

# FRAMEWORK AGREEMENT FOR THE SUPPLY OF CONTACT CHIP MODULES

registered by the Buyer under No. /OS/2023

registered by the Seller under No. 4885

(hereinafter referred to as "**the Framework Agreement**")  
made pursuant to the provision of **Section 25 and Section 56 et seq. of the  
Act No. 134/2016 Coll., on public procurement, as amended (hereinafter  
referred to as the "PPA")**

and

pursuant to **Section 1746 (2) of Act No. 89/2012 Coll., the 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 Identification No.: CZ00001279

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

Bank details:

Account number:

IBAN:

SWIFT:

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

and

**Thales DIS France SAS,**

registered office at 6 Rue De La Verrerie, 92190 Meudon,

registered in Commercial Register administered by France, having its

Business ID: 844 687 749

Tax Identification No.: FR 844 687 749

Represented by: M. KURP Youzec, VP IBS Business Line

Bank details:

Account number:

IBAN:  
SWIFT:  
(hereinafter the "**Seller**")

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

**Representatives authorized to negotiate in contractual and economic matters:**

On behalf of the Buyer: **Tomáš Hebelka, MSc**, Chief Executive Officer  
On behalf of the Seller: **Jiří Sedláček**, Sales Manager

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

On behalf of the Buyer: **XXX**  
**XXX**  
**XXX**  
On behalf of the Seller: **XXX**

**Representatives authorized to negotiate in security matters:**

On behalf of the Buyer: **XXX**  
On behalf of the Seller: **XXX**

## **I. INTRODUCTORY PROVISIONS**

1. This Framework Agreement is concluded on the basis of the results of a over-threshold open tender procedure within the meaning of Section 56 et seq. of the PPA, which is entitled "*Supply of Contact Chip Modules*" (hereinafter referred to as the "**Tender Procedure**"), with the Seller that meets any and all tender conditions, and the tender of which was selected as economically the most advantageous. The basis for this Framework Agreement is also the Seller's tender for the Tender Procedure submitted on the 30 of August 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 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. Tender conditions have been determined in the tender documentation to the Tender Procedure (hereinafter referred to as the "**Tender Documentation**").

3. 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 obligation of the Seller to provide to the Buyer initialised/pre-personalized contact chip modules with operating system based on platform Java Card and Global Platform including on board applications (hereinafter referred to as the "**Chips**") in accordance with Technical specification stated in the Annex No. 1 to this Framework Agreement. The Buyer undertakes to dispose of the Chips in accordance with Article IX Paragraph 11 hereof.
2. The Buyer undertakes to accept the Chips, duly delivered as regards the required quantity, type and quality of the Chips in accordance with the Chip's Technical specifications set out in Annex No.1 to this Framework Agreement, and pay for the Chips the price specified under Article V hereof.
3. The Chips shall be produced and supplied in accordance with the Technical specification which is divided into:
  - a. the non-classified part which is set out in Annex No. 1 in its Part No. 1a, 1b, 1c, 1d and 1e, which forms an integral part of this Framework Agreement, and
  - b. the separate part which contains classified information in secrecy level "RESTRICTED" ("VYHRAZENÉ") and which is an integral part of the overall Technical specification.
4. The Seller declares by concluding this Framework Agreement that it has and for a duration of the Framework Agreement shall have established security to assure protection of classified information on the confidentiality level "RESTRICTED" ("VYHRAZENÉ") or higher. The Seller undertakes to maintain in force for the entire period of validity and effectiveness of this Framework Agreement the authorization to handle classified information on the minimal confidentiality level "RESTRICTED" ("VYHRAZENÉ"), which will be proven in the form pursuant to Art. 14.4.2 of the Tender Documentation. The Seller is obliged to notify the Buyer any changes of the established authorization

without delay. The breach of any obligation stated in this provision constitutes a substantial breach of this Framework Agreement under Article XIII Paragraph 4 hereof.

5. The Seller is obliged to comply with the relevant legal norms concerning the handling of classified information during the performance of this Framework Agreement. The Seller is also obliged to comply with the Security instructions set out in Annex No. 3 to this Framework Agreement (hereinafter referred to as the "Security instructions"). The breach of any obligation stated in this provision constitutes a substantial breach of Framework Agreement under Article XIII Paragraph 4 of this Framework Agreement.
6. The Seller undertakes to ensure that the obligations referred to the preceding Paragraphs 4 and 5 of this Article shall also apply to any entity, which shall be participating within the performance of the subject matter of this Framework Agreement (i.e. subcontractors), that means in particular to secure protection of classified information and to maintain in force for the entire period of validity and effectiveness of this Framework Agreement the authorization to handle classified information on the minimal confidentiality level "RESTRICTED" ("VYHRAZENÉ"), which will be proven in the form pursuant to Art. 14.4.2 of the Tender Documentation. The Seller is obliged to notify the Buyer about any changes of the established authorization of the subcontractor without any delay. The Seller is obliged to secure cooperation on the subcontractor side. The breach of any obligation stated in this provision constitutes a substantial breach of Framework Agreement pursuant to Article XIII Paragraph 4 hereof.
7. The part of Technical specification containing classified information (Art. II para. 3 point b) hereof) was provided to the Seller on the 26 of August 2016. This classified part of Technical specification is established and registered with the Buyer under No. XXX pursuant to Act No. 412/2005 Coll., on protection of classified information and security eligibility, as amended.
8. The subject of this Framework Agreement is also the Seller's obligation to implement the specific initialisation of the Contact Chip Modules software, described in classified part of Technical specification according to the Paragraph 3 Point b) and Paragraph 7 of this Article and in the non-classified Annex No. 1 to this Framework Agreement (hereinafter referred to as the "**Implementation of the Key ceremony**"). When handling provided classified information the Seller shall comply with the Security instructions set out in Annex No. 3 to this Framework Agreement.

