

FRAMEWORK AGREEMENT FOR SUPPLY OF PRELAMS FOR RESIDENCE PERMIT CARDS AND ELECTRONIC ID CARDS

Registered by the Client under Ref. No. 053/OS/2020
(hereinafter referred to as "Framework Agreement")

**entered into pursuant to the Act No. 134/2016 Coll., on public procurement, as
amended (hereinafter referred to as the "PPA")**

and

**pursuant to Act No. 89/2012 Coll., Civil Code, as amended (hereinafter referred to as
the "Civil Code")**

by and between:

STÁTNÍ TISKÁRNA CENIN, státní podnik

with its registered office at Prague 1, Růžová 6, House No. 943, 110 00, Czech Republic
entered in the Commercial Register maintained by the Municipal Court in Prague, Section
ALX, Insert 296

Business ID: 00001279

Tax registration No.: CZ00001279

represented by: **Tomáš Hebelka, MSc**, Chief Executive Officer

Bank details: UniCredit Bank Czech Republic and Slovakia, a.s.

Account number: 200210010/2700

IBAN: XXX

BIC/SWIFT: XXX

(hereinafter referred to as the "**Client**")

and

Linxens (Thailand) Co., Ltd.

with its registered office at 142 Moo 1 Hi-Tech Industrial Estate Tambon Ban Laean, Amphor
Bang-Pa-In Phra Nakorn Si Ayutthaya 13160 Thailand

entered in the Commercial Register maintained by Office of the Company Limited and
Partnership Registration, Phra Nakorn Si Ayutthaya Province, Department of Business
Development, Ministry of Commerce

Business ID: 0135543000153

Tax registration No.: 0135543000153

represented by: **Ralf Peter Henn**, Managing Director

Bank details: XXX

Account number: XXX

BIC/SWIFT: XXX

(hereinafter referred to as the "**Contractor**")

(the "Client" and the "Contractor" are hereinafter collectively referred to as the "Parties")

Representatives authorized to negotiate in contractual and economic matters:

On behalf of the Client: **Tomáš Hebelka, MSc**, Chief Executive Officer

On behalf of the Contractor: **Ralf Peter Henn**, Managing Director

Representatives authorized to negotiate in factual and technical matters:

On behalf of the Client: **XXX**

On behalf of the Contractor: **XXX**

I. INTRODUCTORY PROVISIONS

1. This Framework Agreement is entered into based on the outcome of the over-threshold public contract procedure in accordance with PPA titled “*Supply of Polycarbonate ID1 Prelams with Contactless Chip Modules for Electronic Residence Permit Cards (eRP) and Electronic ID Cards (eID)*” (hereinafter referred to as the “**Tender Procedure**”) with the Contractor that meets any and all tender conditions, and the tender of which was selected as economically the most advantageous. Further, this Framework Agreement was based on the Contractor’s tender filed under the Tender Procedure on **July 13, 2020**, the content of which is known to the Parties (hereinafter referred to as the “**tender**”).
2. When interpreting this Framework Agreement, the Parties shall take account of the tender terms and conditions and the purpose of the subject of Tender Procedure. The provisions of laws and regulations on interpretation of legal conduct are not affected by this.
3. The Framework Agreement regulates the method for conclusion of individual partial contracts, terms and conditions for execution of the individual supplies by the Contractor, as well as other rights and obligations of the Parties related to the realisation of the subject hereof.
4. The purpose of this Framework Agreement is to secure supply of a non-personalized Prelams for the purpose of the Client to perform the Prelams’ Personalisation and Embedding into the Client’s polycarbonate Electronic ID Cards and electronic Residence Permit Cards (hereinafter the Electronic ID Cards referred to as the “**eID**” and the Electronic Residence Permit Cards referred to as the “**eRP**”) in line with the Client’s needs.
5. For purpose of this Framework Agreement Parties set these definitions:
 - a) Prelam means a polycarbonate core consisting of an antenna and chip module for one polycarbonate card.
 - b) Personalization means the loading or recording of data by the Client and, if applicable, program into the Prelam before issuing the electronic card to its holder.
 - c) Embedding shall mean inserting and fixing an Prelam into a Electronic card by the Client.

