

CONTRACT ON PROVISION OF ISO 14298:2013 CERTIFICATION RELATED SERVICES

made pursuant to Section 2652 to 2661 of Act No. 89/2012 Coll, the Civil Code, as amended (hereinafter "CC") and pursuant to Section 27 of Act No. 134/2016 Coll., on Public Procurement, as amended (hereinafter "PPA")

registered by the Client under Ref. No. 085/OS/2021
registered by the Auditor under ref. No. OF2022-0012
(hereinafter referred to as this "Contract")

by and between:

Client: **STÁTNÍ TISKÁRNA CENIN, státní podnik**
with its registered office at Prague 1, Růžová 6, house No. 943, post code 110 00
entered in the Commercial Register maintained by the Municipal Court in Prague, Section ALX, Insert 296, File no AXL 296
Acting through: **Tomáš Hebelka, MSc, CEO**
Business ID: 00001279
Tax ID: CZ00001279
Bank details: UniCredit Bank Czech Republic and Slovakia, a.s.
Account number: XXX
IBAN: XXX
SWIFT (BIC): XXX

(hereinafter the "**Client**")

Auditor: **VPGI Certification B.V.**
With its registered office at Santiagosingel 26, 2548 HN, The Hague, The Netherlands
Registered in The Netherlands maintained by Dutch Chamber of Commerce under number 63794780

Acting through: **Marc Been, managing director**
Business ID (RSIN): 855405296
Bank details: Rabobank Zuid-Holland Midden, Buitenhofdreef 2, 2625 XR Delft, The Netherlands
Account number: XXX
IBAN: XXX
SWIFT (BIC): XXX

(hereinafter referred to as "**Auditor**")

(hereinafter together the "**(Contracting) Parties**")

Representatives authorised to act in contractual and economic matters:

For the Client: XXX

For the Auditor: XXX

Representatives authorised to act in material and technical matters:

For the Client: XXX

For the Auditor: XXX

I.

INTRODUCTORY PROVISION

1. This Contract is executed on the basis of the result of a small-scale public tender titled "**Selection of Certification Authority for ISO 14298:2013 MANAGEMENT OF SECURITY PRINTING PROCESSES – GOVERNMENTAL LEVEL**", with an Auditor meeting all tender conditions whose tender the tender of which was selected as economically the most advantageous in the given selection procedure. This Contract is further based on the Auditor's tender of 18.3.2022, the content of which is known to the Parties (hereinafter the "**Tender**").
2. When interpreting the content of this Contract, the Contracting Parties are obliged to take into account the tender conditions and the purpose related to the selection procedure. The provisions of laws and regulations on interpretation of legal conduct are not affected by this.
3. The performance provided by the Auditor in accordance with this Contract cannot exceed maximum financial limit of 71 400 EUR for the entire duration of this Contract. If the Auditor is an entity liable for VAT registered in the Czech Republic, the amount according to the previous sentence means the amount excluding VAT.

II.

SUBJECT OF THE CONTRACT

1. The subject hereof is the **commitment of the Auditor to perform certification audits for the purpose of assurance of compliance with the valuables production process management system (governmental level) of the Client with the requirements of ISO 14298:2013 to obtain ISO 14298:2013 certification for MANAGEMENT OF SECURITY PRINTING PROCESSES – GOVERNMENTAL LEVEL (G) issued by the company INTERGRAF a.i.s.b.l. (hereinafter referred to as the "holder of the INTERGRAF certification mark")**, consisting of the following activities:
 - i. Performance of certification audits;
 - ii. Performance of 1 or 2 follow-up audits for the purpose of comparison of the current status of the valuables production process management system with the requirements of ISO 14298:2013 standard;
 - iii. Evaluation of the activities performed pursuant to bullet point i. and ii. above herein and submission all necessary documents to the holder of the INTERGRAF certification mark which will be the basis for preparation and

submission of an audit report on the found level of compliance of the valuable production process management system with the requirements of ISO 14298:2013 standard which will be issued by the holder of the INTERGRAF certification mark, including issue of a certificates with **3**-year validity period and its registration in the case of successful completion of the certification audits by the holder of the certification mark.

