

# GENERAL BUSINESS CONDITIONS AND TERMS OF ELECTRONIC COMMUNICATIONS SERVICES

EFFECTIVE FROM 1 April 2020

## I RECITALS

1. SMART Comp. a.s., Brno, Kubičkova 1115/8, ID: 25517767, incorporated in the Commercial Register kept by the Regional Court in Brno, Section B, Insert 4198 (hereinafter "**provider**"), providing electronic communications services under the "NETBOX" and "KUKI" brands (hereinafter "**services**") hereby stipulates the following General Business Conditions and Terms (hereinafter "**GBCT**") regulating the provision of services in accordance with Act No. 127/2005 Coll., on electronic communications (hereinafter "**ECA**") and Act No. 89/2012 Coll., the Civil Code, as amended (hereinafter "**Civil Code**"), to subscribers based on a concluded contract for provision of electronic communications services (hereinafter "**contract**") in the territory of the Czech Republic.
2. The following documents form an integral part of the contract in addition to the contractual form:
  - price list,
  - General Business Conditions and Terms,
  - technical parameters of netbox and kuki electronic communications services,
  - conditions for providing internet access services,
  - telephone number portability conditions,everything is available at [www.netbox.cz/podpora-ceniky-smlouvy](http://www.netbox.cz/podpora-ceniky-smlouvy) or at [www.kuki.cz/smluvni-dokumentace](http://www.kuki.cz/smluvni-dokumentace) (hereinafter "**contractual conditions and terms**").
3. Based on the contract the provider undertakes to provide ordered services to the subscriber and the subscriber undertakes to duly use the services for the agreed period, to provide necessary cooperation and observe the obligations arising from the contract, in particular to duly and timely pay for the services, as well as to use the services in accordance with valid legal regulations and the contract. By signing the contract the subscriber agrees to become a member of the provider's loyalty program on the day the contract becomes effective and agrees to its conditions available on [www.netbox.cz/podpora-ceniky-smlouvy](http://www.netbox.cz/podpora-ceniky-smlouvy).
4. The contractual conditions and terms will apply to any contract concluded between the provider and the subscriber.
5. Processing of subscriber's personal data by the provider is regulated in a separate document "Personal Data Processing Principles" available on the provider's webpage.

6. **Definition of terms:**

- a) CSC – provider´s customer services center. CSC addresses are published on [www.netbox.cz/kontakt](http://www.netbox.cz/kontakt), or on [www.kuki.cz/kontakt](http://www.kuki.cz/kontakt), or [www.netbox.cz](http://www.netbox.cz), ([www.kuki.cz](http://www.kuki.cz)) and are also available at CSC. Provider´s sales agents may also give current information on the types of provided services and valid prices.
- b) CC – provider´s call center providing, *inter alia*, customer support, available through the contact data published on [www.netbox.cz/kontakt](http://www.netbox.cz/kontakt) or [www.kuki.cz/kontakt](http://www.kuki.cz/kontakt). CC accepts (i) servicing orders, technical troubleshooting requests, (ii) reports on malfunctions of services and devices and (iii) informs about the current offer.
- c) minimum guaranteed quality of services – 95 % availability of all provider´s services, unless agreed differently with the subscriber.
- d) program offer – programs offered within KUKI, including the list of all TV channels. The current program offer is available on [www.netbox.cz/televize](http://www.netbox.cz/televize) or [www.kuki.cz/telka](http://www.kuki.cz/telka) or at CSC or via CC.
- e) information pages – Moje konto (My Account) online application available after entering the login name and a password on [konto.netbox.cz](http://konto.netbox.cz) used for communication between the provider and the subscriber, sending bills, information on provided services, demonstrable payment reminders, amendments to contractual conditions and terms, information about contract extensions etc.
- f) PIN code – a unique code activated by the subscriber within KUKI which is subsequently used in particular to order titles (using sublicenses) offered within CINEMA. PIN code may be changed from the Kuki user interface in the set-top box or in the application. Set-top-box and the application are also used for creating new PIN codes or their changes. PIN code is always tied to the individual contract and one subscriber´s connection point. PIN code is a technical measure allowing the subscriber to restrict access to television broadcasting to children and youth; this PIN code is always provided to thematic television broadcasting with erotic content and is required for ordering titles with such content.
- g) self-service – application available through the set-top box which may be used for concluding contracts or amendments after entering the relevant purchase PIN code if the first contract with the subscriber was in writing in accordance with the GBCT. The procedure for concluding contracts through this application is specified in more detail in the set-top box.
- h) communication password – a password given to the subscriber by the service provider when the service is activated or which is generated/entered by the subscriber through the provider´s information system and which may be required when communicating about contractual matters (in particular when services, PIN code etc. are changed). The subscriber identifies himself/herself to the provider by this password.

- i) SIM card – subscriber´s identification card for identification within MOBILE in a public telephone network; one telephone number is allocated to each SIM card.
- j) INTERNET – publicly available fixed connection electronic communications service; each type of this service including technical parameters are specified in the valid price list.
- k) TELEPHONE – public telephone service provided through public fixed electronic communications network using VoIP technology. Technical parameters of this service are specified in technical conditions.
- l) MOBILE – publicly available electronic communications service provided through a third-party mobile communication network containing basic and additional services listed on [www.netbox.cz/mobil](http://www.netbox.cz/mobil); technical parameters of the service are also available on the webpage and in the technical conditions.
- m) KUKI – retransmitted television (and radio) broadcasting service in digital quality using IPTV (Internet Protocol TV) technology through cable systems; individual tariffs and thematic TV´s as well as technical parameters of the service are specified in the valid price list.
- n) CINEMA – additional virtual video library service. The provider grants a right to use a film (sublicense) to the subscriber for a limited period and the subscriber commits to pay the agreed price to the provider for the sublicense to a relevant title.