II. SUBJECT OF THE FRAMEWORK AGREEMENT

1. The subject of this Framework Agreement is the Contractor's obligation to supply to the Client, according to its current needs, **non-personalized polycarbonate ID1 prelams with initialized contactless chip modules equipped with ICAO travel application for eID and eRP** (hereinafter referred to as the "**Prelams**" in the plural or "**Prelam**" in the singular), **including its testing version** according to the technical specification contained in **Annex 1** to this Framework Agreement, which is integral part of this Framework Agreement, and according to Contractor's tender (offered product), and to enable the Client to acquire the ownership title to the supplied Prelams.
2. A part of the technical specification of the subject of Framework Agreement registered and filed under ref. No. V10/2021-STC by the Client as individual Annex, includes classified facts in secrecy level "RESTRICTED" in compliance with applicable national legislation of the Czech Republic, including but not limited to the Act no. 412/2005 Coll., on the protection of classified information and security capacity, as amended.
3. The Contractor declares by concluding this Framework Agreement that it has and for a duration of the Framework Agreement will have National Facility Security Clearance in secrecy level "RESTRICTED" ("VYHRAZENÉ") or higher. The Contractor is obliged to notify the Client any changes of this clearance without delay.
4. The Client undertakes to accept the Prelams, duly delivered as regards the required quantity and type, quality of the Prelams in accordance with this Framework Agreement with this Framework Agreement, on the required delivery dates, and pay the price for the Prelams agreed to herein.
5. The subject of this Framework Agreement is also the Contractor's obligation to implement the specific initialisation of the contactless chip Prelam software, described in classified information in accordance with technical specification contained in Annex 1, Annex 2 and Client's instructions (Key management and transport ceremony between inlay supplier and Client, Transport key diversification), provided by the Client after signing of this Framework Agreement (hereinafter referred to as the "**Implementation of the Key ceremony**"). When implementing this part of subject of the Framework Agreement and handling provided classified information the Contractor shall comply with the security instructions contained in **Annex 5** to this Framework Agreement, which is integral part of this Framework Agreement. Breach of this obligation constitutes a substantial breach of Framework Agreement pursuant to Article XIV paragraph 4 letter c) hereof.

III. PARTIAL CONTRACTS

1. Any and all supplies of the Prelams shall take place according to Client's needs in line with the Client's written purchase orders, each one of which constitutes a proposal to conclude a partial contract (hereinafter referred to as the "**purchase order**"), and purchase order confirmations, which constitute the acceptance of the proposal to conclude a partial contract (hereinafter referred to as the "**partial contract**"). A partial

contract shall be deemed to be entered into once the Client receives confirmation of the purchase order from the Contractor, confirming the purchase order without reservations.

2. As a minimum requirement, an purchase order shall contain the following details:
 - a) Client's identification data;
 - b) definition of the subject of performance and detailed specifications thereof, including the quantity of the Prelams to be delivered;
 - c) other requirements for the Prelams;
 - d) unit price of the Prelams without VAT, total price of the Prelams without VAT;
 - e) detailed delivery conditions, especially the delivery term and place of delivery;
 - f) date of the purchase order;
 - g) identification of the person placing the purchase order who is authorised to act on behalf of the Client.

In case of any doubt, the Contractor shall ask the Client for additional information. If the Contractor fails to do so, it is understood that the instructions are sufficient for the Contractor, and no such reason may release the Contractor from any liability for failure to perform an order in due manner and time.

3. The purchase order as per this Article shall be sent by the Client to the Contractor electronically to the Contractor's e-mail address XXX.
4. The Contractor shall confirm the purchase order acceptance to the Client by return to the Client's email address XXX. As a minimum requirement, the purchase order confirmation shall contain the identification data of the Contractor and the Client, identification of the purchase order being confirmed and date of the confirmation.
5. The Parties agree that the Contractor shall respect the supplies of the Prelams as requested and shall not modify the supplies as to type, volume or finance unless expressly agreed by the Parties.
6. The Contractor undertakes to perform any partial contract in accordance with its Tender.

IV. PLACE OF PERFORMANCE AND TERMS OF DELIVERY

1. The Contractor shall deliver the Prelams to the Client no later than in the following delivery terms:

16 weeks as of the purchase order delivery to the Contractor

The Prelams shall be considered as delivered on the day of handover and acceptance by protocol, i.e. the date of signature of the delivery note by the Client.

2. Each delivery of the Prelams shall be accompanied with a **delivery note** to be confirmed by both Parties upon handover and takeover of the Prelams, and shall be used as the **Prelams acceptance protocol**. The Prelams shall be considered as delivered on the day of handover and acceptance by protocol, i.e. the date of signature of the delivery note by the Client.

The delivery note shall contain:

