

FRAMEWORK AGREEMENT FOR THE PRODUCTION AND THE SUPPLY OF CHIP PRELAMINATES

registered by the Buyer under No. 41/OS/2020
registered by the Seller under No.

(hereinafter referred to as "**this Framework Agreement**")
made pursuant to the provision of **Section 56 of the Act No. 134/2016 Coll.**, on public
procurement, as amended (hereinafter referred to as the "**PPA**")
and
pursuant to **Section 1746 (2) et seq. of Act No. 89/2012 Coll.**, the 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 Identification No.: CZ00001279

Acting through: **Tomáš Hebelka, MSc**, Chief Executive Officer

Bank details: UniCredit Bank xxx

Account number: xxx

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

and

LUX – Ident s.r.o.

with its registered office at Tovární 368, Žichlínské předměstí 563 01, Lanškroun
entered in the Commercial Register administered by County Court in Hradec Králové,
Section C, Insert 1829

Business ID: 25973959

Tax Identification No.: CZ25973959

Represented by: **Michal Smetana**, Vice President

Bank details: xxx

Bank Account: xxx

IBAN: xxx

SWIFT kód: xxx

(hereinafter the "**Seller**")

(the "**Buyer**" and the "**Seller**" hereinafter collectively referred to as the "**Parties**" or
"**Contracting Parties**")

I. INTRODUCTORY PROVISIONS

1. This Framework Agreement is concluded on the basis of the results of the open over-threshold public contract procedure in accordance with PPA titled "*Production and Supply of Chip Prelaminates*" (hereinafter referred to as the "**tender procedure**") with the Seller who meets all the tender conditions and whose tender was selected as the most economically advantageous. The basis for this Framework Agreement is also the Seller's tender for the tender procedure submitted on 2.3.2021, the content of which is known to the Parties (hereinafter referred to as the "**Tender**").
2. When interpreting the content of this Framework Agreement, the Parties are obliged to take into account the tender conditions and the purpose related to the tender procedure. The provisions of laws and regulations on interpretation of legal conduct are not affected by this.
3. For the purposes of this Framework Agreement, the term "Prelaminate" means a single position on a sheet containing a chip module and a coiled antenna within a laminated sheet (hereinafter "Prelaminate"), the term "sheet" means a sheet containing 21 Prelaminates (in the format 3 x 7 Prelaminates) or 15 Prelaminates (in the format 3 x 5 Prelaminates) (hereinafter "sheet").
4. This Framework Agreement regulates the method for conclusion of individual partial contracts, conditions for execution of individual deliveries on the part of the Seller, as well as other rights and obligations of the Parties related to the realisation of the individual partial contracts concluded hereunder.

II. SUBJECT MATTER OF THE FRAMEWORK AGREEMENT

1. The subject matter of this Framework Agreement is the Seller's obligation to produce and supply the Buyer Prelaminates with chip modules containing required types of chip modules, or with defined combinations of types of chip modules according to the technical specification, which is Annex No. 1 to this Framework Agreement (hereinafter referred to as "Prelaminates", "subject of performance" or "goods") and transfer to the Buyer ownership of the supplied Prelaminates.
2. The estimated quantity of each Prelaminates to be delivered in fulfillment of the Framework agreement is as follows:

a) PVC materials –

Low frequency chip modules (125 kHz, 17 pF)

Chip module type	Estimated quantity of Prelaminates to be delivered during this Framework Agreement
EM4102	30 000 pcs
HITAG1	10 000 pcs
HITAG2	15 000 pcs

High frequency chip modules (13,56 MHz, 17 pF)

Chip module type	Estimated quantity of Prelaminates to be delivered during this Framework Agreement
Mifare Classic 1kB	50 000 pcs
Mifare Classic 4kB	200 000 pcs
Mifare Plus X 2kB	10 000 pcs
Mifare Plus X 4kB	10 000 pcs
Mifare DESfire ev1 2kB	50 000 pcs
Mifare DESfire ev1 4kB	150 000 pcs
Mifare DESfire ev1 8kB	150 000 pcs
Mifare DESfire ev2 2kB	50 000 pcs
Mifare DESfire ev2 4kB	150 000 pcs
Mifare DESfire ev2 8kB	150 000 pcs
Mifare DESfire ev3 2kB	10 000 pcs
Mifare DESfire ev3 4kB	50 000 pcs
Mifare DESfire ev3 8kB	50 000 pcs
Mifare DESfire ev3c 2kB	20 000 pcs
Mifare DESfire ev3c 4kB	20 000 pcs
Mifare DESfire ev3c 8kB	20 000 pcs