9. The Implementation of the Key ceremony shall be executed by the Seller immediately after taking effect of this Framework Agreement and handover of the classified information by the Buyer. The Implementation of the Key ceremony shall be deemed completed when performed within the scope defined in Annex No. 1 hereof and in classified information provided by the Buyer and subjected to all required or agreed tests/verification, including sample SET 2 testing according to Paragraph 10 of this Article. The Implementation and successful completion of tests/verification shall be completed within deadline stated in Time schedule. The Protocol of Key ceremony will be drawn up about the completed implementation and successful completion of tests/verification. This Protocol of Key ceremony shall be executed in two counterparts and signed by the Parties representatives authorized to negotiate in factual and technical matters; each Party shall then receive one copy.
10. The correctness of the implementation of the Key ceremony, i.e. the compliance of the Key ceremony with Annex No. 1d and with the classified part of Technical specification (Article II Paragraph 7 hereof), will be verified by **sample SET 2 testing**, which will take place in time according to the Time schedule set out in Annex No. 5 to this Framework Agreement and according to the Annex No. 1e to this Framework Agreement.
11. For the purposes of the sample SET 3 testing, the Seller is obliged to **deliver 1500** modules within the term in accordance with the Time schedule and in accordance with Annex No. 1e to this Framework Agreement (hereinafter the "**Sample SET 3**"). A protocol will be signed by the Contracting Parties on the successful completion of Sample SET 3 testing (=approval) within term stated in the Time schedule. The price for delivery of the Sample SET 3 is stated in the Article V Paragraph 2 hereof.
12. In accordance with the Time schedule, delivery and approval of Productive approval test cards shall take place.
13. Upon the mutual agreement of both Contracting Parties, the Chips can be migrated to the newer version of contact Chip and operating system during the duration of this Framework Agreement. The price for such newer version of contact Chip and operating system shall be as same or cheaper as the price for the originally requested version of Chip and operating system.
14. All supplies of the Chips 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**"). 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.

### **III. ORDERS**

1. As a minimum requirement, an order shall contain the following details:
  - a) Seller's and Buyer's identification data;
  - b) detailed specification of the Chips, including the quantity of the Chips to be delivered;
  - c) other requirements for the Chips;
  - 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.

2. The order shall be sent to the Seller electronically to the Seller's e-mail address XXX.
3. The Seller is obliged to confirm the receipt of this partial order in writing within 5 working days of receiving the order to the Buyer's e-mail address XXX and to the e-mail address of the Buyer from which the Seller received the order. 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.
4. The Parties agree that the Seller will respect the supplies of the Chips as requested and will not modify the supplies as to type, volume or finance unless expressly agreed by the Parties.
5. The Seller undertakes in the fulfilment of any purchase order to act in accordance with the Tender.
6. The Seller takes into consideration that the making of individual orders and the conclusion of individual partial contracts depends only on the discretion and needs of the Buyer, with the exception of the annual minimal binding quantity according to the Article IV Paragraph 1 hereof.

7. 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 it is confirmed by Seller.

#### **IV. DELIVERY TERM AND PLACE OF PERFORMANCE, PACKAGING, TRANSPORT AND DELIVERY CONDITIONS**

1. The Buyer undertakes to order at least the following quantity of Chips for every calendar year of duration of this Framework Agreement (**annual minimal binding quantity**):

**1 400 000 pieces** of Chips.

The annual minimal binding quantity for the first and last year of ordering will be proportionally reduced according to the number of months/days in the first and last year from/until the moment when it is possible to order. For the purposes of this paragraph, the moment from which it is possible to order for the first year is considered the approval of Productive approval test cards. For the purposes of this paragraph, the moment until which it is possible to order for the last year is considered the termination of this Framework Agreement.

2. The Seller is obliged to deliver the Chips to the Buyer no later than **16 weeks from the date when specific partial contract taken effect**, unless the Buyer requires in a particular order a longer period – in which case the Seller undertakes to deliver the Chips within the period stipulated by the Buyer in such order.
3. Each partial delivery shall consist of the number of faultless Chips according to the Buyer's orders with maximum tolerance of +/- 2% of pieces of faultless Chips. Each partial delivery can additionally contain also defective Chips which, however, shall be marked by punching.
4. Each delivery of the Chips shall be accompanied with a Delivery Note, which shall be confirmed by both Parties upon handover and takeover of the Chips, and shall be used as the Chips handover protocol.