- a) Identification data of the Contractor and Client,
 - b) number and date of issue of the delivery note,
 - c) the purchase order number,
 - d) Position/serial number; number according to purchase order;
 - e) order number (if stated in the purchase order),
 - f) specification of the required type and properties of the Prelams,
 - g) the Prelams quantity and the unit of measure,
 - h) the item name.
3. The place of performance for delivery of the Prelams shall be the production facilities of the Client at the following address:
- Production Plant III – Na Vápence 14/915, 130 00 Prague 3, Czech Republic.**
4. The Contractor shall arrange for the transportation of the Prelams to the place of performance at its own expense and risk in accordance with Incoterms 2020, DAP.
5. In a demonstrable manner the Contractor will announce to the Client's electronic address XXX, at least 3 business days in advance, the day of dispatching of the Prelams from the plant, name of the carrier, type and registration number of the vehicle, including the names of the driver and the supposed time of arrival to the address of the Client.
6. The Contractor may deliver the Prelams on business days from 06:00 a.m. to 02:00 p.m., unless otherwise agreed to by the Parties.
7. The supplied Prelams shall be packed in a manner that is usual for such type of Prelams, taking into consideration the place of delivery of the Prelams and the mode of transport, so as to ensure the preservation and protection of the quality of the Prelams, as well as protect the Prelams from damage by mechanical and atmospheric elements.
8. The Prelams will be delivered in sheets in the 15up format as specified in Annex 1 hereof. Every partial delivery must fulfill the following rules:
- a) every partial delivery must consist of at least the number of faultless Prelams with tolerance +/- 2 % of the faultless Prelams,
 - b) a sheet within the partial delivery may contain a maximum number of 3 defective Prelams,
 - c) the defective Prelams shall be marked in case of defective electrical function by punching in the antenna of the chip. Punch shall be circle-shaped with 6mm diameter.
9. The total number of marked defective units within a partial delivery may reach a maximum of 2 % from the total number of delivered units within a partial delivery.
10. Each package (box and palette) shall be numbered in ascending order and sealed. The sheets with no defective Prelam shall be packed separately as well as the sheets with defective Prelams (i.e. two kinds of boxes: Boxes containing sheets with a maximum number of 3 defective Prelams per sheet and boxes containing only faultless sheets). Exact package numbering and labelling will be agreed by Parties.

11. The ownership title to the Prelams supplied under this Framework Agreement shall pass on to the Client at the moment of takeover of the Prelams, i.e. upon the handover protocol for the Prelams (delivery note) being signed by the Client. The risk of damage to the Prelams is transferred to the Client at the same moment.
12. The Implementation of the Key ceremony shall be executed by the Contractor immediately after signing of this Framework Agreement and provision of the classified information by the Client in accordance with the timeschedule of the Implementation of the Key ceremony which constitutes Annex 2 and integral part of this Framework Agreement. The Implementation of the Key ceremony shall be deemed completed when performed within the scope defined in Annex 2 hereof and in classified information provided by the Client and subjected to all required or agreed tests/verification. After Implementation and successful completion of tests/verification, Acceptance Protocol will be signed. Acceptance Protocol, whose template constitutes Annex 3 hereto, shall be executed in two counterparts and signed by the Parties representatives authorized to negotiate in factual and technical matters; each Party shall then receive one copy.

V. PRICE

1. The Client states the estimated indicative volume of Prelams that can be ordered over the Framework Agreement duration:

YEAR	2021	2022	2023	2024	2025	2026	TOTAL	
Volume of eID (thousands)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
Volume of eRP (thousands)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

2. The price of the supplied Prelams is denominated in **EUR** and specified on the basis of the Contractor's bid submitted in the Tender Procedure. These prices are the maximum prices that shall not be exceeded and shall take into account indicative volumes referred to in paragraph 1 of this Article.

Price per unit of Prelam in EUR, excluding VAT	EUR XXX
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(Hereinafter referred as "**Price**")

3. The Price for the individual supplies of the Prelams also includes any and all the related costs of the Contractor, particularly packaging and transportation of the Prelams to the place of performance, customs duty, customs charges, any ecological liquidation of the Prelams and related services. This price is the final and maximum permissible price. The Price also contains any costs caused by change or changes to the technical specification/description of the Prelams as per the Annex 1 in particular in the event of

a change in legislation of EU defining the technical requirements of eID and/or eRP. The price for Implementation of the Key ceremony referred to in Article II, paragraph 5 hereof is a multiple of the working day rate (8-hour working day) of the programmer's activities, a lump sum of EUR **XXX** and the actual number of working days in which the activities was provided. The maximum time available for Implementation of Key ceremony is 30 working days (MD).

4. The price for Implementation of the Key ceremony includes any and all the related costs of the Contractor.
5. If applied, VAT shall be billed at the rate stipulated in the legislation that is valid and in force on the date of taxable supply.

VI. PAYMENT TERMS

1. The price of the supplied Prelams according to the Article V, paragraph 2 hereof shall be paid by the Client after proper delivery of the Prelams on the basis of invoice (tax document) issued by the Contractor.
2. The Contractor's right to issue an invoice (tax document) for the consignment of Prelams is established on the date delivery, i.e. the date of signature of the delivery note by the Client's authorised representative. The date of taxable supply is the date of handover and acceptance of the Prelams with confirmation in the form of a protocol, i.e. the date on which the Client's authorised representative signed the Prelams acceptance protocol (delivery note).
3. The price of the Implementation of the Key ceremony according to the Article V, paragraph 4 hereof shall be paid by the Client after proper acceptance of the Implementation of the Key ceremony on the basis of invoice (tax document) issued by the Contractor.
4. The Contractor's right to issue an invoice (tax document) for the price of Implementation of the Key ceremony is established on the date delivery, i.e. the date of signature of the Acceptance Protocol by the Client's authorised representative. The date of taxable supply is the date on which the Client's authorised representative signed the Acceptance Protocol.
5. The Client does not provide the Contractor with any advance payments for the price.
6. An invoice (tax invoice) shall contain all the prerequisites as for a tax document according to the applicable legal regulations and this Framework Agreement. Each invoice (tax document) shall include a copy of the confirmed Delivery Note relating to the executed delivery.
7. For each delivery of the Prelams, the Contractor shall issue a separate invoice (tax document).
8. The maturity period of any invoice (tax document) duly issued by the Contractor is 30 days as of the issue date. The Contractor shall deliver the invoice to the Client to the following email address: XXX. For the purposes of this Framework Agreement, an

invoice shall be deemed paid once the respective amount is credited to the Contractor's account specified in the header hereof.

