

Rules for Complaints Concerning the Provision of Publicly Available Electronic Communications Service

The company GTS NOVERA a. s., pursuant to the provisions of The Electronic Communications Act, No. 127/2005 Coll., as later amended, of the Civil Code, i.e., Act No. 40/1964 Coll., as later amended, of the Commercial Code, i.e., Act No. 513/1991 Coll., as later amended, and of the Consumer Protection Act, No. 634/1992 Coll., as later amended, issues this Rules for Complaints Concerning the Provision of Publicly Available Electronic Communications Services.

1. Introductory Provisions

The Rules for Complaints Concerning the Provision of Publicly Available Electronic Communications Services (hereinafter the "Rules for Complaints") sets out the scope of responsibilities of the GTS NOVERA a.s. (hereinafter the "Provider") for defects in the provision of the publicly available Services of electronic communications and related communication activities. They simultaneously provide for basic principles concerning the exercise of the rights and obligations of the individuals and legal entities to whom/which the Services are provided, or who/which use such Services in other ways, related to the Provider's liability for defects. The principles concerning complaints are also provided for in the General Terms and Conditions for the Provision of Publicly Available Electronic Communications Services, issued by the Provider.

2. Term Definitions

In addition to the terms defined in the provisions of Section 2 of the Electronic Communications Act, No. 127/2005 Coll., the following terms shall have in the present Rules for Complaints the meanings ascribed to them below:

Call fee – financial expression of the number of tariff impulses indicated on the counter of the relevant telephone station, or subsequently derived from detailed records of connected calls.

Subscriber's main telephone station – a set of technical and operational equipment that enables the Subscriber to use the publicly available telephone Services.

Endpoint of the public telephone network (hereinafter the "Endpoint") – the physical point at which the Subscriber is provided with access to the public communications network; in networks with commuting or routing, this point is determined with the aid of a specific network address, which may be connected with the Subscriber's number or name.

End electronic communication equipment - equipment connected to the endpoint of the network, which is designed for reception, transmission, processing and storage of information in relation to the use of the respective communication Service.

Contact points – the Provider's points for contacts with the public. An updated list of contact points and subsidiaries is published online: www.gtsnovera.cz.

Business Notification – a document sent to the Czech Telecommunication Office (hereinafter the "CTO"), Service of which upon the CTO authorises the he Provider to business activities in electronic communications.

Objection – a submission filed by the Subscriber – and in justified instances the Service User – with the CTO, in which there is a disagreement with the Provider's settlement of a complaint.

Connection Line – a line (usually a metallic cable) from the Provider's local telephone exchange to an Endpoint of the public telephone network for setup of a Subscriber main station.

Complaint – the Customer's exercise of the rights ensuing from the Provider's liability for defects occurring during the provision of communication-Service activities. It may dispute a rendered publicly available Service of electronic communications and/or invoicing of the rendered activities.

Concentrator – equipment used for the transmission of several telephone calls via a single transmission link.

Contract for the provision of publicly available electronic communications Service, or a binding order of Contract for the provision of publicly available electronic communications Service – the Provider's form for ordering a setup of the main Subscriber station, or the electronic-communication Service, and entering into a contract.

Tariff impulse – electrically or electronically indicated status used as the base unit of measuring charges for connected telephone calls. A tariff impulse is indicated by technical equipment on the automatic telephone exchange, or is subsequently derived from detailed records of connected calls.

Services of electronic communications (hereinafter the "Services") – Services the provision of which relies, completely or partly, on transmission of signals in electronic-communication networks.

Additional public telephone Services – part of the publicly available telephone Services that increases the utility value of the telephone Services for the User.

Telephone exchange – electronic communication equipment for interconnecting endpoints of a public communication network in order to provide publicly available telephone Services, or other Services that make use of the public telephone network as their technical environment.

Telecommunication performance (hereinafter "performance") – electronic communication Services, setup, modifications, renewal, maintenance and operation of electronic communication equipment.

Subscriber – any party that has entered into a contract with the Provider.

User – any party that utilises, or requests to utilise, a publicly available Service of electronic communications.

Defective performance – performance provided by the Provider as the final supplier, for which – depending on the circumstances – the quantity, extent, price or quality does not correspond to the contracted conditions; or, as the case may be, to the technical or pricing conditions as stipulated by law, specifically the Electronic Communications Act, No. 127/2005 Coll.

