

General Terms and Conditions for Internet Services

1 Scope

These General Terms and Conditions of Business govern the use of all Internet access and Internet services provided by Swisscom (Schweiz) AG (hereinafter referred to as «Swisscom»).

2 Swisscom Performance

Content and Scope of the Service

The content and scope of the individual Internet services are described in the relevant contractual documents (specifications, contractual documents, order forms, etc.), that together with these General Terms and Conditions of Business and the current price list for each service, provide the basis for the contractual relationships between the Customers (hereinafter referred to as «Customers») and Swisscom.

Swisscom provides the services listed in the contractual documents within the bounds of its technical and operational possibilities, in so far as the Customers provide suitable terminal equipment (hereinafter referred to as «Subscriber Equipment»).

Security Precautions by Swisscom

Swisscom takes precautions to protect its network from unauthorised access by third parties. However, complete protection from unauthorised access by third parties cannot be guaranteed. Swisscom cannot be held liable for such unauthorised access.

Drawing upon Third-Party Services

To fulfil its contractual obligations, Swisscom may call upon the services of third parties at any time.

3 Performance/Obligation by the Customers

General Provisions

The Customers are responsible for using the Internet services in a legal manner that is compliant with the Contract (see in particular clause 6 hereinafter) and for paying for these services on time (see in particular clauses 4 and 5 hereinafter).

When ordering, registering and in other business transactions with Swisscom, the Customers are obliged to provide true and accurate information. All further obligations on the part of the Customers are listed in the relevant contractual documents.

Customer Equipment

The Customers are responsible themselves for purchasing and setting up the Subscriber Equipment and connections (e.g. fixed line connection, Internet connection, etc.) that is required for using the Internet services, and for ensuring that such equipment functions properly, is maintained and legally compliant.

Swisscom provides no guarantee that the usage of the Internet services is possible with all Subscriber Equipment and Customers' settings.

Customers' Security Precautions

The Customers must select suitable passwords and change them regularly, or if they suspect misuse. Passwords must be kept carefully and should be transmitted encrypted via digital media. The Customers themselves have sole responsibility for the usage of the passwords.

The Customers are to protect their Subscriber Equipment and data from unauthorised access by third parties and will take action, using current state-of-the-art procedures, to prevent breakdowns

in or damage to equipment belonging to Swisscom, or third parties (e.g. due to the spread of computer viruses, worms or Trojan horses, etc.), in so far as this is part of general usage, or if there are indications that unauthorised access from the Customers' Subscriber Equipment is being made to third-party systems.

Should a Customer's Subscriber Equipment cause breakdowns in or damage to Swisscom equipment or third-party equipment, Swisscom can stop its services immediately without notice and/or claim damages.

Swisscom reserves the right to check the Customers' Subscriber Equipment for security defects and take necessary steps to prevent or eradicate breakdowns or damage to Swisscom, or third-party equipment, or demand that such steps be taken by the Customers. The Customers must take such steps demanded by Swisscom. If a malfunction cannot be eradicated in any other way, the Customers must modify the Subscriber Equipment at their own cost, or stop operating such equipment.

Responsibility for Use of the Connection

The Customers are responsible for any usage of their Internet services – even for usage by unauthorised third parties. Customers must in particular pay for any charges incurred as a result of usage of their Internet services.

Should a Swisscom body or employee be prosecuted in criminal, or civil courts, or at administrative tribunals due to illegal usage of the Internet service by the Customer or a third party, or due to usage that is in infringement of the Contract, the Customer responsible shall indemnify the body or person affected from any liability whatsoever and shall be liable for the damages caused.

Data Backup

The Customers are solely responsible for making a backup of their data.

4 Prices

The Swisscom price lists current at the time for the Internet services in question apply, insofar as the prices have not been established in the appropriate contractual documents, or have been announced directly before usage of a particular service. By using the Internet services, the Customers accept the prices valid at the time. Should Swisscom reduce the prices, it may at the same time alter the scope of services offered and/or adjust the discount given before the prices were reduced.

5 Invoicing and Payment Terms

General Provisions

The Internet services will be invoiced to the Customer the fixed network connection belongs to, on which the Internet access has been installed, or to the Customer of the Internet service. The Customer of the Internet services is liable as joint and several debtor to Swisscom for the payment of the charges incurred by the fixed line network Customer.

Swisscom issues the invoice based on its records. Such records are also considered correct, even if the Customers take issue with the invoice, but Swisscom's technical and administrative investigations give no indications of errors.

The amount shown on the invoice must be paid on the due date shown on the invoice, or within the payment deadline stated. Once

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the payment deadline has elapsed, the Customers are automatically in default of payment. Till this date the Customers may raise objections to the invoice in writing and stating their reasons. Should the Customers fail to do so, the invoice is considered accepted.

