

Article I. Basic Terms and Definitions

1. The Provider is PIPNI, s.r.o., registered office: Karlovo náměstí 16, 120 00 Prague 2, Company ID: 26738058, registered in the Commercial Register at the Municipal Court of Prague, Section C, insert 90636, a company operating the PIPNI server effective from January 1, 2003.
2. The Reseller is any legal or natural entity competent to perform legal acts, respecting these General Business Terms and Conditions and in compliance with an executed contract on providing data telecommunication services and business cooperation, is authorized by the Provider to resell the Services to third parties.
3. Server operating means provision of data telecommunication services consisting of hosting Reseller's second-level domains with technical means of the Provider for money.

Article II. Operating Conditions, Rights and Obligations of the Provider, Rights and Obligations of the Reseller

1. On the basis of the concluded contract, the Provider shall provide the Reseller with :
 - Permanent operation of the server hosting the Reseller's service;
 - Permanent control of its own technical means, including maintenance;
 - Suitable technical support and hotline according to the type of the service provided;
 - The Provider shall be responsible for registration and operations of Reseller's domain name in the second-level domain.
2. In order to provide the Services pursuant the Contract on Providing Data Telecommunication Services, the Reseller shall provide the Provider necessary coordination, especially during installation, adjustment, maintenance, completion, repair, arrangement, measuring, revision, uninstalling, etc. of the Provider's technical facilities over the whole term of the Contract.
3. The Reseller acknowledges that while carrying out the activities described in paragraph 2 of this article, the Reseller's access to the services may be occasionally restricted and the data saved on Provider's facilities may get lost. The Reseller is responsible for data backup and the Provider shall not be held responsible for any data loss.
4. The Reseller may facilitate the Services to third parties without a prior written consent of the Provider under business conditions set by the Reseller which may not be contrary to the Contract. The Reseller shall be responsible for any damage caused to the Provider as a result of any unjustified usage of the provided services. The Reseller shall be responsible for any damage caused by unjustified usage of the provided services by third parties to which the usage was facilitated.
5. The Reseller (and persons to whom the Reseller sold the Services under Provider's authorization) may not and the Provider shall suspend immediately the provision of the Services pursuant to the Contract, if the Reseller (or persons to whom the Reseller sold the Services under Provider's authorization) violate the restriction and use the Provider's facilities on the Internet in one of the following ways :
 - offer or distribute content which violates the legal system of the Czech Republic and valid international conventions ratified by the Czech Republic;
 - promote suppression of basic human rights and civil freedoms of individuals, groups or nations guaranteed by the Constitution;
 - offer or distribute illegal pornographic materials;
 - operate warez, gamez, crack servers or similar content;
 - operate download servers;
 - operate servers offering illegally obtained software for the purpose of further distribution and provision of this illegal software to third parties;
 - operate chat servers;
 - operate spam servers;
 - operate servers overloading database systems (e.g. use of unsuitable databases, incorrect data indexation, etc.);
 - publish racist information on the Internet; publish information that could damage the good reputation of the Provider or other materials whose contents violates the existing laws of the Czech Republic or international treaties ratified by the Czech Republic;
 - operate servers containing excessive amount of music and video files (mp3, mpeg, avi, etc.) and serving mainly for downloading of such files;
 - use ftp space of the server to store excessive amount of data which is not part of the web presentation or application or use this space for files exchange with other users;
 - operate servers which damage good reputation of the Provider or his employees;

- violate copyright or other rights of third parties incl. intellectual property rights;
 - operate servers whose content conflicts good morals;
 - use and distribute tools that would threaten security of the Internet;
 - operate any servers which even partially belong to any of the above-mentioned categories, the decision whether a server does belong to one of the above categories or not is fully at the Provider's discretion.
6. If the Reseller or persons to whom the Reseller sold the Services under the Provider's authorization act as described in the previous paragraph (without a prior written permission by the Provider), they shall be held responsible for any damage caused to the Provider.

Article III. Domains

1. The administrator of domain names in the "top level" domain is a company chosen by the Reseller and licensed for registration of second-level domain (hereinafter referred to as the "Registrar").
2. The Reseller or persons to whom the Reseller sold the Services under the Provider's authorization lease their second-domain names from the Registrar. The Reseller pays a fee to the Registrar for the lease of a domain name.
3. Any rights of disposal for a leased and paid domain name belong to the Reseller or persons to whom the Reseller sold the Services under the Provider's authorization who are competent to dispose of the name in accordance with Registrar's business terms and conditions for second-level domains.
4. The Provider disposes of no rights to the domain name, is not the owner, user or payer and is only the technical domain administrator; however, on the basis of a written requirement by the Reseller, the Provider can mediate the payment for the domain to Registrar.