Subsidiary telephone station – electronic communication end equipment connected to a main telephone station.

Customer – an individual or legal entity that is a Subscriber, User of Services, or requests the provision of electronic communication Services.

Defect in electronic communication equipment – a condition which makes it impossible to use the electronic communication equipment or Service in the normal manner or causes incorrect tariff calculation for calls.

3. Extent of Provider's Liability

The Provider is liable towards the Customer for the rendered Service of electronic communications (quantity, scope and quality thereof), and the charged fee if:

- The contracted activities have not been provided in the agreed-upon quantity, extent, price or quality;
- The Service was not provided in the quality stipulated by relevant regulations and the contractual terms and conditions.

The terms and conditions for the provision of activities are implied by the contract entered into, and by the General Terms and Conditions for the Provision of Publicly Available Electronic Communications Services, issued by the Provider. The Provider's liability for defects of Services rendered by the Provider means that the Provider is obliged to promptly find the defect and arrange for remedy thereof; and, if agreed with the Subscriber or User and if feasible, to procure the Service provision in a substitute way. In instances specified in the "Time Limits for and Methods of Refunding Service Fee Overpayments" (cf. below), the Provider shall refund overpayments of Service fees, and adequately reduce the Service fees in instances specified in "Discounts on Electronic Communication Service Fees" (cf. below).

The Provider is not liable for damages or detriment caused to the Subscriber or User by defective performance or a failure to provide (Section 64, subs. 12 of the Electronic Communications Act, No. 127/2005 Coll., as later amended.) Neither is the Provider liable for damages or other detriment caused by the fact that the Subscriber has not, within the prescribed time limit, notified the Provider of a change of identification or other data. The Provider shall not be held liable for wrongly charged fees payable for the rendered Services and/or rendered electronic-communication services if the Subscriber has not exercised his right to claim such a fee and/or Service without undue delay, in any case no later than within two (2) months from the date on which the invoice is served and/or the defective Service is provided.

4. Right to Complain

Each Customer is entitled to put forth a complaint.

If the defect of the publicly available service of electronic communications is based on a wrongly charged Service fee, the Subscriber is entitled to complain against such a fee within two months from the date on which the respective invoice is served on the Subscriber; otherwise, this right becomes void. Filing a complaint shall not have a postponing effect on the obligation to pay the Service fees within the time limit stated on the electronic communication service invoice.

Each claim should specifically contain:

- If defective performance is concerned: person's full name of company's trade name; Subscriber's domicile, registered address, or address of place of business; number of the station (or the relevant line or leased circuit) and description of defect symptoms;
- If a wrongly charged price is claimed: person's full name of company's trade name; Subscriber's domicile, registered address, or address of place of business; number of the station (or the relevant line or leased circuit); specification of the disputed time period and items on the invoice. In such instances, the claim must be put forth in writing.

The following parties are entitled to put forth a claim:

- the Subscriber;
- a person on the Subscriber's behalf, authorised by a Power of Attorney with an officially certified signature;
- the Subscriber's entitled heir or legal successor.

All negotiations and correspondence concerning a claim take place exclusively with the Subscriber of the telephone station or leased circuit, or with a person authorised in writing, or – in exceptional instances – with another entitled person (heirs, legal successors). With respect to other activities provided on a contractual basis, a claim may only be put forth by a person who entered into the contract with the Provider, or by a person whom s/he has authorised or entitled to do so.

Procedures for reporting and remedy of defects with respect to the performance of the publicly available services of electronic communications by the Provider on the basis of participation, i.e., technical or operational defects of the public communication network inclusive of the endpoints, are not subject to procedures prescribed for claims under these Rules for Complaints. Such defects are to be reported to the relevant defect-reporting point without undue delay. The time of defect remedy, i.e., from the moment of reporting until the endpoint is put into operation, shall not, as far as technically feasible, be longer than the time limit stipulated by the General Terms and Conditions for Provision of Publicly Available Electronic Communications Services issued by the Provider, except for instances in which the defect was caused by circumstances excluding the Provider's liability (in the sense of the provisions of Section 374 of the Commercial Code, i.e., Act No. 513/1991 Coll., as later amended). The Subscriber's rights for remedy of the defects, or, if agreed with the Subscriber, for a substitute provision of the Services, refund of overpayment of Service fees charged, and discount on Service fees (cf. below) shall remain unaffected.