## II RIGHTS AND OBLIGATIONS OF PARTIES

### **A) Rights and obligations of the subscriber**

1. The subscriber is obliged to secure hardware and software means including installation, input and output devices, including a television receiver, as well as their functionality and operation ("**subscriber´s equipment**"), and their functionality and compatibility with the service in order to connect them to the termination point of the provider´s network, in accordance with the list of equipment approved by the provider specified in the technical parameters of netbox and kuki electronic communications services document on [www.netbox.cz/podpora-ceniky-smlouvy](http://www.netbox.cz/podpora-ceniky-smlouvy) or [www.kuki.cz/smluvni-dokumentace](http://www.kuki.cz/smluvni-dokumentace).
2. The subscriber is not authorized to provide services to third parties, unless agreed differently with the provider.
3. The subscriber may not change the **installation point** without notice to the provider. The subscriber or a third party may not modify the provider´s equipment in any way, unless such third party has written consent from the provider. If the subscriber breaches the aforementioned obligation, he/she will be obliged to fully compensate damage incurred from such breach.
4. The subscriber undertakes to use the contact email specified in the contract for correspondence with the provider. When concluding the contract, the subscriber

will also select a postal address for all written documents sent by the provider (correspondence address).

5. The subscriber is obliged to inform the provider at least 7 days **in advance of a change in his/her data** or the payer's data (if the subscriber is not the payer) (in particular telephone connection, mailing address, change of surname, change of business name, contact email, etc.) through CSC, electronically on the information pages or in writing by registered mail sent to CSC address or to the registered office of the provider. More information about methods and deadlines for making changes is available on the information pages.
6. The subscriber may log into a secured part of the information pages using the login name and password issued by the provider upon conclusion of the first contract (in writing with the original signature of the subscriber). If the subscriber accesses the secured part of the information pages through external authorization servers, i.e. third-party services (e.g. Facebook, OpenID etc.), he/she will be fully liable for legal acts made through such services.
7. The subscriber is bound by actions performed using a communication password and such actions are deemed to have been made in writing. Instead of the communication password, the subscriber may also use an alternative identifier selected through the information pages. The subscriber is entitled to change the communication password at the CSC.

## **B) Rights and obligations of the provider**

1. The provider may refuse to conclude a contract or amendment, in particular when: (i) it has any unpaid receivables from the subscriber; (ii) the subscriber is registered in the Central Register of Executions; (iii) the subscriber willfully provided incorrect personal or identification data; (iv) the subscriber is in liquidation or subject to insolvency proceedings. If any of the facts under (iv) occur during the term of the contract and in the event of circumstances under (iii), the provider may withdraw from the contract with immediate effect without a prior notice for remedy. The provisions under (iv) of the previous sentence apply to contracts concluded from 1 September 2013.
2. The provider may refuse to provide a service and to conclude a contract if its services are not fully available in the location or in the scope/quality required by the subscriber. Availability of services is shown on [www.netbox.cz/mapa-pokryti](http://www.netbox.cz/mapa-pokryti).
3. The provider will set up (activate) the service within 30 days of the date of delivery of a service order, unless the parties agree differently upon the subscriber's express request.
4. The provider will assign a communication password to the subscriber when the contract is concluded or service is activated. The provider may change the communication password unilaterally; the provider will notify the subscriber of such change at least 3 days in advance.
5. The provider will not be responsible for the subscriber's activity within the services, for the content of transmitted messages (information), for the loss of data stored by the subscriber within the services, for any harm resulting from such loss, or for the

information and data placed on the subscriber 's homepage, or for information and data used by the subscriber in connection with the services.

6. The provider renders the services at the minimum guaranteed level of service quality in accordance with the ECA and the measures issued by the Czech Telecommunication Office and under further conditions specified in the contractual conditions and terms.
7. The provider will remove defects on its part as a rule within 2 working days after they have been reported to CC, except in cases where the provider has been temporarily or permanently prevented from removing the defect or malfunction by an unforeseeable and insurmountable obstacle arising independently of its will (in particular natural disasters, fires, floods , extremely bad weather, etc.). In such exceptional situations, the subscriber is not entitled to any compensation.
8. Limitation on the provision of a service or services due to a breach of obligations by the subscriber will not be deemed interruption of services. The provision of services is not considered defective when the quality of services is decreased or when the services are unavailable at the time of the scheduled maintenance of the provider, which is scheduled for each Tuesday of each calendar week from 02:00 to 06:00. In the cases referred to in this paragraph, the subscriber is not entitled to any compensation.
9. If a malfunction was caused by the subscriber or his/her terminal equipment, the subscriber is obliged to pay for repair under the valid price list.
10. If network security and integrity or service security is breached or if any vulnerability or risk to the security or integrity is discovered, the provider may adopt the following measures:
  - block the interfering data stream,
  - limit or completely prevent the customer from accessing the provider 's data network,
  - withdraw from the contract with the subscriber and disconnect the customer from the provider 's data network.

The provider will inform the subscriber of such events to the contact email and through the information pages.