All carried out in accordance with the conditions set out hereof and in the Annex 1 hereto forming an integral part hereof and according to the schedule specified in Art. III, paragraph 1 hereof.

(hereinafter also together as “**Activity**“ or “**Activities**”).

2. With regard to the current update of ISO 14298:2013 standard to ISO 14298:2021 standard, the relevant part of the Activities (audits after the completion of the already conducted certification cycle according to ISO 14298: 2013 standard – Production Plant I) will take place according to the newer standard. The Contracting Parties have agreed that in such cases, where applicable, i. e. where reference is made in the Contract to ISO 14298: 2013, ISO 14298: 2021 standard will be used instead.
3. The Auditor hereby claims to be competent to perform the subject hereof within its full scope, especially to hold for whole period of the duration of the Contract the relevant trade certificates covering the whole subject of the Auditor’s performance pursuant hereto (Intergraf’s authorised certification body). The Auditor is obliged to inform the Client about the loss of his certification immediately. If the Auditor loses certification during the audit, the auditor must also immediately cease all his activities. The Auditor further agrees to perform the subject hereof in compliance with all applicable valid and effective legislation and regulation of the holder of the INTERGRAF certification mark. The audits must be performed in accordance with ISO 19011:2019: Guidelines for auditing management systems.
4. The Auditor is responsible for the quality of the performed Activities pursuant to the applicable legislation relevant for the subject hereof.
5. If the output of the supply pursuant hereto includes any documents of the nature of authorial work directly related to the subject hereof and compiled in the course of the effectiveness period hereof in direct relation to the implementation hereof then the Auditor hereby grants to the Client an exclusive and non-transferable licence for unlimited use of those documents by the moment of their provision to the Client. The licence fees are included in the remuneration pursuant to Art. III below herein.
6. The Client hereby agrees to provide to the Auditor the necessary assistance and cooperation, at least in the contracted scope, and pay the agreed remuneration to the Auditor for its duly and timely performed services in the amount and in the manner pursuant to Art. IV below herein.
7. The Auditor is responsible to send each documents/report of the completed audits to the holder of the INTERGRAF certification mark together with a positive or negative advice and in such a way that the holder of the INTERGRAF certification mark can meet the performance deadlines set out in Art. III herein. The audit reports are amended by the holder of the INTERGRAF certification mark and then send to the Client. This also accounts for the issuance of the certificates and the holder of the INTERGRAF certification mark will issue the certificate based on positive advice of the Auditor.
8. The Client is obliged to acknowledge every delivery of the document from the holder of the INTERGRAF certification mark (as audit reports or certificates) to the Auditor’s e-mail address office@vpqi.nl without any delay.

9. The Contracting Parties agreed that in the event of the existence of objective circumstances preventing a performance of audits or its evaluation in person (eg anti-epidemic measures), the Contractual Parties may agree to carry out a remote (on-line) audit or its evaluation.

III. **AUDIT PLAN AND SCHEDULE**

1. The **schedule** of fulfilment of contractual liabilities of the Contracting Parties in the **performance of the certification audits and the follow-up audits** are specified in Annex 1 hereto.
2. Client's facilities where the certification audits will be implemented include:
 - Production Plant I – Růžová 6, House No.943, 110 00 Prague 1, Czech Republic.
 - Production Plant II – Za Viaduktem 8, 170 00 Prague 7, Czech Republic.
3. Every certification audit will be performed on the particular date agreed between the Client and the Auditor on the basis of the date options submitted by the Auditor to the Client at least a month in advance in writing. The Certification audit dates shall be based exclusively on mutual agreement between the Contracting Parties.
4. The Auditor shall be liable to perform the Activities pursuant to Art. II paragraph 1 exclusively by the individuals specified in its Tender, replacement of whom shall be subject to prior consent of the Client. The Client shall however not be entitled to withhold such consent without serious reasons. In the case of the Activity performance by other persons the Auditor shall be liable for the performance as if its own.