The Delivery Note shall contain:

- a) Seller's and Buyer's identification data,
- b) the number and date of issue of the Delivery Note,
- c) the order number and position/serial number according to the order;

- d) contract number (if stated in the order);
  - e) material code according to IS in the STC format (if stated in the order),
  - f) the number of the supplied units and unit of measure;
  - g) Item name.
5. The Buyer shall immediately send a single printout of the signed Delivery Note to the Seller at the following email address: [jiri.sedlacek@thalesgroup.com](mailto:jiri.sedlacek@thalesgroup.com).
6. The Seller is obliged to deliver the Chips to the Buyer's production plant at the address:
- Production Plant I – Růžová 943/6, 110 00 Prague 1, Czech Republic.**
7. Delivery of the Chips according to this Framework Agreement shall be governed by the agreed delivery conditions INCOTERMS® 2020, DAP.
8. The Seller shall notify to the Buyer's e-mail address [purchasing@stc.cz](mailto:purchasing@stc.cz) at least 7 working days before dispatch date the information about day and presumed time of the dispatch of the Chips and deadline for delivery of the Chips to the place of performance. The Seller shall without undue delay notify the Buyer of any delay in the delivery of the Chips in order for the latter to adapt to the situation.
9. The Seller shall deliver the Chips 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 Chips following a previous agreement made over the phone between the Seller and the Buyer's representative stated in the order.
10. The Buyer is entitled to refuse to take over the Chips if the Chips have defects or are not supplied in the agreed type, quality, quantity, or time.
11. The Buyer is obliged to take over to Chips free of any defects and supplied by the Seller on the basis of and in accordance with this Framework Agreement, and to pay the Seller the price of deliveries of the Chips.
12. The Seller is not entitled to supply a larger quantity of Chips than required by the Buyer in the relevant written order; in the event of supply of a larger quantity of Chips, the partial contract for this surplus is not concluded unless the Buyer approves additionally the acceptance of the surplus to the Seller's e-mail address XXX.
13. The Seller undertakes to prepare all Chips delivered hereunder for transportation and subsequent storage in the manner specified in Paragraph 15 and 16 of this Article to ensure the preservation, protection and quality of the Chips as well as protect the Chips against damage caused by mechanical



and weather factors. Each consignment shall be duly marked with the name of the Chips, identification of the manufacturer and indication of its mass.

14. The Seller is required to take adequate transport measures to ensure that the Chips are not stolen, damaged or misused while in transit.
15. The Chips shall be delivered in reel specified in the Annex No. 2 of the Framework Agreement. Buyer's requirements for packaging: Each reel shall be in an antistatic bag and pizza box, pizza boxes shall be in a large box. Each reel, pizza box and large box shall contain a label. Large boxes shall be packed and fixed on wooden pallets, the pallets shall be operated by a standard pallet truck.
16. Each reel and each package (box and palette) shall have an adequate number in ascending order and will be sealed. Exact package numbering and labelling will be agreed by the Parties.
17. Each supply of the Chips must arrive with the following set of documents:
  - Delivery Note in 1 counterpart
18. The ownership title to the Chips supplied on the basis of this Framework Agreement shall pass on the Buyer at the moment of takeover of the Chips, i.e. at the moment the handover protocol for the Chips (Delivery Note) is signed by the Buyer. The risk of damage to the Chips shall pass to the Buyer at the same moment.

## **V. PRICE**

1. The price for deliveries of Chips in **EUR excluding VAT** is determined on the basis of the really realised performance according to a specific partial contract and the unit price for one piece of Chip. The unit price for one piece of Chip is:  
**XXX EUR / piece**
2. The price for the delivery of **Sample SET 3 (= 1 500 modules)** for testing is:  
**0.000 EUR excluding VAT**
3. If the Seller 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.
4. The prices according to the Paragraph 1 and 2 of this Article are maximal and final and include all costs of the Seller for all associated costs and charges related to the Implementation of the Key ceremony and to the production, delivery of the Chips and the discharge of the Seller's obligations under DAP

INCOTERMS 2020 (defined delivery terms, i.e. mainly including packaging, transport and delivery of the Chips to the Buyer, etc.).

5. The Seller is entitled to increase the unit price stated in the Article V Paragraph 1 hereof 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 Harmonised Indices of Consumer Price (HICP) - inflation rate, namely annual "European Union – 27 countries", published by the Eurostat published for calendar year before relevant year (hereinafter referred only as „Index“). An increase of the unit price 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. This increase of the unit price according to this Paragraph will be effective for the performance delivered on the basis of orders placed by the Buyer after taking effect of relevant amendment of this Framework Agreement. If the Seller decides to apply its entitlement to increase unit price by the inflation rate, the Seller shall deliver to the Buyer a notification of an increase of unit price by the inflation rate no later than 28th February of relevant year and this Seller's notification shall contain details of the calculation of the inflation rate. If the Seller does not apply its entitlement to increase unit price by the inflation rate and does not deliver the notification to the Buyer in the term according to the previous sentence or if the notification does not contain details on the calculation of the inflation rate, the Buyer is not obliged to conclude the amendment.

