



## GENERAL BUSINESS TERMS AND CONDITIONS

**for the provision of services via the tools under the FLATIO trademark  
located the website of Flatio, s.r.o.**

(hereinafter referred to as the “**Business Terms and Conditions**”)

Flatio, s.r.o., with its registered office at Dominikánské náměstí 187/5, Brno-město, 602 00 Brno, Czech Republic, Company ID No.: 038 88 703, incorporated in the Companies Register kept by the Regional Court in Brno, Czech Republic, File No. KSBR- C/87221 (hereinafter referred to as the “**Operator**”), is the owner and operator of websites available especially on the following domain Flation.com and its national variants (Operator's websites and applications located thereon are hereinafter jointly referred to as “**FLATIO**”), through which authorized persons, usually owners, administrators or lessees (hereinafter referred to as the “**Housing Providers**”) offer premises suitable for housing (hereinafter referred to as the “**Apartments**”) to prospective clients interested in use of the Apartments (hereinafter referred to as the “**Prospective Clients**”).

1. What we offer – scope of Operator's activity and services
  - 1.1. Via FLATIO, the Operator offers users an online platform which the Prospective Clients may use to search through the offers of Apartments. Through their secured access to FLATIO, the Prospective Clients may register and enter into contracts for the use of the offered Apartments (hereinafter referred to as the “**Lease Agreement**”) with the relevant Housing Providers.
  - 1.2. Upon registration with FLATIO, a Prospective Client checks the relevant field and thereby confirms that he/she has read and approves of these Business Terms and Conditions. Upon registration with FLATIO, the Prospective Client checks the relevant field and thereby grants the Operator his/her consent of his/her personal data handling; the wording of the consent can be also found at <https://www.flatio.cz/obchodni-podminky>].
  - 1.3. The Operator's aim is to make conclusion of Lease Agreements using FLATIO as easy as possible. Any costs related to the conclusion and fulfillment of the relevant Lease Agreement shall be paid by the Prospective Client and the Housing Provider. In relation to the Prospective Client and the Housing Provider, the Operator is an agent arranging an opportunity to enter into a Lease Agreement.
  - 1.4. A signed Lease Agreement can be easily managed in FLATIO and the rent can be paid online by a payment card.
2. Conclusion of Lease Agreements

- 2.1. A Prospective Client has an opportunity to select from the offered Apartments advertised in FLATIO.
- 2.2. Basic information about the Apartments (especially photos, equipment description, amount of rent, wording of the Lease Agreement) is available in the offers in FLATIO; the lease conditions are usually as follows:
  - 2.2.1. Minimum term of lease is 18 days (no interruption).
  - 2.2.2. Where in any month, the lease term does not last for the whole calendar month, the rent shall be calculated as a multiple of the price for one day (in each case according to the number of days of the relevant month) and the number of days in the month for which the lease term lasts.
  - 2.2.3. Monthly rent specified in FLATIO is final. Services connected with the use of the Apartment (e.g. gas, electricity, water and sewer rates, house services) are included in the rent amount and no account thereof is rendered.
- 2.3. Where the Prospective Client wishes to reserve an Apartment, he/she shall fill in the registration data and obtain access to FLATIO. The Prospective Client is responsible for the veracity and completeness of the registration data. Misleading will be considered a particularly serious violation of the Lease Agreement and may have serious legal consequences.
- 2.4. In the next step, the Prospective Client will deliver a request for approval of reservation (hereinafter referred to as the “**Reservation Request**”) to the Housing Provider via FLATIO. The Reservation Request shall include Prospective Client's registration data in the extent necessary for the Housing Provider's decision on acceptance or refusal of the Reservation Request.
- 2.5. In connection with the Reservation Request, the Prospective Client shall pay the Operator a reservation fee of CZK 500 (hereinafter referred to as the “**Reservation Fee**”). The Operator is authorized to block the amount equal to the Reservation Fee via a verified payment gate service (e.g. GoPay, for details see [www.gopay.com/cs](http://www.gopay.com/cs)). The Prospective Client's obligation to pay the Reservation Fee to the Operator arises upon sending of the relevant Reservation Request to the relevant Housing Provider.
- 2.6. The Housing Provider shall have 24 hours to accept the Reservation Request. The 24-hour period may be extended on the instruction of the Prospective Client. Where the Housing Provider does not accept the Reservation Request or rejects it, the Operator shall notify the Prospective Client without undue delay and, no later than within 1 hour of the notice, arrange unblocking of the Reservation Fee on the current account of the Prospective Client interested in the housing. In such a situation, the Prospective Client shall be entitled to repayment of the

