

# FRAMEWORK AGREEMENT FOR PRODUCTION AND SUPPLY OF PRELAMINATED CARD INLAYS WITH WINDOWS FOR ID1 CARDS

registered by the Client under Ref. No. 052/OS/2023

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

by and between

## **Státní tiskárna cenin, s. p.**

with its registered office at Růžová 943/6, Nové Město, 110 00 Praha 1, 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:	<b>Tomáš Hebelka, MSc</b> , 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**” or also “**Contracting authority**”)

and

## **SELP**

with its registered office at 187 Allée des Plagnes 24340 Mareuil en Périgord entered in the Commercial Register maintained by Périgueux

Business ID:	RCS n° 351 667 928
Tax registration No.:	FR 77 351 667 928
Represented by:	Blanc Bastien
Bank details:	XXX
Account number:	XXX
IBAN:	XXX
BIC/SWIFT:	XXX

(hereinafter referred to as the “**Contractor**”)

(the "Client" and the "Contractor" are hereinafter collectively referred to as the "**Parties**" or also "**Contracting 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: Bastien Blanc, Chief Executive Officer

**Representatives authorized to negotiate in factual and technical matters:**

On behalf of the Client: **XXX**  
e-mail: XXX  
tel. XXX

**XXX**  
e-mail: XXX  
tel.: XXX

On behalf of the Contractor: **XXX**  
e-mail: XXX  
tel.: XXX

## I. INTRODUCTORY PROVISIONS

1. This Framework Agreement is concluded on the basis of the results of the over-threshold open tender procedure in accordance with PPA titled "Production and supply of prelaminated card inlays with windows for ID1 cards\_reissue"(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 September 1, 2023, 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 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 realization of the subject hereof.
4. The purpose of this Framework Agreement is to secure supply of a prelaminated card Inlays with windows for ID1 cards in line with the Client's needs.

5. For purpose of this Framework Agreement Parties set this definition of Sheet, which means a prelaminated polycarbonate foil sandwich with 15 positions of ID1 card inlay with a Transparent window.

## II. SUBJECT OF THE FRAMEWORK AGREEMENT

1. The subject of this Framework Agreement is the Contractor's obligation to produce and deliver a prelaminated card inlays with windows for ID1 cards in form of Sheet of polycarbonate foil to the Client, including its testing version, according to the technical specification contained in the Technical Specification - the Annex 1 to this Framework Agreement (hereinafter referred to as the "**Sheets**"), and to enable to acquire the ownership title to the supplied Sheets to the Client.
2. The Contracting Parties declare that part of Annex 1 (Technical specification) according to the paragraph 1 of this Article is also a technical drawing, submitted by the Contractor and agreed by the Client before signing this Framework Agreement.
3. The Client undertakes to accept the Sheets, duly delivered as regards the required quantity and type, quality of the Sheets in accordance with this Framework Agreement, on the required delivery dates, and pay the price for the Sheets agreed to herein.

## III. PARTIAL CONTRACTS

1. Any and all supplies of the Sheets 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, a 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 Sheets to be delivered;
  - c) unit price of the Sheets without VAT, total price of the Sheets without VAT;
  - d) detailed delivery conditions, especially the delivery terms and place of delivery;
  - e) date of the purchase order;
  - f) identification of the person placing the purchase order who is authorized 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 Sheets 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.
7. The individual partial contracts fulfilling the conditions for publication in the Register of Contracts take effect once they are published in the Register of Contracts. Other individual partial contracts take effect on the day they are confirmed by Contractor.