11. The provider may disconnect the subscriber for a necessary period in the following cases:
  - if network defects are discovered or if they may potentially spread,
  - if the provider reasonably suspects that the subscriber (or a third party using the subscriber 's equipment) abuses or has a negative impact on the network or the provider 's services, violates principles of ethical conduct on the internet or significantly violates rights of other persons.

### III KUKI AND CINEMA

1. Providing access to the content within KUKI and CINEMA to third parties is strictly forbidden. The subscriber is obliged to use all content provided through KUKI or CINEMA in accordance with valid legal regulations, good morals and general practices. Any reproduction or dissemination of content or distribution or disclosure of content to public, alteration or modification of content and other manipulation with copyrights or related rights as well as technical security features or information mechanisms which may be a part of the content provided through these services, is strictly forbidden. The subscriber will be fully liable for misusing services or their content. If the obligations under this paragraph are breached, the provider will be entitled to withdraw from the contract with immediate effect. The subscriber may use the services solely for the term of the contract.
2. CINEMA is an additional video library service through which the provider grants a right to the subscriber to use a film for a limited period (sublicense) and the subscriber commits to pay the agreed price (fee) to the provider for the sublicense to a specific title. CINEMA is available solely to subscribers who concluded a contract with the provider specifically for KUKI. The provider secures technical means necessary for KUKI.

Basic conditions of CINEMA:

- Current titles within the service are listed in the subscriber's set-top box.
- The sublicense to a specific title is provided based on the subscriber's order made through the set-top box. Purchase PIN code is required to place an order.
- The sublicense is provided to the subscriber for a period stipulated in the price list, commencing when the particular sublicense to a specific title is granted, i.e. when the subscriber's order is confirmed by the provider. The provider may refuse to confirm an order in particular when it has any due receivable from the subscriber.
- The provider may limit the maximum number of titles ordered by the subscriber in 1 calendar month based on an unilateral legal act. Titles from a free part of CINEMA are not included in the limit.
- Order of a title, provision of a sublicense and payment of the corresponding fee is always tied to a specific contract and the subscriber's connection point.

Further conditions of this service are stipulated by the GBCT or in the description of the service available on [www.netbox.cz/televize](http://www.netbox.cz/televize) or [www.kuki.cz/telka](http://www.kuki.cz/telka).

3. The provider is not liable for lower quality of KUKI if it was caused by providers of radio or television broadcasting (program suppliers) received by the provider. The provider will not assume liability for the quality and content of services provided by other service providers, including foreign providers, or for quality and content of third-party services rendered through the provider's network.

4. The provider is not liable for the content of KUKI or additional services provided within KUKI received from television or radio broadcasting or for violation of third-party rights caused by access to this content, or for defective programs (or complete lack of programs) received by the provider from other producers or distributors. The provider always operates KUKI in accordance with legal regulations, except for a period necessary for maintenance of technical and software products and except for failures of providers of radio and television broadcasting received by the provider.
5. The provider allows access to the subscriber to programs by virtue of the contract for provision of KUKI. The specific programs are available on [www.netbox.cz/televize](http://www.netbox.cz/televize) or [www.kuki.cz/telka](http://www.kuki.cz/telka). The provider reserves the right to unilaterally change the programs offered within KUKI, in particular the structure and number of programs, especially due to changes of legal or technical conditions or conditions set by the suppliers of individual programs; change to the offered programs will not constitute amendment to the contract.
6. If third-party terminal equipment is purchased for using KUKI, the contract may be concluded by activation of such equipment via CC, terminal equipment interface or the information pages. The provisions of the GBCT will apply mutatis mutandis.
7. Activation and conclusion of the contract by subscribers who have already entered into a contract with the provider is possible by stating ID (email or contract number) and the password (login password or communication password). Subscribers who have not concluded any contract with the provider may perform the activation under the previous sentence and by entering the data required for registration.
8. Each subscriber who activates KUKI will select the required type of service according to the offer. The subscriber must be connected to the internet to use KUKI. KUKI may therefore be limited due to issues of the subscriber's network connection provider.

#### IV TELEPHONE AND MOBILE

1. Call limit is tied to each individual concluded contract, regardless of the amount of telephone numbers allocated to the given contract. The subscriber and the provider may set a call limit different from the limit specified in the price list upon a refundable call deposit paid by the subscriber to the provider. If the call limit tied to a particular contract is exceeded (by any number listed in the contract), the provider will be entitled to limit paid outgoing or incoming calls or services when the call limit is exceeded. This limitation will be removed by the provider at the latest within 240 minutes after a refundable call deposit in the amount of at least CZK 1,000 has been paid in cash at the provider's CSC. The call deposit is refundable within 30 days following termination of the contract or its amendment concluded for the relevant service, or, in case of TELEPHONE, within 30 days after the equipment owned by the provider has been duly returned back to it.
2. TELEPHONE and MOBILE are provided solely in combination with INTERNET.
3. The subscriber may be given free minutes according to the valid price list for TELEPHONE and MOBILE. The subscriber is obliged to pay the monthly tariff price for

the service even when not all free minutes are used. The provider is not obliged to compensate unused minutes to the subscriber if the contract is terminated. The number of free minutes is always tied to one concluded contract.

