

GENERAL CONDITIONS FOR PROVISION OF PUBLICLY AVAILABLE ELECTRONIC COMMUNICATION SERVICES of Telefónica O2 Czech Republic, a.s.

issued in accordance with the provisions of § 63 Act no. 127/2005 Coll., on Electronic Communications and on Amendment to Certain Related Acts (Electronic Communications Act), as amended (hereinafter referred to only as the "ECA") and the provisions of § 273 Act no. 513/1991 Coll., Commercial Code as amended and by **Act No 284/2009 Coll., concerning payments**

In version effective from: 1 November 2010

Ref. no.: 154054/2009-SPDU-PD

1. Subject of the General Conditions

- 1.1 These General Conditions (hereinafter referred to only as the "GC") govern conditions for provision of publicly available electronic communication services pursuant to the pertinent internationally acknowledged standards within the territory of the Czech Republic and the services relating to these, including added value services, (hereinafter referred to only as "Service" or "Services") and also the performance of payment transactions in the sense of Act No 284/2009 Coll., concerning payments, as amended, in the manner pursuant to article 15 of these GC (referred to hereinafter as Payment transactions") by Telefónica O2 Czech Republic, a.s., registered office: Prague 4, Michle, Za Brumlovkou 266/2, Postcode: 140 22, recorded in the Commercial Register held by the Municipal Court in Prague, Section B, Insert 2322, Company ID number: 601 93 336, Tax ID number: CZ60193336 (hereinafter referred to only as "O2") on the basis of Subscriber Contracts on provision of publicly available electronic communication services (hereinafter referred to only as "Subscriber Contract" or as the case may be, "Contract").
- 1.2 Services are provided via O2 public fixed (hereinafter referred to only as "Fixed network") and public mobile (hereinafter referred to only as "Mobile network") electronic communications networks, or as the case may be, the networks of a contractual operator (hereinafter referred to jointly as "Network"). The availability of Services is subject to coverage of the area with Networks, the technical possibilities of the Networks and other factors, especially physical ones, which could affect the quality of Service provision.
- 1.3 These GC especially do not relate to contractual relations used to regulate provision of public telex services, public telegraph services, services of single-purpose telephone networks, operation of public call boxes and access to electronic communications networks and dedicated devices and connections as regulated for in the pertinent provisions of the ECA, or sale, lease and repair to telecommunications terminals.
- 1.4 Subscriber is understood to mean a physical or legal entity that has concluded a Contract with O2 (hereinafter referred to only as "Subscriber"). User is understood to mean any party who uses an O2 Service (hereinafter referred to only as "User"). Applicant is understood to mean a physical or legal entity that has commenced negotiations with O2 on conclusion of a Contract (hereinafter referred to only as "Applicant").
- 1.5 Operating Conditions contain a description of each of the Services provided and further rights and obligations of O2 and the Subscriber for the Service in question and as the case may be, different provisions as set out herein. Operating Conditions are an integral part of the GC in relation to the Service in question.
- 1.6 O2 price lists (hereinafter referred to only as "Price Lists") especially govern the prices for individual Services, prices relating to Special Offers, prices for lease of terminals, level of contractual penalties

for violation of obligations pursuant to the Contract and also the conditions subject to which these prices and contractual penalties are applied. An offer of types of servicing may also be stated in the Price Lists.

2. Conclusion of a Subscriber Contract

- 2.1 The Applicant submits their proposal for conclusion of a Contract (hereinafter referred to only as "Proposal") on the pertinent Contract form issued for this purpose by O2, which is available in authorised sales outlets, from commercial representatives of O2, at O2 public points of contact (hereinafter referred to only as "Contact Points") and on the O2 Website www.o2.cz (hereinafter referred to only as "Website") or may also be sent subject to request by the Applicant to their postal or e-mail address.
- 2.2 The Applicant states the following personal/identification data about himself/herself in the Proposal:
- 2.2.1 Legal entities especially state their trading name or name, registered office or registered office of the organisational unit in the Czech Republic and their Company ID number, name, surname, residency address and type of ID document for the person authorised to act on behalf of this legal entity.
 - 2.2.2 Entrepreneurs state their name and surname, or as the case may be, their trading name, residency address, place of business and Company ID number if they have been allocated one, as well as the type and number of their ID document.
 - 2.2.3 Physical entities – individuals state their name and surname, residency address, date of birth and personal ID number if they have been allocated one, as well as the type and number of their ID document.

If the Applicant is a payer of value added tax (VAT), they must also state their Tax ID number (DIČ in Czech). Unless stated otherwise by the pertinent Operating Conditions, the Applicant must submit two ID documents, one of which must be their personal ID card; the Applicant must state the number of this document in the Proposal. The other document may be any other document issued by the state which has a photograph attached to it or a birth certificate.

If a representative is acting on behalf of the physical entity, other than details about the physical entity, they must also state their identification data, in that the type and number of the ID document need only be stated in relation to the representative.

- 2.3 The Subscriber is regarded as an Authorised Subscriber if the Subscriber, or as the case may be, their representative supported the data as set out in para. 2.2 with ID documents when concluding the Contract, and did so in their physical presence and were allocated an Identification Key in relation to this by O2. This key may come in the form of means of identification, whether these be issued by a third party and issued or acknowledged by O2, or in the form of an alphanumeric code for identification in terms of electronic or telephone communication with O2 (hereinafter referred to only as "Identification Key"). The Subscriber, or as the case may be his representative, explicitly agrees that O2 is, for the purpose of authorisation, entitled to check the accuracy of the data and authenticity of the documents in the legally prescribed manner, as well as to make copies of the documents and to archive such copies. The scope, purpose and conditions for processing of such data are set out in art. 6. O2 is entitled to request that the Subscriber support the data as set out pursuant to art. 2.2 as stated in the Proposal, especially in cases where there is justifiable suspicion that such data is not true. O2 may ask the Subscriber to visit an O2 authorised sales outlet in person with regards to any important reason relating to provision of Services. The reason for such a request must be stated in the request. The Subscriber undertakes to accommodate such a request.
- 2.4 The Applicant submits the Proposal in writing, either in person at a Contact Point or by post. Whilst performing legal acts relating to conclusion of the Contract, changes to this or its termination, the Applicant may be represented by another physical entity or legal entity. Power of attorney is granted in writing and the Applicant's signature must be officially attested.
- 2.5 The Applicant is only entitled to submit the Proposal electronically or by telephone if the Operating Conditions for all Services, establishment of which are being requested in the Proposal, allow for this form of submission of the request for establishment of Services and if at the same time, the Applicant meets all requirements as set out in the pertinent Operating Conditions.
- 2.6 The Proposal includes a completed "Service specification" form for the chosen Service (hereinafter referred to only as "Specifications") relating to one or more Services, establishment of which is/are being requested by the Applicant. If the Applicant fails to state certain parameters relating to the requested Services in the Specification, it shall apply that O2 shall be entitled to perform their setting. If O2 and the Applicant explicitly agree to this, it is possible to conclude a Contract, in that

Specification of the requested Service or Services is to be supplemented by an agreed deadline. This deadline shall not under any circumstances be longer than one year. If no deadline is explicitly agreed, it shall be understood that the deadline agreed was one year. If supplementation of the Specification does not occur within this deadline, the validity of the Contract shall be automatically terminated. After conclusion of the Contract, establishment of any other Services or change to settings for Services may occur on the basis of request for change to the Contract (Specifications).

- 2.7 The pertinent regulations in the Operating Conditions for the Service in question apply for requirements for the Specifications, for their acceptance and for checking the possibility of establishing new Services in terms of a Contract, which has already been concluded. If O2 allows, a Service can also be established on the basis of a request submitted in a form other than writing. In such a case, the date of establishment of the Service shall especially be understood to mean the date of signature of the handover record for the Service by the Subscriber or his/her authorised representative or the date of delivery of notification about establishment of the Service to the Subscriber. The specific method is determined by O2 in the Operating Conditions for individual types of Services.
- 2.8 Operating Conditions may specifically modify the requirements in the Specifications and details with regards to the mode in which a specific Service will be provided to an Authorised Subscriber.
- 2.9 By submitting a Proposal, the Applicant agrees that O2 may gain information about their payment morals and credibility (especially information about the nature and extent of any possible violation of former liabilities) necessary for assessment of the Proposal. Such information shall be gained from the negative database of the SOLUS association, a special-interest group of legal entities, Company ID number: 69346925 (hereinafter referred to only as "SOLUS") of which O2 is a member.
- 2.10 O2 is entitled to reject a Proposal if the Applicant fails to meet the conditions as determined for conclusion of a Contract – especially if the Applicant:
- a) intentionally stated untrue personal or identification data,
 - b) stated incomplete personal or identification data and/or failed to provide documents proving the accuracy of data stated contrary to para. 2.3,
 - c) has failed or is failing to meet their obligations towards O2 or other entities or it can be justifiably anticipated that they will not meet such obligations,
 - d) failed to provide the required deposit or security for O2 in accordance with the current Price Lists,
 - e) has entered into liquidation, if sequestration was commenced for the Applicant, insolvency proceedings were commenced with the Applicant, if proposal for commencement of insolvency proceedings was rejected due to lack of assets or due to violation of obligations in terms of § 122 para. 2 of the Insolvency Act during a period set by the court as moratorium or if enforcement of a judgement (execution) was commenced with the Applicant by sale of the business, or
 - f) the Applicant refused establishment of Services pursuant to the technical conditions as defined by O2.