#### IV. PLACE AND TERMS OF PERFORMANCE AND DELIVERY

1. The Contractor is obliged to deliver the Sheets to the Client no later than 40 working days from the date when specific partial contract taken effect, unless the Client requires in a particular order a longer period – in which case the Contractor undertakes to deliver the Sheets within the period stipulated by the Client in such partial contract.
2. The Contractor is obligated to deliver to the Client 200 pcs of Sheets as the individual delivery/testing version of Sheets specified in this Framework Agreement (hereinafter referred to only as "**Pilot Sheets**"), which will be used by the Client to perform tests and manufacture first ID1 cards. The Contractor is obligated to deliver Pilot Sheets to the Client no later than 30 working days from the taking effect of this Framework Agreement. After the Pilot Sheets are delivered, the Client will perform their testing. The testing results will be drawn up by a protocol by which the Pilot Sheets shall be approved or defects shall be given. The Contractor is obliged to remedy any defects of the Pilot Sheets in the protocol by delivering new Pilot Sheets, no later than **4 weeks** from signing the protocol. Pricing and delivery requirements and regulations specified hereof shall be analogically applied to the Pilot Sheets.
3. After the Pilot Sheets approval by the Client the first delivery of Sheets in minimum volume of 20 000 pcs of Sheets will take place (hereinafter referred to as "**First Delivery**"). The Contractor is obligated to deliver the First Delivery to the Client not later than 40 working days from the Client's approval of the Pilot Sheets. For the avoidance of any doubt, the Contracting Parties state that the delivery term, price and other contractual terms are the same for this First Delivery as for the other partial contracts.
4. The Sheets 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.
5. Each delivery of the Sheets shall be accompanied with a **delivery note** to be confirmed by both Parties upon handover and takeover of the Sheets, and shall be used as the handover

protocol. The Sheets shall be considered as delivered on the day of handover 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) item number (if stated in the purchase order),
  - f) specification of the required type and properties of the Sheets,
  - g) the Sheets quantity, the unit of measure and the batch number of the delivered Sheets,
  - h) the item name.
6. The place of performance for delivery of the Sheets shall be the factory of the Client at the address: **Production Plant I – Růžová 943/6, Nové Město, 110 00 Praha 1, Czech Republic.**
  7. The Contractor shall arrange for the transportation of the Sheets to the place of performance at its own expense and risk in accordance with Incoterms 2020, DAP.
  8. In a demonstrable manner the Contractor will announce to the Client's electronic address [XXX](#), at least 3 working days in advance, the day of dispatching of the Sheets from the plant, name of the carrier and the supposed time of arrival to the address of the Client.
  9. The Contractor shall deliver the Sheets on business days and during the Client's regular working hours, i.e. between 6:00 a.m. and 2:00 p.m., unless stipulated otherwise by the Client. Outside these hours, it is only possible to receive Sheets following a previous Framework Agreement made over the phone between the Contractor and the Client's representative stated in the order.
  10. The supplied Sheets shall be packed in a manner that is usual for such type of Sheets, taking into consideration the place of delivery of the Sheets and the mode of transport, so as to ensure the preservation and protection of the quality of the Sheets, as well as protect the Sheets from damage by mechanical and atmospheric elements. Detail packaging requirements are specified in the Annex 1 hereof.
  11. Authorized employees of the Client shall accept the individual Sheet delivery during the established delivery date as specified in paragraph 1 and paragraph 2 of this Article. During the handover process these employees shall inspect the integrity of individual packages/containers and seals and confirm status by signing the relevant delivery document. Any defects apparent during the handover process will be resolved according to the Article VIII hereof.
  12. Sheets acceptance processes are defined in Specification of quality inspection - the Annex 3 hereof.
  13. Based on the characteristics and type of the Sheets, the Client may only inspect the number of delivered Sheets during the actual manufacturing process of ID1 card. Due to this reason, the Client is allowed to claim incorrect number of Sheets delivered under individual

purchase orders at the time when the Sheets from relevant purchase order are processed. The manner of exercising such a claim is regulated in the Article VIII hereof.

14. The ownership title to the Sheets supplied under this Framework Agreement shall pass on to the Client at the moment of takeover of the Sheets, i.e. upon the handover protocol for the Sheets (delivery note) being signed by the Client. The risk of damage to the Sheets is transferred to the Client at the same moment.