Combination of 2 types of chip modules (Hybrid Prelaminates, 17 pF)

Combination of chip modules		Estimated quantity of Prelaminates to be delivered during this Framework Agreement (numbers in pieces of the given combination - 1pcs of Prelaminates = combination of 2 chip modules)
1 st type of chip module	2 nd type of chip module	
Mifare Classic 1kB	EM4102	15 000 pcs
Mifare Classic 4kB	EM4102	15 000 pcs
Mifare DESfire ev1 2kB	EM4102	10 000 pcs
Mifare DESfire ev1 4kB	EM4102	20 000 pcs
Mifare DESfire ev1 8kB	EM4102	20 000 pcs
Mifare DESfire ev2 2kB	EM4102	10 000 pcs
Mifare DESfire ev2 4kB	EM4102	20 000 pcs
Mifare DESfire ev2 8kB	EM4102	20 000 pcs
Mifare DESfire ev3 2kB	EM4102	5 000 pcs
Mifare DESfire ev3 4kB	EM4102	5 000 pcs
Mifare DESfire ev3 8kB	EM4102	5 000 pcs
Mifare DESfire ev3c 2kB	EM4102	5 000 pcs
Mifare DESfire ev3c 4kB	EM4102	5 000 pcs
Mifare DESfire ev3c 8kB	EM4102	5 000 pcs
Mifare Classic 1kB	HITAG1	10 000 pcs
Mifare Classic 4kB	HITAG1	10 000 pcs
Mifare DESfire ev1 2kB	HITAG1	2 000 pcs
Mifare DESfire ev1 4kB	HITAG1	10 000 pcs
Mifare DESfire ev1 8kB	HITAG1	10 000 pcs
Mifare DESfire ev2 2kB	HITAG1	2 000 pcs
Mifare DESfire ev2 4kB	HITAG1	10 000 pcs
Mifare DESfire ev2 8kB	HITAG1	10 000 pcs

Mifare DESfire ev3 2kB	HITAG1	1 000 pcs
Mifare DESfire ev3 4kB	HITAG1	2 000 pcs
Mifare DESfire ev3 8kB	HITAG1	2 000 pcs
Mifare DESfire ev3c 2kB	HITAG1	1 000 pcs
Mifare DESfire ev3c 4kB	HITAG1	2 000 pcs
Mifare DESfire ev3c 8kB	HITAG1	2 000 pcs
Mifare Classic 1kB	HITAG2	10 000 pcs
Mifare Classic 4kB	HITAG2	10 000 pcs
Mifare DESfire ev1 2kB	HITAG2	2 000 pcs
Mifare DESfire ev1 4kB	HITAG2	10 000 pcs
Mifare DESfire ev1 8kB	HITAG2	10 000 pcs
Mifare DESfire ev2 2kB	HITAG2	2 000 pcs
Mifare DESfire ev2 4kB	HITAG2	10 000 pcs
Mifare DESfire ev2 8kB	HITAG2	10 000 pcs
Mifare DESfire ev3 2kB	HITAG2	1 000 pcs
Mifare DESfire ev3 4kB	HITAG2	2 000 pcs
Mifare DESfire ev3 8kB	HITAG2	2 000 pcs
Mifare DESfire ev3c 2kB	HITAG2	1 000 pcs
Mifare DESfire ev3c 4kB	HITAG2	2 000 pcs
Mifare DESfire ev3c 8kB	HITAG2	2 000 pcs

b) PC materials

Low frequency chip module (125 kHz, 17 pF)

Chip module type	Estimated quantity of Prelaminates to be delivered during this Framework Agreement
EM4102	10 000 pcs
HITAG1	10 000 pcs

HITAG2	10 000 pcs
--------	------------

High frequency chip module (13,56 MHz, 17 pF)

Chip module type	Estimated quantity of Prelaminates to be delivered during this Framework Agreement
Mifare Classic 1kB	20 000 pcs
Mifare Classic 4kB	20 000 pcs
Mifare Plus X 2kB	2 000 pcs
Mifare Plus X 4kB	2 000 pcs
Mifare DESfire ev1 2kB	4 000 pcs
Mifare DESfire ev1 4kB	20 000 pcs
Mifare DESfire ev1 8kB	20 000 pcs
Mifare DESfire ev2 2kB	4 000 pcs
Mifare DESfire ev2 4kB	20 000 pcs
Mifare DESfire ev2 8kB	20 000 pcs
Mifare DESfire ev3 2kB	5 000 pcs
Mifare DESfire ev3 4kB	5 000 pcs
Mifare DESfire ev3 8kB	5 000 pcs
Mifare DESfire ev3c 2kB	5 000 pcs
Mifare DESfire ev3c 4kB	5 000 pcs
Mifare DESfire ev3c 8kB	5 000 pcs