O2 shall inform the Applicant of reasons for refusal no later than 20 calendar days of delivery of the Proposal. If an Applicant whose Proposal was rejected has paid security or a deposit, this shall be returned to the Applicant by O2 no later than 60 calendar days from the date of rejection of the Proposal.

- 2.11 If the Applicant meets all the conditions as specified in these GC, O2 accepts the Proposal and ensures that it is sent back to the Applicant no later than 20 calendar days following its receipt. O2 informs the Applicant within the same deadline whether it is not possible to establish the required Services on the basis of the pertinent Operating Conditions.
- 2.12 The Contract is concluded for an indefinite period. The Contract becomes valid and effective on the date of its signature by both Contracting parties, no later however than the date of delivery of information on acceptance of the Proposal to the other Contracting party. If the Applicant signs a Contract already signed by O2, they shall be obliged to return one signed copy of the Contract to O2 without unnecessary delay. Establishment of the requested Service shall also be regarded as information on acceptance of the Proposal.
- 2.13 The Contract may also be concluded in another form than in writing. The date of conclusion of the Contract in other than written form shall be understood to mean the date of delivery of information on

acceptance of the Proposal by O2 to the Applicant, or the date of establishment of Services, whichever occurs first. If the Contract is concluded with the aid of remote means of communication in terms of § 53 et seq. or outside of areas usual for doing business by O2 in terms of § 57 et seq. Act no. 40/1964, Civil Code (hereinafter referred to only as the "Civil Code"), the Applicant is entitled to withdraw from the Contract within 14 days of its conclusion if all legal conditions are met and as the case may be, other rights as described in the Civil Code.

3. Rights and obligations of O2

3.1 O2 especially undertakes to:

- a) provide the Service in the usual quality in such a way as to satisfy the justifiable requirements of the Subscriber in accordance with the Contract concluded, these GC, Operating Conditions and the conditions as set out in the Specification for the pertinent Service and Price Lists,
- b) maintain its Network in such a technical and operational condition as to achieve the usual quality as set out by the pertinent legal regulations and norms,
- c) remove defects created in O2 Networks or equipment as soon as possible, i.e. not later than five calendar days in cases when this is technically possible. O2 will also proceed in the same manner when the defect is caused by the consequences of environmental effects precluding the liability of O2 pursuant to the Commercial Code (Act of God),
- d) establish the Service within the deadline as determined in the Operating Conditions, or as the case may be, in the Price List, unless another deadline was agreed with the Subscriber, as well as to implement other changes to the Contract within the agreed deadline in relation to this,
- e) allow the Subscriber to submit claims and free reporting of defects in the Services provided; in such cases, O2 is entitled to check whether the defect is located on the Subscriber's telecommunication terminal,
- f) determine appropriate entitlement to settlement in the event of early termination of a Service or Contract if the Subscriber arranges conclusion of a Contract or establishment of a Service for a definite period. O2 shall inform the Subscriber of the level of such entitlement free of charge via the customer hotline.

3.2 Other than the rights as resulting from other provisions, O2 is especially entitled to:

- a) request that the Subscriber pays deposits, security or that they provide other guarantees, e.g. a pledge etc., for all Services provided or requested by the Subscriber,
- b) determine limits for provision of Services, especially financial ones, which shall usually relate to a set period of time (e.g. day, billing period etc.),
- c) request identification from the Subscriber in terms of their contact pursuant to the conditions as set by O2 in the Operating Conditions with a view to the maximum possible level of protection for the Subscriber. O2 shall deal with anybody who meets the conditions for identification as a Subscriber, or as the case may be, as a party authorised to act on behalf of a Subscriber,
- d) check the credibility of the Applicant or Subscriber in the legal manners and also their ability to meet their obligations, to which the Subscriber gives their consent by signing the Proposal,
- e) change the Subscriber's telephone number, user name, IP address or access code due to urgent technical or operational reasons, even without the consent of the Subscriber. O2 shall inform the Subscriber of such change as soon as possible and if technically possible, O2 shall inform the Subscriber of such change no later than 5 calendar days before its implementation. O2 shall also inform Subscribers who call of changes to telephone numbers in the Networks using automatic notifications or in another manner.
- f) introduce additional methods of protection for the Networks and Services if they believe that introduction of such protection is to the benefit of the Subscriber or the Network,

- g) provide Services, for which O2 explicitly states this, in trial mode and during operation of this, to ask the Subscriber about matters relating to such trial mode.

4. Rights and obligations of the Subscriber

4.1 The Subscriber is especially entitled to:

- a) duly use the O2 Services, which were established for them,
- b) request establishment, changes to settings and cancellation of specific Services, on the basis of the Contract concluded, to the extent and in a manner corresponding to the Operating Conditions,
- c) contact O2 with reports of defects and claims,
- d) report defects to Services free of charge in writing or by telephone to the O2 office as stated in the Operating Conditions, or as the case may be, in the Specifications. O2 is also entitled to require written confirmation of defect reports made by telephone.
- e) allow use of Payment transactions as a User. If the Subscriber demands payment from the User for use of Services in relation to their commercial activities, they may only do so with the prior written consent of O2. If a Subscriber's request for consent by O2 is not handled within 6 months of its receipt, it shall be understood that no consent was given. In the event of violation of the obligation to gain the consent of O2, the Subscriber shall be obliged to compensate O2 in full for any possible damage, which was created through violation of the above-mentioned obligation;
- f) request O2 for provision of information about Services provided to the Subscriber, about their settings, level of the Subscriber's outstanding amounts and other information required for settlement of billing or information about data relating to specifically implemented connections etc. O2 shall only provide such information if the Subscriber or the Subscriber's representative meet the conditions for identification as set out by O2 for provision of such information.
- g) use the Networks of contractual operators in terms of Services provided, with the exceptions as set out in these GC.

4.2. The Subscriber especially undertakes:

- a) for the whole period of effectiveness of the Contract, to demonstrably inform O2 in writing of change to their personal and identification data, especially trading name or name, legal form, registered office or residency address or place of business, Invoice address, e-mail address, telephone and bank details, Company ID number and tax ID number, no later than 7 working days of the date such change occurs. O2 may require submission of identification documents proving the accuracy of data stated,
- b) not to perform changes to Network equipment, including the Network terminals, or to interfere with such equipment in any way whatsoever,
- c) to only use Services in a manner, which is in line with these GC, written manuals, instructions and Operating Conditions, and which cannot negatively influence operation of the Network or any of its parts, or the quality of Services provided to other parties; the Subscriber acknowledges that violation of the obligation pursuant to this provision may especially concern use of O2 SIM cards in equipment, which allows for connection of calls directed from other networks to O2 network or vice versa (e.g. GSM gateways) and also facilitation of communication by users of one operator with users of another operator, i.e. especially connection of calls, which were not originally created in the O2 network, to the O2 network or to the network of another operator without the other operator having concluded a valid contract on connection with O2.
- d) to only use Services via telecommunications terminals or other equipment, which meets the technical requirements for operation in Networks in the Czech Republic; O2 reserves the right to determine in the Operating Conditions, or as the case may be, in the Price List, that the Subscriber is only entitled to use Services using specific communications equipment with the

prior written consent of O2. If a Subscriber's request for consent by O2 is not handled within 6 months of its receipt, it shall be understood that no consent was given;

- e) to use additionally introduced methods of protection for the Networks and Services if this is to the benefit of the Subscriber or the Network,
- f) to pay for Services provided duly and on time in accordance with the GC, especially with art. 5, including prices for use of the networks of contractual operators and the Payment transactions,
- g) to provide O2 with materials, or as the case may be, with documents pursuant to the pertinent Operating Conditions for confirmation of their credibility and ability to meet their obligations,
- h) to protect personal and identification data of Subscribers and Users, operational, localisation data and the credibility of communication of physical and legal entities whilst providing Services, which they learnt of whilst using Services,
- i) to meet O2 in person subject to written request to do so due to serious reasons relating to provision of Services in order to discuss matters and to then abide by the instructions of O2 in the matter at hand,
- j) to familiarise third parties, which they allow use of Services, with the GC, Operating Conditions and other important information issued by O2 and relating to Services. The Subscriber shall be held liable for the actions of such parties when using Services to the same extent as if they had acted in their own right.