4. Given the nature of distribution of radio waves, the provider does not guarantee that the subscriber will always be connected to a network in areas covered by signal according to the coverage map published on [www.t-mobile.cz](http://www.t-mobile.cz) (MOBILE uses T-Mobile network). Lack of coverage of certain parts of the Czech Republic or inability to connect to a network is not considered defective service and will not entitle the subscriber to withdraw from the contract or to request compensation of potential loss.
5. If geographic telephone numbers are used within TELEPHONE, the subscriber/user is obliged to use such numbers solely in the designated territory, to which such number has been assigned; this obligation also applies to subscribers with branch telephone exchanges, which, based on the provider's consent, assign numbers to further users behind the particular exchange (physical location of the telephone exchange is not taken into account); violation of this obligation is deemed material violation of subscriber's contractual obligations and the provider may withdraw from the contract for provision of TELEPHONE with immediate effect.
6. MOBILE is activated on the day of activation of the first SIM card listed in the contract. The subscriber is obliged to activate MOBILE at the latest within 30 days after the provider has confirmed order of this service, otherwise the contract will expire on the 31<sup>st</sup> day following order confirmation without any claims for the subscriber. A refundable deposit must be paid in order to activate a SIM card (the SIM card will not be activated if the deposit is not paid). The SIM card will be activated at the latest within 24 hours after activation has been requested. Activation request may be issued through the information pages or over the phone (the subscriber will provide his/her communication password).
7. MOBILE subscribers are not allowed to use data to communicate with each other in the provider's network or a third-party network in which the service is provided.
8. If a contract or its amendment for TELEPHONE and MOBIL services is concluded, the contract expires when the number is ported to another voice service provider (operator). Rights and obligations of the parties involved in the porting of numbers are subject to measure of general nature OOP/10 issued by the Czech Telecommunication Office. All information on telephone number portability is available on [www.netbox.cz/files/podpora/zakonna-oznameni/Podminky\\_prenositelnosti\\_tel\\_cisel.pdf](http://www.netbox.cz/files/podpora/zakonna-oznameni/Podminky_prenositelnosti_tel_cisel.pdf).
9. The subscriber may order services offered by other providers (hereinafter "third-party services") when using TELEPHONE and MOBILE through the provider's network and is obliged to pay the corresponding fees exclusively through the provider. The subscriber may use third-party services if such services are not blocked. The subscriber orders a third-party service when his/her call is connected to a telephone number listed in an offer of another provider (third party). The subscriber commits to pay the fee for such ordered third-party services and agrees that solely the provider is authorized to collect. Price of third-party services will be shown by the provider in the bill. Failure to deliver third-party services in a due and timely manner will not release the subscriber from the obligation to pay the



corresponding fee to the provider. The provider is not liable for third-party services or their defects. The subscriber may file a complaint about the services with such third party (other provider of this service). Tax document for third-party services will be issued to the subscriber by such third party based on the subscriber's express request; the provider is not obliged to issue a tax document for third-party services. The list of third-party service providers is available on [www.netbox.cz](http://www.netbox.cz).

## V COMPLAINTS AND DEADLINES

1. The subscriber or a person authorized by the subscriber on the basis of a power of attorney with officially certified signatures has the right to file a complaint about billed fees or services (including complaints about the scope or quality of services).
2. Complaints are usually filed in writing at the address of CSC (or at the address of its registered office), or by telephone to CC (it is recommended to file a complaint in person at the CSC or send it by registered mail). You may also use the complaint form available on [www.netbox.cz/podpora-ceniky-smlouvy](http://www.netbox.cz/podpora-ceniky-smlouvy). The complaint should include in particular: name, surname or business name of the subscriber, address of permanent residence or registered office or place of business, address of connection point, contract number, description of claimed service, description of defect; in the case of a complaint concerning the billed fee for a provided service, state also the disputed fee and billing period.
3. The subscriber is entitled to make a complaint about the bill of services without undue delay, but no later than 2 months from the date of delivery of the bill for the services provided, otherwise this right will expire. Filing a complaint does not have a suspensory effect and the subscriber will not be relieved of the obligation to duly and timely pay for the provided services in full; however, the subscriber is entitled to contact the Czech Telecommunication Office for granting a suspensive effect of the complaint.
4. Complaint about a provided service may be exercised by the subscriber without undue delay, however, at the latest within 2 months after the defective service has been provided, otherwise the subscriber's right will expire.
5. The provider is obliged to settle the complaint about price or provision of services without undue delay, but no later than 1 month from the date of delivery of the complaint. If the settlement of the complaint requires consultation with a foreign operator, the provider is obliged to settle the complaint within 2 months from the date of its delivery. Complaint must be settled in a provable manner.
6. If excessive price is charged to the subscriber, the provider is obliged to return the price difference at the latest within 1 month from the date of settlement of the complaint either in the form of an issued credit note or a price benefit (discount) in the next bill, unless agreed otherwise in writing. If the minimum guaranteed level of service quality has not been observed, the provider is obliged to remove the defect and to reduce the price accordingly, or, upon agreement with the subscriber, to provide the service in an alternative manner.
7. If the provider does not acknowledge the complaint about the price or the provided service, the subscriber will be entitled to file a petition with the Czech Telecommunication Office to initiate proceedings on objection against settlement

of the complaint without undue delay, but no later than 1 month from the date of delivery of the settlement of complaint or lapse of deadline for settling the complaint, otherwise the right to object expires.

