

General Terms and Conditions of Business (GTCs)



1 Scope of application

These GTCs govern all legal relationships (also referred to in the following as "Agreement" or "Agreements") between cablecom GmbH ("cablecom") and the customer ("Customer") for all services and products of cablecom ("Service" or "Services"). The Agreement consists as a rule of (i) the application form of the Customer and the main agreement, respectively (ii) the service description (iii) special terms and conditions ("Special Conditions") and (iv) these GTCs (collectively referred to in the following as the "Contractual Documents"). In the event of contradictions between the Contractual Documents, the provisions of the Contractual Documents apply in the order of priority given above, from (i) to (iv).

2 Services of cablecom

Cablecom offers Services in the fields of analogue and digital television, Internet, data transfer and telephony. Cablecom provides the agreed Services with due care and in accordance with the Agreements, and within the operational resources available to cablecom. Subject matter and scope of the individual Services are specified in the Contractual Documents. Cablecom has the right to call in or commission third parties at any time for the provision of the Services. Any liability for these third parties and for auxiliary persons of cablecom is excluded, as far as permitted by law.

The Customer acknowledges that the Services can only be obtained, if the necessary technical preconditions are fulfilled. In particular, the Customer must have available a compatible cable connection. Information regarding the necessary preconditions is available from the web pages of cablecom. Cablecom decides, at its own discretion, whether all preconditions are fulfilled, and may refuse the application of a customer on the grounds of the absence of a precondition, or without grounds, whereby the application immediately becomes ineffective. The application of the Customer also becomes ineffective, if the owner of the property concerned refuses the installation and operation of the equipment necessary for operating the Services. Any liability of cablecom in connection with the ineffectiveness of an application is in any event excluded.

3 cablecom terminal devices (cable modem, set-top box, etc.)

Unless agreed upon otherwise, all terminal devices such as cable modem or set-top box ("Terminal Devices") provided to the Customer during the term of the Agreement are provided only for use and remain the sole property of cablecom. Shipment of the Terminal Devices is made at the cost of and at the risk and in the responsibility of the Customer, unless agreed upon otherwise. Shipping costs of at least CHF 9.90 are to be paid for this shipment.

Insurance of the Terminal Device is the responsibility of the Customer, who is liable for loss of or damage to the Terminal Device, for example through theft, water, fire or lightning.

Cablecom is to be notified in the event of malfunctions. It will ensure replacement or repair of a defective Terminal Device as rapidly as possible. Cablecom decides, at its own discretion, whether a Terminal Device is to be replaced or repaired. The Customer is prohibited from undertaking repairs to the Terminal Device himself, or having them carried out by a third party. An entitlement to reimbursement or deduction of subscription fees because of a breakdown of the Terminal Device is excluded.

The Customer is prohibited from establishing liens on or retention rights to Terminal Devices in favour of third parties. In the event of official proceedings against the Customer, such as distraint, retention or seizure, which could impair the rights of cablecom to the Terminal Device, the Customer is obliged to notify cablecom of this immediately, and to advise the debt collection office or the bankruptcy office or other competent authority of cablecom's ownership of the Terminal Device.

The Customer undertakes to treat the Terminal Devices with due care and is responsible for use of the Terminal Devices in accordance with the Agreement. Sale, transfer and sub-leasing of the Terminal Devices provided for use and their connection to a connection or interface other than as described in the Agreement

are prohibited. The Customer is expressly prohibited from using the Terminal Device other than as stated in this Agreement. In particular, the Terminal Device may not be opened or infringed by the Customer or any third party.

If the Terminal Device is lost from the residence of the Customer through theft, he is obliged to report the theft without delay to the Help Line of cablecom and to provide a respective police report. The Customer has to bear the costs for use of the Services or the respective connection which are incurred before the Services are blocked.

In the event of breach of the Agreement by the Customer, cablecom is entitled to take the Terminal Device out of service until compliance with the Agreement and with the law is re-established. Unless agreed upon otherwise, installation of the Terminal Device is the responsibility of the Customer. Cablecom provides installation instructions for this purpose. Cablecom assumes no liability for improper installation.

4 Responsibilities of the Customer

The Customer undertakes to use the Services in accordance with the provisions of this Agreement and with applicable Swiss and international law and to take reasonable safety precautions. The Customer has to follow the instructions of cablecom in connecting and in the use of hardware and software which are deployed for the use of the Services, and is responsible for the compatibility with other hardware and software used by the Customer. Special terms and conditions of use are given in the Special Conditions for each Service and in the other Contractual Documents.

The Customer is responsible and liable for the use of the Services, including use of the Services by third parties. Accordingly, all amounts charged for the use of the Services are to be paid by the Customer. When content is transmitted through the Services, including by third parties, the Customer takes the sole responsibility for the content of these communications. The Customer also acknowledges that he bears the sole responsibility for ensuring that minors in his household do not have access to content which is unsuitable for them, and takes appropriate measures for this purpose. Cablecom takes no responsibility for content which the Customer transmits or makes accessible to third parties through the Services.

Cablecom assumes no responsibility for actions or omissions of the Customer or of a third party which result in liability of the Customer or of cablecom. The Customer indemnifies cablecom against any and all claims of third parties.

cablecom reserves the right at any time, at its own discretion, to block the connection of the Customer, without giving advance notice, in the event that the Customer or a third party carries out or omits actions in connection with the Service (e.g. transmits illegal content or does not prevent its transmission) which in the view of cablecom could lead to liability or which contravene this Agreement or applicable law.