## V. PRICE

1. The prices for performance of the subject of the Framework Agreement has been established on the basis of the Contractor's tender submitted in the Tender Procedure. The unit price of 1 piece of the Sheet in the sence of performance according to the Article II paragraph 1 hereof (hereinafter referred to as the "Unit price of Sheets") is XXX in EUR, excluding VAT.
2. The Unit price of the Sheets contains any and all the related costs of the Contractor, particularly packaging and transportation of the Sheets to the place of performance, customs duty, customs charges, any ecological liquidation of the Sheets and related services. This price is the final and maximum permissible price.
3. Invoiced price of Sheets for each individual delivery must correspond with the relevant Unit price of the Sheets multiplied by the number of delivered Sheets.
4. 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.
5. The Contractor is entitled to increase the unit prices stated above according to the inflation rate, once a year from the date 1st March of the relevant year, at the earliest from 1st March 2025.

For the purposes of this Framework Agreement, the inflation rate means the average inflation rate calculated on the basis of the Consumer price index published by the Institut National de la Statistique et des Études Economiques published for calendar year before relevant year (hereinafter referred only as „Index“). An increase of the unit prices by the inflation rate pursuant to this Paragraph shall be reflected in this Framework Agreement in the form of an amendment to the Framework Agreement no later than 1st March of relevant calendar year. An increase of the unit prices according to this paragraph will be effective for the performance delivered on the basis of orders placed by the Client after taking effect of relevant amendment of this Framework Agreement. If the Contractor decides to apply its entitlement to increase unit prices by the inflation rate, the Contractor shall deliver to the Client a notification of an increase of unit prices by the inflation rate no later than 28th February of relevant year and this Contractor's notification shall contain details of the calculation of the inflation rate. If the Contractor does not apply its entitlement to increase unit prices by the inflation rate and does not deliver the notification to the Client in the term according to the previous sentence or if the notification does not contain details on the calculation of the inflation rate, the Client is not obliged to conclude the amendment.

## VI. PAYMENT TERMS

1. The Client does not provide the Contractor with any advance payments for any prices according to the Article V hereof.
2. The price of the supplied Sheets according to the Article II hereof shall be paid by the Client after proper delivery of the Sheets on the basis of invoice (tax document) issued by the Contractor.
3. The Contractor's right to issue a tax document (invoice) for the consignment of Sheets is established on the date delivery, i.e. the date of signature of the delivery note by the Client's authorized representative. The date of taxable supply is the date of handover of the Sheets with confirmation in the form of a protocol, i.e. the date on which the Client's authorized representative signed the delivery note.
4. A tax document (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) for purchase price of the Sheets shall include a copy of the confirmed Delivery Note relating to the executed delivery, no. of this Framework Agreement registered with the Client and the Client's order number, if it was issued.
5. For each delivery of the Sheets, the Contractor shall issue a separate tax document (invoice).
6. The maturity period of any tax document (invoice) 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 deducted from the Client's account specified in the header hereof.
7. In the event that any tax document (invoice) issued by the Contractor does not contain the necessary formalities or will contain incorrect or incomplete information, the Client is entitled to return the tax document (invoice) 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.
8. 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 from 9 to 12 of this Article).
9. The Contractor declares that in the moment of conclusion of the Framework Agreement it is not in liquidation and no proceedings are being conducted against it pursuant to Act No. 182/2006 Coll., on bankruptcy and settlement (Insolvency Act). The Contractor also declares that in the moment of conclusion of the Framework Agreement there is no decision issued 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"). The Contractor shall immediately and demonstrably notify Client, a recipient of the taxable performance, within two working days of it becoming aware of its insolvency or of issuing a decision by a tax administrator that the Contractor is an unreliable payer pursuant to Section

106a VATA. In the event that, during the period of validity and effectiveness of the Framework Agreement, the Contractor's statements referred to in this paragraph prove to be false or the Contractor violates the obligation to notify the Client of the fact stated in the previous sentence within the specified period, this will be considered a substantial breach of the Framework Agreement.