8. The procedure for handling complaints under this Article does not apply to movable assets leased, rented or purchased from the provider (equipment necessary to use the services). In such cases, the Civil Code and consumer protection legislation will govern the complaint procedure.
9. The subscriber is entitled to contact the provider with complaints concerning rights and obligations arising from the contract and objections to the settlement of complaints, and also to complain to the Czech Telecommunication Office ([www.ctu.cz](http://www.ctu.cz)) or to the Czech Trade Inspection ([www.coi.cz](http://www.coi.cz)) in the case of assets leased, lent or purchased from the provider.

## VI CONCLUSION, TERM AND TERMINATION OF CONTRACT

1. **The contract is valid** from the date of its signing by both parties. The contract is signed by the subscriber or a person authorized by the subscriber on the basis of a power of attorney with officially certified signatures (the obligation to present a power of attorney with officially certified signatures also applies in the event of any changes to ordered services or termination of the contract, including husbands). The draft version of the contract, including these GBCT, is available at all CSC's, including the provider's website [www.netbox.cz/podpora-ceniky-smlouvy](http://www.netbox.cz/podpora-ceniky-smlouvy) or [www.kuki.cz/smluvni-dokumentace](http://www.kuki.cz/smluvni-dokumentace).
2. **The contract is effective** from the day a service is provided (day of **service activation**); in case of TELEPHONE and MOBILE, the day when these services are used for the first time may also be deemed the effective day; in case of thematic televisions, the day of activation is, if applicable, deemed the day when the thematic television was ordered over the phone by the subscriber and confirmed by the provider.
3. If the first contract between the subscriber and the provider was concluded in writing, other contracts and amendments may be concluded non-written form, including changes to prices or types of services (electronically, using means of distance communication – such as over the phone with voice service or using self-service). In such a case the provider is entitled to request the subscriber's communication password or alternative identifier; the contract (or amendment) is usually effective at the moment it is concluded over the phone, or when the subscriber accepts changes; if self-service is used, the contract (amendment) is concluded and services are activated when the PIN code is entered.
4. If the first contract is concluded with the subscriber and the parties thereto are not physically present at the conclusion or if the contract is concluded outside the provider's usual business premises (distance contract), the contract is concluded and signed electronically. The subscriber will fill in all data in the electronic version of the contract and will send it together with consent to these GBCT to the provider, who will confirm delivery of the contract to the subscriber and immediately activate the service. The provider will inform the subscriber about activation together with any request for a refundable deposit for services, which may be paid in person at the CSC or through the payment gateway system (only by bank transfer or by a payment card, always under the conditions set by the gateway operator) within 24

hours after a request for payment has been sent. If the refundable deposit (if required) is not paid by the subscriber within the specified time limit, the contract expires without any claims for the subscriber.

5. After a distance contract is concluded, the provider will send the contractual conditions and terms in text form to the subscriber's email.
6. The contract may be signed by the subscriber by means of his/her digital signature using a digital pen and a tablet, SignPad (special tablet) or a sensor pad.
7. If the contract or contractual arrangements amending or terminating the contract with the subscriber – consumer are **concluded at distance** through the information pages or outside of the provider's CSC, the contract will be archived by the provider for a period set in the "Principles of Personal Data Processing". The contract may be concluded solely in Czech language. Information on technical measures for conclusion of contract, on the possibility of detecting and correcting errors when entering data before an order is sent and other necessary information is available to the subscriber – consumer on the information pages before the contract is concluded.
8. The subscriber grants explicit consent to the provider to set up (activate) the service immediately after the conclusion of the contract.
9. If a distance contract is concluded, the subscriber – consumer is entitled to withdraw from the contract in writing without stating the reason and without penalty within 14 days following conclusion. If the provider has not yet provided the service, the subscriber – consumer may withdraw from the contract within 1 month. Withdrawal from the contract must be filed in writing with the provider. Contract withdrawal form is available on [www.netbox.cz/podpora-ceniky-smlouvy](http://www.netbox.cz/podpora-ceniky-smlouvy) and at the CSC. The subscriber – consumer is obliged to pay a proportional part of the service price for the period following activation until the subscriber – consumer withdrew from the contract.
10. The contract is concluded for indefinite period with minimum period stated in the contractual form ("**minimum term**"). The contract is not automatically extended after the lapse of the minimum term; this will not affect remaining part of the contractual term.
11. The subscriber and the provider are entitled to terminate the contract at any time without giving a reason by giving a written notice (the termination notice form is available on [www.netbox.cz/podpora-ceniky-smlouvy](http://www.netbox.cz/podpora-ceniky-smlouvy) and at the CSC). If the contract is terminated by the subscriber prior to the lapse of the minimum term, the provider is entitled to charge a contractual penalty pursuant to Article VIII. A) (2) of these GBCT. If the provider announces an amendment to the GBCT within the meaning of Article IX. (6), the right to charge a contractual penalty pursuant to the previous sentence will not apply.
12. The notice period is 30 days and starts on the day following the day on which the notice was delivered. The notice of termination must be submitted in writing at the address of the provider's CSC, i.e. in person at the CSC or sent by registered mail to the address of the registered office of the company. In case of withdrawal pursuant to Article IX. (6) the contract ends on the last day the existing contractual conditions and terms are still effective.

13. A contract with a later conclusion date with the same subject of performance will fully replace an earlier contract. The financial or other liabilities of the subscriber from the previous contract will not be extinguished and will be governed by the provisions of the subsequent contract accordingly (in such cases, the provider's oldest receivables from the subscriber be paid preferentially from any of the successive contracts will; this applies in particular when a payment is not clearly identified as a payment for a particular bill, i.e. it is not provided with both a variable and a specific symbol relevant for a particular bill).