Combination of 2 types of chip modules (Hybrid Prelaminates, 17 pF)

Combination of chip modules		Estimated quantity of Prelaminates to be delivered during this Framework Agreement (numbers in pieces of the given combination - 1pcs of Prelaminates = combination of 2 chip modules)
1st type of chip module	2nd type of chip module	

Mifare Classic 1kB	EM4102	5 000 pcs
Mifare Classic 4kB	EM4102	5 000 pcs
Mifare DESfire ev1 2kB	EM4102	1 000 pcs
Mifare DESfire ev1 4kB	EM4102	5 000 pcs
Mifare DESfire ev1 8kB	EM4102	5 000 pcs
Mifare DESfire ev2 2kB	EM4102	1 000 pcs
Mifare DESfire ev2 4kB	EM4102	5 000 pcs
Mifare DESfire ev2 8kB	EM4102	5 000 pcs
Mifare DESfire ev3 2kB	EM4102	1 000 pcs
Mifare DESfire ev3 4kB	EM4102	2 000 pcs
Mifare DESfire ev3 8kB	EM4102	2 000 pcs
Mifare DESfire ev3c 2kB	EM4102	1 000 pcs
Mifare DESfire ev3c 4kB	EM4102	2 000 pcs
Mifare DESfire ev3c 8kB	EM4102	2 000 pcs
Mifare Classic 1kB	HITAG1	2 000 pcs
Mifare Classic 4kB	HITAG1	2 000 pcs
Mifare DESfire ev1 2kB	HITAG1	2 000 pcs
Mifare DESfire ev1 4kB	HITAG1	2 000 pcs
Mifare DESfire ev1 8kB	HITAG1	2 000 pcs
Mifare DESfire ev2 2kB	HITAG1	2 000 pcs
Mifare DESfire ev2 4kB	HITAG1	2 000 pcs
Mifare DESfire ev2 8kB	HITAG1	2 000 pcs
Mifare DESfire ev3 2kB	HITAG1	2 000 pcs
Mifare DESfire ev3 4kB	HITAG1	2 000 pcs
Mifare DESfire ev3 8kB	HITAG1	2 000 pcs
Mifare DESfire ev3c 2kB	HITAG1	2 000 pcs
Mifare DESfire ev3c 4kB	HITAG1	2 000 pcs

Mifare DESfire ev3c 8kB	HITAG1	2 000 pcs
Mifare Classic 1kB	HITAG2	2 000 pcs
Mifare Classic 4kB	HITAG2	2 000 pcs
Mifare DESfire ev1 2kB	HITAG2	1 000 pcs
Mifare DESfire ev1 4kB	HITAG2	2 000 pcs
Mifare DESfire ev1 8kB	HITAG2	2 000 pcs
Mifare DESfire ev2 2kB	HITAG2	1 000 pcs
Mifare DESfire ev2 4kB	HITAG2	2 000 pcs
Mifare DESfire ev2 8kB	HITAG2	2 000 pcs
Mifare DESfire ev3 2kB	HITAG2	1 000 pcs
Mifare DESfire ev3 4kB	HITAG2	2 000 pcs
Mifare DESfire ev3 8kB	HITAG2	2 000 pcs
Mifare DESfire ev3c 2kB	HITAG2	1 000 pcs
Mifare DESfire ev3c 4kB	HITAG2	2 000 pcs
Mifare DESfire ev3c 8kB	HITAG2	2 000 pcs

3. The quantities of Prelaminates referred to in paragraph 2 of this Article are only estimated and the Buyer is not obliged to take these quantities.
4. The Buyer undertakes to accept the Goods, duly and timely delivered as regards the required quantity and type of the Goods, on the required delivery dates, and to pay for the Goods the price agreed herein.
5. The Buyer may invite the Seller to provide performance in accordance with this Framework Agreement up to a maximum financial amount of EUR 1,100,000 excluding VAT for the entire duration of this Framework Agreement (hereinafter as a "Financial limit").

III. ORDERS

1. All supplies of the Goods shall take place according to the Buyer's needs in line with the written orders, each one of which constitutes a proposal to conclude a partial contract (hereinafter as an "**order**"), and confirmations, which constitute the acceptance of the proposal to conclude a partial contract (hereinafter as a "**partial contract**").
2. As a minimum requirement, an order shall contain the following details:
 - a) Buyer's identification data;

- b) Detailed specification of the Goods, including the quantity of the Goods to be delivered;
- c) Other requirements for the Goods;
- d) detailed delivery conditions, especially the delivery term and place of delivery,
- e) the designation of the person placing the order, who is authorised to act on behalf of the Buyer.