5. Price, billing, payment conditions and sanctions

- 5.1 O2 Price Lists containing the valid pricing conditions and prices for Services can be viewed at Contact Points and are also available on the Website.
- 5.2 After submission of a Proposal, O2 is entitled to bill the Subscriber the amount in line with the Price List for activation and as the case may be, a deposit or security. Deposits will be cleared or securities returned to the Subscriber in the agreed manner as soon as conditions for their return are met. If the conditions for clearance of deposits or return of securities are not met, O2 shall be entitled to set off such deposits or securities against its debts owed by the Subscriber in accordance with the para. 5.13 and 5.14 and at the same time to demand that the Subscriber top up the deposits or securities up to their original level, or if circumstances so dictate, demand their increase.
- 5.3 The Subscriber is obliged to pay the price for Services provided subject to the conditions and at the level as set out in the Price List valid at the time the Services were provided. Any legal representative who has concluded a Contract on behalf of an underage Subscriber, undertakes to settle the price for Services provided jointly and severally with the Subscriber.
- 5.4 Payment conditions:
 - 5.4.1 O2 shall provide the bill for the Service in hard copy or electronic format. One of the Service bills is free of charge. Unless otherwise specified in the price list or agreed with the Subscriber the free copy is in the hard copy format.
 - 5.4.2 O2 shall provide the Subscriber with the above-mentioned billing in the form of billing according to type of Service or if the Subscriber so requests, summary billing with one item, or in the form of itemised billing, subject to the conditions as set out by O2 and to the extent as set out in the pertinent legal regulations and measures of a general nature issued by the Czech Telecommunication Office (see www.ctu.cz; hereinafter referred to only as the "CTO").
 - 5.4.3 Billing for Services (apart from Pre-paid Services) with indication of the billing period, shall be drawn up by O2 and posted as a regular letter, or as the case may be, delivered in another manner agreed with the Subscriber, for services in Mobile networks within 11 calendar days and for Fixed network services within 15 calendar days of the end of the billing period to the delivery address for billing in the Czech Republic (hereinafter referred to only as the "Invoicing address") as last notified by the Subscriber. In terms of identification of

an Invoicing address, the Subscriber may also indicate a third party as the payer. O2 shall be entitled to present this third party with billing and communicate the level of any possible outstanding debts owed by the Subscriber to such a party. Change to an Invoicing address constitutes change to the Contract pursuant to para. 9.1 letter b). The billing period is a period determined by O2, which need not correspond with a calendar month. The usual length of a billing period is 30 or 31 calendar days and its beginning and end are indicated on the pertinent bill. If it is not possible to bill the Subscriber for a Service in a bill for the accounting period in which the Service was provided, this Service shall be billed for in terms of the bill for the next accounting period; this especially applies for billing of Services provided in Networks of contractual operators

- 5.4.4 If in the case of Services in Mobile networks, a bill is not delivered to the Subscriber within 12 calendar days of the end of the billing period, the Subscriber shall be entitled to ask O2 for a copy of the bill, which shall be handed over to the Subscriber or sent to them in the agreed manner. In the case of Services in Fixed networks, this deadline is 16 days. If the Subscriber does not ask for a copy of the bill in the case of Services in Mobile networks within 18 calendar days of the end of the billing period, it shall be understood that this bill was delivered on the 12th calendar day after the end of the billing period. For Services in Fixed networks, the bill shall be regarded as having been delivered on the 16th calendar day after the end of the billing period unless the Subscriber requests a copy of the bill no later than 22 calendar days after the end of the billing period.
- 5.4.5 In justifiable cases, e.g. if any change to legal regulations relating to pricing or taxation occurs, billing may be divided into several tax documents.
- 5.4.6 The Subscriber shall be held liable for payment of the prices for Services provided being made at the level and by the maturity date as stated in the bill including when the bill is delivered to a third party. If no other maturity date is stated in the bill, payment is due within 18 calendar days of the end of the billing period for Services in Mobile networks and within 22 calendar days of the end of the billing period for Services in Fixed networks. Payment can be made subject to the conditions as set out by O2 in one of the following ways:
- a) direct debit from a bank account ,
 - b) payment order from a bank account to the O2 account number,
 - c) via SIPO,
 - d) payment in cash at the post office using a type A postal order.

Cancellation of change to the method of payment shall be implemented from the next billing for Services where this is technically possible with a view to the receipt date of the request for cancellation or change to the method of payment

- 5.4.7 In the event of payment by direct debit from an account, the Subscriber agrees that O2 shall be authorised to collect the billed amount at any time after billing has been drawn up. If a direct debit payment fails for reasons on the part of the Subscriber or the financial institution, this shall not affect the obligation of the Subscriber to pay the bill by its due date. If a direct debit payment fails repeatedly for reasons on the part of the Subscriber or the financial institution, O2 shall be entitled to cancel this form of payment by direct debit. O2 must be demonstrably informed by the Subscriber of cancellation or change to the direct debit form of payment together with notification of the alternative form of payment, which will be used.
- 5.4.8 At any time before the end of a billing period, O2 is entitled to send the Subscriber a justifiable demand for payment of the price for Services provided to the last address O2 was notified of, or to hand over such demand in person to the Subscriber, or as the case may be, a demand for payment of the set deposit or security, if O2 has justifiable suspicions that the Subscriber:
- a) is misusing Services, or
 - b) that they will fail to pay the amounts at the level of the price for Services provided, or
 - c) they are allowing a third party to misuse Services,
 - d) used Services at a level higher than their financial limit.

The deposit shall be cleared in the bill for the current billing period. The security shall be returned to the Subscriber in the agreed manner as soon as conditions for its return are met.

- 5.4.9 The obligation on the part of the Subscriber to pay the billed price is fulfilled at the moment of crediting of the pertinent amount marked with the pertinent variable symbol to the designated O2 account. The variable symbol is always stated on the bill in question and may also be communicated to the Subscriber in another manner subject to request, for example by telephone.
- 5.5 The Subscriber may only set off their debts against the debts of O2 on the basis of prior written consent from O2.
- 5.6 If provision of Services was restricted or discontinued for the Subscriber for reasons created on the part of the Subscriber (e.g. the Subscriber failed to pay a bill by the due date), O2 shall be entitled to demand payment of the price for renewal of provision of Services to the original extent, even in advance.
- 5.7 If the Subscriber has failed to pay the price of Services provided as stated on a bill by the due date, O2 shall demonstrably notify them of this and determine an alternative due date no sooner than one week from the delivery date of the notice or reminder. The Subscriber undertakes to pay for the cost of each such reminder and all costs relating to any possible collection of debts owed to O2 by the Subscriber. After such an alternative deadline has expired in vain, O2 may restrict provision of all Services to the Subscriber provided on the basis of the Contract by restriction of active access to each Service with the exception of making calls to the emergency services. O2 shall not be held liable for damage or other injury caused to the Subscriber through this.
- 5.8 O2 is entitled bill the Subscriber punitive interest from the date following creation of such delay until the date of settlement at the level as set out by the valid legal regulations. The contractual penalty as agreed in the Contract may be billed and collected for non-adherence to or violation of contractual obligations. The Subscriber undertakes to settle punitive interest and contractual penalties no later than the deadline as stated in the call for payment. By payment of contractual penalties, the Subscriber does not become exonerated from their obligation to settle other outstanding amounts. The right of O2 to claim compensation for damage is not affected by payment of contractual penalties.
- 5.9 If the Subscriber fails to pay for billed Services by the due date, he may also be warned of such delay by O2 using an electronic, voice or SMS message or other agreed manner.
- 5.10 If it was only possible to use a Service partially or not at all due to a defect of a technical or operational nature on the part of O2 and the defect lasted for more than five calendar days, O2 shall provide a reasonable discount from the price or, subject to agreement with the Subscriber, ensure provision of the Service in an alternative manner if this is technically possible. A condition for this is that the Subscriber reports the defect to O2 without unnecessary delay, or that O2 learns of the defect in another manner and the Subscriber provides the essential cooperation in removing the defect (e.g. in the event of a defect to the connection cable to the terminal or at the terminal).
- 5.11 Unless stated otherwise in the pertinent Price List, the Subscriber shall be obliged to pay for use of Services in full until provision of Services is terminated.
- 5.12 O2 is entitled to authorise a third party with collection of its debts owed by a Subscriber who is in delay with payment of the price for Services provided. The Subscriber undertakes to deal with this party in the same manner as with O2.
- 5.13 Indicated or dedicated payments made by the Subscriber may, as a rule, be used by O2, regardless of their indication or designation, in the following order:
- a) for settlement of the Subscriber's debts created in relation to Payment transactions or
 - b) for settlement of contractual penalties and debts owed to O2 created for another legal reason than from provision of Services, even debts, which are not yet due, including any extras,
 - c) for settlement of debts owed to O2 created for reasons relating provision of Services, including any extras.

- 5.14 In all cases, pursuant to para. 5.13, O2 may set of payments against:
- a) extras relating to the Subscriber's debt created in relation to Payment transactions,
 - b) the principal of the Subscriber's debts created in relation to Payment transactions,
 - c) the extras relating to other debts,
 - d) the principal of other debts,
- at its own discretion, usually however in the order as set out in this paragraph.
- 5.15 Payments, which are not specifically indicated or which are indicated incorrectly, shall be regarded as unidentified payments and shall not be regarded as due and timely fulfilment of obligation by the Subscriber. As soon as O2 ascertains such an unidentified payment, it shall take steps to ensure its return unless O2 uses such payment pursuant to the circumstances as set out in para. 5.14.
- 5.16 The Subscriber is entitled to submit a written request for change to the mode of application of VAT for billing of Services provided. O2 shall accommodate this request if the Subscriber proves fulfilment of the conditions as determined for the mode of application in question in the valid Act on VAT.