## VII PRICE, PAYMENT TERMS AND BILLING

1. The subscriber is obliged to pay the price for provided services according to the provider's price list valid on the day the service is provided, unless otherwise agreed in a particular case.
2. If a service is activated, the provider is entitled to request payment of the activation fee in the amount stated in the contract or the price List. The subscriber is obliged to pay the price in full even during a period when services are limited. If a service is restored (reactivated) at the request of the subscriber after its provision was limited, the subscriber will be obliged to pay a reactivation fee according to the price List. In case of activation of a service which requires a connection to the termination point of the provider's network (i.e. INTERNET, KUKI or their combination), the provider may grant a discount to the subscriber up to 100% of the activation fee when a service is activated. If the subscriber subsequently prematurely terminates the contract before the minimum term under Article VI (11) second sentence of the GBCT lapses, the provider may charge the activation fee to the subscriber retroactively in accordance with Article VIII (5).
3. The provider reserves the right to unilaterally change the prices for the services provided as a result of changes in the applicable legislation (e.g. change in the VAT rate) and, in the case of TELEPHONE, also due to changes in prices made by the service provider. In such case the procedure under Article IX (5) of the GBCT will apply. If the subscriber is granted a discount on the price of the service, such discount will be given from the price of the service after deducting the applicable VAT rate.
4. Payment of the price for the provided service or other payments according to the contractual conditions and terms mean their crediting to the provider's account (in the case of direct debit, based on standing or one-time order or in the case of pre-paid services), payment in cash at the provider's CSC or, in the case of SIPO (consolidated payment collection system), its payment at the post office.
5. Unless otherwise stated in the contractual conditions and terms, the prices for services and all other amounts billed by the provider are payable no later than 15 days from the date of receipt of the bill. The method of payment for services is agreed in the contract. SIPO payment may not be used if the subscriber concluded more than one contract for provision of services with the provider, i.e. each service is provided to the subscriber under a separate contract and also in cases when the contract is concluded at distance.
6. The provider issues bills to the subscriber in electronic form on the information pages and sends them to the contact email. The bills for the services provided

(including the price for TELEPHONE) are aggregate bills with one item (however, detailed billing of services is available on the subscriber's information pages). The subscriber may request detailed bills with individual types of services through the information pages, CSC or by a written request delivered to the provider. Bills will be issued no later than (i) by the 15<sup>th</sup> day of the calendar month following the month in which tariff services were provided, or (ii) within seven days after the end of the billing period if the parties have agreed on pre-payments. The billing also includes all non-tariff services provided to the subscriber for the previous calendar month (call services TELEPHONE, MOBILE, CINEMA, other additional services, etc.). If the subscriber requests billing in printed form and wishes to receive it by post, the provider may charge a fee according to the valid price list.

7. CINEMA is presented as a separate item on the bill and is the sum of the prices for the ordered titles from this video library for the respective billing period. A detailed list of titles ordered within this service (title name, date when the right to use the title was granted, title price) is available on the information pages. If the subscriber requests detailed billing in printed form and wishes to receive it by post, the provider may charge a fee according to the valid price list.
8. Prices for provided services are charged from the date of their activation. Billing period is non-rolling, unless the Parties agree otherwise in the contract.
9. **Non-rolling period: 1 calendar month** is the billing period.
10. **Rolling period: 1 month is the billing period.** First billing period begins on the day following the day when services were activated and ends on the day which is the same (same number or name) as the day when the service was activated; any further billing period follows directly after the end of the previous billing period and ends on the day preceding the day which is the same (same number or name) as the first day of such billing period.
11. If it is discovered during billing or thereafter that the amount charged for certain services was lower than the actual price (in particular in case of telephone services, switching to numbers through the 1180 service, roaming etc.), the provider is entitled to additionally bill such amount.
12. The subscriber is responsible for proper identification of his/her payments, i.e. in particular to state the correct beneficiary (provider) account number, variable and specific symbol. In the case of a partial payment, such payment will be offset against a particular receivable, if the payment is duly identified in particular by a variable and specific symbol; in the case of insufficient identification of the partial payment, the provider is entitled to offset such payment against the receivables first due (oldest), which the subscriber expressly approves. Also, the provider is entitled to use payments made by the subscriber on the basis of a standing payment order preferentially to settle the first due receivables of the subscriber, unless the subscriber has specified the receivable covered by such payment.
13. The subscriber is obliged to notify the provider about a proposal for amendment to the contract at least 30 days before the proposed amendment, either via the CSC or on the subscriber's information pages following instructions provided there. Usually, amendments to the contract may not be made more than once per a billing period. Amendments will be made at the latest as of the first day of the billing period following the billing period in which a request was delivered, unless

individual services set different conditions. Change to thematic televisions (provided for so-called "TV points") will be made by the provider based on the subscriber's request usually during the day following the day on which a request was submitted, and solely upon the condition that the current number of "TV points" is maintained; such a change may not be made more frequently than after lapse of 1 month following the day on which the last change was made.

14. If the subscriber pre-paid the services and did not use them due to termination of the contract in a manner agreed upon by the parties, he/she will be entitled to a refund of a proportional part of the paid price; this part will be refunded based on the subscriber's written request, however, only after the provider has issued the last bill.