9. In the event that any invoice (tax document) issued by the Contractor does not contain the necessary formalities or will contain incorrect or incomplete information, the Client is entitled to return the invoice (tax document) to the Contractor stating the reason for such return, without getting into arrears with payment. The new maturity period shall commence from the date of delivery of a duly corrected or supplemented invoice (tax document) to the Client.
10. If the Contractor is an entity liable for VAT registered in the Czech Republic, the following arrangements as contained in this article shall be binding and applicable (paragraphs 11 to 14 of this Article).
11. The Contractor shall immediately and demonstrably notify the Client, a recipient of the taxable supply, within two business days of its becoming aware of its insolvency or its threat at the latest, or of issuing a decision by a tax administrator, that the Contractor is an unreliable payer pursuant to Section 106a of the Value Added Tax Act No. 235/2004 Coll., as amended (hereinafter "**VATA**"). Violation of this obligation by the Parties is considered a material breach of this Framework Agreement.
12. Each Contractor pursuant to paragraph 9 of this Article undertakes that the bank account designated by him for the payment of any obligation of the Client under this Framework Agreement shall be published and accessible from this Framework Agreement conclusion date until its expiry in accordance with Section 98 of VATA, otherwise the Contractor is obliged to provide another bank account to the Client that is duly published in accordance with Section 98. In the case that the Contractor has been indicated by a tax administrator as an unreliable taxpayer pursuant to Section 106a of VATA, the Contractor undertakes to immediately notify this to the Client along with the date on which this circumstance arose.
13. If a guarantee for unpaid VAT arises for the Client according to Section 109 of VATA on received taxable supply from any Contractor, or the Client justifiably assumes that such facts have occurred or could have occurred, the Client is entitled, without the consent of such Contractor, to exercise a procedure according to the special method for securing tax, i.e. the Client is entitled to pay the concerned VAT according to the invoice (tax document) issued by the given Contractor directly to the competent revenue authority and to do so according to Sections 109 and 109a of VATA.
14. By payment of the VAT to the account of the revenue authority, the Contractor's receivable from Client is considered as settled in the amount of the paid VAT regardless of other provisions of the Framework Agreement. At the same time, the Client shall be bound to notify the respective Contractor of such payment in writing immediately upon its execution.
15. The Contractor is not authorised, without the written consent of the Client, to set-off any of its receivables from the Client with any of the Client's receivables from the Contractor or assign any of its rights and receivables from the Client to a third party.
16. The Contractor agrees that it shall in no way burden its claims against the Client under the partial contract or in connection with a lien in favour of a third party.

17. In case the Contractor sets off, assigns or places under lien any claim against the Client from the title of a partial contract in contravention of the preceding provisions, the Contractor is obliged to pay to the Client a contractual penalty at the rate of 10% on the value of the claim, which was set-off, assigned or placed under lien.

VII. OTHER RIGHTS AND OBLIGATION OF PARTIES

1. The Contractor shall supply the Prelams to the Client in line with the technical specification contained in Annex 1 hereof and the Contractor's tender.
2. The Contractor shall not provide the contents of the subject of this Framework Agreement that are uniquely designed for the czech eID and eRP to any third party.
3. The Contractor warrants to the Client that during the preparation, production or shipment and transport of the Prelams — as long as the Prelams are owned by the Contractor or the Contractor bears the liability for damage to the Prelams — there shall be no misuse of the materials used for the production of the Prelams, or of the finished Prelams, and undertakes to take all necessary and appropriate measures to prevent the Prelams from being lost or stolen.
4. Failure to observe the provisions of paragraphs 2 or 3 of this Article is a substantial breach of this Framework Agreement resulting in the right of Client to withdraw from this Framework Agreement, entitling the Client to the compensation within the scope of and according to this Framework Agreement.
5. The Contractor warrants to the Client that it is not aware of any violation of third party rights by the subject of this Framework Agreement at the date of agreement signature. If a third party raises a legitimate claim because of an infringement of industrial property rights, copyrights or any other rights by the Prelams supplied by Contractor, Contractor shall be liable as follows:
 - a) The Contractor will, at its expense, secure a right of use to the Prelam. If this is not possible on commercially reasonable terms, the Contractor will, at its option, either modify the Prelam in such a way that the property right is not infringed or take the Prelam back.
 - b) The Contractor's obligations as set out in a) above shall only apply on condition that the Client, if claims for infringement of property rights are lodged with it, notifies the Contractor immediately in writing of any such claim, does not acknowledge such infringement and conducts or settles any disputes, including out-of-court settlements, in prior written consent with the Contractor. The Contractor shall not be liable and the Client shall have no claim if the infringement of property rights arises from the Client's special requirements or from the fact that the Prelam was modified by the Client or used together with Prelam that were not supplied by the Contractor and the infringement of property rights results from this modification or the combination with third-party products.
6. No later than as of this Framework Agreement conclusion date, the Contractor shall submit, and maintain valid for the entire duration of this Framework Agreement, an a

liability insurance contract for damages caused to third parties by operating activity of the Contractor for the minimum amount of **3 000 000 EUR**.