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

3. The order shall be sent to the Seller electronically to the Seller's e-mail address knapkova@lux-ident.com.

Within the order, the Buyer is obliged to order only one type of Prelaminates and more, but always at least in the following minimum quantity of Prelaminates of each type:

- at least 1 000 Prelaminates with Low-frequency chip modules;
- at least 1 000 Prelaminates with High-frequency chip modules and
- at least 500 pieces of combined Prelaminates;

and the Seller is obliged to accept this quantity.

4. The Seller is obliged to confirm the receipt of this partial order in writing within 2 working days of receiving the order to the Buyer's e-mail address purchasing@stc.cz. As a minimum requirement, confirmation of an order must contain identification data of the Seller and the Buyer, and identification of the order being confirmed. A partial contract shall be deemed to have been entered into once the Buyer receives confirmation of an order from the Seller, confirming the order without reservations.
5. The Seller is obliged to send to the Buyer to the e-mail address specified in paragraph 4 of this article within 2 working days after receipt of the order for the opinion, a dimensioned technical drawing of the sheet with Prelaminates (hereinafter referred to as the "technical drawing").
6. The Buyer is obliged to send to the Seller to the e-mail address specified in paragraph 4 of this article within 2 working days after receiving the technical drawing its opinion (approval / disapproval) on the submitted technical drawing. In case of non-approval, the Buyer shall notify the Seller of the requirements for modification of the technical drawing, on the basis of which the Seller shall modify the technical drawing and within 2 working days from receipt of the requirements for modification of the technical drawing.
7. The Parties agree that the Seller will respect the supplies of the Goods as requested and will not modify the supplies as to type, volume or finance unless expressly agreed by the Parties.
8. The Seller undertakes in the fulfilment of any purchase order to act in accordance with the Tender.

IV. DELIVERY DATE AND PLACE OF PERFORMANCE, DELIVERY CONDITIONS

1. The Seller is obliged to deliver the Goods to the Buyer within the date specified in the relevant order, which shall be agreed by the parties according to the limits stated in the paragraph 2 of this Article. The place of performance shall be placed in territory of Prague, Czech Republic, specifically ***the Production Plant III – Na Vápence 14/915, 130 00 Prague 3, Czech Republic.***
2. Delivery times for Prelaminates shall run from the date of delivery of the Buyer's opinion on the approval of the technical drawing pursuant to Article III, paragraph 6 of this Framework Agreement and shall be **determined by agreement of the parties between the limits of a minimum of 30 weeks and a maximum of 40 weeks.**
3. Each delivery of the Goods shall be accompanied with a delivery note, which shall be confirmed by both Parties upon handover and takeover of the Goods, and shall be used as the Goods handover protocol.
4. The delivery note shall contain:
 - a) identification data of the Seller and the Buyer,
 - b) the number and date of issue of the Delivery Note,
 - c) the order number,
 - d) position/serial number according to the order;
 - e) contract number (if stated in the order);
 - f) Material code according to IS in STC format;
 - g) the number of the supplied units without defects with a divided according to individual types,
 - h) the number of delivered pieces of defective Prelaminates according to paragraph 8 of this article,
 - i) the total number of Prelaminates delivered,
 - j) place and date of handover and acceptance

(hereinafter the "**delivery note**")

5. The Seller shall arrange for the transportation of the Goods to the place of performance at its own expense and risk in accordance with Incoterms 2020, DAP.
6. The Seller shall notify the Buyer to the e-mail address: purchasing@stc.cz and to the e-mail address specified in the order the expected date and time when the Goods will be delivered to the Buyer's address, at least 2 working days before the day of dispatch from the Seller's plant. In the event that the Seller uses a carrier that allows you to monitor the status of the delivery, the Seller will also send the Buyer the number of the bill of lading. The Seller shall immediately inform the Buyer about expected failure to arrive on time in order to solve this situation.