15. **Consequences of default:**

- If the subscriber fails to pay for services within the maturity period of the bill or fails to fulfil other contractual conditions and terms, the provider will notify the subscriber demonstrably and will set an additional deadline for payment or remedy. The additional period may not be shorter than 1 week from the day when the notice was delivered. The notice will be delivered to the subscriber through the information pages and sent to the subscriber's email.

- If the subscriber fails to remedy the situation or pay for the services within the set period, the provider will have the right to limit the provision of services by preventing active access to all services charged in the relevant bill.

- In the case of repeated noncompliance with the contractual conditions or if the subscriber repeatedly or continuously fails to pay for services, the provider will have the right to terminate the provision of the individually billed service and withdraw from the contract.

- Partial payment of a bill is also deemed breach of contractual obligations, or failure to pay for a billed service; in the case of a partial payment the provider will have the right to limit a service and withdraw from the contract. The provider will send a notice of default to the subscriber in the form of SMS to the subscriber's phone number given in the contract or electronically to the contact email specified in the contract.

16. **Special arrangement on pre-payments (online payments).** The provider allows online payments (using a payment card) always for the next billing period by a method offered by the provider and the relevant payment gateway for the ordered service on [www.netbox.cz](http://www.netbox.cz) or [www.kuki.cz](http://www.kuki.cz). A contract is concluded when a payment for the first billing period under the previous sentence is made. If the relevant amount is not credited to the provider's account, the contract is not concluded and the provider is not obliged to provide the service to the subscriber. If the fee is

prepaid online, the relevant data provided by the subscriber (payment card number, validity date etc.) will be used by the provider automatically for payments for next billing periods. If the billed fee may not be paid in accordance with the previous sentence, (for example when the subscriber cancelled payment authorization or in case of insufficient funds), the contract will immediately terminate by lapse of the billing period for which a payment has already been made. Provisions of the contractual conditions and terms which may not be applied given the nature of the prepaid service will not apply.

17. If pre-paid services are arranged and they are not paid for using online payment method, the provider may request a deposit at least in the amount of the minimum pre-payment stipulated in the contract. The provider is not responsible when the entire prepaid amount has been used.

The provider may limit the provision of a prepaid service (or not provide any of the services – e.g. additional services) to the subscriber if the prepayment has been completely used or if the subscriber failed to replenish the prepaid fee to the minimum amount under the contract, not even within 14 days from delivery of the provider's notice. The provider will inform the subscriber that the provision of service has been limited using the contact email and the information pages. If the prepaid fee is not replenished to the minimum amount under the contract even within 3 months from the date when the service was limited, the provider is entitled to cancel the service and withdraw from the contract with the subscriber.

18. The provider is entitled to request a refundable deposit in the amount according to the price list for each individually concluded contract. This deposit is refundable within 90 days from the termination of the relevant contract, in cash at the CSC, by postal order or by wire transfer to the subscriber's bank account. In the case of withdrawal from a distance contract within the statutory 14-day period, the deposit will be refunded by the same payment method used by the subscriber at the expense of the provider. The provider is entitled to use the refundable deposit to settle receivables from the subscriber, in particular for payment of due fees for services, contractual penalties or financial settlement, the price of the returned equipment, etc. If the provider uses the deposit for offset it may request the subscriber to replenish the refundable deposit to the original amount. Subscriber who terminated contract for provision of INTERNET or TELEPHONE but who still has a contract for provision of MOBILE, who has not yet deposited any sum, will also be requested to provide a refundable deposit. If the deposit is not made at the latest as of the day when a contract which has been terminated takes effect, the contract for provision of MOBILE will also terminate on the day of termination of the particular contract without notice.

## VIII PENALTIES AND WITHDRAWAL

### **A) PENALTIES**

1. If obligations under Article II A) (2) of these GBCT are breached, the subscriber will be obliged to pay a contractual penalty of CZK 15,000 to the provider within 7 days following delivery of notice.

2. If the contract is terminated by the subscriber before the lapse of the minimum term under Article VII (11) second sentence of the GBCT, the provider may charge a contractual penalty to the subscriber. Subscribers who
  - are consumers or natural persons entrepreneurs and whose contracts are prematurely terminated within three months after conclusion, will pay a contractual penalty in the amount of one twentieth of the sum of regular monthly payment remaining until the end of the agreed contractual term or one twentieth of the sum of minimum agreed monthly payment remaining until the end of the contractual term (i.e. for the period between contract termination takes effect and the end of the minimum contractual term).
  - are legal persons will pay a contractual penalty in the amount of the sum of regular monthly payments remaining until the end of the contractual term (i.e. for the period between contract termination takes effect and the end of the minimum contractual term).
3. If the subscriber is in delay in payments to the provider under the contract and fails to remedy the situation even after the provider provably delivered a reminder and provided a additional period to the subscriber, the provider will be entitled, *inter alia*, to terminate the contract and also charge default interest at statutory rate.
4. Contractual penalty and its payment will not affect the provider´s right to claim damage compensation or the amount thereof.
5. If the subscriber terminates the first contract for provision of a service which was concluded from 1 April 2020 (inclusive) and which activation required a connection to a termination point in the provider´s network (i.e. INTERNET, KUKI or their combination), before the lapse of its minimum term under Article VI (11) second sentence of these GBCT, the provider will be entitled to retroactively charge an activation fee to the subscriber valid as of the day when the contract was concluded, unless it was charged upon activation according to the valid price list.

