

FRAMEWORK AGREEMENT FOR THE PRODUCTION AND SUPPLY OF THE DIFFRACTIVE OPTICALLY VARIABLE IMAGE DEVICES FOR THE EU VISAS

registered by the Buyer under No. 017/OS/2023
registered by the Seller under No.

(hereinafter referred to as "Framework Agreement")

made pursuant to the provision of Section 25 and Section 63 (3) (b) in conjunction with
Section 63 (4) 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

OVD Kinegram AG

with its registered office at Zählerweg 11, 6300 Zug/Switzerland
entered in the Commercial Register administered by Chamber of Commerce of Zug, canton
Zug, Switzerland

Business ID: CHF -104.191.520
Tax Identification No.: CHF- 104.191.520 MWST
Represented by: Andreas Schilling, Head of Sales Government Documents
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:
On behalf of the Seller:

Representatives authorized to negotiate in factual and technical 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 negotiated procedure without prior publication within the meaning of Section 63 (3) (cb) in conjunction with Section 63 (4) of the PPA, which is entitled "*Deliveries of Diffractive Optically Variable Image Devices for EU Visas*" hereinafter referred to as the "**tender procedure**"). The basis for this Framework Agreement is also the Seller's tender for the tender procedure, 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.
4. The purpose of the Framework Agreement is to ensure the deliveries of the diffractive optically variable security elements, specifically KINEGRAM® PATCH, for the EU Visas.

II. SUBJECT MATTER OF THE FRAMEWORK AGREEMENT

1. The subject matter of this Framework Agreement is the Seller's obligation to produce and deliver the diffractive optically variable security elements, specifically KINEGRAM® PATCH, in pieces and required version to the Buyer, which must

- i. meet the technical specification requirements arising from EU requirements, namely Commission Implementing Decision C (2018) 674 dated 12 February 2018 and Regulation 2017/1370 of the European Parliament and of the European Council dated 4 July 2017 (hereinafter collectively referred to as “European Legislation”), and further
- ii. correspond with the Buyer's Technical specifications beyond the framework of European Legislation specified in Annex No. 1 hereto,
(hereinafter referred to as the “**Goods**”)

according to the Buyer's current needs and enable the Buyer to acquire ownership of the delivered Goods.

2. The Buyer undertakes to accept the Goods, duly delivered as regards the required quantity, type and quality of the Goods, on the required date and pay for the Goods the price specified under Article V hereof.
3. All supplies of the Goods shall take place according to the Buyer's needs in line with the written orders, each one of which constitutes a proposal to conclude a partial contract (hereinafter as an “**order**”), and confirmations, which constitute the acceptance of the proposal to conclude a partial contract (hereinafter as a “**partial contract**”). 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 Goods, including the quantity of the Goods to be delivered;
 - c) other requirements for the Goods;
 - d) detailed delivery conditions, especially the delivery term and place of delivery;
 - e) the designation of the person placing the order, who is authorised to act on behalf of the Buyer.

In case of doubt the Seller shall 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.

The order shall be sent to the Seller electronically to the Seller's e-mail address: XXX

2. The Seller is obliged to confirm the receipt of this partial order in writing within 3 working days of receiving the order to the Buyer's e-mail address XXX and to the Buyer's e-mail address 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.

3. The Parties agree that the Seller will respect the supplies of the Goods as requested and will not modify the supplies as to type, volume or finance unless expressly agreed by the Parties.
4. 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.
5. 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 Seller.

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

1. The Seller is obliged to deliver the Goods to the Buyer not later than **8 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 Goods within the period stipulated by the Buyer in such partial contract.
2. All Goods shall be delivered to the Customs warehouse at Václav Havel Airport Prague, Czech Republic, while observing applicable terms of delivery DAP Incoterms 2020, by security transport in accordance with Paragraph 3 of this Article.
3. The Seller shall deliver the Goods by security transport and take all measures reasonably necessary to ensure that the Goods will not get stolen, damaged or misused during its transport.
4. Each delivery of the Goods shall be accompanied with a Delivery Note, which shall be confirmed by both Parties upon handover and takeover of the Goods, and shall be used as the Goods handover protocol.