## **VI. PAYMENT TERMS**

1. The price shall be paid by the Buyer after proper delivery of the Chips 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 Chips (Art. V Para. 1 hereof) or of Sample SET 3 (Art. V Para 2 hereof) is established on the day of expedition of the Chips or Sample SET 3. But the Buyer is not obligated to pay the tax document (invoice) before the day of delivery of the Chips/ Sample SET 3, i.e. the date of signature of the Delivery Note by the Buyer's authorised person. In the event that the due date of the tax document (invoice) expires before the delivery of the Chips/ Sample SET 3, the Buyer is not in arrears with its due date, and the new due date of 30 days begins to run from the day of delivery of the Chips/ Sample SET 3. The date of taxable supply is the date of expedition. For the avoidance of any doubt, the Contracting Parties state that if the Chips are delivered in several

deliveries according to one partial contract, a separate tax document (invoice) and a separate Delivery Note will be issued for each such delivery.

3. A tax document (invoice) shall contain all the prerequisites of a tax document according to the applicable legal regulations and this Framework Agreement. The tax document (invoice) shall contain the Buyer's number of this Framework Agreement and the Buyer's number of order, if order was issued.
4. The Seller shall issue a separate tax document (invoice) for each delivery of Chips.
5. The Buyer does not provide the Seller with any advance payments for the price.
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 addressXXX. 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. The Buyer shall pay the price in accordance with this Framework Agreement and the invoiced tax document (invoice) to the Seller's account number specified on first page of this Framework Agreement. In the event of a change in the account number, an amendment to this Framework Agreement shall be concluded.
9. If the Seller 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 10 to 13 of this Article).
10. The Seller 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 Seller also declares that in the moment of conclusion of the Framework Agreement there is no decision issued by a tax administrator, that the Seller is an unreliable payer pursuant to Section 106a of the Value Added Tax Act No. 235/2004 Coll., as amended (hereinafter "VATA"). The Seller shall immediately and demonstrably notify Buyer, 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 Seller 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 Seller's statements referred to in this Paragraph prove to be false or the Seller violates the obligation to notify the Buyer of the fact stated in the previous sentence within the specified period, this will be considered a substantial breach of the Framework Agreement.

11. The Seller undertakes that the bank account designated by him for the payment of any obligation of the Buyer under this Framework Agreement shall be published and accessible from the date of signing of this Contract until its expiry in accordance with Section 98 VATA, otherwise the Seller is obliged to provide another bank account to the Buyer that is duly published pursuant to Section 98 VATA. In the case Seller has been indicated by a tax administrator as an unreliable taxpayer pursuant to Section 106a VATA, Seller 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 Seller is an unreliable payer pursuant to Section 106a VATA, notify this to Buyer along with the date on which this circumstance arose.
12. If surety for unpaid VAT arises for the Buyer according to Section 109 VATA on received taxable performance from Seller, or the Buyer justifiably assumes that such facts have occurred or could have occurred, the Buyer is entitled without the consent of Seller to exercise procedure according to the special method for securing tax, i.e. the Buyer is entitled to pay the concerned VAT according to the invoice (tax document) issued by the given Seller to the competent revenue authority and do so according to Sections 109 and 109a VATA.
13. By payment of the VAT into the account of the revenue authority, the Seller's receivable from Buyer is considered as settled in the amount of the paid VAT regardless of other provisions of the Framework Agreement. At the same time, Buyer shall be bound to notify the respective Seller of such payment in writing immediately upon its execution.
14. 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.
15. 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 WARRANTY**

1. The Seller warrants the Chips against design, manufacturing or material defects which prevent the Chips from functioning in accordance with the Chips' Technical specifications set out in Annex No. 1 to this Framework Agreement for a period of 11 years following the date of delivery. Termination of the Framework Agreement does not release the Seller from its warranty obligations of the Chips delivered prior to the date of termination of the Framework Agreement. The Warranty shall apply in case the defects are discovered by Buyer, while the Buyer is entitled to perform a more detailed analysis of the defects. The Seller is entitled to perform counter analysis, which proves the cause of Chip defects. In the case that it will be proved that the Chips are defective due to a material default, the Seller is responsible for these defects.
2. At the time of delivery takeover, the Buyer will undertake comparison of the data about a partial delivery on the respective package and the Delivery Note. In case of contradiction, the Seller pledges to:
  - a) deliver the missing quantity of the subject of fulfilment or
  - b) reimburse the purchase price of missing Chips.
3. In case the counter-analysis proves the Chip is defective, the Seller pledges to:
  - a) replace the faulty quantity of the subject of fulfilment in the following partial delivery; or
  - b) reimburse the purchase price of the claimed Chips.The way of solution of the compensation has to be mutually agreed by both Contracting parties.
4. The warranty in respect of the warranty period shall apply only in case the quantity of the Chips, which are confirmed to be defective upon the performance of the counter analysis by the Seller; exceeds rate of 0,2% of the total quantity of Chips per each partial delivery delivered to the Buyer. Period for warranty resolution is 30 calendar days. The period starts at the day on notification of the Chip defectiveness by the Buyer. The claims of the defects will be solved upon a mutual agreement of the Contracting Parties.
5. In case that defective Chips have been found first after producing of an Identity Cards with Chip, and such defectiveness is confirmed upon the performance of a counter-analysis by the Seller which proves that the Chips are defective due to a material default which is of Seller's exclusive responsibility, one of the following procedure shall be undertaken:
  - a) if the Identity Card was not personalized at the time of the defect detection, the Seller rectifies defect according to the Paragraph 3 of this Article and reimburse direct production costs for the card body in an amount of 1,99 EUR.