Article IV. Defects, Shutdowns, Complaints, Failures

1. In relation to the services provided, the Reseller's access to the service may be occasionally restricted to allow repairs, maintenance and implementation of facilities. In such a case, the Provider shall not be held responsible for the damage caused to the Reseller or third parties by a shutdown of the server, a data loss or a data leakage. Neither shall the Provider be held responsible for damage described in paragraphs 2, 6 and 9 of this article.
2. The Provider has the right to carry out a planned shutdown of any facility for software safety upgrade, maintenance or replacement of hardware in the extent of 60 minutes a month. The Provider has to announce the planned shutdown on his web site 24 hours before the beginning of the planned shutdown at the latest.
3. The Provider shall make all effort to carry out any shutdowns during less busy operation on weekends, holidays and at night. The Provider shall carry out a shutdown for a period of time necessary to realize the activities described in paragraph 2 of this article.
4. The unexhausted time of the 60-minute monthly planned shutdown is added up for a period of three months at most. The Provider shall use the total of such unexhausted time for more complicated activities related to maintenance, repairs or protection of Reseller's facilities.
5. The Provider shall always publish a list of serious failures and defects on their web site. In case of a failure or a defect lasting for a long time, the information shall contain also an estimate of the duration of such a failure or defect.
6. The Provider is not liable for obstacles that appear independently of their will and prevent them from meeting their obligations. Consequences excluding liability are limited only to the time for which the obstacle causing the consequences lasts. The Provider is not liable to the Reseller or third parties for any damage incl. claims for compensation of lost profit caused to the Reseller by any shutdown of the provided Services if this happens due to an act of force majeure, misuse of the services by third parties or their illegal intervention.
7. The Reseller has to seek any complaint concerning failures or defects with the Provider no longer than within three calendar days after termination or elimination of the failure or defect.
8. The Reseller shall not claim any discount off the price of the provided Services in relation to a failure of the hosting center network in which the Provider's facilities are located.
9. The complaint shall not have a dilatory effect and the Reseller is obliged to pay for the Services charged prices in full extent by the due date.
10. The Provider will not accept any price discount of the provided services if

the Reseller does not pay for the provided services duly and timely. If within the framework of complaints procedure the Provider does not accept a discount of the price for the provided Services and the Reseller does not pay for the services duly and timely, the Provider has the right to include all his financial claims towards the Reseller in an admitted price discount.

11. The Reseller shall be held responsible for any damage caused to the Provider or third parties esp. by activating unsuitable and overburdening scripts slowing down the machine's response on Provider's server or making third parties' accessibility impossible.

12. The Reseller takes due note of the fact that apart from the admitted discount of the price for the provided Services, the Provider is not liable for any damage caused by failure in providing services or by incorrect provision.

Article V. Technical Means, Administration, Safety

1. For the reason of well-trying stability and security, the Provider uses exclusively the LINUX server operating system. Mail, DNS and particular database machines are located in separate computers.

2. Servers are administrated exclusively by Provider's staff.

3. Servers are located in the housing center GTS TELEHOUSE (Vinohradská 190, 130 52 Prague 3), which guarantees :

- Housing center Internet connectivity of 2Gbit NIX CR and 2.5Gbit abroad; servers connected 1Gbit Full duplex to backbone network;
- permanent (24/7) physical protection by two security guards providing controlled access to the facilities to licensed persons only;
- air-conditioning, location of servers in a separate lockable box (rack box 19"), backup power source (UPS), diesel aggregate, fire protection system firefighting FM 200.

Article VI. Orders, Contracts, Payment Terms

1. The Reseller orders intended services from the Provider by concluding the Contract on Providing Data Telecommunication Services. In this Contract both the Contractual Parties make an agreement on the subject-matter and scope of performance of the Contract, payment and other conditions.

2. The Provider shall be remunerated for the Services provided. Their way of accounting particular services provided to the Reseller depends on the type of the service. The Reseller hereby undertakes to respect the payment conditions indicated in the Contract. In this Contract, the Contractual Parties shall specify the price of the provided Services in relation to the length of the invoicing period, potential discounts or surcharges, ways of payment, the invoicing period, etc.

3. The Provider shall invoice paid services in advance, unless agreed otherwise by the Contractual Parties. The Provider shall issue a pro-forma invoice for each payment to be sent together with an information notice to the Reseller's e-mail address specified in the contract. Upon receiving the payment, the Provider shall activate the Services for the Reseller and together with a configuration protocol they shall a tax document – final invoice to the Reseller's e-mail address. The Provider shall send the original tax document to the address indicated in the order upon a written, justified request by the Reseller.