Reservation Fee. To arrange unblocking shall mean to send information on cancellation of blocking to the relevant bank of the Prospective Client. Time required for unblocking the money depends on the practice of the relevant bank of the Prospective Client, but it usually takes place within 2 to 5 business days.

- 2.7. The Housing Provider shall be entitled to reject the Reservation Request without giving any reason.
- 2.8. Where the Housing Provider accepts the Reservation Request, the Operator shall inform the relevant Prospective Client without undue delay and the Reservation Fee shall become non-refundable, except as specified in these Business Terms and Conditions.
- 2.9. Acceptance of the Reservation Request shall be considered submission of a draft Lease Agreement by the Housing Provider, the draft being sent via FLATIO to the Prospective Client for acceptance. In the material respects, the wording of the draft Lease Agreement shall correspond to the wording placed at FLATIO with respect to the relevant offer of the Apartment.
- 2.10. The Prospective Client shall have a protective period of 24 hours of the Reservation Request acceptance for acceptance of the offer to enter into the Lease Agreement.
- 2.11. The offer to enter into the Lease Agreement shall be accepted by the Prospective Client upon fulfillment of the last of the following conditions: in FLATIO, the Prospective Client (a) enters the required identification data to be added to the draft Lease Agreement (then the final wording of the Lease Agreement is generated for his review), (b) clicks on the button "Sign the Lease Agreement", and (c) having entered the code from the verification SMS message, accepts the draft Lease Agreement by clicking on the button "I accept the draft Lease Agreement". The Lease Agreement comes into force at this moment but its effect is postponed and it is subject to a condition subsequent. After that, the Prospective Client shall load his/her scanned identity certificate to his/her profile in FLATIO (identity card or passport).
- 2.12. After conclusion of the Lease Agreement, the Prospective Client shall pay the Operator the amount equal to the first rent under the Lease Agreement (hereinafter referred to as the "**First Rent**") without delay but no later than within 24 hours of the Reservation Request acceptance by the relevant Housing Provider. The Lease Agreement shall take effect upon full and due payment of the First Rent. On the instruction of the Housing Provider, the period of 24 hours may be extended. During the period of 24 hours of the approval, the Housing Provider is not entitled to rent the relevant Apartment to a different Prospective Client or any other person.
- 2.13. Where the Prospective Client fails to fulfill his duty to pay the First Rent in accordance with the Lease Agreement, the Lease Agreement shall

become void since its beginning. The contracting parties may agree otherwise. In case the Prospective Client fulfills his duty to settle the First Rent after the maturity date and the Housing Provider does not object and claim cancellation of the Lease Agreement within 24 hours, the condition subsequent shall be deemed not to have been met and the Lease Agreement shall continue to be valid and effective.

- 2.14. The Prospective Client shall have the right to withdraw from the Lease Agreement no later than by 08:00 pm of the day following the Apartment handover date in accordance with the Lease Agreement. In case of withdrawal from the Lease Agreement pursuant to the foregoing sentence, the Prospective Client shall be entitled to repayment of the First Rent. Where the Prospective Client withdraws from the Lease Agreement within a period of 30 days and less prior to the lease term commencement date, he/she shall pay the Operator a contractual penalty equal to 100% of the amount of the First Rent. Where the Prospective Client withdraws from the Lease Agreement within a period longer than 30 days prior to the lease term commencement date, he/she shall pay the Operator a contractual penalty equal to 25% of the amount of the First Rent. The obligation to settle the contractual penalty under this paragraph shall not arise in the event of the Prospective Client's withdrawal under Article 3.1 hereof. The period of 30 days may differ on a case-by-case basis; this information is specified in the relevant advertisement in FLATIO and/or in the relevant Lease Agreement. The Operator shall be entitled to unilaterally set off its claims against the Prospective Client and the Prospective Client's claims against the Operator.
- 2.15. House rules or accommodation rules and a handover certificate, including all annexes, shall form an integral part of the Lease Agreement. The house rules are available at: <https://www.flatio.cz/domovni-rad>.