Should such objections only concern a part of the invoice, Swisscom may demand that the Customers pay the part of the invoice that is not objected to on time.

Payment Default

If the Customers have either not paid the invoice by the due date, or within the payment deadline stated, or have not raised objections to the invoice in writing and given reasons, Swisscom can, after unsuccessful warning of such action, disrupt provision of the services for all contracts concluded with the Customers, take other steps to prevent damage and/or give notice on the Contract without adhering to a period of notice and without paying compensation. Swisscom can invoice charges for issuing payment reminders of up to 20 CHF per payment reminder. The Customers must pay all costs incurred by Swisscom due to the default in payment. This also applies where payment is made by direct debit procedures. If during a direct debit procedure the Customer's account has insufficient funds, Swisscom can charge an administration fee of at least 30 CHF in each case.

Advance Payment, Security

Should Swisscom be uncertain that the payment terms stated in the Contract will be adhered to, or should possibly the collection of receivables be impeded, Swisscom can demand advance payment or a security. If the Customers do not pay the advance or provide security, Swisscom is entitled to take the same steps as it would in the case of default in payment. Interest will be paid on securities provided in the form of cash at the interest rate for savings accounts. Swisscom may offset all Customer receivables with the securities furnished.

Offsetting

The Customers may not offset Swisscom receivables with any counterclaims.

6 Content Matter of Information; Illegal Usage and Usage in Infringement of Contract, Misuse

Content Matter of Information

The Customers are responsible for the content matter of the information (data in any form, voice data, etc.) that is transmitted by Swisscom or that Swisscom processes, or which Customers give third parties access to. Swisscom is not responsible for such information, or for information that the Customers receive, or information that third parties disseminate or provide access to via the Internet.

Illegal Usage and Usage in Infringement of Contract

The Customers are responsible for ensuring their Internet services are used legally and in compliance with the contract. They are not allowed to use Internet services to alarm or personally harass third parties, or to prevent proper usage of other Internet access, or to misuse such services for another illegal purpose or purpose that is in infringement of contract.

Customers are not permitted to send mass advertising via a Internet service, or such action is only permitted where it can be proved that there is a commercial relationship between the Customers and the recipients of their e-mails, or if the data used (e.g. e-mail addresses) has been collated in what is known as a «double opt-in procedure» (in other words the entry of the mail recipients in the

mailing lists of the Customers sending the mass advertising, must have been expressly confirmed by the mail recipients when asked by the Customer).

Steps against Misuse

Should there be justified indications of illegal usage of a Internet Service, or should such illegal usage be reported by persons or bodies affected or an official body, or should a final judgement have been made on such illegal usage in a court of law, Swisscom is entitled to disclose the data belonging to the Customer responsible for the misuse, or to disclose such data to the official authorities responsible, inform the police and/or other bodies about the incident, to request the Customers to use the services in a legal manner and in compliance with the Contract and furthermore to cease provision of services without advance warning, to dissolve the Contract without adhering to a period of notice and without providing any compensation and/or if applicable to claim for damages.

Swisscom can take the same steps, if it has reason to suspect that the Customers are infringing or will infringe the Contract, or if the Customers have provided inappropriate or incomplete information when concluding the Contract.

Should Swisscom give notice on the Contract for one of the above-mentioned reasons, the Customers are still liable for payment in accordance with the regulations governing the premature cessation of the Contract.

7 Customer Data

General Provisions

In handling data, Swisscom complies with the current legislation, in particular with telecommunications and data protection legislation. Swisscom only captures, stores and processes data required for the fulfilment of contractual obligations, for managing and developing the relationship with the Customer, for guaranteeing a high level of service, for the security of operations and infrastructure and for invoicing purposes.

The Customers consent to Swisscom obtaining information about the Customers as part of the conclusion and the management of the Contract and to forwarding data about the Customers' payment behaviour, using Customer data to customise and develop Swisscom services and for customised offers and that Customers' data may be processed for the same purposes within the Swisscom Group. If a Swisscom service is provided in conjunction with third parties, or should the Customers receive services from third parties via the Swisscom network, Swisscom may forward data about the Customers to third parties, in so far as such forwarding is necessary to provide such services, or collect payments. Data that is collated as a result of using the Internet services or website operated by Swisscom, can be used for customised Swisscom offers and/or by selected third parties.

8 Intellectual Property

For the term of the contract, the Customers will receive the non-transferable, non exclusive right to use Swisscom services and products. The content matter and scope of this right are stated in the relevant contractual documents.

Swisscom, or third parties authorised by Swisscom, have all rights to existing intellectual property, or intellectual property received as part of fulfilment of the Contract concerning Swisscom services and products.