10. The Contractor 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 the date of signing of this Framework Agreement until its expiry in accordance with Section 98 VATA, otherwise the Contractor is obliged to provide another bank account to the Client that is duly published pursuant to Section 98 VATA. In the case Contractor has been indicated by a tax administrator as an unreliable taxpayer pursuant to Section 106a VATA, Contractor undertakes to immediately, within two working days of it becoming aware of its insolvency or of issuing a decision by a tax administrator that the Contractor is an unreliable payer pursuant to Section 106a VATA, notify this to Client along with the date on which this circumstance arose.
11. If surety for unpaid VAT arises for the Client according to Section 109 VATA on received taxable performance from Contractor, or the Client justifiably assumes that such facts have occurred or could have occurred, the Client is entitled without the consent of Contractor to exercise 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 to the competent revenue authority and do so according to Sections 109 and 109a VATA.
12. By payment of the VAT into the account of the tax 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, Client shall be bound to notify the respective Contractor of such payment in writing immediately upon its execution.
13. The Contractor is not authorized, 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.
14. 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.
15. 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. For the entire period of validity and effectiveness of this Framework Agreement, the Contractor is obliged to maintain valid a liability insurance contract for damages caused to third parties for the minimum amount of EUR 200 000. At the request of the Client, the Contractor 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 Client.

2. The Contractor hereby agrees to provide the necessary assistance in performance of the obligations pursuant to the PPA.
3. The Contractor is entitled to perform this Framework Agreement or part thereof through its subcontractor(s). In the case that the Contractor uses a subcontractor within the meaning of the previous sentence,
  - a. the Contractor remains responsible for fulfilment the subject of this Framework Agreement as if he performed it itself,
  - b. was obliged to submit to the Client (Contracting Authority) the List of subcontractors according to the tender documentation of the tender procedure and under the conditions specified in Article 10.10 of the tender documentation of the tender procedure,
  - c. in the case of a change in the List of subcontractors (e.g. different scope of performance, change of subcontractor, new subcontractor), the Contractor is obliged to notify such change to the Client without undue delay, but no later than within 10 working days of such change. The Contractor is entitled to change qualifying subcontractors only if the Contractor shall demonstrate evidence of which would suggest that the new subcontractors meet the qualifications at least to the same extent as the original qualifying subcontractor,
  - d. the Contractor is obliged to ensure proper and timely fulfilment of financial obligations to its subcontractors for the entire period of performance of this Framework Agreement, while full and timely fulfilment is considered full payment of invoices issued by the subcontractor for performances provided for this Framework Agreement, no later than 30 days after receipt of payment from by the Client for specific fulfilled partial contract. By signing this Contract, the Contractor declares that it complies with the obligations specified in this point d) and undertakes to comply with them for the entire duration of this Contract.

This Framework Agreement and its Annexes shall not be amended due to the use of subcontractors or its change according to this paragraph.

4. The Contractor declares that the Contractor in the sense of:
  - a) Article 2, paragraph 2 of Council Regulation (EU) No. 269/2014 of 17 March 2014 on restrictive measures with regard to activities that violate or threaten the territorial integrity, sovereignty and independence of Ukraine, as amended, (hereinafter referred to as the "Regulation No. 269/2014), and
  - b) Article 2, paragraph 2 of Council Regulation (EU) No. 208/2014 of March 5, 2014, on restrictive measures against certain persons, entities and authorities in view of the situation in Ukraine, as amended, (hereinafter referred to as the "Regulation No. 208/2014"), and
  - c) Article 2, paragraph 2 of Council Regulation (EC) No. 765/2006 of 18 May 2006 on restrictive measures against President Lukashenko and certain representatives of Belarus, as amended, (hereinafter referred to as "Regulation No. 765/2006"),

is not a natural or legal person, entity or body or a natural or legal person, entity or body associated with them listed in Annex I of Regulation No. 269/2014, Regulation No. 208/2014 or Regulation No. 765/2006.