3. Rights and obligations of the Prospective Client as a future tenant
- 3.1. The Operator guarantees the Prospective Client the right to withdraw from the Lease Agreement by 08:00 pm of the day following the relevant Apartment handover date, without being obliged to prove any reasons thereof. Where this right is exercised, the Prospective Client shall pay the Operator a fee equal to a two-day rent. Until the fee is paid, the Operator shall keep the full amount of the First Rent payment on its guarantee account; in case of withdrawal from the Lease Agreement pursuant to the first sentence of this paragraph, the payment of the First Rent shall be repaid to the Prospective Client decreased by the amount under the preceding sentence. In such a situation, the Reservation Fee of CZK 500 will not be returned. The right to withdrawal pursuant to the first sentence of this paragraph is subject to due issuance of a handover certificate with respect to the handover of the relevant Apartment (i.e. handover of the Apartment and signature of the handover certificate by the Prospective Client and the Housing Provider).

- 3.2. Where the Prospective Client withdraws from the Lease Agreement under the previous paragraph due to the fact that information contained in the relevant Apartment offer in FLATIO differs from the reality, the Prospective Client shall have, subject to the conditions specified in Article 3.4 hereof, the right to (a) free use of substitute accommodation for 7 days with a selected substitute accommodation provider (for details see [www.flatio.cz/nahradni-ubytovani](http://www.flatio.cz/nahradni-ubytovani)), (b) active assistance of the Operator in the search for new suitable Apartments at a similar price level and place, (c) compensation in the form of a discount from the first rent of 50% of the original monthly rent, and (d) repayment of the Reservation Fee. The compensation applies only to the Apartments found via FLATIO.
- 3.3. Where the Housing Provider refuses to hand the Apartment over to the Prospective Client on the basis of a valid and effective Lease Agreement, the Prospective Client shall have, subject to the conditions specified in Article 3.5 hereof, the right to (a) free use of substitute accommodation for 7 days with a selected substitute accommodation provider (for details see [www.flatio.cz/nahradni-ubytovani](http://www.flatio.cz/nahradni-ubytovani)), (b) compensation in the form of a discount from the first rent of 50% of the original monthly rent, and (c) repayment of the Reservation Fee. The compensation applies only to the Apartments found via FLATIO.
- 3.4. Costs of substitute accommodation and compensation of a half of the monthly rent shall be paid by the Operator in arrears after an inquiry into the whole matter. The Operator reserves the right not to pay the compensation in the event that there are any doubts at the time when the situation is analyzed (doubts meaning a situation where it is not clear in view of all known facts whether the event occurred for reasons for which the Prospective Client is not responsible).
4. Final provisions of the Business Terms and Conditions
  - 4.1. Should any provision hereof be or become invalid or ineffective, the invalid provision shall be replaced by a provision whose meaning is as close as possible to the invalid one. Invalidity or ineffectiveness of a provision shall be without prejudice to the validity of the other provisions.
  - 4.2. Apartment offers as published in FLATIO are based on the information provided by Housing Providers. The Operator is not responsible for the accuracy, completeness and correctness of the Apartment offers and information published therein. However, the Operator shall provide guarantees under these General Business Terms and Conditions in this case.

Apartment offers as published in FLATIO are not binding, the Housing Provider is not obliged to enter into a Lease Agreement with a Prospective Client.
  - 4.3. The Prospective Client acknowledges that the Lease Agreement is a sole relation between himself and the Housing Provider. The Operator shall



not bear any liability for the potential breach of the Housing Provider's duties from the Lease Agreement.

In Brno, 24 October 2016

These Business Terms and Conditions come into force and take effect as of the date of their publication at the website of Flatio, s.r.o.