

Int Ref: MCA-EXT/mp/12-0703

6th January 2012

Mr David Kay
Chief Executive Officer
GO plc
Fra Diegu Street
Marsa MRS 1501
Malta

Dear Mr Kay

Re: Refund subsequent to return of GO's set top box

Reference is made to the Malta Communications Authority's (hereinafter 'the Authority') decision dated 22nd December 2011 and GO plc's (hereinafter 'GO') email on the subject dated 5th January 2012.

In its decision referred to above, the Authority required GO to ensure that all subscribers that chose to withdraw from their initial contractual period as a result of GO's proposed modifications to their terms and conditions, and return the leased set-top-box (STB) to GO as stipulated in their respective terms and conditions, are provided with a full pro-rata refund of the advance payment for the lease of the STB.

The Authority, in view of GO's email of the 5th of January 2012, as well as in view of the fact that the payment for the lease of the STB could either be paid:

1. on a pro-rata basis over a 24 month period, i.e. €3 per month (given that this option requires that should the subscriber terminate the service within the 24 month period, he is still required to pay the remaining fees to complete the twenty four (24) month term as a one-time charge); or
2. upfront, as a one time charge (€64.99),

would therefore like to make the following clarifications namely:

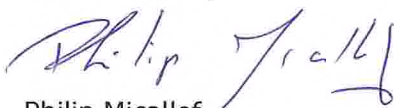
In **instance 1** as described above, the Authority requires that in the event that subscribers terminated their service during the twenty four (24) month period as a result of GO's modifications to the terms and conditions of their contract, such subscribers are not to be made liable to pay the remaining fees to complete the twenty four (24) month term as a one-time charge.

In **instance 2** as described above, notwithstanding the fact that subscribers chose to pay the 'Lease for the STB' upfront as a one time charge and therefore not over a 24 month period, should subscribers terminate their service as a result of GO's modifications to the terms and conditions of their contract, such subscribers are to be provided with a pro-rata refund in relation to the unused portion of the lease of the STB. The Authority believes that in this instance the pro-rata refund of the €64.99 should also be calculated over a period of 24 months to maintain consistency with instance 1 above. By way of example therefore should a subscriber terminate his/her service after his/her initial 12 month period, s/he is entitled to the refund of the lease of the set top box for the remaining 12 month period (i.e. €32.49).

The Authority views any charges applicable in instances 1 and 2 above to constitute a penalty and therefore to be in breach of Article 23 (3) (b) of the Electronic Communications (Regulation) Act (CAP 399 of the Laws of Malta).

The Authority notes that GO's subscribers have the option to lease GO's Conditional Access Module (CAM) instead of GO's standard STB. The rates and conditions applicable are identical and therefore the above clarifications and decision should also apply in such instances.

Yours sincerely



Philip Micallef
Executive Chairman

cc. (1) Ing Francis E Farrugia, Chairman, Malta Competition and Consumer Affairs Authority (MCCAA)

(2) Mr Stefan Briffa, Senior Manager, GO