5. The Contractor further declares that for purposes of performance of this Framework Agreement no funds or economic resources will be made available directly or indirectly to natural or legal persons, entities or bodies listed in Annex I of Regulation No. 269/2014, Regulation No. 208/2014 or Regulation No. 765/2006 or for their benefit.
6. If, during the validity and effectiveness of this Framework Agreement, there should be non-compliance with the conditions specified in paragraph 4 or 5 this Article of the Framework Agreement, the Contractor undertakes to immediately once the Contractor finds out about the change of circumstances, inform the Client of this fact in writing.

#### VIII. 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 according to the Annex 1 hereof, functionality for the purpose described herein and in the Annex 1 hereof and for the quantity of the Sheets specified in the partial contract.
2. Under warranty for quality of the Sheets, 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.
3. Quality warranty covers the Sheet as long the Sheets are not laminated, the life expectancy of the Sheets is 12 months and shall start on the day of the acceptance of the relevant delivery. Termination of the Framework Agreement does not release from its warranty obligations of the Sheets delivered to the Client prior the date of termination of the Framework Agreement.
4. A defect is any condition when the quality, quantity or workmanship of the supplied Sheets does not comply with the conditions specified in the specifications of the required Sheets according to this Framework Agreement and the technical specifications stipulated in the Annex 1 and the Annex 3 hereof; especially, the Sheets are defective if not delivered in time, in the agreed type, quantity and quality.
5. During the First Delivery both Parties shall jointly approve Sheet samples specified in the Annex 3 hereof, for a Defect catalogue which will be used as the basis for evaluation of possible claim. The Defect catalogue will be agreed between the Contractor and the Client. Both Parties are obligated to notify each other about any discovery of defects. If a new defect not described in the Defect catalogue is discovered, new samples for the Defect catalogue shall be taken in Framework Agreement between the Parties and added to the catalogue and will be used to evaluate future deliveries (Quality tests defined in the Annex 3 hereof). The Contractor's quality warranty shall apply for the first time to all deliveries

starting from the mutual Framework Agreement respectively determination of the approved Sheet samples.

6. The Contractor's quality warranty applies provided that applicable technological and storage conditions specified in the Annex 1 have been complied with.
7. The notice of the defect of the Sheets should be sent by the Client to the Contractor's e-mail address: [XXX](#). Necessary defect protocol shall be produced and signed by authorized representative of the Client which shall be attached with photographs demonstrating the relevant defects.
8. The Client is entitled to claim defects of the subject of this Framework Agreement at any time during the warranty period, provided that requirements specified in paragraph 6 of this Article have been observed. Defect claims will be settled by delivering new defect-free Sheets or possibly by financial compensation, whatever the Client prefers.
9. Defects of the Sheets apparent during the handover process pursuant to the Article IV hereof (in particular damaged seals or damaged packaging) must be reported by the Client to the Contractor without any undue delay. Furthermore the Client shall state in the shipping documents of the shipping company that a damage is suspected or noticed and the extent of such damage.
10. Hidden defects of the Sheets not apparent during the handover process pursuant to the Article IV hereof, respectively defects that appear during the warranty period shall be notified to the Contractor immediately after their discovery. In such scenario, the Contractor is obligated to deliver a replacement order free of any defects or financially compensate the defective Sheets within the period of 30 days following the submission of the written claim, i. e. sending of the notice of the defects discovered by the Client to the Contractor.
11. Should defects be discovered in one delivery due to the test method defined under the Annex 3 hereof, the Client is entitled to return the entire delivery which exceeded limits allowed by the test method defined under the Annex 3 hereof, back to the Contractor. The Client is entitled to require delivery of additional Sheets free of any defects equal to the number of returned Sheets within a time period of 30 days following the day when the written claim was submitted.
12. Lodging a claim under liability for defects of the Sheets or quality warranty 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 and replacement of the Sheets or financial compensation on its own expense within Client's working hours and in cooperation with Client in order not to endanger or not to limit the Client's activities by its activities.