6. Collection and use of data about Subscribers

- 6.1 O2 keeps up-to-date records of its Subscribers, authorised representatives of Subscribers and Users (hereinafter also referred to as "Subject of the data") containing personal and identification data, operational and localisation data (hereinafter referred to only as "Data"). Personal and identification data on Subjects of data shall especially be understood to mean title, name, surname, addresses, personal ID number/identifier, date of birth, trading name, name, registered office, place of business, company ID number, numbers of documents submitted, telephone number, e-mail address etc., as well as information on payment morals, bank details etc. Operational data shall be understood to mean any data processed for the requirements of transmission of messages over electronic communication networks or for their billing (about telephone calls, data transmission, SMS and other Services provided by O2), especially the caller number (A-number), called number (B-number), date, time, duration of the transmission, type of Service provided etc. Localisation data shall be understood to mean any data processed in electronic communications networks, which determines the geographical position of the Subject of the data's terminal, especially the number, name and location of the Network terminal etc. O2 undertakes only to handle Data in accordance with this article 6 and in accordance with the pertinent legal regulations, especially the ECA and Act no. 101/2000 Coll., on Personal Data Protection and on Amendment to Certain Acts, as amended (hereinafter referred to only as the "APPD"). O2 shall protect Data to the maximum extent possible corresponding to the technical level of resources available.
- 6.2 The Subject of the data acknowledges and agrees that O2 shall process Data manually and automatically, in-house and via the parties as set out in para. 6.3 and 6.5, and that they are authorised to collect, process (in terms of the APPD) and use such data for purposes resulting from the pertinent legal regulations and for the purposes of providing and protecting the networks, provision of Services and Payment transactions, including related operational activities, billing for Services and Payment transactions and performance of acts relating to the above-mentioned matters, a to the extent necessary for fulfilment of the above-mentioned purposes and for the period necessary for achievement of the above-mentioned purposes, no longer however than for the period of validity of the Contract or until complete settlement of the rights and obligations as resulting from the Contract, or for the period as determined by the pertinent legal regulations unless determined otherwise herein. The Subject of the data acknowledges that the data as specified in art. 2.2 is compulsory data required for conclusion and fulfilment of the Contract. O2 may define other compulsory data in the Operating Conditions, which is required for establishment and provision of Services. If the above-mentioned data is not provided by the Subject of the data, no Contract can be concluded or fulfilled unless this concerns Pre-paid services. Other personal data is provided voluntarily by the Subject of the data.
- 6.3 The Subject of the data agrees that the network operators and electronic communication service providers may handover data relating to provision of services between themselves, especially data about participants in a connection, in order to ensure connection and access to the network, for mutual billing and to prevent abuse of the network and electronic communication services and that O2 is also entitled to hand over Data to the extent, for the purposes and for the period as set out in art. 6 to such parties, which represent O2 or otherwise protect the interests of O2 in an authorised manner, or as the case may be, participate especially in creation, offer, modification, provision and operation of Services and

Payment transactions or in operation and maintenance of Networks and systems for provision of Services, or as the case may be, to parties that make up a concern with O2.

- 6.4 The Subject of the data acknowledges and agrees that O2 in its own right or via its commercial representative or a party as set out in para. 6.3 and 6.5 shall be entitled to process and categorize data for the purposes of offering business, Services or products and services of the third parties for value added services, for marketing and commercial purposes, telemarketing, market research and for the purposes as agreed with the Subject of the data, and to the extent as such Data was provided by the Subject of the data or resulting from the character of Services provided or in which O2 gained this whilst providing Services or services relating to these, if necessary for achieving the purposes as set out in para 6.2 and 6.3, including the possibility for these purposes, to process the Data for marketing communication to the payer if different from the Subscriber. O2 is entitled to process Data for the above-mentioned purposes for the period as determined in the pertinent form, document or other media and if no such period is stated, then for the whole period of validity of the Contract or until complete settlement of the rights and obligations as resulting from the Contract, or for the period as determined by the pertinent legal regulations or in accordance with them or for the period as determined herein. The form of such declaration of will may be determined by O2 and the form of this declaration of will may differ according to the type of consent. If the Subject of the data retracted their consent to processing of Data pursuant to para 6.9 and if they perform the above-mentioned act, it shall be understood that they again agree to the above-mentioned processing of Data. This renewed consent to processing of Data also applies for Data gained at the time when consent was not provided unless determined otherwise by law. The Subject of the data agrees that O2 shall be entitled, for the purposes as set out in para. 6.4 and 6.6, to continue to process the name, surname, address and other contact data (including telephone numbers and e-mail addresses) for the Subject of the data even after settlement of rights and obligations from the Contract for the purpose of offering business and services.
- 6.5 The Subject of the data explicitly grants their consent and at the same time their authorisation for O2 to process personal data provided by the Subject of the data (to the extent of: name, surname, date of birth, personal ID number, address, name, trading name, place of business, Company ID number and information about the extent and nature of any possible violation of contractual obligations by the Subject of the data, the result of which is the existence of monetary debts at the level of at least two instalments or the existence of any monetary debts whatsoever owed to O2 by the Subject of the data more than 30 days overdue) for the purposes of provision of information on violation of contractual obligations by the Subject of the data , including the scope and nature of such violation and the subsequent payment morals of the Subject of the data. The Subject of the data agrees for O2, in order to protect its rights, to pass on the above-mentioned data for further processing by the SOLUS association, which O2 is a member of and which keeps a database of parties (debtors) who have violated their contractual obligation to provide due payment for a service provided (i.e. a loan, leasing, insurance, credit card, hire purchase agreement, electronic communication service, supply of media etc.), or as the case may be, their legal successor. The Subject of the data agrees that the SOLUS association may use services of external processors when processing their personal data. The Subject of the data agrees that the SOLUS association may provide access to personal data processed in this manner including their personal ID number, directly or via processors to its members, exclusively for the above-mentioned purposes. This consent is provided by the Subject of the data from the date the Contract comes into effect and for a period of three years after the date of settlement of the last financial obligation resulting from such a Contract. Provision of personal data by the Subject of the data is voluntary. A current list of members of the SOLUS association can be found on the www.solus.cz Website and is available at the registered office of O2 or subject to request by telephone. The Subject of the data confirms that they have been instructed with regards to their right to access to their personal data in terms of § 11 and § 12 APPD. If the Subject of the data ascertains that O2, or as the case may be, another entity that was allowed access to their personal data, has violated any of the obligations as set out for them in the APPD, the Subject of the data is entitled to contact the SOLUS association or the Office for Personal Data Protection (www.uoou.cz) with a request for them to ensure corrective measures. The Subject of the data confirms that they have been instructed by O2 about their entitlements vis-a-vis parties who infringe their rights pursuant to § 21 APPD. O2 may extend processing to include further debtor registers without needing to gain additional consent from the Subject of the data. In such a case, O2 shall only publicise information about the new debtor register. O2 is entitled to check and evaluate the payment moral of the Subject of the data using debtor registers or other similar registers both on creation of the contractual relationship and also if necessary at any time over the duration of the Contract.

- 6.6 The Subject of the data agrees for O2 to inform them about O2 Services and products, or as the case may be, the services and products of other entities, usually indicated as a Commercial Message (or only "CM" ("OS" in Czech)), using their postal address, e-mail address, telephone number, using automatic calling equipment, by fax or in another similar manner including telemarketing.
- 6.7 The Subject of the data agrees for O2 to allow access to the Subject of the data's telephone number to other Subscribers in terms of the Network or to third parties. The Subject of the data also agrees that O2 is entitled to publish a list of Subscribers in printed or electronic format, stating their names, surnames, addresses and telephone numbers and as the case may be, also their trading names, registered offices or places of business, e-mail addresses and where applicable any other agreed data and information as to whether the Subscriber does not wish to be contacted for marketing purposes. This data shall also be made available via the O2 information service on the basis of request. The Subject of the data hereby also provides their consent for their data to be used by O2 for operation of a service for searching for data about subscribers on the basis of their numbers. O2 shall provide the above-mentioned about Subscriber to persons authorised pursuant to the ECA or on its basis, for the purpose of issuing a list of subscribers or provision of information services. The Subject of the data also agrees to publication of data for other purposes of a public list than searching for detailed contact information about a person on the basis of their name or the absolute minimum amount of further identification data, e.g. searching according to field of activities.
- 6.8 The Subject of the data acknowledges that messages and the data relating to this, which they exchange or transmit with an O2 point of contact (in an O2 business premises or via a publically accessible electronic communication service) may be monitored by O2, solely for the purpose of ensuring evidence of transactions implemented, internal control of Services provided (increasing their quality and employee training) and also protection of the rights of O2. Monitoring shall especially be understood to mean records of voice or data correspondence.
- 6.9 The Subject of the data is entitled at any time to retract their consent to processing of Data pursuant to para. 6.4, 6.6 and 6.7, by means of an explicit, comprehensible and definite declaration of will (e.g. in the form of a registered letter, telephone call to the customer hotline or as the case may be, other ways as set out on the Website) after due identification of the Subject of the data. The Subject of the data may not refuse processing if stipulated by law. The Subject of the data is entitled, whilst using services with added value, to temporarily refuse processing of localisation data pursuant to para. 6.2 for individual connections to the network or transmission of messages, in the manner as determined by O2. The Subject of the data is also entitled to refuse to provide consent to use of their electronic contact details in relation to sending of each individual message.
- 6.10 The Subject of the data is entitled to information about Data, which O2 processes in-house or via parties as set out in para. 6.3 and 6.5 and the right to correction of such data, to the extent and subject to the conditions as set out in § 12 APPD. If the Subject of the data ascertains that O2 is processing Data in conflict with protection of the private and personal life of the Subject of the data or in conflict with the law, the Subject of the data is entitled to demand explanation from O2 or as the case may be, rectification of this state of affairs, especially with regards to blocking, implementation of corrections, supplementation or liquidation. If O2 fails to accommodate such a demand by the Subject of the data for explanation or rectification of the state of affairs pursuant to the previous sentence, the Subject of the data shall be entitled to directly contact the Office for Personal Data Protection. Other rights of the Subject of the data and other information relating to processing of Data is set out in § 21 APPD and on the Website. Removal or correction pursuant to para. 6.9 a 6.10 shall be performed within a reasonable period of time, which corresponds to the technical and administrative possibilities open to O2.