The Delivery Note shall contain:

- a. identification of the Parties,
 - b. number and date of issue of the Delivery Note,
 - c. number of relevant order (partial contract),
 - d. description (required type according to technical specification) and quantity of the Goods,
 - e. place and date of delivery and acceptance,
 - f. signature of authorized employee of the Seller.
5. The Goods must be suitably packed to ensure protection during transportation and to ensure proper storage at the facility. Detail packaging and storage requirements are specified under Annex No. 1 to this Framework Agreement.
 6. The Seller shall notify the Buyer at least 3 working days before Goods dispatch date about the dispatch of the Goods, name of the carrier and deadline for delivery of the Goods to the place of performance. The Seller shall without undue delay notify the Buyer of any delay in the delivery of the Goods in order for the latter to adapt to the situation.

7. The Seller shall deliver the Goods on business days and during the Buyer's regular working hours, i.e. between 6:00 a.m. and 2:00 p.m., unless stipulated otherwise by the Buyer. Outside these hours, it is only possible to receive Goods following a previous agreement between the Seller and the Buyer's representative stated in the order.
8. The Buyer is entitled to refuse to take over the Goods if the Goods have defects or are not supplied in the agreed type, quality, quantity, or time.
9. The Buyer is obliged to take over to Goods 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 Goods.
10. The Seller is not entitled to supply a larger quantity of Goods than required by the Buyer in the relevant written order; in the event of supply of a larger quantity of Goods, the partial contract for this surplus is not concluded unless the Buyer approves additionally the acceptance of the surplus to the e-mail address XXX
11. Each supply of the Goods must arrive with the following set of documents:
 - a. 1x copy of Delivery Note;
 - b. Air Waybill
 - c. final invoice.
12. The ownership title to the Goods supplied on the basis of this Framework Agreement shall pass on the Buyer at the moment of takeover of the Goods, i.e. at the moment the handover protocol for the Goods (Delivery Note) is signed by the Buyer but not before full payment of the price to the Seller. The risk of damage to the Goods shall pass to the Buyer in accordance with the agreed incoterms® clause.

V. PRICE

1. The unit price for Goods in **CHF excluding VAT** is determined on the basis of the really realised performance according to a specific partial contract and the unit price which are specified in Price list, which is an Annex No. 2 to this Framework Agreement.
2. The price list is annually issued based on the total amount ordered by all states of the European Union. In the event of a change of the unit price of the Goods according to the previous sentence, the Contracting Parties undertake to conclude an amendment, to which the updated version of the Price list will be attached (Annex No. 2 to this Framework Agreement). For the avoidance of any doubt, the Contracting Parties state that the updated Price List as amended by such amendment shall apply to partial contracts concluded and effective from the date of taking effect of such amendment; and the existing Price List as amended prior to the effective date of such amendment shall apply to partial contracts taking effect prior to the effective date of such amendment (even if the performance thereunder has not yet been delivered).
3. All prices are defined as EXW, the Seller's site, Zug, Switzerland according to INCOTERMS 2020, exclusive of value added tax at the applicable rate.
4. Price for security transport of the Goods according to Article IV Paragraph 3 hereof to the place of delivery according to Article IV Paragraph 2 hereof and insurance shall be calculated by the Seller separately for each delivery and will be listed on the invoice for

each delivery. Before the shipment, the Seller informs the Buyer about these costs in order to get a confirmation from the Buyer.

5. 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.

VI. PAYMENT TERMS

1. The delivery price shall be paid by the Buyer after proper delivery of the Goods on the basis of tax documents (invoices) issued by the Seller.
2. The Seller's right to issue a tax document (invoice) for each delivery of the Goods is established on the day of expedition of the Goods. But the Buyer is not obligated to pay the tax document (invoice) before the day of delivery of the Goods, 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 Goods, 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 Goods. The date of taxable supply is the date of expedition.
3. The Buyer does not provide the Seller with any advance payments for the price.
4. A tax document (invoice) shall contain all the prerequisites of a tax document according to the applicable legal regulations and this Framework Agreement. 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.
5. The Seller shall issue a separate tax document (invoice) for each delivery of Goods. For the avoidance of any doubt, the Contracting Parties state that if the Goods 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.
6. The maturity period of any tax document (invoice) duly issued by the Seller is 30 calendar days following its issuance date. The Seller is obliged to deliver the invoice to the Buyer to e-mail address XXX. 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 Framework Agreement 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 tax 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.