The Customer is responsible for correct use and safe keeping of any personal PIN number or other secret access codes. Cablecom assumes no responsibility for damage that results from improper use of an access code.

The Customer has to notify cablecom of a change of residence three (3) months before the move. If the Customer omits to do so, and costs are incurred by cablecom as a result of this omission, cablecom has the right to charge these costs to the Customer.

5 Prices and methods of payment

The prices to be paid by the Customer are based on the current price list for the respective Service. The price lists can be amended by cablecom at any time.

The Customer has to pay the invoices for services provided by the due date stated in the invoice or within the payment period stated. Where no due date or payment period is stated, a payment period of 30 days from the date of the invoice applies. Invoices are deemed to be accepted if no well-founded objections in writing are raised against them, by the due date. If an objection is raised only against a partial amount of an invoice, cablecom may require

timely payment of the part to which no objection has been made, and may take the measures stated below in the event of default of payment.

Upon expiry of the payment period, the Customer is automatically in default, without any reminder being required, and cablecom is entitled to claim interest for default, at the rate of 5% per annum on the outstanding amount.

In the event of default with payment, cablecom reserves the right to suspend the Services immediately, and, after expiry of a first reminder, to terminate the Agreement without notice and without further reminder. Any costs and damages thereby incurred by cablecom are to be borne to their full extent by the Customer. In any event, cablecom raises a reminder surcharge of CHF 30 for each reminder.

If cablecom has doubts with respect to observance of the payment conditions in accordance with the Agreement, and also in particular doubt about the general ability of the Customer to pay, it may require advance payment or another form of security from the Customer. If the Customer does not pay in advance or provide the security, cablecom is entitled to suspend the Services and to terminate the Agreement without notice.

Cablecom can set off its claims against counterclaims of the Customer. The Customer is not entitled to set off claims of cablecom against any counterclaims.

6 Duration and termination

The Agreements come into force as soon as cablecom has accepted the application of the Customer, and in any event with use of the Services by the Customer. Unless stated otherwise in the Contractual Documents, the Agreement is of indefinite duration and can be terminated by either party, giving three (3) months written notice prior to the end of a month. If a minimum period is agreed upon and the Customer gives notice before its expiry, he must pay cablecom the fees owed until the end of the minimum period, even if he no longer uses the Services.

7 Liability

Cablecom is responsible to the Customer for due care in the provision of its Services. It cannot guarantee the absence of functional disruptions and interruptions, uninterrupted availability of the Services at all times, or specific transmission times or transmission capacities. Cablecom is liable only for proven damage which the Customer suffers due to intentional or grossly negligent breach of the Agreement by cablecom. Any further liability of cablecom for direct or indirect damage of any kind is excluded, as far as permitted by law.

8 Amendments to the Agreement

Cablecom reserves the right to amend its Services, prices, Special Conditions, the present GTCs and all other Contractual Documents at any time. The Customer will be informed in a suitable form of substantial amendments of the GTCs. In the case of amendments of a Contractual Document to the disadvantage of the Customer, the Customer is entitled to terminate the Agreement, giving notice in writing, with effect as from the date on which the new conditions become effective. If notice of termination is not given, the new conditions are deemed to be accepted. Amendments which must be made by cablecom as a result of new legal requirements or directives of the authorities or the courts are not deemed to be to the disadvantage of the Customer.

9 Force majeure

If cablecom cannot fulfil its obligations under the Agreement as a result of force majeure, such as natural phenomena of particular intensity, war, uprising, strike, disruption of services of third party suppliers, unforeseen requirements of the authorities etc., fulfilment of the Agreement or a specific time of performance of the Agreement is postponed for as long as the force majeure situation persists. Any liability of cablecom in these cases is excluded.

10 Assignment of rights and obligations

The Customer may not assign this Agreement, or individual rights and obligations thereof, unless with the prior written consent of cablecom. Cablecom is entitled to assign this Agreement or

individual rights and obligations thereof without the permission of the Customer.

11 Intellectual property rights and other rights

During the Agreement, cablecom grants the Customer the non-assignable, non-exclusive right to use the Services provided by cablecom in accordance with the Contractual Documents. All other rights, such as in particular property rights and intellectual property rights (copyright, trademark rights, etc.) to and in connection with the Services of cablecom, remain with cablecom or third party owners and may not be used by the Customer.

12 Data protection

Cablecom complies with the applicable legal provisions when handling customer data, in particular those of the Swiss Data Protection Act. The Customer agrees that cablecom may transfer customer data to selected third parties in connection with the provision of the Services, in particular for the purposes of improving performance, handling the customer relationship and for debt collection purposes. Cablecom may also use customer data for marketing purposes for itself and for selected partner firms, unless the Customer has expressly prohibited such use.

13 Place of jurisdiction

Substantive Swiss law is applicable to the present contractual relationship. Place of jurisdiction for all legal disputes arising is the City of Zurich. Cablecom is, however, entitled at its own option to initiate legal proceedings at the domicile or the registered offices of the Customer. Mandatory places of jurisdiction remain reserved.

Zurich, January 2004