7. Claims

- 7.1 The Subscriber is entitled to make claims regarding prices billed or Services provided.
- 7.2 The Subscriber is entitled to make claims with O2 for prices billed without unnecessary delay, but no later than two months from the date of delivery of the bill for Services provided, otherwise this right expires. If no billing is provided with a view to the type of Service provided, the Subscriber is entitled to make a claim within two months of the date the Service was provided. Submission of claims has no deferring effect on the obligation to settle billing for Services provided.

- 7.3 The Subscriber is entitled to make claims for Services provided without unnecessary delay, but no later than two months from the date of defective provision of the Service, otherwise this right expires.
- 7.4 O2 is obliged to handle claims without unnecessary delay, but no later than one month from the date of delivery of the claim. If handling of the claim requires negotiations with a foreign operator, O2 is obliged to handle the claim no later than two months from the date of its delivery.
- 7.5 Detailed rights and obligations when making and handling Claims shall be governed by the valid O2 Claim Regulations (hereinafter referred to only as "Claim Regulations"). No consideration will be made of claims made in conflict with the Claim Regulations.
- 7.6 If a claim is found to be justified, the Subscriber shall be returned the amount for the Service being claimed for or the amount, which was incorrectly billed, within 1 month of the claim being handled, in the manner as explicitly determined by the Subscriber. Any overpayment or already paid amounts maybe set off by O2 against any debts owed by the Subscriber. If pursuant to the valid tax regulations, it is evident that O2 is obliged to issue a tax credit note, the above-mentioned payment shall be returned to the Subscriber or set off on the basis of confirmation of receipt of such a tax credit note by the Subscriber.
- 7.7 If a claim for Services provided is not found to be justified for reasons on the part of the Subscriber, O2 shall be entitled to demand payment of expediently incurred costs relating to handling of the claim from the Subscriber up to the level of 100 % of these costs (for example, groundless callout of technician).

8. Restriction or interruption of Service provision

- 8.1 O2 is entitled to restrict or interrupt provision of Services for the period, which is absolutely essential, as follows:
- a) due to serious technical or operational reasons, especially if there is any danger of a serious decrease in the security and integrity of the Network as a result of damage or destruction of electronic communication equipment,
 - b) in the event of crisis situations, especially in the case of a state of national armed readiness, natural disasters, threat to state security or epidemic,
 - c) if O2 is obliged to implement such restriction or interruption pursuant to a valid legal regulation and/or decision by a state authority of the Czech Republic,
 - d) if there is justifiable suspicion that the Subscriber or a third party has misused or is misusing Services via the Subscriber's terminal, or using a Service in a manner, which could negatively affect operation of the Network or any of its parts, or the quality of Services, or as the case may be, violate the rights of other parties in a serious manner. Use of Services in a different manner to that as set out in the GC or the Price List shall also be regarded as misuse of Services. O2 is entitled to monitor operation of the Network and to use other appropriate technical equipment to ascertain or check for misuse of Services.
 - e) if the Subscriber has exceeded the financial limit as set out pursuant to para. 3.2 letter b).
- 8.2 O2 is entitled to restrict or interrupt provision of all Services, with the exception of calls to the emergency services if despite warning, the Subscriber:
- a) violates the GC, the Operating Conditions, the obligations as set out in the Price List, Claim Regulations or in a Special Offer,
 - b) uses the Network for other services than those Services as defined in para. 1.1,
 - c) is in delay with payment for Services provided even after expiry of an alternative deadline lasting seven days from delivery of a reminder,
 - d) uses equipment, which does not meet the technical requirements for operation in the Czech Republic,
 - e) refused to pay a deposit or security, or to provide another form of guarantee as determined by O2,
 - f) meets the conditions restriction or interruption of services pursuant to para. 10.4.2,
 - g) failed to take receipt of or it was not possible to deliver letters, bills, reminders and other written matter sent by O2 to the Subscriber to their last known address held in the O2 records, or if the Subscriber refused to take receipt of such letters.

- 8.3 O2 shall interrupt provision of Services in the event of the death of the Subscriber, subject to request by such person as provides a death certificate for the Subscriber and who can justifiably be recognised as the Subscriber's heir. The provisions of § 460 et seq. Civil Code shall be applied for subsequent continuation of provision of Services in terms a Contract with the Subscriber's heir.
- 8.4 On the basis of consent by the CTU, O2 is entitled not to connect, to disconnect or to take out of use such devices, which although they meet the technical requirements, cause damage to the Network, damaging interference or interruption to the functioning of the Network. Subject to exceptional circumstances and after meeting the conditions as set out by legal regulations, O2 is entitled to disconnect a device, even without the consent of the CTU if this is absolutely essential for protection of the Network.
- 8.5 If the Subscriber redresses the defective state pursuant to the previous provisions by the deadline, which O2 determines, O2 shall renew provision of Services to the original scope pursuant to para. 5.6.

9. Changes to a Subscriber Contract

- 9.1 After conclusion of the Contract, the Subscriber is entitled to submit a request for change to the Contract, especially as follows:
- a) request for change to the identification data pursuant to para. 2.2,
 - b) request for establishment, change to the settings including change to Invoicing addresses, or cancellation of Services.
- 9.2 Requests for change are submitted in the manner as set out by O2, usually on the designated O2 form. Forms for making requests for change are available at Contact Points and on the Website. Request for change must always include the requested information for the change in question on the appropriate form and must be sufficiently definite.
- 9.3 Subject to the conditions as set out in the pertinent Operating Conditions, the Authorised Subscriber is entitled to request establishment, change to settings or cancellation of selected Services using an Identification Key. The Authorised Subscriber is obliged to protect the Identification Key against loss, theft, divulgence and misuse. When using the Identification Key, the rule applies that all operations performed after due entry of the Identification Key at any time until such moment as O2 is notified of any possible loss, theft, divulgence or misuse of the Identification Key, shall be deemed legal acts obliging the Authorised Subscriber.
- 9.4 The rights and obligations of O2 and the Subscriber pursuant to para. 2.3. shall be applied appropriately in relation to data, which the Subscriber states in the application for change to the Contract.
- 9.5 The Subscriber is obliged to always submit their request for change pursuant to para. 9.1 letter a) without unnecessary delay after change occurs to the identification data, which the Subscriber communicated to O2 (e.g. change to their trading name or name, legal form, registered office address, residency address or place of business, Company ID number and Tax ID number for the Subscriber).
- 9.6 Unless the Subscriber explicitly states that change pursuant to para. 9.1 letter b) should relate to a specific Service, it shall apply that they are requesting change in relation to Services for which this is technically and operationally possible. If a specific Service or several Services are stated in the request, it shall be understood that the Subscriber is requesting change to settings or cancellation only in relation to these Services. In case of any doubt, O2 shall be entitled to request specification of the Subscriber's request, especially if it is not clear, which Services the request relates to. In such a case, deadlines for handling requests do not begin until delivery of specification.
- 9.7 If the Subscriber requests establishment of Services, paragraphs 2.6 and 2.7 and 2.9. shall be applied appropriately.
- 9.8 The Operating Conditions may determine restrictions of other requirements for implementation of changes to Service settings; e.g. change to Service settings consisting of change to the tariff chosen by the Subscriber or change to the pricing plan in general, this being in general permitted only once during the billing period in question.

- 9.9 The Subscriber may, with the exception of cases as regulated for in art. 13, submit a request for cancellation of Services in any of the following cases:
- 9.9.1 if O2 has fundamentally changed the GC, Operating Conditions, Price List or Claim Regulations, which apply for the Service in question and if this change fundamentally worsens the legal standing of the Subscriber. In such a case, the Subscriber is entitled to request cancellation of the Service without sanctions the moment the change in question comes into effect and the Contract shall be cancelled on the date of delivery of the request to O2, or
 - 9.9.2 if O2 introduces additional measures for protection of the Network pursuant to para. 3.2. letter f). The Service shall be cancelled on the last calendar day of the pertinent billing period in which the request was delivered to O2, whereas the Subscriber is obliged to submit this request no later than 15 calendar days from introduction of such additional measures for protection of the Network, or
 - 9.9.3 if a third party submits a Proposal to O2 or request for establishment of Services (Specifications) with the consent of the Subscriber, relating to the same telephone number. Cancellation shall become effective as of the date when, in terms of art. 2, the Proposal or the request for establishment of Services by such third party is approved. In such a case, O2 must receive such request from the third party on establishment of Services and the request from the Subscriber on cancellation of Services at the same time, or
 - 9.9.4 if the Subscriber submits an order for transfer of a telephone number with another operator on which they are provided with Services, or if they submit an order for transfer of Services. Requests for cancellation of Services, which in this case must include identification of the order, must be submitted to Telefónica O2 Czech Republic, a.s., P.O. BOX 90, 130 11 Prague 3 or an O2 authorised sales outlet. The Service shall be cancelled as of the date of transfer of the telephone number or transfer of the service on the basis of the above-mentioned order. The transfer of the telephone number
in the (a) mobile network will result in the cancellation of all Services installed on the given number or (b) in the cancellation of voice service in the fixed network. The rest of the Services installed on the same number will be preserved and continued through a new telephone number unless explicitly requested by the Subscriber to be cancelled in accordance with Article 9.9.5
or
 - 9.9.5 without stating their reasons; in such a case, the Service shall be cancelled on expiry of a deadline of one month, which begins on the first day of the calendar month following delivery of the request for cancellation of O2 Services, unless determined otherwise in the Operating Conditions.
- 9.10 The Operating Conditions may determine special requirements for requests for establishment, change to settings or cancellation of individual Services. Unless stated otherwise for specific Services in the Operating Conditions, O2 shall approve or reject a request for change within 5 working days of its delivery to O2. Implementation of the requested changes shall be understood to mean approval. A request for change will be approved if the Subscriber meets the conditions subject to which such change is made. A request for cancellation of a Service shall also be regarded as having been approved if O2 has not sent notification of rejection of this to the Subscriber within 20 working days. A request for change becomes part of the Contract at the moment of approval.
- 9.11 O2 is entitled to subject performance of changes to the Contract pursuant to para. 9.1 letter b) to the condition of provision or increase in the level of security or deposit, settlement of all O2 debts owed by the Subscriber or both of these conditions at the same time. O2 is entitled to restrict the number of changes to the Contract if restriction or interruption of Service provision pursuant to art. 8 occurred, as well as during the course of a contractual notice period.
- 9.12 O2 may, as it sees fit, waive the requirement for request for change to the Contract being made in writing pursuant to para. 9.1 letter b). In such a case, change to the Contract shall be made on the basis of identification of the Subscriber using their Identification Key or in another manner as determined by O2. It is possible to request cancellation of Services by telephone without an Identification Key via the designated O2 hotline. In the event of a telephone request for cancellation of a Service, the Subscriber must unambiguously identify himself/herself by stating the unique alphanumeric code, which O2 sends to the Subscriber for this purpose at the Subscriber's request