7. The Contractor hereby agrees to provide the necessary assistance in performance of the obligations pursuant to the PPA.
8. The Contractor further acknowledges and agrees that the Client is entitled to conduct the Security audit / check related to the subject of performance of this Framework Agreement at the Contractor's facility, which usually requires the Contractor's assistance, by enabling access to the Contractor's facility, or verification of specific processes of the Prelams production and processing. A more detailed description of the requirements of the Security audit / check is set out in **Annex No. 6**, which is integral part of this Framework Agreement. Breach of this Contractor's obligation to enable realization of the Security audit / check constitutes a substantial breach of Framework Agreement pursuant to Article XIV paragraph 4 letter c) hereof.

VIII. INTELLECTUAL PROPERTY RIGHTS AND RIGHT TO USE SOFTWARE

1. The Contractor is and remain the sole owner of all intellectual and industrial rights pertaining to the Prelams (including their documentation), including without limitation, software (whether already loaded in the Prelams delivered or delivered separately for being loaded in such Prelams), patents, patents applications, copyrights, and more generally pertaining to all services or works to be procured to Client hereunder.
2. The Contractor does not grant the Client any patent rights or patent licenses on the Prelams.
3. The Contractor grants to the Client the right and license to use the Prelams for purposes of this Framework Agreement.
4. The Contractor grants to the Client the right and license to use the software already loaded in the Prelams for all necessary production steps up to the finished personalization and embedding of the Prelams.
5. The Client can license the Prelams software to its customers, as an integral part of the Prelams, and only under the conditions that such customers do not:
 - a) reproduce it;
 - b) modify it;
 - c) reverse assemble, reverse compile or decode it for any purposes whatsoever;
 - d) operate it on any other system than that for which it was intended;
 - e) communicate it and the corresponding knowledge to any third party.
6. The Client has the right to use, on a non-transferable basis, the software included in the Prelams solely for the purpose of this Framework Agreement and only in combination with the Prelams.
7. Unless otherwise stipulated by law, any modification, recompilation, reverse engineering to the software or compilation of derived software based on the software is explicitly forbidden, together with any modification to security mechanisms in the

software and the decomposition of the software by the Client or one of the Client's own customers in turn.

8. The Client is not entitled to remove or change any references to the copyright and industrial property rights affixed to the software.

IX. LIABILITY FOR DEFECTS AND QUALITY WARRANTY

1. The Contractor is responsible for the due performance of the subject of the Framework Agreement, especially for the observance of the technical specification, functionality for the purpose described herein and in Annex 1 and for the quantity of the Prelams specified in the partial contract.
2. Under warranty for quality of the Prelams, the Contractor undertakes that it shall for the duration of the warranty period be capable of performance for the contracted purpose, otherwise to the usual purpose and that it shall maintain the contracted, otherwise usual properties. The Contractor will rectify any defects and/or faulty services within the warranty period following written notice of the defect on the part from the Client. The Client shall be entitled to claim the defects of the delivered Prelams at any time throughout the said warranty period.
3. The period of warranty of the Prelams is 11 years from the date of takeover of the relevant partial delivery by the Client (hereinafter referred to as the "Warranty period"). Termination of the Agreement does not release DIS from its warranty obligations of the Prelams delivered to the Client prior the date of termination of the Agreement.
4. The Contractor shall not be liable for damages caused by defect caused by havoc, mechanic failure by the Client or the third party, unsuitable stocking or by using for the function unusual for Prelams. Standard conditions of use and storage conditions are given in the **Annex 4**, which is integral part of this Framework Agreement.
5. A defect is any condition when the quality, quantity or workmanship of the supplied Prelams does not comply with the conditions specified in the specifications of the required Prelams according to this Framework Agreement and the technical specifications stipulated in Annex 1 hereof; especially, the Prelams are defective if not delivered in time, in the agreed type, quantity and quality.
6. The notice of the defect of the Prelams should be sent by the Client to Contractor to the following e-mail address: XXX.
7. In the event that Prelams are found to be defective, without being marked according to the Article IV, paragraph 7, letter c) hereof, the Client shall provide the Contractor with a maximum of 15 business days time period to examine the Prelams found to be defective for the cause of the defect. The time period starts from the date of delivery of notice of the defect send by the Buyer. If the Contractor's examination confirms that the claimed defect falls under the warranty, the claims of the defects of the Prelams will be solved by:
 - a) delivery of the missing quantity of the Prelams, or

- b) replacement of the defective Prelams with a faultless one, or
- c) reimbursement of the purchase price of the defective Prelams.