b) if the Identity Card was personalized at the time of the defect detection, the Seller rectifies defect according to the Paragraph 3 of this Article and reimburse direct production costs for the card body in an amount of 4,28 EUR. The warranty claims according to this Paragraph shall be summarized after processing partial delivery by the Buyer upon a written notification from the Buyer. This notification shall be sent no later than 6 months after the date of the respective partial delivery. Period for this type of warranty resolution is 45 business days. The period starts from the date of on notification of the Chip defectiveness by the Buyer. Furthermore, the Seller shall be allowed to analyse this kind of defective subject of fulfilment. In case that such defectiveness has been found upon the card personalization (as per point b of this Paragraph), the analysis has to be undertaken in the Buyer's facilities, due to presence of personal data on the Identity Card. Non-personalized Identity Cards may be sent to the Seller for subsequent analysis upon a mutual agreement of the Contracting Parties. These cards will be impaired and the Chip must not be damaged.

6. It is expressly agreed between the Parties that such indemnity of the defected Chips could not be requested by the Buyer in case that such defectiveness of Chips is related to the industrial process of the production of the Identity Cards.
7. Standard conditions of use of the Identity Cards are defined in the Annex No. 2 of this Framework Agreement. In the event that the part No. 2b of Annex No. 2 is contrary to the part No. 2a of Annex No. 2, the part No. 2b shall take precedence over the part No. 2a.

## **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 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. Non-public 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-public 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 of 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.
- 11. The Contracting Parties are obliged to ensure the protection of information which one of the Contracting 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. Text designated by the Contracting Parties as a trade secret shall not be published in the Register of Contracts within the meaning of Article XIV Paragraph 8 hereof. The Contracting Parties expressly designate as trade secrets within the meaning of Section 504 of the Civil Code the unit prices specified in Article V Paragraph 1 and 2 hereof and the Technical Specification specified in Annex 1 to this Framework Agreement, unless they agree otherwise.

## **IX. SPECIAL PROVISIONS, OTHER RIGHTS AND OBLIGATION OF PARTIES, LIMITATION OF LIABILITY**



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 1 000 000 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 to perform this Framework Agreement or part thereof through its subcontractor(s). In the case that the Seller uses a subcontractor within the meaning of the previous sentence,
  - a. the Seller remains responsible for fulfilment the subject of this Framework Agreement as if he performed it itself,
  - b. was obliged to submit to the Buyer (Contracting Authority) the List of subcontractors according to the Tender Documentation and under the conditions specified in Art. 8.10 of the Tender Documentation,
  - c. in the case of a change in the List of subcontractors (e.g. different scope of performance, change of subcontractor, new subcontractor), the Seller is obliged to notify such change to the Buyer without undue delay, but no later than within 10 working days of such change. The Seller is entitled to change qualifying subcontractors only if the Seller 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 Seller 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 Buyer for specific fulfilled partial contract. For the purposes of checking this arrangement, the Seller is required in the first calendar month in each calendar year of the duration of this Framework Agreement, to submit to Buyer an affidavit of compliance with this obligation in the previous calendar year.

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

3. If the Seller at the time of signature of this Framework Agreement proves implementation of security processes to ensure the production security integrity (transport incl.) within the performance of the subject matter of this Framework Agreement through the certificate "ISO 14298 Management of security printing processes" or "CWA 15374 Security management system for suppliers to the security printing industry", the Seller shall ensure certificate validity for the entire

duration of this Framework Agreement. The Seller is obliged to notify the Buyer of any changes or end of validity of this certificate without delay. In the event of end of validity of this certificate the Seller is obliged to ensure immediate compliance with the obligation under Paragraph 4 and 5 of this Article and fulfilment of the obligations and requirements of the security audit pursuant to Annex No. 4 to Framework Agreement (hereinafter referred to as the "**Security Audit**").