These Rules for Complaints shall further be not applicable to goods sold simultaneously with the provision of electronic-communication services (the so-called

“packages”) for which the Customer gets a guarantee certificate when purchasing them.

5. Method, Place and Time Limit for Claim Settlement

A claim against fees charged for Services rendered by the Provider shall be in writing (by e-mail, fax or letter) submitted to the Provider’s contact point without undue delay.

Claims with respect to other activities provided on a contractual basis shall be put forth by a method agreed upon in the contract, or in writing, or in person at a contact point.

If a defect has not been remedied or has been remedied defectively, for Services rendered by the Provider on the basis of participation, i.e., technical or operational defects of the public communication network, or endpoint or related equipment leased from the Provider, claims are usually submitted to the defect-reporting points by phone, or to a contact point in writing, or in person.

If a claim is put forth in person and cannot be settled immediately, a written report of the claim shall be executed and a copy thereof shall be given to the person putting forth the claim.

If the claim is put forth by phone, the Provider shall make a record of the claim with specification of facts relevant for the subject of the claim. On request, a written confirmation of the claim may be sent to the person putting forth the claim.

A claim with respect to the provision or price of the publicly available services of electronic communications rendered by the Provider must be put forth without undue delay, in any case no later than within the time limit stipulated by the Electronic Communications Act, No. 127/2005 Coll., i.e., no later than within two (2) months from the date on which the respective event occurred (such as a defect in the Services provision); otherwise, the right to complain becomes void. The last day of this time limit is the day whose number in the respective month is the same as that on which the invoice was served (handed and taken over), or the relevant event occurred. A default on the time limit stipulated by law cannot be waived.

6. Time Limits for Claim Settlement

The Provider settles complaints against the provision and/or price of the rendered publicly available services of electronic communications within the time limits stipulated by law, i.e., without undue delay, in any case within 30 days from the date on which the claim is served on the Provider (handed and taken over); if the complaint requires negotiations with a foreign Provider, within 60 days from the date on which the claim is served upon the Provider (handed and taken over). If the complaint requires negotiations with a foreign Provider and the time necessary for the settlement is longer than 30 days due to that fact, the Provider is obliged to inform the person putting forth the claim of such extension.

7. Rights Ensuing from Recognised Claims

If the Provider recognises a claim as justified, the Provider shall:

- find and remedy defects, and potentially agree with the

Subscriber or User a substitute provision of the Services, as far as it is feasible;

- refund overpayment of Service fees already paid, cf. below;
- adequately reduce the Service fees; cf. below.

8. Time Limits for and Methods of Refunding Service Fee Overpayments

Regarding the right to be refunded overpayments of Service fees already paid:

- a) on the grounds of a break in operation of a telephone station or leased circuit caused by a technical or operational defect of the public communication network operated by the Provider;
- b) on the grounds that the Service could only have been utilised partly, or could not have been used at all due to a technical or operational defect of the Provider’s equipment, on condition that the Subscriber is not liable for the occurrence of the defect and notified the Provider of such occurrence, or the Provider learned about the defect in a different way and the Subscriber has provided necessary cooperation in the defect remedy, the Provider shall reduce the price (according to “Discounts on Electronic Communication Service Fees” herein below) and the overpayment shall be credited to the Subscriber in the following accounting period.

Overpayments of Service fees to be refunded on the basis of a recognised complaint (unless postponement of the payment is allowed, or on the basis of a legally-effective decision concerning an objection against claim settlement issued by the CTO in administrative proceedings, or on the basis of a legally-effective court decision) shall be refunded as follows:

- by credit of the overpayment amount in the following accounting period if such amount is lower than the average monthly payment in the last three months, unless otherwise agreed-upon with the Subscriber;
- in other instances, by bank transfer to a bank account specified by the Subscriber, within 30 days from the date on which the claim is recognised (i.e., the date on which notification of the complaint proceedings result is handed over or served); if the Subscriber has objected against the claim settlement, within the time limit stipulated by a legally-effective decision of the CTO or a court.

The right to be refunded the overpayments shall become void by the statute of limitations according to the relevant provisions of Sections 387 et seq. of the Commercial Code.

