - If the Subscriber or User is in default of payment of the fees and does not remedy the default even after receiving a notice to remedy and after being granted an additional period, the Provider also has the right to impose upon the Subscriber or User a contractual fine which amounts to 0,1% of the sum due for each day of delay. The payment of the fine does not invalidate the Provider's right to compensation for losses incurred.
  - If the User pays for the services in advance but does not use the services as the contract is terminated due to reasons provided for in this contract, he is entitled to the refund of the proportional amount of payment made. The amount will be refunded following a written request by the User.

### Art. VI GENERAL AND FINAL PROVISIONS

- The Subscriber does not have the right to transfer or assign rights and duties resulting from this contract and these conditions to a third person without prior written consent of the Provider.
- The parties to the contract undertake to settle disputes arising in respect of the subject-matter of the contract preferentially by mutual agreement, not by judicial or administrative proceedings.
- The parties to the contract undertake to treat as confidential any information which they have learnt in connection with the contract and its implementation or during meetings and they agree not to disclose any information to third parties without prior written consent of the other party to the contract (with exceptions provided for by valid legislation).
- Matters which are not provided for in this contract and these terms and conditions are regulated by relevant laws, especially the Electronic Communications Act and the Commercial and Civil Codes.
- The User confirms with his signature that he has been made aware and agrees with these conditions, the price list and other agreements and has been informed about the parameter requirements of the end device connected to the end point.
- The Provider has the right to amend, modify or complement these conditions without prior agreement (hereinafter referred to as "change in conditions"). The Provider shall inform the Subscriber about a change in conditions on his info pages and send a notice of such changes to the e-mail box of the Subscriber designated for communication with the Provider (Article II A.(6) of these conditions). The Provider undertakes to notify the Subscriber by the above mentioned methods about any significant changes in the conditions of the contract, which are detrimental to the Subscriber and at the same time he shall inform the Subscriber about his right to revoke the contract without being sanctioned if he (the Subscriber) does not accept the new conditions.
- The parties to the contract agree and confirm with their signatures that the Provider has the right to transfer the rights and duties resulting from this contract to a third party without the Subscriber's (or User's) consent.
- The Provider has the right to use all the information and data, including personal, operational or location data relating to the Subscriber in compliance with the valid laws of the Czech Republic. The Provider undertakes not to make this information and data available to third parties, with the exception of third parties which are in a contractual relationship with the Provider, including consultants in economic, legal, commercial and other matters and co-operating companies whose area of business is recovering claims and with other exceptions given by the law and unless the User agrees to make them available. The User hereby agrees that the Provider shall collect, process, store and use (hereinafter referred to as "processing") his (User's) personal data given in the contract for information and accounting system purposes and for communication with the User concerning all services of the Provider and in connection with the performance of the contract by the Provider. The Provider shall also disclose data on the User used in the contract for marketing and commercial purposes of the Provider and to third parties for the purpose of recovering debts and to third parties which are in contractual relationship with the Provider only to such extent necessary for the performance of this contract and in compliance with the relevant provisions of the Data Protection Act. For the area of Jihlava, Havlíčkův Brod, Olomouc, Zlín the Subscriber agrees that personal data shall be given to and processed by partner companies M-SOFT s.r.o., registered office at Jana Masaryka 12, Jihlava, ID Number: 49434853, Company Metropolitní s.r.o., registered office Havlíčkův Brod, Dobrovského 2366, ID Number 48172481, SAJM COMP s.r.o., registered office Olomouc, Dolní Hejčinská 36, ID Number: 25886231, AVONET s.r.o. registered office Luhačovice, Krátká 219 ID Number: 25322478. The Subscriber or User further agrees that his personal data shall be provided to Czech Television (which is hereby the processor of his personal data) for the purpose of verification of the fact that the Subscriber or User has or has not registered for the payment of the television fees in compliance with valid law. The Subscriber has been further informed that providing personal data under the Act nr. 101/2000 Sb. (Collection of laws) is voluntary and has the right to revoke his consent at any time. The Subscriber or User also agrees that the Provider may use and process the Subscriber's birth number with respect to the contract. The Subscriber or User gives his consent to his birth number being processed under the Act nr. 133/2000 Sb on the register of citizens and birth numbers and he has the right to revoke his consent at any time. If the User revokes his consent to the processing of his personal data or using his birth number, the Provider has the right to terminate the contract. The User is entitled to know what personal data is being processed. Under the Act nr. 480/2004 Sb on the services of data processing companies the Subscriber or User also agrees that the Provider shall send all messages relating to the provision of services to his current electronic address given in the contract and hereby also agrees that his current electronic contact address shall be used for the purposes of distributing messages and for the purposes of sending electronic mail. The Subscriber or User has the right to revoke his consent at any time. The Subscriber or User further agrees that the Provider shall use the operational and localization data, if applicable for the contract duration in accordance with the Electronic Communications Act nr. 127/2005 Sb. The Subscriber or User has the right to revoke his consent at any time (this, however, does not apply to cases when the Provider has a duty to process and keep data in question pursuant to specific laws, in which case the Provider is entitled to process and keep the data in question for the period set by these laws even if the Subscriber revokes his consent).
- In the case of a dispute the provisions stated in the contract always have a priority over the provisions of these conditions.
- These conditions have been made in two copies and each party shall receive one.

In Brno, 25th Oct 2007

*SMART Comp. a. s.*  
*Marek Bukal, Chairman of the Board of Directors*