4. The Reseller shall not receive a proportionate part of the price paid for non-provided services in case the Reseller terminates the Contract prematurely without giving any serious reasons (e.g. Provider's groundless failure to meet the contractual conditions).

Article VII. Term and Termination of Contracts on Providing Data Telecommunications Services

1. The Contract can be concluded for a definite period of time, in particular 1, 2 or 5 years depending on the service chosen and the duration of the invoicing period. The invoicing period can be prolonged if both Parties agree.

2. The concluded Contract shall contain a probationary period which must not exceed 3 months. The Reseller may terminate the Contract no longer than on the last day of the probationary period provided the Reseller has met all the financial obligations towards the Provider. If the Contract is terminated by the Reseller within the probationary period the Reseller shall specify exact and concrete reasons for the termination.

3. The Reseller shall send a written termination notice (in electronic form) to the Provider's e-mail address. The Provider shall confirm receipt of the notice by and e-mail message. A form completed by the Provider can be used for sending the termination notice. The written notice can be sent by registered mail the Provider's registered address. In case of doubts as to the day of

receipt, the notice is deemed to be delivered to the Provider on the seventh day from sending it at latest.

4. Unless the Reseller changes a hosting provider (incl. a change of DNS record and a technical administrator) within the probationary period, the Reseller shall pay the invoice issued by the Provider for a longer period according to the service used.

5. The Provider may terminate the Contract with immediate effect if the Reseller breaches the contractual or general business terms and conditions, does not pay for used services or is more than 14-day in delay with settlement of the invoice.

6. If the Provider breaches contractual terms and conditions, the Reseller may terminate the Contract immediately.

7. The Provider shall send the termination notice to the Reseller by email to the email address specified in the Contract.

8. If the Reseller changes their DNS record or data concerning their domain's technical administrator within the period paid for by the pro-forma invoice, the Provider is not obliged to provide any more services.

9. Under a contractual penalty of CZK 100,000 contractual fine, the Contractual Parties agree to keep confidential any information concerning the server provision and the services provided by the Provider within the contractual period. Apart from the penalty, the injured party may claim compensation for damages caused by breach of the confidentiality clause by the other party. Neither party shall provide to third parties any information without a prior written consent by the other party. The only accepted exception is publishing of marketing information about Provider's clients issued on Provider's web site and/or Provider's email correspondence. The confidentiality clause does not concern provision of information required for criminal investigation bodies.

Article VIII. Registration of Resellers

1. All data entered in registration, other forms and contracts must be true. In the event of any change of the data, the Reseller shall correct it or ask the Provider to do so. The registered data can be changed on-line directly via Provider's web interface.

2. Any registered Reseller is fully liable for all orders, requirements and activities carried out through the PIPNI administration.

3. Any registered Reseller is fully liable for any changes on the account in relation to the identification of Reseller's login and password by third party which will not be caused by the Provider.

4. A registered Reseller agrees to receive information about Provider's new offers via email.

5. A registered Reseller agrees that information about the Reseller (except for personal data protected by Act No. 101/2000 of Coll.) shall be used for Provider's marketing purposes. Also an extract from email correspondence with the Reseller can be used for these purposes without a prior written permission by the Reseller.

Article IX. Final Provisions

1. These General Business Terms and Conditions are an integral part of the Contract on Providing Data Telecommunication Service and Business Cooperation.

2. The Provider reserves the right to change the wording of the General Business Terms and Conditions.

3. The Business Terms and Conditions changed by the Provider come to force and become effective from the first day of the month following after the month in which they were published on the Provider's web site.

4. In case of providing information by email, an email message is deemed to be received on the third day after it has been mailed.

5. The Contractual Parties shall inform one another without undue delay of any changes in the contact details (registered offices, addresses, phone numbers, fax, email, etc.)

6. Changes and amendments to the Contracts must be in writing and must be signed by official representatives of the parties.

7. Pursuant to Section 262, Article 1 of the Czech Commercial Code, the Contractual Parties agree that their contractual relations are subject to the Commercial Code. Relations which are not subject to the Commercial Code, are subject to Act No. 151/2000 of Coll. on Telecommunications, Act No. 101/2000 of Coll. on Personal Data Protection, or to the Civil Code.

8. Upon execution of the Contract on Providing Data Telecommunication

Services, the Reseller shall receive one copy of these General Business Terms and Conditions. By signing the Contract the Reseller confirms that he has been informed about the General Business Terms and Conditions of Providing Services on the PIPNI Server.

9. These General Business Terms and Conditions of Providing Services become effective as of February 1, 2004.