## IX. PENALTIES

1. In the case of the Contractor's delay with the delivery of the Sheets within the deadline according to individual partial contracts or in the case of the Contractor's delay with the delivery of the Pilot Sheets within the term according to the Article IV Paragraph 2 hereof,

the Contractor shall pay to the Client a contractual penalty of 0,5 % of the Price of the Sheets or a portion thereof (exclusive of 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 Sheets.

2. Should the Contractor violate its obligation to eliminate the defects in the Sheets by delivering the new or the missing Sheets or payment of the financial compensation or reimbursement within the terms stipulated in Article VIII hereof, the Client is entitled to demand the contractual penalty amounting to 0,5 % of the Price of the defected Sheets (exclusive 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 Sheets delivered with defects (late delivery).
3. Should either Party violate its obligations as per Article X of this Framework Agreement in a demonstrable manner, the aggrieved Party is entitled to charge the contractual penalty amounting to EUR 12,000 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. 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.
5. Claiming the contractual penalty is without prejudice to the right to compensation of any damage suffered in the extent defined herein.
6. The contractual penalty is due in 30 calendar days as of the date of delivery of the contractual penalty billing to the other Party.

## X. 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 or to other individuals (subcontractors) involved in fulfilment; i.e. only for the purpose of realisation hereof 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 (subcontractors) to whom the non-public information is disclosed pursuant to the previous sentence under the same terms as laid down for the Parties hereto. 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. The Parties are obliged to acquaint their employees, or subcontractors with the rules of handling and processing of personal data according to GDPR an relating legislation are responsible for any non-compliance or violation of these rules.
5. In this regard, the Parties undertake:
  - a) not to disclose confidential information to any third party;
  - b) to ensure that the confidential information is not disclosed to third parties;
  - c) to 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 authorization 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.
7. 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.
8. The Parties are obliged to ensure the protection of information which one of the Parties designates as a trade secret within the meaning of Section 504 of the Civil Code. The Parties are obliged to secure information designated as a trade secret at least to the same extent as the non-public information defined in this Framework Agreement. Information designated by the Parties as a trade secret shall not be published in the Register of Contracts within the meaning of Article XIV paragraph 7 hereof. If the Contractor considers any information stated in this Framework Agreement to be its trade secret within the meaning of Section 504 of the Civil Code, it shall inform the Client at the latest before the publishing the Framework Agreement in the Register of contracts.

## XI. LIABILITY AND FORCE MAJEURE

1. The Contracting Party (hereinafter also referred to as "Tortfeasor") is released from the duty to provide compensation of any incurred harm, damages or loses only from the liberation reasons in the sense of § 2913 point 2 of the Civil Code.
2. For the purposes of this Framework Agreement, "liberation reasons" means an extraordinary, unforeseeable and insurmountable obstacle created independently of Tortfeasor 's will, which temporarily or permanently prevented from fulfilling Tortfeasor 's contractual duty. An obstacle arising from the Tortfeasor's personal circumstances or arising when the Tortfeasor was in default of performing his contractual duty, or an obstacle which the Tortfeasor was contractually required to overcome shall not release him from the duty to provide compensation.
3. If it is clear that as a result of the events referred to in paragraph 2, the Tortfeasor will not be able to fulfil its obligations within the agreed period, then it shall without undue delay notify to the Other Contracting Party. The Contracting Parties shall, without undue delay, agree to resolve this situation and agree on the further procedure for the performance of this Framework Agreement.
4. If either party is unable to perform its contractual obligations by liberation reasons, the Contractual Parties shall discuss the case among themselves and decide on possible procedures. In the absence of such an agreement, either party has the right to withdraw

from the Framework Agreement if more than three months have elapsed since the occurrence of liberation reasons preventing performance and the defective condition persists.

5. If a case of liberation reasons arises, the party claiming liberation reasons shall provide the other party with documents relating to that case.
6. The Contracting Parties take into consideration that, for the existence of the liberation reasons, does not affect the arrangements for contractual penalties, i.e. the contractual obligation to pay the contractual penalty is not affected by liberation reasons.
7. The obligation to provide compensation for any incurred damage or loss will not exceed EUR the value of each purchase order done by Client. This restriction of compensation shall not apply to liability for harm, damage or loss arising from injury to life or health that result from intent or negligence by Contractor.