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9 Availability of the Network

Swisscom provides a high level of availability of its network, cannot however give any guarantee that their network will operate without any interruptions or malfunctions. Swisscom reserves the right to carry out maintenance work on its network at any time which can lead to interruptions in operation. Swisscom also reserves the right to temporarily block certain Internet services to combat spam and damaging codes (e.g. viruses, worms, Trojan horses, etc.).

No assurances or guarantees can be given about the availability, quality, operation or support services for voice, or data traffic, on the networks, or lines of other Internet providers.

10 Swisscom Liability

General Liability Clause

If it infringes contractual provisions, Swisscom shall be liable for the damages established, if it does not prove that it is not at fault. Swisscom shall make unlimited compensation for intentionally or negligently caused damages. In cases of slight negligence, Swisscom shall have unlimited liability for personal injury, for damage to property up to a total of 500,000 CHF per case and for pecuniary losses to the equivalent of the services obtained during the last contractual year, but totalling a maximum of 50,000 CHF per case. However, Swisscom is not liable for consequential damage, or for loss of profit or data. It is also not liable for damages incurred as a result of illegal usage, or usage in infringement of contract of their services.

Swisscom will not pay any costs for the Customers' services, or for third parties commissioned by the Customers to find and/or eradicate any malfunctions of an Internet service. Customers will also pay any costs for Swisscom services provided to find and/or eradicate any malfunctions of an Internet service, in so far as the cause of such malfunction is the result of the defects in, or the improper handling of the Subscriber Equipment used by the Customers.

Protection of Investment

Swisscom is constantly enhancing the services accessed via the Internet and as a result is protecting the investments of their Customers. There is however no right on the part of individual Customers to a particular configuration of their Internet access, or to retaining Internet services above and beyond such level, in so far as this is not expressly stated in the contractual document.

Force Majeure

Swisscom is not liable if the provision of the services is interrupted, partially restricted, or impossible as a result of force majeure. Force majeure is for example considered natural phenomena of significant intensity (avalanches, floods, etc.), conflicts, terrorism, strikes, unexpected official restrictions, power cuts, computer viruses, worms, Trojan horses etc.

Information, Purchase of Goods, etc.

Swisscom gives no assurance of and accepts no liability for, or no guarantee for information being accurate, complete, up to date, legal and expedient, available or delivered on time, that is accessible, or made accessible, via the Internet access and/or is published on the Bluewin portal (www.bluewin.ch). Swisscom will not repay any charges and accepts no liability for damage caused from downloading.

Should the Customers use their access to purchase goods or services provided by third parties, Swisscom is not the contractual

partner for such transactions, unless otherwise explicitly agreed. Swisscom accepts no liability whatsoever, or guarantee for the services or goods purchased ordered via the Internet access, even if Swisscom collect payments for receivables owed to third parties by the Customer.

11 Effective Date, Term and Cessation of the Contract

Swisscom offers are non-binding. In other words, the Contract between the Customer and Swisscom only materialises once Swisscom accepts the Customer's order. Should Swisscom explicitly state as such, the Contract only comes into force if a written document is signed.

The contractual documents will state the minimum contract term and the regulations on giving notice on the Contract. Should no other provisions exist that state the contrary in the contractual documents, the Contract is for an unlimited term and can be terminated by each of the parties in writing, adhering to a cancellation period of two months to the end of each month, however to the end of any minimum contract term at the earliest. Any repayment of charges paid in advance pro rata temporis is always excluded.

If a minimum contract term was agreed and the Customers terminate the Contract before it expires, Customers owe Swisscom payment for the remaining period.

If the termination of the Contract only affects some of the services provided by Swisscom, the contractual provisions for the rest of the services still apply.

12 Amendments to Contract

Swisscom reserves the right to cease providing certain Internet services and modify services, prices, service descriptions and the current Terms and Conditions of Business at any time.

Swisscom will announce changes and information regarding the Internet Services to the Customers in a suitable form (e.g. in an e-mail newsletter or by publishing on the Bluewin portal). Should a minimum contract term have been agreed, the Customers are entitled to terminate the Contract ahead of time without any financial consequences from the date that price increases come into force and/or substantial amendments to the Contract are made. If the Customers do not terminate the Contract, the price increases and amendments to the Contract are considered as accepted by the Customers. Should taxation and fiscal charges change (for example VAT), Swisscom is entitled to adjust its prices accordingly. In such cases, the Customers have no right to terminate the Contract prematurely.

13 Assignment of Rights and Obligations

Without prior consent from Swisscom, the Customers may not assign any rights and obligations from this Contract to third parties.

Swisscom can assign the rights and obligations in this Contract to another company in the Swisscom Group.

14 Applicable Law and Place of Jurisdiction

The Contract is governed by Swiss law.

Bern is the place of jurisdiction. Compulsory places of jurisdiction are reserved.