4. If the Seller at the time of signature of this Framework Agreement does not prove implementation of security processes to ensure the production security integrity (transport incl.) within the performance of the subject matter of the Framework Agreement through the certificate "ISO 14298 Management of security printing processes" or "CWA 15374 Security management system for suppliers to the security printing industry", the Contracting parties mutually declare that the Security Audit was conducted before the signing of this Framework Agreement. The Security Audit will then be organized by the Buyer at regular three-year intervals.
5. The Seller is obliged to immediately inform the Buyer of any changes or termination of the certificate pursuant to Paragraph 3 of this Article or of any changes concerning changes in safety standards or rules according to the requirement No. 5 set out in the Annex No. 4 to this Framework Agreement or changes in security systems on the part of the Seller such as changes in the security system, or any other changes in the safety of buildings or building modifications or alterations to buildings, etc. In such a case, the Buyer may request to perform without undue delay an extraordinary Security audit to the extend specified in Annex No. 4 to this Framework Agreement, i.e. thus outside regular three-year intervals.
6. For the fulfilment of purpose the preceding provisions sense of the Seller acknowledges and agrees that the Buyer will conduct the Security audit (or extraordinary Security audit) at the facility intended for the performance of the subject matter of this Framework Agreement, therefore requires the Seller's assistance, by enabling access to these facility, or verification of specific processes or make available the necessary documentation by remote access. A more detailed description of the requirements of the Security audit is set out in Annex No. 4 which is integral part of this Framework Agreement.
7. Breach of the Seller's obligation to allow or secure the Security Audit to be performed in accordance with Annex No. 4 to this Framework Agreement (including the extraordinary Security Audit pursuant to Paragraph 5 of this Article), or the fact that requirements of Security Audit have not been met and thus failed to demonstrate sufficient implementation of security processes, constitutes a substantial breach of this Framework Agreement in accordance

with Article XIII Paragraph 4 of this Framework Agreement.

8. The Seller at the time of signature of this Framework Agreement proves implementation of quality management system to ensure the production quality management within the performance of the subject matter of the Framework Agreement through the ISO 9001 certificate - Quality Management System, or other similar document in accordance with the Tender Documentation for the entire period of validity and effectiveness of this Framework Agreement. At the request of the Buyer, the Seller is obliged to prove the fulfilment of this obligation at any time, no later than 10 calendar days from the delivery of such a request of the Seller.
9. Breach of this Seller's obligation to maintain the validity of the ISO 9001 certificate, or other similar document in accordance with the Tender Documentation, for the entire period of validity and effectiveness of this Framework Agreement, or the fact that the Seller has not proved ensuring of this certificate or other similar document in accordance with the Tender Documentation at the Buyer's request pursuant to this Paragraph constitutes a substantial breach of this Framework Agreement pursuant to Article XIII Paragraph 4 of this Framework Agreement.
10. For the avoidance of any doubt, the Buyer states that the adjustment and obligations set out in Paragraphs from 3 to 9 of this Article apply to any entity, which shall be participating within the performance of the subject matter of this Framework Agreement as subcontractor/s of the Seller and the Seller remains responsible for fulfilment of these obligations and the Seller is required to assure cooperation on the subcontractor/s side.
11. The Buyer declares its intention to use the Chips, which it acquires ownership under this Framework Agreement, for its production of Identity Cards, while the Chips under this Framework Agreement will always be part of the Buyer's product. The Buyer undertakes not to sell the Chips, which it acquires ownership under this Framework Agreement, to third parties. The Buyer is entitled to sell to third parties only such Chips that will be part of its products.
12. For the avoidance of any doubt, Seller states that the performance of this Framework Agreement shall not affect or unduly infringe the rights of third parties, in particular copyrights, trademark, patent and other intellectual property or other industrial property rights associated with the delivered performance, and such performance is not provided without the knowledge and permission of such entities or authors, especially that the performance of this Framework Agreement is not an unauthorized or illegal use. In the event that a third party asserts a justified claim against Buyer on the grounds that the Chips provided by Seller infringe industrial property rights or copyrights, Seller shall be liable to Buyer as follows:
  - a) Seller shall, at its expense, secure for Buyer a right to use the Chips. In the

event that this is not possible on financially reasonable terms, Seller shall, at its discretion, either modify the Chips in such a way that the property right is not infringed, or supply a Chips that do not infringe the property right, or take the Chips back and refund the purchase price paid to Seller with respect thereto.

- b) Seller's obligations as stated in this Paragraph 12 point a) above shall apply only on condition that Buyer notifies Seller immediately in writing of any claim lodged on the grounds of infringement of property rights, does not acknowledge any infringement and conducts or settles any disputes, including settlements made out of court, only by agreement with Seller.

13. As a person authorized to act in the name of or for the Seller, hereby declare on my honour in compliance with the Article 5k of the Council Regulation (EU) No. 2022/576 of 8 April 2022, by which the Council Regulation (EU) No. 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine, was amended, that the Seller is not:

- a. a Russian national, or a natural or legal person, entity or body established in Russia;
- b. a legal person, entity or body whose proprietary rights are directly or indirectly owned for more than 50 % by an entity referred to in point (a) of this paragraph;
- c. a natural or legal person, entity or body acting on behalf or at the direction of an entity referred to in point (a) or (b) of this paragraph.

14. As a person authorized to act in the name of or for the Seller, hereby declare on my honour, that the Seller does and shall not account for more than 10 % of contract value of this Framework Agreement, subcontractors, suppliers or entities, referred to in the Paragraph 13 point. a) or b) or c) of this Article whose capacities are being relied on within the meaning of the public procurement legislation.