The way of solving a claim shall be mutually agreed.

8. For the avoidance of doubt, in the event that more than 2 % of the total number of delivered units within a partial delivery (faultless units plus marked units) is marked as defective, the Contractor shall reimburse the Client the production cost for each units above this 2 % threshold in the amount of:
 - a) 2,15 Euro per non personalized unit of eRP and 3.50 Euro per personalized card of eRP;
 - b) 1,87 Euro per non personalized unit of eID and 3.58 Euro per personalized card of eID.
9. In the event that within the delivery there are sheets in the 15up format defined in the Annex 1 hereof with more than 3 defective Prelams, the Contractor shall be obliged to replace such sheets with sheets containing no more than 3 defective Prelams.
10. The term for the warranty claim settlement, in case the Client has chosen supply of new or missing Prelams, is 15 calendar days as of the decision on warranty claim assessment as per paragraph 7 of this Article, however, not more than 15 calendar days as of the end of the term stipulated in Article 6 of this Article.
11. The Client must execute an incoming Prelams inspection consisting of but not limited to the following procedures without undue delay upon receipt of the goods in the following range:
 - a) check of the packages quantity and its conformity with the respective delivery notes;
 - b) check of the packages integrity;
 - c) spot check of the number of Prelams in packages in accordance with the respective delivery notes.

The Client shall announce to the Contractor any detected defects, which are obvious after the above described inspection, within 5 business days after receipt of Prelams presenting a detailed report of the defect of quantity. The claims for the defects will be solved according to the paragraph 7 of this article.

12. Lodging a claim under liability for defects of the Prelams shall not affect the Client's entitlement to the agreed contractual penalty and damage compensation.
13. The Contractor shall conduct all activities necessary or associated with claiming of defects on its own at its own expense in cooperation with Client and within Client's working hours in order not to endanger or not to limit the Client's activities by its activities.

X. PENALTIES

1. In the case of the Contractor's delay with the delivery of the Prelams within the deadline according to individual partial contracts, the Contractor shall pay to the Client

a contractual penalty of 0,5 % of the Price of the Prelams or a portion thereof (excluding VAT), to which the Contractor's default applies, for each started day of such delay. The contractual penalty shall not in each case of a delay exceed 20% of the price of the late delivery of the Prelams.

2. Should the Contractor violate its obligation to eliminate the defects in the Prelams by delivering the new or the missing Prelams within the term stipulated in Article IX, paragraph 7 hereof, the Client is entitled to demand the contractual penalty amounting to 0,5 % of the Price of the Prelams or a portion thereof (excluding of VAT), the elimination of which is delayed by the Contractor for each started day of such delay. The contractual penalty shall not in each case of a delay exceed 20% of the price of the late delivery of the Prelams.
3. Should either Party violate its obligations as per Article XI of this Framework Agreement in a demonstrable manner, the aggrieved Party is entitled to charge the contractual penalty amounting to EUR 11,800 for every violation or failure to meet such contractual obligation to the other Party. The burden of proof lies on the Party claiming that an obligation has been breached.
4. Should the Contractor violate its obligations as per Article VII, paragraph 2 or 3 hereof in a demonstrable manner, the Client is entitled to charge the contractual penalty amounting to EUR 11,800 for every violation or failure to meet such contractual obligation to the Contractor.
5. Payment of the contractual penalty does not release the Party from its duty to perform the obligations imposed on the basis of this Framework Agreement and the respective partial contract.
6. Claiming the contractual penalty is without prejudice to the right to compensation of any damage suffered in the full extent.
7. The contractual penalty (post-maturity interest) is due in 30 calendar days as of the date of delivery of the contractual (post-maturity interest) penalty billing to the other Party.

XI. PROTECTION OF INFORMATION

1. The Parties are not entitled to disclose to any third party the non-public information they obtained or shall obtain during mutual cooperation, and the information related to entering into this Framework Agreement and its content. This does not apply if the information is disclosed to the employees of the Party for the purpose of implementation hereof on a need-to-know basis, or to other individuals (information processors) involved in implementation hereof, under the same terms as laid down for the Parties hereto and always within the minimum scope necessary for due fulfilment hereof.
2. The Parties are liable to assure compliance with the obligations pursuant to this Article of all individuals to whom the non-public information is disclosed pursuant to the previous sentence. Violation of the confidentiality commitment by these individuals shall be deemed violation by the Party disclosing the information to them.