If the Provider fails to comply with the time limit for the fee refund, the refunded amount shall be increased by penalty interest with a rate equal to the annual amount of the repo rated set by the Czech National Bank increased by seven percentage points. In each calendar half-year in which the Provider’s delay persists the amount of punitive interest depends on the amount of the repo rate set by the Czech National Bank and is valid for the first day of the relevant calendar half-year. The punitive interest is counted for each started day of such delay.

9. Discounts on Electronic Communication Service Fees

If the operation of a telephone station or leased circuit is broken due to defects of the public communication

network operated by the Provider and the break is longer than the time limit stipulated by the contractual terms and conditions for the respective type of Services, on condition that the Subscriber is not liable for the break and the Subscriber has provided necessary cooperation in the defect remedy, the Provider shall proportionally reduce the Service fee for the use of the telephone station or leased circuit to correspond to the duration of the break. The fee reduction based on the above-mentioned defects shall also be applicable to fees for the use of other Services, if any, that are connected with the respective telephone station or leased circuit (such as additional Services etc.). For the purposes of the proportional-reduction calculation, each month is deemed to last 30 calendar days, unless the contractual terms and conditions for the respective type of Service stipulate a different method. The total duration of the break in days is counted from the date on which the Subscriber reported the defect to the Provider, or the Provider learned about the defect in a different way.

If the Service could only have been used partly, or could not have been used at all due to a technical or operational defect on the Provider's side, for which defect the Subscriber or another User is not liable, the Provider shall ensure remedy of the defect and adequately reduce the price or, on agreement with the Subscriber, ensure a substitute method of the Service provision as far as it is feasible. A prerequisite for such reduction is that the Subscriber (or another User) notifies the Provider of the defect occurrence without undue delay and provides necessary cooperation in remedy thereof. If a Service Level Agreement has been entered into to guarantee a higher quality of Services, the above-mentioned provisions shall not be applicable. In such instances, the terms and conditions for the price reduction are specified in the SLA.

10. Postponement of Payment

Putting forth a claim has no postponing effect on the obligation to pay the invoiced fees within the due date for payment shown on the invoice for the publicly available services of electronic communications, even if such fees are disputed by the claim, unless the Provider has allowed such postponement on the Subscriber's request. The Provider may allow the Subscriber to postpone the payment with respect to a complaint until the settlement thereof. Application for such postponement may only be filed with the Provider if a complaint is put forth at the same time. Such an application must be served upon a contact point in person, by e-mail or by phone, no later than within the time limit stipulated for filing a complaint. The applicant shall, within 10 days from the date on which the application is filed, be notified in writing whether the postponement is allowed or not. A default on the time limit for filing an application for payment postponement cannot be waived.

Postponement of payment may specifically be denied to the Subscriber (or the person authorised by the Subscriber), if:

- the Subscriber's claims have been rejected twice within the last 12 months and the Subscriber has not filed with the CTO an objection against such rejection;
- the Subscriber's claims have been rejected twice by a legally effective decision of the CTO or a court within the last 12 months;
- the Subscriber has not, without giving a reason, paid

fees in the amount and within the time limit specified on an invoice for Services.

If no complaint has been filed, no postponement of payment may be allowed. In instances deserving special consideration, a substitute method of payment may be agreed upon (such as a payment schedule). The Subscriber has no legal right for postponement of the payment, except for justified instances in which the CTO, on the basis of a request put forth by the Subscriber or the User, has decided that the claim has a postponing effect.

11. Complaints against Settlement

If the Provider has not recognised a claim with respect to a fee charged for the Services and activities provided, the Subscriber (or the Subscriber's authorised representative) is entitled to file with the CTO an objection against the settlement. Such objections shall be filed without undue delay, in any case no later than within 30 days from the date on which notice of the claim settlement is served. The CTO shall consider the objection in compliance with generally applicable laws and regulations of the Czech Republic. A default on the time limit for filing an objection cannot be waived. Filing an objection has no postponing effect on the obligation to pay the fees within the due date for payment shown on the invoice or in the notice of claim settlement, in the amount valid as of the date of the provision thereof.

12. Final Provisions

These Rules for Complaints are published on the Provider's website www.gtsnovera.cz. On request they can be studied at the Provider's contact points.

These Rules for Complaints become valid and effective on July 1, 2006.