to their residency address or registered office. The Service shall be cancelled within the deadline as set out in para 9.9.5 following the communication of the alphanumeric code to the Subscriber.

- 9.13 Termination of the Contract shall result in cancellation of all Services provided on its basis. Cancellation of individual Services or all Services established on the basis of the Contract does not however constitute termination of the Contract.
- 9.14 Cancellation of Services occurs on the part of O2 on the basis of notification of cancellation of Services, to which the provisions of art. 10 with regards to notice shall appropriately be applied. Apart from the reasons as set out pursuant to art. 10, O2 shall also be entitled to cancel a Service if further provision of the Service in question cannot be justifiably requested from O2 due to technical, operation or economic reasons.

10. Termination of a Subscriber Contract

- 10.1 The Contract may be terminated on the basis of notice being given or agreement between the Contracting parties.
- 10.2 The fact that the Contract has been terminated does not exonerate the Subscriber from their obligation to pay O2 the price for Services provided, including punitive interest and contractual penalties, or their liability for any possible damage.
- 10.3 With the exception of cases as set out pursuant to art. 13, the Subscriber is entitled to terminate a Contract concluded for an indefinite period even without stating their reasons.
- 10.4 O2 is entitled to give notice from the Contract in the following cases:
 - 10.4.1 The Subscriber intentionally stated false personal or identification data or systematically made late payments or systematically failed to make payments for Services as stated in their bills; notice from the Contract is only possible after demonstrable warning having been provided to the Subscriber. Systematic late payment shall be understood to mean payment of at least two consecutive bills after their due date. Systematic failure to make payments shall be understood to mean the existence of at least three outstanding bills.
 - 10.4.2 The Subscriber has entered into liquidation, if sequestration was commenced for the Subscriber, insolvency proceedings were commenced with the subscriber, if proposal for commencement of insolvency proceedings was rejected due to lack of assets or due to violation of obligations in terms of § 122 para. 2 of the Insolvency Act during a period set by the court as moratorium or if enforcement of a judgement (execution) was commenced with the Applicant by sale of the business. In these cases, O2 is entitled together with sending of notice from the Contract, to also discontinue provision of Services even without prior warning.
 - 10.4.3 For reasons as set out in para. 8.1 letter d) and in para. 8.2.
- 10.5 If the Subscriber settles all outstanding amounts by the date as stated together with the notice, the validity of the notice by O2 shall expire and provision of Services shall be automatically renewed.
- 10.6 The Contract shall be terminated after expiry of the notice period lasting 1 month, which begins:
 - a) from the first day of the calendar month following delivery of the notice to O2 in the event of notice given by the Subscriber, or.
 - b) from the date notice is sent to the Subscriber in the event of notice given by O2.
- 10.7 Notice must always be made to O2 in writing.
- 10.8 The Contract shall also be automatically terminated in the event that more than 12 months has passed from cancellation of the last of the Services established on the basis of the Contract.

11. Liability for damage and compensation for damage

- 11.1 O2 is not obliged to pay the Subscriber or the User compensation for actual damage or loss of profit, which is created as a result of:

- a) restriction, interruption, non-provision or defective provision of Services,
- b) exceeding capacity limits, defects, repairs or maintenance to the Network or its parts, or as the case may be, the nature of technology used,
- c) changes to the Contract in a manner other than in writing,
- d) loss, theft, divulgence or misuse of access codes, Identification Keys, PIN, PUK and all other codes, which the Subscriber is obliged to protect against loss, theft, divulgence and misuse (hereinafter referred to only as "Codes"),

11.2 In other cases not mentioned in para. 11.1, O2 shall be held liable for damage to the level of three times the average monthly Service payments in each individual case.

11.3 The Subscriber shall be held liable for damage, which is created to O2 as a result of:

- a) violation of the provisions of the Contract, GC, Operating Conditions or obligations as set out in the Price List or Claim Regulations or violation of a valid legal regulation by the Subscriber and also the user (third party) unless the Subscriber proves otherwise,
- b) use of telecommunication terminals, which interfere with operation of the Network,
- c) unauthorised interference with a Network terminal, SIM card, telecommunication terminal or other equipment,
- d) use of telecommunication terminals or other equipment, which is not intended for operation in the Czech Republic or which does not meet the technical requirements determined by the special legal regulation,
- e) damage to the Network or equipment, including damage created in relation to this by a third party.

11.4 The Subscriber shall be held liable for misuse of Services, SIM cards, Codes or telecommunication terminals, as well as for overwriting IMEI codes on terminals and for damage to terminals and for damage caused through this to O2. The Subscriber is obliged in such a case to pay the price for Services provided until such time as O2 receives notification from the Subscriber on misuse or theft of a SIM card, misuse of a Code or misuse or theft of a terminal or other equipment.

11.5 O2 shall not be held liable for the content of messages transmitted.

12. Legislation and court competence

12.1 The Contract and all contractual relations established on the basis of the Contract and GC shall be governed by the legislation of the Czech Republic. The Parties have agreed that contractual relations created on the basis of the Contract and GC shall be governed by Act no. 513/1991 Coll., Commercial Code, as amended.

12.2 In disputes between O2 and the Subscriber or the User, resulting from contractual relations regulated for by these GC or on their basis, the CTO is competent to pass judgement. Courts shall be competent to pass judgement on matters in cases and subject to conditions as set out by law. The court, which is competent for judicial proceedings held against a foreign party, is always the court in the Czech Republic, which is locally pertinent for the registered office of O2. The previous sentence shall apply accordingly with regards to the competence and pertinence of the CTO. The supervisory body for payment services pursuant to article 15 of the GC and Act No 284/2009 Coll. is the Czech National Bank, having its registered office at the address Senovážná 3, 115 03 Prague 1 (www.cnb.cz).

13. Special Offers by O2

13.1 If the Subscriber meets the set conditions and requests establishment of Services or change to Service settings subject to conditions of any special offers as set out in the Price List or Operating Conditions for the Service in question (hereinafter referred to only as "Special Offer"), the conditions of such Special Offer and the conditions as set out in this article shall apply to the Subscriber. The period of duration of the Special Offer, over which these conditions apply to the Subscriber, shall commence on the date of establishment of the Service or effectiveness of the pertinent change in Service settings and end on expiry of the period as stated in the Price List, other O2 price list, the

Special Offer or in the Contract (hereinafter referred to only as “Period of Duration of the Special Offer”). The Subscriber is obliged to duly use Services for the whole Period of Duration of the Special Offer.