## XII. 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.

## XIII. 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. 2028, or until the maximum financial limit EUR 806 500 will be exhausted, whichever is the earlier.
3. This Framework Agreement shall terminate
  - a) with the lapse of the agreed term;
  - b) upon the exhaustion of the maximum financial limit stated in paragraph 2 of this Article;
  - 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 Client may withdraw from this Framework Agreement in the event of a substantial breach of this Framework Agreement by the Contractor within the meaning of § 2001 et seq. of the Civil Code or in other cases specified in this Framework Agreement. 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 Sheets pursuant to Article II paragraph 1 hereof or pursuant to Annex No. 1 hereto;
  - b) repeated, at minimum the second, delay of the Contractor in the delivery of Sheets according to partial contracts for a period exceeding 20 working days;
  - c) delay of the Contractor in the delivery of Pilot Sheets within the term stated in Article IV Paragraph 2 hereof for a period exceeding 20 working days;
  - d) Contractor's statements referred to Article VI paragraph 9 hereof prove to be false;
  - e) the Contractor violates the obligation to notify the Client of the fact stated in the last sentence of the Article VI paragraph 10 hereof;
  - f) breach of the obligation stated in Article VII paragraph 1 hereof by the Contractor;
  - g) breach of obligation under Article VII paragraph 3 point d) hereof despite prior written Client's notice of this breach;
  - h) breach of the Contractor's obligations in Article VII Paragraph 4 or 5 or 6 of this Framework Agreement.
  - i) breach of Article X hereof which has not been remedied following a previous notice for correction.
  - j) breach of any obligation stated in Article XIV paragraph 3 or 4 hereof by the Contractor despite prior written Client's notice of this breach;
5. The partial contract shall terminate:
- a) if such termination is agreed upon by both of the Parties hereto;
  - b) by withdrawal of the Client in the case of a breach of the partial contract by the Contractor 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 XIII paragraph 4 letters (a), (d), (e), (f), (g), (h) and (i) hereof and the case where the Contractor is in delay with the delivery of Sheets according to specific partial contract for more than 20 working days.
6. The written notice of withdrawal from this Framework Agreement or a specific partial contract shall take effect on the day of a 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/data box or to the address of other the Party's registered office. 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 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.
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.

#### 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, unless otherwise stipulated in the Framework Agreement.
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 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 Contractor violated or violate Rights, and the Client despite a prior written notice of the Contractor continues to violate generally accepted Rights or fails to remedy, the Client has the right to withdraw from this Contract pursuant to Article XIII paragraph 4 of this Framework Agreement.
4. The Contractor further declares that, within the performance of this Public Contract, it will observe fair working conditions and recognize and ensure the rights of employees in accordance with labour law and occupational safety regulations in force in the country in which this Public Contract is performed (including the employee's right to a minimum wage). By signing this Contract, the Contractor declares that it complies with the obligations specified in this paragraph and undertakes to comply with them for the entire duration of this Contract
5. 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 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.
8. 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.
9. The Parties represent and warrant that they have read this Framework Agreement and accept its contents, in witness whereof they attach their signatures.
10. The following Annexes forms an integral part of this Framework Agreement:
  - Annex No. 1: Technical Specification
    - 1a: Technical specification
    - 1b: Technical description
  - Annex No. 2: Acceptance Protocol template
  - Annex No. 3: Specification of quality inspection

In Prague, date

In Paris date

For the Client:

For the Contractor:

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**Tomáš Hebelka, MSc**  
Chief Executive Officer  
Státní tiskárna cenin, s. p.

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**Bastien Blanc**  
Chief Executive Officer  
SELP

i. s. **Ing. Pavel Galyaš**  
finanční ředitel  
Státní tiskárna cenin, s. p.