7. The Seller shall deliver the Goods on business days and during the Buyer's regular working hours, i.e. between 6:00 a.m. and 2:00 p.m., unless stipulated otherwise by the Buyer. Outside these hours, it is only possible to receive Goods following a previous agreement made over the phone between the Seller and the Buyer's representative stated in the order.
8. Within a single delivery,:
 - a) the number of defective Prelaminates higher than 2% of the total number of Prelaminates delivered,
 - b) no sheet in the format of 5x3 positions, on which the number of defective Prelaminates will be greater than 2,
 - c) no sheet in the format of 7x3 positions, on which the number of defective Prelaminates will be greater than 3.
9. Within one partial delivery, the tolerance of the number of delivered Prelaminates is +/- 3% of the ordered number of Prelaminates.
10. The Seller undertakes to provide the subject of performance for transport and subsequent storage in a manner that is usual for this type of subject of performance in business relations so as to ensure the preservation, protection and quality of the subject of performance. Each delivered consignment will be properly marked with the indication of the subject of performance, the manufacturer and information about its weight.
11. The performance of the Seller is considered fulfilled if it is delivered on time and properly, ie free of any defects in quantity in accordance with the agreement of the parties under paragraph 8 of this article, quality or legal defects, including accompanying written documents.
12. The ownership title to the Goods supplied on the basis of this Framework Agreement shall pass on the Buyer at the moment of takeover of the Goods, i.e. at the moment the handover protocol for the Goods (delivery note) is signed by the Buyer. The risk of damage to the Goods shall pass to the Buyer at the same moment.

V. PRICE

1. The unit prices for deliveries of Goods in **EUR excluding VAT** are listed in Annex No. 2 to this Framework Agreement and are determined on the basis of the Seller's tender submitted to the Tender Procedure. The unit purchase prices of Prelaminates are set as maximum, non-exceedable and valid prices for the entire period of validity and effectiveness of this Framework Agreement.
2. The price for partial deliveries will be calculated as a multiple of the relevant unit prices of Prelaminates and the number of delivered perfect Prelaminates of the corresponding type.
3. The unit prices are the final maximum permissible prices that shall not be exceeded and also include any related cost, especially any cost of package and transportation of the Goods to the Buyer to the place of performance according to Article IV paragraph 1

hereof as any cost of waste disposal customs duty, customs charges, any ecological liquidation of the Goods and related services.

4. If the Seller is a registered VAT payer in the Czech Republic, the Buyer shall pay the Seller the price plus the VAT in accordance with the applicable legislation.

VI. PAYMENT TERMS

1. The price shall be paid by the Buyer after proper delivery of the Goods on the basis of tax documents (invoices) issued by the Seller.
2. The Seller's right to issue a tax document (invoice) for each delivery of the Goods is established on the day of delivery, i.e. the date of signature of the Delivery Note by the Buyer's authorised person. The date of taxable supply is the date of documented handover and takeover of the performance, i.e. the date the Buyer signed the protocol of handover of the Goods (Delivery Note).
3. The Buyer does not provide the Seller with any advance payments for the price.
4. A tax document (invoice) shall contain all the prerequisites of a tax document according to the applicable legal regulations and this Framework Agreement. Each tax document (invoice) must include a copy of the confirmed Delivery Note relating to the executed delivery.
5. The Seller shall issue a separate tax document (invoice) for each delivery of Goods.
6. The maturity period of any tax document (invoice) duly issued by the Seller is 30 calendar days following its issuance date. The Seller is obliged to deliver the invoice to the Buyer to e-mail address podatelna@stc.cz. For the purposes of this Framework Agreement, an invoice shall be deemed paid once the respective amount has been deducted from the Buyer's financial account specified in the header of this Framework Agreement.
7. If a tax document (invoice) issued by the Seller does not contain the necessary formalities or will contain incorrect or incomplete information, the Buyer is entitled to return the tax document (invoice) to the Seller stating the reason for such return, without getting into arrears with payment. The new maturity period shall commence on the date of delivery of a duly corrected or supplemented tax document (invoice) to the Buyer.
8. In the case that the Seller is a VAT payer registered in the Czech Republic, the provisions of the Paragraph 9 to 12 in this Article shall be applied and be binding for the Seller.
9. The Seller shall immediately notify the Buyer, a recipient of the taxable performance, within 2 working days of its becoming aware of its insolvency at the latest, or of issuing a decision by a tax administrator, that the Seller is an unreliable payer pursuant to Section 106a of Act No. 235/2004 Coll., Value Added Tax, as amended (hereinafter "VATA"). Failure to adhere to the present obligation shall be regarded as a material breach of this Framework Agreement by the contracting parties.
10. The Seller undertakes that the bank account specified by it for payment of any obligation of the Buyer based on this Framework Agreement will be posted from the date of this

Framework Agreement signing to termination of its term in the way enabling remote access in the meaning of Section 98 VATA, otherwise the Seller is obligated to notify another bank account to the Buyer, made duly public in the meaning of Section 98. In the case the Seller is recorded by the tax administrator as an unreliable tax payer in the meaning of Section 106a VATA, the Seller undertakes to immediately notify this to the Buyer along with the date on which this circumstance arose.