3. Confidential information is any information mutually provided in written, oral, visual, electronic, or other format as well as know-how which has actual or potential value and which is not commonly available in the respective business circles, and further information which is designated in writing as confidential (abbreviation "DIS") or which may be assumed to be confidential information due to the nature of the respective matter.
4. The Parties hereby undertake that if in the context of mutual cooperation they get in touch with personal data or special categories of personal data in the sense of the Regulation of the European Parliament and of the Council (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on free movement of these data, and repealing Directive 95/46/EC (the General Data Protection Regulation, or GDPR) and the Act No. 110/2019 Coll., on Personal Data Protection, they shall take any and all necessary measures to prevent unauthorised or random access to these data, their alteration, destruction or loss, unauthorised transfer, other unauthorised processing or any other misuse.
5. In this regard, the Parties undertake:
 - a) Not to disclose confidential information to any third party;
 - b) Ensure that the confidential information is not disclosed to third parties;
 - c) Secure the data in any form, including their copies, which include confidential information, against third party abuse and loss.
6. The obligation to protect confidential information does not apply to the following cases:
 - a) The respective Party proves that the given information is available to the public without this availability being caused by the same Party;
 - b) If the Party is able to demonstrate that the given information was available to it before the date of disclosure of the information by the other Party and that it did not acquire it in violation of the law;
 - c) If the Party obtains a written approval from the other party to disclose the information further;
 - d) If the law or a binding decision of the respective public authority requires the information to be disclosed;
 - e) An auditor performs an audit at one of the Parties based on authorisation specified in applicable legal regulations.
7. The Party undertakes, upon the request of the other Party, to:
 - a) Return all the non-public information which was handed over to it in a "material form" (especially in writing or electronically) and any other materials containing or implying the non-public information;
 - b) Return or destroy copies, extracts or other entire or partial reproductions or records of non-public information;
 - c) Destroy without undue delay all documents, memoranda, notes and other written materials elaborated on the basis of the non-public information;
 - d) Destroy materials stored in computers, text editors, or other devices containing non-public information pursuant to this Framework Agreement.

The Parties also undertake to ensure that the same shall be performed by any other individuals, to which the non-public information is disclosed by either Party.

8. The employee of the liable Party authorised to destroy the documents in the sense of the previous paragraph shall confirm the destruction upon request of the other Party in writing.
9. In case that either of the Parties or their employees or other individuals (information processors) become aware in a credible manner or if they have a reasonable suspicion that the confidential information has been disclosed to an unauthorised party, they shall be bound to inform the other Party of such a fact without undue delay.
10. The confidentiality obligation is not time-limited. The obligation to maintain confidentiality of non-public information acquired within the framework of cooperation with the other Party lasts even after this Framework Agreement is terminated or expires. The confidentiality commitment shall pass on to any potential successors of the Parties.

XII. LIABILITY AND FORCE MAJEURE

1. Liability conditions abide by the Civil Code. Neither Party limits its liability for death or personal injury caused by its negligence or the negligence of its employees. Neither Party shall be, liable to the other Party for any indirect, special, consequential or incidental damages of whatsoever kind or nature arising out of or in connection with this Framework Agreement, including but not limited to any loss, cost, damage, loss of revenue, loss of profit or loss of use, incurred or suffered by the victim Party or any third party resulting from a defect, an incident, the failure of the Prelams in accordance with the terms of this Framework Agreement. This exemption of liability only applies if the other Party was advised of the possibility of such damages.
2. The foregoing shall not affect the Client's right to claim compensation against the Contractor for damages suffered by the Client arising directly from the performance, bad performance or non-performance of the Contractors's duties and/or obligations under this Framework Agreement, provided however that the total liability of the Contractor in connection therewith shall not exceed 20% of the total value for the estimated indicative volume of Prelams that can be ordered over this Framework Agreement duration, determined as the product of the unit price of the Prelam and the estimated indicative total volume of Prelam within the meaning of Article V (1) of the Framework Agreement.
3. In no case shall the Contractor be liable for any damages resulting from or arising out of any illegal and/or fraudulent use of the Prelams by the Client, any third party or the end-user.
4. An obstruction which occurs independently of the will of the obliged party which prevents it from performing its duty (and it may not be reasonably expected that the obliged party could have averted or overcome the obstruction or its consequences and

that at the moment of formation of this obligation it could have foreseen it) is regarded as a circumstance excluding liability.

5. In such case the concerned Party shall notify the other Party of the nature of the obstruction preventing it from performing its duties.
6. During the existence of such obstruction the concerned Party shall not be bound to perform the obligations resulting from this Framework Agreement.
7. As soon as the obstacle ceases to exist, the affected party shall resume its obligations towards the other party and shall do its utmost to remedy the consequences of the temporary non-performance of its obligations pursuant to this Framework Agreement.
8. The Party that has a statutory right not to perform its obligations due to force majeure shall not be liable for the damage incurred by the other party in this connection.

XIII. APPLICABLE LAW AND RESOLUTION OF DISPUTES

1. This Framework Agreement is governed by the laws of the Czech Republic, especially the Civil Code and PPA.
2. The Parties undertake to exert every effort to resolve any mutual disputes resulting from this Framework Agreement. Should the Parties fail to agree on an amicable settlement of a mutual dispute, each of the Parties may seek its rights before a competent court in the Czech Republic; the jurisdiction of a foreign court is excluded. The Parties have agreed that the competent court for judgement of the disputes arising between them under this Framework Agreement is the general court according to the Client's registered seat.
3. The application of the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980, known as the Vienna Convention, is excluded by this Framework Agreement.