IV. **PRICE AND PAYMENT TERMS**

1. The Auditor shall be entitled for remuneration for the Activity pursuant to Art. II paragraph 1 above herein pursuant to paragraph 2 below herein.
2. The remuneration has been specified by agreement between the Contracting Parties based on the Auditor's Tender and amounts, VAT exclusive:

EUR 68.430

(in words: **sixty-eight thousand four hundred thirty EUR**),

and consists of:

- a) Remuneration in the amount of EUR **14.256** exclusive of VAT for the **1st follow-up audit of production plant I** and for **certification audit of production plant II**;
- b) Remuneration in the amount of EUR **12.506** exclusive of VAT for the **2nd follow-up audit of production plant I** and for **1st follow-up audit of production plant II**;
- c) Remuneration in the amount of EUR **16.656** exclusive of VAT for **certification audit of production plants I and II**;
- d) Remuneration in the amount of EUR **12.506** exclusive of VAT for **1st follow-up audit of production plants I and II**;
- e) Remuneration in the amount of EUR **12.506** exclusive of VAT for **2nd follow-up audit of production plants I and II**.

The price according to the paragraph 2 of this Article is maximal and final and includes all costs directly linked to audit activities of the Auditor. Any administrative costs encountered between the holder of the INTERGRAF certification mark, and the Client are not part of

the remuneration stated in this paragraph. In the case that the Auditor can not complete Activity due to his inability or lost of certification it is entitled only to the purposefully incurred costs of the activities performed.

3. The Client does not provide the Auditor with any advance payments for the remuneration.
4. If the Auditor is an entity liable for VAT registered in the Czech Republic, VAT shall be billed at the rate stipulated in the legislation that is valid and in force on the date of taxable supply.
5. The date of taxable supply for payment of the remuneration pursuant to Art. IV paragraph 2 letter a) – e) herein shall be the date of the submission of relevant documents with evaluation of the audit in the sense of Art. II paragraph 1 bullet point iii) hereof by the Auditor to the holder of the INTERGRAF certification mark.
6. The Auditor's right to issue the tax invoice for subject matter of the contract pursuant to Art. II paragraph 2 hereof shall be constituted within 14 calendar days from submission of the documents with evaluation of the audit in the sense of Art. II paragraph 2 bullet point iii) hereof by the Auditor to the holder of the INTERGRAF certification mark. The written evidence of a verifiable submission of documents with evaluation of the audit by the Auditor to the holder of the INTERGRAF certification mark will be attached to the tax invoice (invoice) issued by the Auditor and confirmed by the holder of the INTERGRAF certification mark.
7. The tax invoice must include all appurtenances of a tax document including the Client's contract number. In the case of an incomplete tax invoice the Client shall be entitled to return the invoice before its payment deadline to the Auditor for completion without being in delay with the payment; a new payment deadline shall start from the date of re-delivery of the corrected or completed tax invoice to the Client.
8. The payment deadline of the tax invoice shall be 30 calendar days from the date of its issue. The Auditor shall deliver the tax invoice electronically to the email address of the Client podatelna@stc.cz. Payment for the purpose hereof shall be the date of crediting of the relevant amount to the Auditor's bank account specified in the header hereof.

V. CERTIFICATION MARK

In the case of successful certification pursuant to Art. II paragraph 1 hereof and receipt of the relevant certificate by the Client the Client shall be entitled to begin to use the INTERGRAF certification mark provided to the Client together with the certificates.