11. If a guarantee for the unpaid VAT arises for the Buyer pursuant to Section 109 VATA from the accepted taxable performance from the Seller, or the Buyer has a grounded assumption that such circumstances have arisen or may have arisen, the Buyer is entitled, without the Buyer' s consent, to exercise a process of special method of tax provision, i.e. the Buyer is entitled to pay the VAT amount based on the invoice (tax document) issued by the Seller directly to the relevant Tax authority pursuant to Section 109 a 109a VATA.
12. By paying VAT into the bank account of the Tax Office the Seller's claim from the Buyer amounting to the VAT having been paid shall be considered settled regardless of other provisions hereof. At the same time, the Buyer is obligated to notify the Seller of such payment immediately after its accomplishment in writing.
13. The Seller is not authorised, without prior consent of the Buyer, to set-off any of its receivables from the Buyer with any of the Buyer's receivables from the Seller or assign any of its rights and receivables from the Buyer to a third party.
14. The Seller agrees that it shall in no way burden its claims against the Buyer under the partial contract or in connection with a lien in favour of a third party.

VII. LIABILITY FOR DEFECTS AND QUALITY WARRANTY

1. The Seller is responsible for the proper performance consisting in the delivery of the required number of Prelaminates in terms of quantity and quality and for their functionality, in particular in compliance with the dimensions according to the detailed drawing and technical specification of Prelaminates, ie the approved dimensioned technical drawing according to Article III, paragraphs 5 and 6 of this Framework Agreement.
2. The Seller provides the Buyer with a quality guarantee relating mainly to the life of the chip module and his functionality (hereinafter referred to as the "warranty period"):
 - (a) for PVC Prelaminates for a period of 36 months;
 - (b) for Prelaminates from PC for a period of 120 months.The stated warranty period starts from the day of acceptance of the subject of performance by the Buyer without any defects.
3. By the quality guarantee, the Seller undertakes that the delivered Goods shall be free of defects, i.e. be, for the duration of the Warranty Period, capable of performance for the contracted purpose, otherwise to the usual purpose, and maintain the otherwise the usual properties contracted in particular in Article II Paragraph 1 hereof and in Annex No. 1 hereto. The Seller is liable for any defect, including hidden or obvious defects, which

arise or manifest during the Warranty Period. The Buyer may claim defects in the delivered Goods at any time during the Warranty Period. The Goods are considered to have defects, if not delivered in accordance with this Framework Agreement or any partial contract.

4. The Seller declares that the Goods are not encumbered with rights of third parties and have no other legal defects.
5. Defective Prelaminates delivered by the Seller in accordance with Article IV, paragraph 8 of this Framework Agreement must be devalued on the sheet by physical interruption of the antenna, and at the same time clearly and unmistakably marked.
6. Complaints of obvious defects of Prelaminates shall be made by the Buyer immediately after their discovery within the acceptance of the subject of performance. The Buyer has the right to refuse to accept Prelaminates with obvious defects. In such a case, the Seller is obliged to deliver perfect Prelaminates instead of Prelaminates with obvious defects no later than 15 working days from the date of refusal to accept.
7. The time limit for acknowledging or rejecting a complaint of such a complaint is 10 working days from the date of the complaint to the Seller. If the Seller does not comment within this period, the complaint is considered accepted.
8. If the Goods suffer defect(s), the Buyer is entitled to:
 - a) Have the defect removed through a new supply of perfect Goods;
 - b) Have the defect removed through the supply of the missing Goods;
 - c) Demand an adequate discount on the price;
 - d) Withdraw from the relevant partial contract.
9. The choice of the entitlement resulting from defective Goods always lies with the Buyer.
10. The time limit for acknowledging or rejecting a complaint of such a complaint is 10 working days from the date of the complaint to the seller. If the Seller does not comment within this period, the complaint is considered acknowledged. All costs incurred in connection with the defects of the Goods or the exercise of defect warranty claims, especially the costs of the replacement of any defective Goods, and the costs of delivery of any missing quantity of the Goods, shall be borne by the Seller.
11. The Seller is obliged to eliminate defects by delivery of replacement (new or missing) Goods within 21 calendar days from the decision on the recognition of the complaint under paragraph 12 of this article.
12. Before all defects of the Goods are removed, the Buyer will not be obliged to pay the Seller the price of the defective Goods, if the price for defective Goods has not yet been paid to the Seller at the time of the exercise of warranty claim.
13. Making claim under liability for defects shall not affect Buyer's entitlement to the agreed contractual penalty and damages.