XIV. TERM OF THE FRAMEWORK AGREEMENT

1. The present Framework Agreement comes into force on the day it is signed by both Parties, and taking effect once it is published in the Register of Contracts.
2. This Framework Agreement has been entered into for a definite period of time, specifically until 31.12. 2026.
3. This Framework Agreement shall terminate:
 - a) with the lapse of the agreed-upon term of the Contract;
 - b) by a written agreement between the Parties;
 - c) by a written notice of termination by either Party; or
 - d) by withdrawal from this Framework Agreement subject to the terms and conditions given below in the event of a substantial breach hereof by either Party.

4. The Parties have agreed that substantial breach of Framework Agreement shall particularly be:
 - a) A failure to meet the technical specification of the Prelams;
 - b) An incidence of ROCA or MINERVA vulnerabilities in delivered Prelams;
 - c) Recurring, at minimum second, delay on the part of the Contractor in the delivery of the Prelams according to a partial contract for a period exceeding 7 business days;
 - d) Other cases as per this Framework Agreement.
5. The withdrawal from this Framework Agreement shall take effect on the day of a written notice of withdrawal delivery to the other Party. The notice of withdrawal must be sent by registered mail. Withdrawal from this Framework Agreement does not terminate the contractual relationship from the outset and the Parties retain any performance provided for each other up to termination hereof.
6. The Parties are entitled to terminate this Framework Agreement at any time, even without stating a reason. The notice period is 6 months, commencing on the first day of the calendar month following delivery of the written notice of termination to the other Party. The notice must be sent by registered mail. The Parties hereby agree that their obligations pursuant hereto shall apply until the end of the notice period.
7. Termination of this Framework Agreement shall not affect the provisions regarding contractual penalties, damage compensation, and such rights and obligations which, by their nature, shall persist even after this Framework Agreement is terminated.
8. A partial contract expires:
 - a) if such termination is agreed upon by both of the Parties hereto;
 - b) by the Client's withdrawal due to a substantial violation of the partial contract by the Contractor, whereas such violation mainly means when the Contractor is in default in delivering the Prelams under the partial contract for more than 4 calendar weeks.

XV. FINAL PROVISIONS

1. The Parties agree that any modifications and additions hereto may only be made in written amendments identified as such, numbered in ascending order, and agreed upon by the Parties.
2. Any established commercial habits or practices relevant to the agreed performance or to follow-up performance, shall not take precedence over contractual provisions or provisions specified in the Civil Code, even if such provisions have no enforcement effects.
3. The Contractor agrees to notify the Client without undue delay about its own insolvency or a threat thereof.
4. The Parties hereby declare that no verbal arrangement, contract or proceedings on the part of any of the Parties exists, which would negatively influence the exercise of

any rights and duties according to this Framework Agreement. At the same time, the Parties confirm by their signatures that all the assurances and documents hereunder are true, valid and legally enforceable.

5. If any provision hereof is or becomes invalid or ineffective, it shall have no effect whatsoever on the other provisions hereof, which shall remain valid and effective. In such a case, the Parties undertake to replace the invalid/ineffective provision with a valid/effective provision the effect of which comes as close as possible to the originally intended effect of the invalid/ineffective provision. If any provision hereof is found null (void), the Parties shall analogously assess the effect of such nullity on the remaining provisions hereof in accordance with Section 576 of the Civil Code.
6. The Parties agree that in accordance with Section 219(1)(d) of PPA, this Framework Agreement shall be published in the Register of Contracts pursuant to Act No. 340/2015 Coll., laying down special conditions for the effectiveness of certain contracts, the disclosure of these contracts and the register of contracts (the Register of Contracts Act). The Client shall arrange for the publication. Performance of the subject of this Framework Agreement completed prior to the effective date of this Framework Agreement shall be considered the performance under this Framework Agreement, whereas the related rights and obligations shall be governed by this Framework Agreement.
7. The Framework Agreement is drawn up in the English in two copies with the validity of the original from which each of the Parties will receive one copy.
8. The Parties represent and warrant that they have read this Framework Agreement and accept its contents, in witness whereof they attach their signatures.
9. The following Annexes forms an integral part of this Framework Agreement:
 - Annex No. 1: Technical Specification
 - Annex No. 2: Time schedule of Implementation of the Key ceremony
 - Annex No. 3: Acceptance Protocol template
 - Annex No. 4: Standard conditions of use and storage conditions
 - Annex No. 5: Security instructions
 - Annex No. 6: Security audit / check

In Prague, date _____

In Ayutthaya, date _____

For the Client:

For the Contractor:

Tomáš Hebelka, MSc
Chief Executive Officer

Ralf Peter Henn
Managing Director

STÁTNÍ TISKÁRNA CENIN, státní podnik

Linxens (Thailand) Co., Ltd.