VI. PENALTIES

1. In the case of the Auditor's delay in fulfilment of the schedule, i.e. any milestone pursuant to Annex 1 hereto, including any milestone subsequently agreed between the Parties, the Client shall charge a contractual penalty in the amount of EUR 100 for each commenced day of the delay.
2. In the case of the Auditor's breach of the confidentiality clause pursuant to Art. VI herein the Client shall charge a contractual penalty in the amount of EUR 11,800 for each individual case of the breach, without prejudice to its right for damage compensation.
3. In the case of the Auditor's breach of the obligation resulting from Art. IX paragraph 9 hereof, the Auditor is obliged to pay a contractual penalty in the amount of EUR 100 for each commenced day of such a violation.

4. Payment for the contractual penalty does not exonerate the Auditor of its duty to meet the obligations under this Contract.
5. In the case of the Client's delay in payment of the price specified in a duly issued and delivered tax invoice the Auditor shall charge a delay interest pursuant to Government Regulation No. 351/2013 Coll, laying down delay interest and costs of receivable enforcement, remuneration for the liquidator, the receiver and the member of the legal entity body appointed by a court of justice and covering certain questions of the Business Journal and public registers of legal entities and natural persons.
6. Claiming the contractual penalty (delay interest) is without prejudice to the right to compensation of any damage suffered in the full extent.
7. The contractual penalty (delay interest) is payable within 30 calendar days from the date of delivery of the contractual (delay interest) penalty billing to the obliged party.

VII.

CONFIDENTIALITY CLAUSE

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 Contract 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 the 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 liability 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. 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.
5. The obligation to protect confidential information does not apply to the following cases:
 - a) The respective Contracting Party proves that the given information is available to the public without this availability being caused by the same Contracting Party;
 - b) If the Contracting 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 Contracting 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 audit at one of the contracting parties based on authorization specified in applicable legal regulations.
6. 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 Contract.
- 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.
7. The employee of the liable Party authorised to destroy the documents in the sense of the previous paragraph shall confirm the destruction in request of the other Party in writing.
8. In case that either of the Contracting 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 unauthorized party, they shall be bound to inform the other Contracting Party of such a fact without undue delay.
9. 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 Contracting Party lasts even after this Contract is terminated or expires. The confidentiality commitment shall pass onto any potential successors of the Contracting Parties.

VIII.

TERM AND TERMINATION

1. This contract shall expire on the day of fulfilment of the last contractual liability.
2. Before this day this contract may be terminated in writing:
 - a) By mutual agreement of the Parties on the basis of their joint will.
 - b) By written termination notice served by either Party without stating any reasons.
 - c) By contract withdrawal in the sense of Section 2001 et seq. of the CC.

The Parties agree that the following shall be considered as fundamental breach of contract:

- i. The Auditor has not performed any Activity, not even within an alternative deadline provided by the Client after elapse of the initial agreed deadline for the Activity implementation, which must be at least 15 calendar days;
- ii. The Client has not provided assistance to the Auditor, not even within an alternative deadline provided by the Auditor after elapse of the initial agreed deadline for the assistance provision, which must be at least 15 calendar days;
- iii. The Auditor has breached of the obligation resulting from Art. IX paragraph 8 or 9 hereof;
- iv. The Auditor has lost his certification according to the Art. II paragraph 2 hereof and is unable to perform subject of hereof within its full scope.

The contracting parties shall be entitled to withdraw from this Contract by written notice in the case of substantial breach hereof by the other Party if the breaching party does not discontinue the breaching activity or activity in conflict herewith despite a written notification on the breach from the non-defaulting party.

3. Either Contracting Party is further entitled to withdraw from this Contract if the other Contracting Party is in liquidation or its assets are the subject matter of bankruptcy proceedings in which a bankruptcy or a composition decision has been rejected for lack of adequate assets to cover the costs of the bankruptcy proceedings or the bankruptcy proceedings have been cancelled because the assets were inadequate or receivership was instituted according to special legislation.
4. The legal effects of the withdrawal from this Contract shall occur on the day of delivery of written notice to the other Contracting Party. The notice of withdrawal must be sent by registered mail.
5. The notice period in case of withdrawal by either Party shall be 2 months starting from the first day of the calendar month following after the month in which the withdrawal notice was delivered to the other Party. The notice must be sent by registered mail. The Contracting Parties hereby agree that their liabilities pursuant hereto shall apply until the end of the notice period.
6. The termination of this Contract does not affect the provisions regarding the contractual penalties, damages, and provisions regarding such rights and duties, from the nature of which it ensures that they prevail even after the termination of this Contract.