14. Any activities, which are necessary for or are relating to claiming the defects, shall be made by the Seller itself at its own costs in cooperation with the Buyer during the Buyer's working hours so that its activities will not endanger or limit the Buyer's activities.

VIII. 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 relating to entering into this Framework Agreement and its content. This does not apply if the information is disclosed to the employees of the Contracting 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 Contracting 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 Act No. 110/2019 Coll., on Personal Data Protection, they will 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 agree, in particular:
 - a) Not to disclose non-public information to any third party;
 - b) To ensure the non-pubic information is not disclosed to third parties;
 - c) To secure the data in any form, including their copies, which include non-public information, against third party misuse and loss.
6. The obligation to protect non-public information shall 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 Contracting 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 Parties agree, 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 at the 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 onto any potential successors of the Parties.

IX. SANCTIONS

- 1. In the case of Seller's delay with the delivery of the Goods, the Seller is obliged to pay a contractual penalty to the Buyer in the amount of 0.1 % of the price of the Goods or its part with the delivery of which the Seller is in delay, for each started day of such delay.
- 2. In the case of the Seller's delay in settling a warranty claim within the period specified in Article VII Paragraph 6, 10 or 11 hereof, the Buyer is entitled to demand a contractual penalty in the amount of 100 EUR for each started day of such delay.
- 3. The Seller is obliged to pay the Buyer a contractual penalty in the amount of 4 000 EUR for each individual case, if:
 - (a) the number of defective Prelaminates within one partial delivery exceeds 2% of the total number of Prelaminates delivered; or

(b) the partial delivery contains one or more sheets on which the number of defective Prelaminates is greater than 2 in the case of a sheet with 15 Prelaminates; or

(c) the partial delivery contains one or more sheets on which the number of defective Prelaminates is greater than 3 in the case of a sheet with 21 Prelaminates.

Payment of the contractual penalty does not release the Seller from its duty to perform the obligations imposed on the basis of this Framework Agreement and the respective partial contract.

4. In the case of violation of the obligations resulting from Article VIII hereof, the Buyer shall be entitled to a contractual penalty in the amount of EUR 20,000 per each discovered case of violation of these obligations.
5. Stipulating the contractual penalty is without prejudice of the right to compensation of any incurred harm to full extent.
6. The contractual penalty is due within 30 calendar days after the delivery of the bill for the contractual penalty to the Seller.
7. Payment of the contractual penalty does not release the Seller from its duty to perform the obligations imposed on the basis of this Framework Agreement and the respective partial contract.

X. FORCE MAJEURE

1. 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.
2. In such case the concerned Party shall notify the other Party of the nature of the obstruction preventing it from performing its duties.
3. During the existence of such obstruction the concerned Party shall not be bound to perform the obligations resulting from this Framework Agreement.
4. 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.
5. 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.

XI. 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 Buyer'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.

XII. 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, namely for a period of 2 years from the date of its entry into force. The expiration and effectiveness of this Framework Agreement does not affect orders under this Framework Agreement that have already been delivered to the Seller at the time of expiry and effectiveness of this Framework Agreement (such partial deliveries will be confirmed and performed by the Seller in accordance with this framework agreement, partial order).
3. This Framework Agreement shall terminate
 - a) with the lapse of the agreed term;
 - b) fulfilment of the Financial limit in the sense of the Article II paragraph 5 of this Framework Agreement;
 - c) by written agreement of the Parties;
 - d) by written notice of termination by either Party;
 - e) by withdrawal from this Framework Agreement subject to the terms given below in the event of a substantial breach hereof by either Party.
4. The Parties agree that they consider the following cases in particular to constitute a substantial breach hereof:
 - a) a failure to meet technical specification of Goods pursuant to Article II Paragraph 1 hereof or pursuant to Annex No. 1 hereto or do not comply with the relevant detailed drawing or the specified technical specification, ie the approved dimensioned technical drawing in accordance with Article III, paragraphs 5 and 6 of this Framework Agreement;
 - b) repeated, at minimum the second, delay of the Seller in the delivery of Goods according to partial contracts for a period exceeding 10 days;
 - c) if the quantity of defective Prelaminates in deliveries is repeatedly higher than that referred to in Article IV (8) of this Framework Agreement;
 - d) breach of Article VIII hereof which has not been remedied following a previous notice for correction,
 - e) breach of obligation under Article XIII Paragraph 1 hereof;