15. If, during the validity and effectiveness of this Framework Agreement, the conditions specified in Paragraph 13 or 14 of this Article are not complied with or should not be complied with, the Seller undertakes to inform the Buyer of this fact in writing without any delay, from the moment it becomes aware of this change in circumstances.

16. For the entire period of validity and effectiveness of this Framework Agreement, the Seller is obliged to survey any evolution in Certification, which is specified in detail in the Annex 1 – part 1a to this Framework Agreement, and for propose to the Buyer migration to a new certified Module if necessary during the whole duration of this Framework Agreement. The Seller is obliged to prove the fulfilment of the obligations stated in the previous sentence without delay, but at

the latest upon delivery of the first partial delivery of Chips which will be certificated according to the previous sentence.

17. In the event that the Seller fails to fulfill any obligation specified in Article IX Paragraph 16 hereof, the Buyer is entitled to withdraw from relevant partial contract or from this Framework Agreement. In such case all resulting costs shall be borne by the Seller. The written notice of withdrawal shall be in accordance with Article XIII Paragraph 6 hereof.
18. In no event shall Seller's total cumulative liability resulting from the performance, bad performance or non-performance of its contractual obligations under this Framework Agreement, for whatever reason, exceed in aggregate the total sums of partial contracts which took effect during the last twelve (12) months preceding the application of the claim for damages by the Buyer (hereinafter referred to as the "**Seller's total cumulative liability**"). In the event of the application of the claim under the previous sentence less than twelve (12) months after taking effect of first partial contract, the Contracting Parties stipulate that the Seller's total cumulative liability shall not exceed the amount of 1 008 000 EUR. For the avoidance of any doubt, the Contracting Parties state that Sample SET 3 is not considered an effective partial contract for the purposes of this Paragraph.

## **X. SANCTIONS**

1. In the case of Seller's delay with the delivery of the Chips within the term according to Article IV Paragraph 2 hereof, the Seller is obliged to pay a contractual penalty to the Buyer in the amount of 0.5 % of the price (excluding VAT) of delivery of the Chips or its part with the delivery of which the Seller is in delay, for each started day of such delay, up to the maximum of 20% of the price of the delayed Chips or its part.
2. In the case of the Seller's delay in settling a warranty claim within the period specified in Article VII Paragraph 4 or 5 hereof, the Seller is obliged to pay a contractual penalty to the Buyer in the amount of 0.5 % of the price (excluding VAT) of the defective Chips, for each started day of such delay, up to the maximum of 20 % of the price of the defective Chips.
3. In the case that Implementation and successful completion of tests/verification shall not be completed within the term pursuant to Article II Paragraph 9 hereof, the Seller is obliged to pay a contractual penalty to the Buyer in the amount of EUR 1.000 for each started day of such delay.
4. In the case of violation of the obligations resulting from Article VIII hereof, the Seller is obliged to pay a contractual penalty to the Buyer in the amount of EUR 7 850 for each discovered case of violation of these obligations.

5. In the case of violation Seller's obligation resulting from Article IX Paragraph 2 point d) hereof or its obligation in Article XIV Paragraph 7 hereof, the Seller is obliged to pay a contractual penalty in the amount of EUR 100 for each started day such a violation.
6. In the event of a breach of any of the obligations in Article IX Paragraph 14 or 15 hereof by the Seller, or if the statement in Article IX Paragraph 13 hereof turns out to be false, the Buyer has the right to impose a contractual penalty in the amount of EUR 4 000 on the Seller, namely for each individual violation.
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.
8. Stipulating the contractual penalty is without prejudice of the right to compensation of any incurred harm to extent exceeding the amount of specific contractual penalties applied according to Paragraph 1, 2, 3, 4, 5 or 6 of this Article. For the avoidance of any doubt, the Contracting Parties state that the total cumulative extent of compensation of incurred harm pursuant to this Paragraph shall not exceed the Seller's total cumulative liability stated in Article IX Paragraph 18 hereof.
9. The contractual penalty is due within 30 calendar days after the delivery of the bill for the contractual penalty to the Seller.

## **XI. LIBERATION REASONS**

1. The Seller is released from the duty to provide compensation of any incurred harm, damages or losses only from the liberation reasons in the sense of Section 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 Seller's will, which temporarily or permanently prevented from fulfilling Seller's contractual duty. An obstacle arising from the Seller's personal circumstances or arising when the Seller was in default of performing his contractual duty, or an obstacle which the Seller 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 Paragraphs 2, the Seller will not be able to fulfil its obligations within the agreed period, then it shall without undue delay notify the Buyer. 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.

## **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 Buyer's registered seat.
3. The application of the United Nations Convention on Contracts for the International Sale of Chips of 11 April 1980, known as the Vienna Convention, is excluded by this Framework Agreement.