## **B) WITHDRAWAL**

1. In case of repeated breach of obligations arising from the contractual conditions and terms and failure of the other party to remedy such situation even in an additional period, both parties will be entitled to withdraw from the contract immediately. Withdrawal is effective towards the other party when a notice of withdrawal is delivered to it.
2. The provider may withdraw from the contract in particular:
  - if the subscriber is in delay in payment for services under Article VII (15),
  - if the provider loses license to provide services under the contract,
  - if a contract between the provider and the owner of the relevant premises for installing technologies allowing the provider to render services is terminated,



- if unforeseen circumstances preventing the provider from delivering ordered services occur during installation of a network termination point,
- if the subscriber stated false data, failed to inform the provider of a change in data in the contract or refuses to cooperate without a reason in fulfilling the subject-matter of the contract,
- in cases set in Article II B) (1) and (10), Article III (1), Article VII (15) and Article VII (17).

3. The subscriber may withdraw from the contract in particular:

- in case of interrupted delivery of services for more than 120 hours in the course of 1 month due to provider 's fault,
- if the provider failed to remove a defect in services reported by the subscriber within 3 working days,
- if no services are provided at all,
- in cases set in Article VI (9).

4. The subscriber may not withdraw from the contract if the interruption or limitation of service or failure to remove defect has been caused by the subscriber (i.e. when services have been limited due to breach of contractual obligations). Planned interruption or limitation of a service (such as repairs, adjustments, relocation) notified to the subscriber in advance is not deemed defective service.
5. The provider undertakes to remove its equipment upon termination of the contract without undue delay and the subscriber undertakes to cooperate. If the subscriber prevents removal of equipment, the provider will be entitled to claim compensation of damage.
6. The subscriber bears all costs associated with returning the equipment owned by the provider when the contract is terminated (including termination in the form of withdrawal).
7. Withdrawal is effective when delivered to the other party. Effects of withdrawal are not retroactive.

## IX COMMON AND FINAL PROVISIONS

1. The subscriber may not transfer or assign rights and obligations from the contract and the GBCT to another person without provider 's prior written approval. The provider may assign rights and obligations from this contract as well as the entire contract itself to a third party which the subscriber hereby approves.
2. The parties undertake to always try to resolve disputes concerning the subject-matter of the contract out of court, arbitration or administrative proceedings. The subscriber is entitled to contact the Czech Telecommunication Office in connection with the out of court settlement of any disputes arising from the contract or in connection with the provider 's activities by means of an electronic form available

on its website ([www.ctu.cz](http://www.ctu.cz)), or the Czech Trade Inspection Authority ([www.coi.cz](http://www.coi.cz)) concerning assets leased, rented or purchased from the provider.

3. The provider is registered with the Council for Radio and Television Broadcasting as an operator of retransmitted broadcasting over cable and special transmission systems. The Council for Radio and Television Broadcasting supervises over the provision of on demand audiovisual media services and over retransmitted radio and television broadcasting.
4. The parties undertake to keep confidentiality about facts of confidential nature and confidential information and information which is or may be of a business secret nature within the meaning of Section 504 of the Civil Code which they have learned in connection with the contract and its performance and associated negotiations and not to disclose or provide such information to third parties without the written consent of the other party (with the exceptions provided by applicable law).
5. **The provider may reasonably amend or supplement the contractual conditions and terms.** The provider will inform the subscriber about amendment to the contractual conditions and terms at least 1 month before the amendment takes effect in the manner selected by the subscriber for receiving bills on the information pages, by publishing it on [www.netbox.cz](http://www.netbox.cz), [www.kuki.cz](http://www.kuki.cz) and at each branch. New contractual conditions and terms always cancel and replace the existing contractual conditions and terms in full from the day they take effect.
6. If contractual conditions and terms are amended under Section 63 (1)c) to p) and r) of the ECA, the subscriber may withdraw from the contract without any penalties at the latest as of the day when such amendment takes effect. The subscriber will not be entitled to terminate the contract if the amendment is caused by changes of legislation or is based on a decision of the Czech Telecommunication Office. Reasonable amendment or supplement under the first sentence of the paragraph means in particular:
  - any provision arranged in Article I to IX of the GBCT,
  - arrangements in the contractual form including the description of services, price and further conditions stipulated therein,
  - technical conditions,
  - price list,
  - technical parameters of netbox and Kuki electronic communications services,
  - conditions for provision of internet access services,
  - conditions of telephone number portability.
7. Facts not expressly regulated by the contract and the GBCT are governed by relevant legal regulations, in particular the ECA and the Civil Code.
8. Penalties charged to subscribers who are not consumers and who had a valid contract with the provider as of the day when the original version of the GBCT

became effective, i.e. on 15 June 2016, will be governed under Article VIII A) (2), as in case of subscribers - consumers. Provisions of Article II B) (1) ii) will not apply to subscribers who had a valid contract with the provider as of the day when the original version of the GBCT became effective, i.e. on 1 May 2016.

9. The following provision will apply solely to the current subscribers who concluded the contract with the provider before these GBCT came into effect.

If the subscriber uses the provider's email in the form .... @nbox.cz, the subscriber acknowledges that the provider is entitled to automatically remove content older than 3 years (calculated from the date the email was delivered or sent) even if the contractual relationship between the subscriber and the provider continues. The provider is entitled to cancel the email in the form of .... @nbox.cz without notice after 2 years from the date of termination of the contract with the subscriber. In such cases, the provider will not be liable for the content of the email or for any damage incurred.

In Brno, dated 1 March 2020

**SMART Comp. a.s.**