IX. **FINAL PROVISIONS**

1. This Contract shall become valid on the day of its execution by both Parties and effective on the day of its publication in the Register of Contracts.
2. The Parties agree that in accordance with Section 219(1)(d) of the PPA, the Contract will 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.
3. This Contract may be amended or supplemented only through written and consecutively numbered annexes, following an agreement between both contracting parties.
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 Contract. At the same time, the contracting parties confirm by their signatures that all the assurances and documents hereunder are true, valid and legally enforceable.
5. This Contract replaces all previous agreements between the Parties made before the date of execution hereof. This Contract and its interpretation shall be governed by the currently valid Czech legislation. The Parties have agreed that all disputes that might follow from this Contract shall be settled by their mutual agreement as the primary method of dispute settlement. If no amicable agreement can be reached in 60 days (or within another deadline agreed between the Parties) then the contract-based dispute shall be submitted for final settlement to the competent Czech courts of justice.
6. In the event that any of the provisions of this Contract is or becomes invalid, void or unenforceable or shall be found to be such by a competent body, the rest of the provisions of this Contract shall remain valid and in force unless from the nature of such provision or

its content or circumstances under which it was concluded it ensures that it cannot be separated from the content hereof. The Parties undertake that they shall replace the invalid, ineffective or unenforceable provision hereof with a provision, which in terms of content and meaning best corresponds to the initial provision and purpose of this Contract.

7. The Auditor as well as the Client are liable to keep confidential all facts, data and information concerning the other Party of the nature of business secret learned in the context of implementation hereof. The Auditor and the Client hereby agree not to disclose this information and not to provide this information in any other manner to any third party and to provide for its adequate protection and confidentiality.
8. The Auditor hereby declares that respects fundamental human rights and generally accepted ethical and moral standards in accordance with Universal Declaration of Human Rights (hereinafter also only „Rights“). In the case of the Client in a reliable and verifiable manner learns that the Auditor has violated or violate Rights, and the Auditor despite a prior written notice of the Client continues to violate generally accepted Rights or fails to remedy, the Client has the right to withdraw from this Contract pursuant to Art. VIII paragraph 2 point iii) hereof.
9. The Auditor further declares that, in the performance of this Contract, he will observe fair working conditions and recognize and ensure the rights of employees in accordance with labor law and occupational safety regulations in force in the country in which subject matter of this Contract is performed. For the purposes of checking this arrangement, the Auditor is required to submit to Client an affidavit of compliance with this obligation always together with the tax document (invoice) issued in accordance with Article VI of this Contract.
10. The Auditor hereby agrees that the Client is liable to provide information on third party request pursuant to Act no 106/1999 Coll., on free access to information, as amended, and agrees with this requested disclosure of the Contract information to the requesting third parties.
11. This Contract has been made in 2 (two) counterparts with the validity of an original in the English language, of which the Client and the Auditor shall each receive one copy.
12. The Parties declare that they have read the Contract, agree with the contents herein, and declare that it was executed certainly, comprehensibly, on the basis of their true, free and solemn will, without duress on any of the Parties. In witness whereof they append their signatures below.
13. The following annexes are integral parts hereof:
Annex 1 - Schedule for Activity implementation

In Prague, dated

In The Haag dated

For the Client:

For the Auditor:

Tomáš Hebelka, MSc
Chief Executive Officer
STÁTNÍ TISKÁRNA CENIN, státní podnik

Frank-Willem Verhagen
certification manager
VPGI Certification B.V.