5. The partial contract shall terminate:
 - a) if such termination is agreed upon by both of the Parties hereto;
 - b) By withdrawal of the Buyer
 - i. in the case pursuant to Article VII Paragraph 10 letter (d) hereof; or
 - ii. in the case of a breach of the partial contract by the Seller in a substantial manner, whereas the Parties consider such a breach of the partial contract in a substantial manner to be in particular the case pursuant to Article XII Paragraph 4 letters (a), (c), and (d) hereof and the case where the Seller is in delay with the delivery of Goods according to specific partial contract for more than 2 calendar weeks.
6. The written notice of withdrawal from this Framework Agreement or a specific partial contract shall take effect on the day the written notice of withdrawal is delivered to the other Party. The notice of withdrawal from this Framework Agreement or a specific partial contract must be sent by registered mail. Withdrawal from this Framework Agreement or from a specific partial contract does not terminate the contractual relationship from the very beginning, the mutual performances provided by the Parties until the termination of this Framework Agreement or a specific partial contract shall be retained by both Parties.
7. The Parties are entitled to terminate this Framework Agreement at any time, without stating any reason. The notice period shall be 6 months and shall begin on the first day of the calendar month following the delivery of written notice of termination to the other Party. The notice must be sent by registered mail. The Parties take into consideration that they are obliged to fulfil the obligations arising from this Framework Agreement during the notice period.
8. 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. This Framework Agreement is also to be applied to the relations, including partial contracts, formed during this Framework Agreement even after this Framework Agreement is terminated.

XIII. OTHER PROVISIONS

1. For the entire period of validity and effectiveness of this Framework Agreement, the Seller is obliged to maintain valid a liability insurance contract for damages caused to third parties for the minimum amount of EUR 100.000. At the request of the Buyer, the Seller is obliged to submit a copy of the insurance contract (insurance certificate) proving the required insurance at any time, no later than 10 calendar days from the receipt of such a request by the Buyer.
2. The Seller is entitled in the fulfilment of this Framework Agreement, respectively, individual part orders, to use other subcontractors that he did not list on the list of subcontractors submitted as an integral part of the bid, only with the prior written consent

of the Buyer assuming that the Contractor shall submit the documents that demonstrate fulfilment of the basic qualifications pursuant to Section 74 PPA and professional qualifications pursuant to Section 77 PPA by the new subcontractor. The Contractor shall be liable for the performance of its subcontractors as for its own including liability for consequences due to breach of contractual duties.

3. The Seller undertakes to co-operate as necessary in the performance of duties pursuant to the PPA.

XIV. 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. The Seller undertakes to notify the Buyer without undue delay if the Seller becomes insolvent or is under threat of becoming insolvent.
3. The seller guarantees that the subject of performance is not encumbered by the rights of third parties.
4. This Framework Agreement constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior oral or written agreements of the Parties with respect to the subject matter hereof. No speech made by the Contracting Parties in the negotiation of this Framework Agreement or any speech made after the conclusion of this Framework Agreement shall be construed in a manner inconsistent with the express provisions of this Framework Agreement and shall not create any obligation on the part of either Contracting Party.
5. The Parties expressly declare that they do not wish, in addition to the express provisions of this Framework Agreement, any rights and obligations to be derived from future practices established between the Parties or practices maintained generally or in the sector relating to the subject matter of this Framework Agreement, unless expressly provided otherwise in this Framework Agreement. At the same time, the contracting parties declare that they are not aware of any business customs or practices established so far between them. 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.
6. 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.
7. The rights and obligations arising from this Framework Agreement may not be transferred to a third party without the prior written consent of the other Party.

8. This Framework Agreement shall be binding, as the case may be, on the legal successors of the Contracting Parties. The Parties take into consideration that in accordance with Section 219 (1) (d) of the 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), as amended. The publication shall be arranged by the Buyer.
9. This Framework Agreement is drawn up in two copies in English language, each having the same validity as the original itself. Each Party shall receive one copy.
10. The Parties declare they agree with the content hereof and this Framework Agreement is prepared in a certain and intelligible manner, on the basis of true, free and serious will of the Parties, without any duress on either Party. In witness whereof they append their signatures below.
11. The following Annexes form an integral part of this Framework Agreement:

Annex No. 1 – Technical specification

Annex No. 2 – Prices

For the Buyer:

In Prague, on

For the Seller:

In Lanškroun On

Tomáš Hebelka, MSc

Chief Executive Officer

STÁTNÍ TISKÁRNA CENIN, státní podnik

Michal Smetana

Vice President Lux IDent Business Unit

Lux-Ident s.r.o.