## **XIII. DURATION OF THE FRAMEWORK AGREEMENT**

1. This Framework Agreement comes into force on the day it is signed by both Parties and takes effect on day of its publication in the Register of Contracts.
2. This Framework Agreement is concluded for a definite period of time, namely for period of **11 years** from taking effect of the Framework Agreement.
3. This Framework Agreement shall terminate

- a) with the lapse of the period of time stated in the Paragraph 2 of this Article;
  - b) by written agreement of the Parties;
  - c) by written notice of termination by either Party according to Paragraph 7 of this Article;
  - d) by withdrawal from this Framework Agreement in the cases given in this Framework Agreement or in the event of a substantial breach 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 Chips pursuant to Article II Paragraph 1 to 3;
  - b) breach Seller's obligation under Article II Paragraph 4 to 7 hereof;
  - c) case that Implementation and successful completion of tests/verification shall not be completed within the period 14 days after term pursuant to Article II Paragraph 9 hereof;
  - d) case that Sample SET 3 shall not be delivered and/or approved within the period 14 days after term pursuant to Article II Paragraph 11 hereof;
  - e) case that Productive approval test cards shall not be delivered and/or approved within the period 14 days after term pursuant to Article II Paragraph 12 hereof;
  - f) repeated, at minimum the second, delay of the Seller in the delivery of Chips within the term stated in Article IV Paragraph 2 hereof for a period exceeding 4 weeks;
  - g) the Seller's statements referred to in the Article VI Paragraph 10 hereof prove to be false or the Seller violates the obligation to notify the Buyer of the fact stated in the last sentence of the Article VI Paragraph 10 hereof;
  - h) breach of Article VIII hereof which has not been remedied following a previous notice for correction,
  - i) breach of obligation under Article IX Paragraph 1 hereof;
  - j) breach of obligation under Article IX Paragraph 2 point c) hereof;
  - k) breach of obligation under Article IX Paragraph 2 point d) hereof or under Article XIV Paragraph 7 hereof, which has not been remedied despite prior written Seller's notice;



- l) breach of obligation under Article IX Paragraph 3, 5, 6, 7, 8, 9, or 10 hereof;
  - m) breach of obligation under Article IX Paragraph 12;
  - n) breach of the Seller's obligations in Article IX Paragraph 13 or 14 or 15 of this Framework Agreement;
  - o) breach of obligation under Article IX Paragraph 16 hereof.
5. The partial contract shall terminate:
- a) if such termination is agreed upon by both of the Parties;
  - b) By withdrawal of the Buyer
    - i. 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 XIII Paragraph 4 Point (a), (b), (g), (h), (i), (j), (k), (l), (m), (n) or (o) hereof and the case where the Seller is in delay with the delivery of Chips according to specific partial contract for more than 4 weeks from delivery term stated in the Article IV Paragraph 2 hereof;
    - ii. in other cases stated in this Framework Agreement.
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 postal service provider. 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 12 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 postal service provider. 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.

#### **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. 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 Seller undertakes to notify the Buyer without undue delay if the Seller becomes insolvent or is under threat of becoming insolvent.
4. The Parties hereby declare that no verbal arrangement, contract or proceedings on the part of any of the Parties exists, which would negatively influence the exercise of any rights and duties according to this Framework Agreement. At the same time, the Parties confirm by their signatures that all the assurances and documents hereunder are true, valid and legally enforceable.
5. If any provision hereof is or becomes invalid or ineffective, it shall have no effect whatsoever on the other provisions hereof, which shall remain valid and effective. In such a case, the Parties undertake to replace the invalid/ineffective provision with a valid/effective provision the effect of which comes as close as possible to the originally intended effect of the invalid/ineffective provision. If any provision hereof is found null (void), the Parties shall analogously assess the effect of such nullity on the remaining provisions hereof in accordance with Section 576 of the Civil Code.
6. The Seller 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 Buyer in a reliable and verifiable manner learns that the Seller has violated or violate Rights, and the Seller despite a prior written notice of the Buyer continues to violate generally accepted Rights or fails to remedy, the Buyer has the right to withdraw from this Framework Agreement pursuant to Article XIII Paragraph 3 point d) and Article XIII Paragraph 6 hereof and right to withdraw from partial contract pursuant to Article XIII Paragraph 5 point b) and Article XIII Paragraph 6 hereof.

7. The Seller further declares that, in the performance of this Framework Agreement, 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 Framework Agreement is performed. For the purposes of checking this arrangement, the Seller is required in the first calendar month in each calendar year of the duration of this Framework Agreement, to submit to Buyer an affidavit of compliance with this obligation in the previous calendar year.
8. 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 (non-classified part)
    - part No. 1a: General technical specification
    - part No. 1b: Special technical specification - Description of the offered solution
    - part No. 1c Special technical specification - Contact Chip Module technical drawing
    - part No. 1d: Key ceremony (non-classified part)
    - part No. 1e: Samples testing
  - Annex No. 2: Packing, storage conditions and conditions of use
    - part. No. 2a: Packaging and storage conditions
    - part. No. 2b: Special storage conditions and conditions of use
  - Annex No. 3: Security instructions
  - Annex No. 4: Security audit
  - Annex No. 5: Time Schedule

For the Buyer:

In Prague, on .....

For the Seller:

In Prague on .....

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

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**Jiří Sedláček,**  
Sales Manager  
Thales DIS France SAS