

CYFROWY POLSAT S.A.

Current report: **30/2009**

Date of report: **14 August 2009**

Topic: **Initiation of proceedings by the Office of Competition and Consumer Protection**

The Management Board of Cyfrowy Polsat S.A. („the Company”) informs that on 13 August 2009 it received a notification of initiation of proceedings with regards to application of practices breaching collective interest of consumers as set out by the provisions of art 24 clause 2 point 1 of the Law of 16 February 2007 on competition and consumer protection by the Company, comprising the application of provisions in the Rules of service provision, whose content, in the view of the President of the Office of Competition and Consumer Protection („UOKiK”), may be tantamount to the content of provisions entered into the registry of templates that have been deemed forbidden („the Registry”). The content of the provision questioned by the President of UOKiK is as follows *„In the event that of occurrences that are beyond control of Cyfrowy Polsat, deemed to be force majeure, in particular of legal, technical or economic nature, Cyfrowy Polsat reserves the right to introduce changes to the scope of number or kind of television or radio channels available within the Basic Package or Additional Packages. Such a change, and in particular replacement of a given channel with a channel of similar subject, discontinuation of a given channel due to its low viewing figures, discontinuation of a given channel due to occurrences effected by its broadcaster, or due to a decision issued by a body of the state authority, or a court decision does not constitute a change to the Agreement or a change of these Rules”*

In the opinion of the President of UOKiK, comparing the questioned provision included in the Rules, with provisions of templates entered into the Registry under entries 571 and 1022 may indicate that the content of the provision in question similarly shapes the rights and obligations of consumers and falls within the hypothesis of forbidden provisions in agreement templates. The use of provisions in agreement templates, by entrepreneurs, that have been entered into the Registry is legally forbidden.

The Company has been in the course of works, in cooperation with UOKiK and the Office of Electronic Communications, to change the Rules. The Amended Rules shall enter into force promptly.

Pursuant to art. 106 of the Law on protection of competition and consumers, the President of UOKiK may impose a fine on an entrepreneur, not exceeding ten per cent of the revenue achieved in the prior to the year of administration of the fine. The following factors are considered upon determination of the level of the fine: the period, the level, and the circumstances of breach of the provisions of the law and also any previous breaches of the law.

Legal grounds: Paragraph 5 section 1 point 8 of the Decree of the Finance Minister of 19 February 2009 on ongoing and periodical information submitted by issuers of securities, and conditions of their acceptance as equivalent, required by the laws of a country not being a member state.

Signed by:

/p/ Dominik Libicki

Dominik Libicki, President of the Management Board