- 13.2 By using a Special Offer, the Subscriber can gain goods or Services for a discount price, or other benefits as set out in the Special Offer. Individual Special Offers of the same type or or different types cannot be mutually combined unless determined otherwise by O2.
- 13.3 Establishment of a Service or activation of equipment requested by the Subscriber in terms of a Special Offer occurs by the deadline as set out in the Operating Conditions or in the Price List, otherwise within 10 days of submission of the request.
- 13.4 If the Subscriber uses a Special Offer and at the same time makes a commitment to ensure minimum fulfilment in terms of this, the Subscriber shall be obliged to at least pay a monthly amount for O2 Services corresponding to the level of the agreed minimum fulfilment for the period as set out in the Special Offer. Amounts billed for Payment transactions are not included in the level of minimum fulfilment. If over the course of the period as set out in the Special Offer the Subscriber uses a lower value of services that the level of minimum fulfilment in any of the billing periods for O2 services, O2 shall be entitled to bill the Subscriber an additional fee at the level of the difference between the amount billed for actually provided Services and the level as agreed for minimum fulfilment and the Subscriber shall be obliged to pay this.
- 13.5 For the period duration of the Special Offer, the Subscriber shall not be entitled to cancel a Service if the period for cancelation of the Service were to end on the day preceding the last day of the Period of Duration of the Special Offer. Request for cancellation of Services and notice from the Contract submitted by the Subscriber at variance with the previous sentence shall be deemed invalid. Before expiry of the Liability Period from the Special Offer, O2 may only agree to request by the Subscriber for termination of the Special Offer subject to the condition that the Subscriber provides a flat fee compensation at the latest by the moment of delivery of the request for termination of the Special Offer for termination of this Special Offer before expiry of the Period of Duration of the Special Offer at the level as set out in the Special Offer, in the Price List or in the Specifications and also that the Subscriber is not in delay with payment of any due billing for Services provided. From the moment of any approval of the request for termination of the Special Offer by O2, the Subscriber shall be entitled to cancel the Service using the procedure as set out pursuant to art. 9, until use of another Special Offer for the same Service.
- 13.6 During the Period of Liability from the Special offer, request may only be made for interruption of Service provision:
 - a) by the Subscriber over the duration of guarantee repair of a mobile telephone or other equipment gained in terms of the Special Offer, from the period of acceptance of such equipment for repair until the date when repair should be performed, unless they agree otherwise with O2.
 - b) by the Subscriber if theft or loss of a SIM card or mobile telephone or other equipment gained in terms of a Special Offer occurs, for a maximum period of 14 days. Before this period expires, the Subscriber shall be obliged to request renewal of Service provision and to pay the charge for renewal as set out in the Price List.
 - c) by a person as determined pursuant to para. 8.3 for the period until completion of inheritance proceedings.
- 13.7 If the Subscriber violates their obligations resulting from the Contract and the GC over the Period of Duration of the Special Offer, i.e. especially if they are in delay with payment for billing for a period in excess of 65 days, O2 shall be entitled to demand payment of a contractual penalty and the Subscriber shall be obliged to pay this as set out in the Special Offer, in the Price List or in the Specifications. The amount paid by the Subscriber as a contractual penalty pursuant to this paragraph from each Special Offer used shall not exceed the amount as determined in the conditions or price list for the Special Offer in question. Obligation to pay a contractual penalty is created through violation of obligation and the Subscriber shall be obliged to pay such a penalty no later than the deadline as stated in the call to do so issued by O2. Payment of such a contractual penalty shall not

affect the right of O2 to demand compensation for damage created in relation to violation of obligation on the part of the Subscriber.

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14. Pre-paid Services in the Mobile network

- 14.1 A Pre-paid Service is understood to mean a Service provided only up to the limit of the value (hereinafter referred to only as "Credit") pre-paid for the Service in question by the Subscriber. The Subscriber and O2 acknowledge that opening the envelope of a SIM card pack allowing for use of pre-payment of Services, sending of access codes via the O2 Website or other manner as determined for a specific Pre-paid Service, at the latest however at the moment of first registration of a SIM card in the Mobile Network, shall constitute a duly concluded Contract. From that moment on, the Subscriber undertakes to adhere to the GC, Operating Conditions of O2 and the instruction manual for use of a SIM card, mobile telephone or other equipment allowing for pre-payment of Services. The GC, Operating Conditions and current Price List constitute an integral part of the Contract.
- 14.2 The provisions of art. 14 shall be used exclusively for Pre-paid Services in the Mobile network in that for the purposes of Pre-paid Services, a User shall also be regarded as a Subscriber. The other provisions of the GC shall also be applied appropriately to Pre-paid Services with the exception of articles 2, 9, 10 and 13, as well as paragraphs 5.4 to 5.17 inclusive. If the other provisions of the GC regulate an obligation to pay O2 for prices and other amounts or as the case may be, return of such amounts to the Subscriber, this shall mean decrease or increase (topping up) of Credit in relation to Pre-paid Services.
- 14.3 In the case of Pre-paid Services, the Contract is concluded for a definite period, for 12 months. If the Subscriber tops up Credit within 12 months of conclusion of the Contract, the Contract shall be extended by a further 12 months from the date of topping up of Credit. After every subsequent topping up of Credit over the period of duration of the Contract, the Contract shall always be extended by 12 months from the date of the last topping up of Credit. The period of validity of the Contract and the conditions for its extension may be determined differently in the Operating Conditions or in the Price List. On termination of the Contract, the remaining Credit shall be forfeit and O2 shall not pay out any compensation whatsoever for unused Credit nor will O2 transfer its value to another SIM card.
- 14.4 The period of validity of Credit is 1 month from first registration of a SIM card with Pre-paid Credit in the Network or as the case may be, increase (topping up) of Credit in a manner as determined by O2, unless a longer period is determined in the current Price List, in the pack containing the SIM card or in the Operating Conditions for the pertinent value of Credit. If over the duration of validity of the Credit, the Subscriber further tops up their Credit, the validity of the Credit shall be extended by the period as set out in the current Price List, in the pack containing the SIM card or in the Operating Conditions according to the pertinent value of Credit topped up, at least however by 1 month again. The Subscriber is obliged to use the Credit over the course of the set period of validity. On expiry of this period, the remaining Credit shall be regarded as having been used and O2 shall not pay out any compensation whatsoever in such a case.
- 14.5 O2 is entitled without prior warning, to interrupt provision of Pre-paid Services if Credit is completely used up, even during a call, sending of a message, use of data connection or use of other Services. Information about the current level of Credit shown on the Subscriber's equipment is for reference only. In the event of any doubt as to the level of Credit, the information in the O2 billing system is decisive.
- 14.6 O2 is entitled to decrease Credit at a level corresponding to the price for the Service provided as set out in the Price List valid at the time when the Service was used by the Subscriber. If the current level of Credit is not sufficient to cover payment for Services provided and the Subscriber fails to top up their Credit without unnecessary delay to the required level, O2 shall be entitled to payment of the price for Services provided. With a view to the specific nature of payment of prices for Pre-paid Services provided, O2 shall not draw up regular or one-off bills for the Subscriber. A tax document will only be drawn up for the Subscriber when purchasing Credit directly from O2 if the Subscriber so requests.
- 14.7 The Subscriber is only entitled to give notice from the Contract before expiry of the deadlines as set out pursuant to art. 14.3 in relation to transfer of their number by means of the procedure as set out pursuant to para. 14.8.

- 14.8 For fulfilment of obligation pursuant to art. 11 para. 4 measure of a general nature no. OOP/10/07.2005-3, it is necessary to send an SMS message from the telephone number, via which Pre-paid Services are provided to 999 111 in the format: "PRENOS XXXXXXXXXXXX P P P P P P P P", where X is the identification number of the order for transfer of the number and P is the PUK, or to communicate the same information from this number via the voice response system (IVR) available on *33. In such a case, the Pre-paid service shall be cancelled on the date of transfer of the number in question on the basis of the above-mentioned order for transfer of the number, unless agreed otherwise.
- 14.9 If the Subscriber violates the provisions of the GC, Operating Conditions or Price List or fails to top up their Credit before expiry of the above-mentioned period, O2 may interrupt, restrict or as the case may be, terminate provision of Pre-paid Services for them. Termination of provision of Pre-paid Services also constitutes termination of the Contract. In the event of incorrect entry of the PUK code, it shall apply that the Subscriber has withdrawn from the Contract, effective immediately.
- 14.10 Claims for manufacturing defects to SIM cards may be made by the Subscriber in O2 authorised sales outlets.

15. Payment Transactions

- 15.1 In addition to the use of electronic communication services, the Subscriber is authorised to issue orders via the Network and technically compliant end equipment (electronic communication equipment) for the performance of the Payment Transactions described in para. 15.2.
- 15.2 The Subscriber can issue an order for the transfer of funds and via his electronic communication equipment pay the price for the goods or services provided by other persons (Partners). During Payment Transactions O2 acts as the broker of the payment between the Subscriber and the Partner. The order must be issued precisely in compliance with the instructions and orders given in the offer of the Partner. An order for the transfer of funds may be made by the following methods:
- a) by calling a telephone number with a special prefix (so-called audiotex) for a certain time,
 - b) by sending an SMS or MMS with designated chain of characters to a special number (so-called Premium SMS or Premium MMS),
 - c) by means of data connection for a certain time via a dial-up connection in the Fixed Network to a number with special prefix (so-called Datarif),
 - d) by confirmation of the order on a certain link on the internet or wap page designated by the Partner .

The amount which should be paid via the electronic communication equipment is calculated according to the length of the call on the audiotext line or according to the number of sent Premium SMS or Premium MMS, or it is designated by the link on the internet or wap page. Further information and binding parameters of the Payment Transactions are given in the Pricelist. A Subscriber cannot cancel a payment order or his consent with a Payment Transaction.

- 15.3 Pursuant to para. 15.2 a Subscriber can use Payment Transactions to pay for goods and services which are:
- a) provided or delivered by post or courier, received in person in a place of business, issued by electronic equipment or otherwise, or supplied via electronic communication equipment of the Subscriber, but used in another manner (for example, SMS travel tickets, electronic entry tickets);
 - b) supplied to the electronic communication equipment and which are used directly by the electronic communication equipment.
- 15.4 Every Subscriber who requests the establishment of a Service where O2 in the Operational Conditions and Pricelist designates the possibility of performing Payment Transactions also concludes a contract for payment transactions and payment services ("Payment Contract") on the basis of which it is authorised to issue orders for the performance of Payment Transactions pursuant to para. 15.2. The conditions of the Payment Contract are derived in particular from this article 15, and the other provisions of these GC apply to the further duties of the parties. The payment contract for each Service terminates at the latest with the end of the provision of the given Service. The Subscriber is authorised to request the ending of any Payment Contract even during the validity of the Subscriber Contract. The subscriber loses the possibility of performing acts pursuant to para.

15.2 within 1 month at the latest from the delivery of the request. After the end of the Payment Contract, O2 will not be able to accept requests of the Subscriber for the performance of the payment transactions.

- 15.5 In the case of the theft or loss of electronic communication equipment, the Subscriber shall have a duty to report this fact to O2 without delay. The notification can be made free of charge by notification on a telephone line or by written announcement, and on the basis of this announcement, the performance of Payment Transactions or provision of Services will be blocked. The subscriber shall be liable for all Payment Transactions up to the moment of announcement in a manner corresponding to the conditions pursuant to para. 11.4. A breach of this duty by the Subscriber shall be considered a gross breach of the Payment Contract from the part of the Subscriber.
- 15.6 O2 is authorised to designate the financial limits for the day and for the billing period. If the Subscriber reaches the financial limit designated for the given type of Payment Transaction pursuant to para. 15.3, before the performance of a further transaction O2 shall be authorised to require the payment of surety (or an advance) for paying for the liabilities of the Subscriber arising in connection with the Payment Contract. In the case of the exceeding of the financial limit or non-payment of the surety by the Subscriber, O2 is authorised to refuse the performance of the transaction. The Financial limits and surety are dealt with in the Pricelist. O2 is also authorised to designate the limits for one transaction or expenditure limit.
- 15.7 O2 will inform the Subscriber of the performed Payment Transactions in a separate part of the billing pursuant to article 5 of these GC for the next possible billing period after the making of the Payment Transaction. This information is made accessible to the Subscribers using Prepaid Services at the Branded Stores upon request. A person making a request must prove that he is the authorised Subscriber for the submitted SIM card for which he requests information.
- 15.8 The Subscriber is obliged to lodge any complaint against the performance of a Payment Transaction (i.e., that in the sense of para. 15.2 the call was not made, the SMS was not sent, the billed length or number of calls/units does not correspond with the traffic data of the exchange etc.) without undue delay, but at the latest 2 months from the date of delivery of the billing (para. 5.4.4) in writing to the address given in the Complaint Rules. The provisions of para. 17.7 apply to Payment Transactions *mutatis mutandis*. After the expiry of the period, it shall be assumed that the Payment Transaction was made with the parameters specified in the billing. For Prepaid Services the periods begin from the moment of the issue of an order for a Payment Transaction.
- 15.9 The Subscriber is obliged to pay the amount due to O2 on the basis of the Subscriber's order for the performance of a Payment Transaction along with the price for the Service within the maturity period of the billing. The Subscriber is also obliged to pay O2 the fees for the performance of the Payment Transactions at a price pursuant to the Pricelist. A Subscriber who has asked for the performance of a Payment Transaction agrees in particular with the application of para. 5.4, 5.5, 5.13 and 5.14 of these GC. Subscribers utilising prepaid services agree with the reduction in Credit by the amount of the Payment Transaction. The submission of a claim pursuant to para. 15.8 has no delaying effect.
- 15.10 O2 bears no liability for faults of goods or services paid for by means of Payment Transactions. The Subscriber is authorised to assert claims from such faults, from the non-provision of services duly and on time or the non-delivery of goods only directly with the relevant Partner.

16. Delivery of messages

- 16.1 The Subscriber acknowledges that O2 is entitled to send all messages, requests, warnings, reminders and other documents (hereinafter referred to only as "messages") to the Subscriber's address, Invoicing address and/or telephone number. Messages delivered to the other Contracting party by fax or e-mail shall also be regarded as written acts, with the exception of Proposals, notice from a Contract, requests for cancellation of Services, Special Offers and claims, which shall not be regarded as having been sent in writing if sent by fax or e-mail. O2 is also entitled to send messages via voice calls or SMS or MMS.
- 16.2 For the purposes of these GC, a message shall be regarded as having been delivered if:
- a) handed over and accepted by the other Contracting party in person.

- b) delivered by a party, which provides postal or courier services, to the address stated by the Subscriber. Messages, acceptance of which was refused by the recipient or which were not collected by the recipient over the period of their storage shall also be regarded as having been delivered even if the recipient did not learn of their having been stored or if returned to O2 as undeliverable.
 - c) delivered in electronic format by e-mail, SMS, MMS, telegram or fax or entered into the O2 information system (Electronic account) for the purpose of providing access to Subscribers. Delivery of messages in the case of SMS or MMS shall be regarded as successful on provision of confirmation by the exchange that the message was sent to the telephone number.
 - d) in the event of a voice call, messages shall be regarded as having been delivered if the call is connected, if a message is recorded in the Subscriber's voice mail box operated by O2 or after three failed attempts to connect the call, whereas the interval between individual calls may not be shorter than six hours. Repeated calls do not have to be made to numbers which disable making of calls due to service fraud
 - e) if delivered in another manner as determined in the pertinent provisions of these GC.
- 16.3 Messages delivered from O2 pursuant to para. 16.2 letter b) are usually posted as regular letters. Especially messages relating to conclusion of a Contract, rejection of a Proposal for conclusion of a Contract, warnings relating to violation of contractual conditions, notice from a Contract or withdrawal from a Contract may be posted as recommended letters.
- 16.4 Confirmation of voice calls, sending of SMS, MMS, sending of faxes or e-mails or collection of messages by the Subscriber (Electronic account) is recorded in the O2 system. If messages are sent by e-mail, this occurs exclusively subject to request by the Subscriber, who thereby provides their consent to sending of e-mails without protection.

17. Joint, transitional and closing provisions

- 17.1 These GC fully replace the General conditions for provision of electronic communication services using the mobile networks of Telefónica O2 Czech Republic, a.s. and the General conditions for provision of publically available services, including convergent electronic communication services via the fixed networks of Telefónica O2 Czech Republic, a.s., issued in accordance with § 273 para. 1 Act no. 513/1991 Coll.
- 17.2 All legal relations in the field of provision of Services created between O2 and the Subscriber before these GC come into effect remain valid, shall be regarded in total as a Contract in terms of art. 2 and shall be governed by these GC. Individual contractual relations shall be regarded as Services established pursuant to art. 2 on the basis of the Contract. Settings of Services do not automatically change thereby. O2 is entitled to request supplementation or evidence of data from the Subscriber to sufficiently identify them. General contracts, pricing plans and similar documents used to regulate the conditions for provision of Services shall also be regarded as part of the Contract.
- 17.3 For a temporary period, starting with the effectiveness of these GC, contractual relations may also be conclude for operational and technical reasons on the part of O2 on the basis of printed forms used until these GC come into effect. Such printed forms shall be regarded as form pursuant to these GC. Contractual relations concluded with the aid of earlier printed forms shall be governed by these GC and the pertinent Operating Conditions and Price lists, in that they shall be regarded as a Contract or as the case may be, relations relating to establishment of Services regulated for in these GC.
- 17.4 If O2 and the Subscriber have concluded more than one Contract (this does not relate to Contracts pursuant to art. 14), each subsequent Contract shall be regarded as change to the Contracts already concluded pursuant to art. 9.
- 17.5 The provisions of the GC, the nature of which so determines, shall also apply after the Contract has ended until complete settlement of all rights and entitlements resulting from the Contract.
- 17.6 O2 is entitled to change, supplement and cancel the GC, Operating Conditions, Price Lists and Claim Regulations on change to technical, operational, commercial or organisational conditions on the part of O2 or the market for provision of electronic communication services or due to change to generally binding legal regulations. O2 is obliged to inform the Subscriber of such changes in an appropriate manner before such changes come into effect. Publication of changes at Contact Points and on the Website are especially regarded as an appropriate manner. If this concerns fundamental change, which represents deterioration of contractual conditions for the Subscriber, O2 shall be obliged at its

own costs and at least one month before such fundamental changes come into effect, to inform the Subscriber in the appropriate manner about such change and at the same time, to inform the Subscriber of their right to cancel the Service in question if they do not accept the new conditions. Provision of information via information included in billing or other direct mail messages is especially regarded as an appropriate manner, as is provision of information by voice calls or SMS and provision of information made using mass media together with simultaneous publication of changes at Contact Points and on the Internet.

- 17.7 In the event of any doubt as to whether a service was provided or whether an act (call, sending of electronic or fax messages, collection of reading of the item in question in the O2 system, reports, requests, reminders etc.) was performed, the printout from the exchange's operation or from the O2 system or that of the pertinent roaming operator shall be decisive.
- 17.8 The GC, Operating Conditions, Price Lists, Claim Regulations and any other possible documents, which are appendices and parts of these documents, shall constitute an integral part to the Contract. These documents and any possible changes to them are available at Contact Points and on the Website. The Subscriber can also gain information using the free phone number 800 02 02 02. The GC may be handed over to the Subscriber free of charge on request.
- 17.9 If any Contract forms, GC, Operating Conditions, Claim Regulations, Specifications and Price Lists were to come into mutual conflict, the following order of obligatory force shall apply:
- a) Price Lists
 - b) Operating Conditions
 - c) Claim Regulations
 - d) Contract form
 - e) Specifications
 - f) GC
- 17.10 The Czech text of the GC is binding. Any possible translations into other languages are only of an informational nature.
- 17.11 These GC come into effect on 1.11.2010.

In Prague, date 18 October 2010

On behalf of Telefónica O2 Czech Republic, a.s.:

Luis Malvido
Chief Executive Officer