VII. LIABILITY FOR DEFECTS AND QUALITY WARRANTY

1. The Seller warrants that at the time of transfer of risk of damage to the Buyer (Article IV Para. 12 hereof) the Goods shall comply with the specification, set out in Annex No. 1.

2. In the event of defects the Seller may, at its own choice, either rectify the defects or provide a replacement delivery free of charge. Replacement delivery or rectification shall be made at the earliest possible date, but not later than 30 working days from the date, when the Seller has acknowledged the complaint of defect.

If the Seller fails to rectify the defect or to provide a replacement delivery, the Buyer may either:

- arrange for rectification by a third party or by itself at the Seller's expense; or
- withdraw from the concrete partial contract in the case of serious or extensive defects. In such case the Seller shall dispose of the entire defective deliveries at its own costs and shall pay back any payments received from the Buyer for defective deliveries. This shall not apply to any deliveries which have already taken place and are free from defects.

3. The Buyer shall carry out quality control checks during the processing of the Goods.
4. In the event that the Buyer is of the opinion that a defect exists in terms of the deliveries then it shall inform the Seller in writing forthwith. A sample of the Goods in question shall be attached to such notice of defect and the Goods in question shall be kept by the Buyer at the Seller's disposal. The exact description of the alleged defect shall be given and any further steps for the identification or clarification should be undertaken (e.g. photographs).
5. Any claims of the Buyer under warranty resulting from Defects shall cease at the end of 12 months from the date of delivery. It is a condition precedent for the 12-months warranty period, that the Buyer has stored the Goods in compliance with the storage conditions as provided in the specification as of Annex No. 1 and that the Goods were processed within the max. storage period as provided in the specification as of Annex No. 1. The Seller warrants visibility and functionality of the diffraction safety Element on the Goods applied to the EU Visas for 1 year following the Visa production, but maximum 1 year after the date of shipment by Seller to Buyer and provided that visibility and functionality of the diffraction safety Element on the Goods applied to the EU Visas has not been impaired by factors beyond the Seller's control, e.g. processing of the Goods, excessive use of the Visas.
6. In case that during the term of this Framework Agreement new quality requirements for the Goods arise, which have not yet been specified in the specification as of Annex No. 1 the Parties shall agree upon a respective adaptation of the specification. Any such new specification parameters shall not be subject to the warranty obligation of the Seller for the past, whereas the Seller's warranty obligation shall apply for the first time to all deliveries starting from the mutual agreed adaptation of the specification.
7. All costs in connection with a justified claim shall be paid by the Seller.

VIII. PROTECTION OF INFORMATION

1. The Parties are not entitled to disclose to any third party the non-public information they obtained or shall obtain during mutual cooperation, and the information relating to entering into this Framework Agreement and its content. This does not apply if the information is disclosed to the employees of the Contracting Party for the purpose of implementation hereof on a need-to-know basis, or to other individuals (information processors) involved in implementation hereof, under the same terms as laid down for the Parties hereto and always within the minimum scope necessary for due fulfilment hereof.
2. The Contracting Parties are liable to assure compliance with the obligations pursuant to this Article of all individuals to whom the non-public information is disclosed pursuant to the previous sentence. Violation of the confidentiality commitment by these individuals shall be deemed violation by the Party disclosing the information to them.
3. Confidential information is any information mutually provided in written, oral, visual, electronic, or other format as well as know-how which has actual or potential value and which is not commonly available in the respective business circles, and further information which is designated in writing as confidential (abbreviation "DIS") or which may be assumed to be confidential information due to the nature of the respective matter.
4. The Parties hereby undertake that if in the context of mutual cooperation they get in touch with personal data or special categories of personal data in the sense of the Regulation of the European Parliament and of the Council (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on free movement of these data, and repealing Directive 95/46/EC (the General Data Protection Regulation, or GDPR) and Act No. 110/2019 Coll., on Personal Data Protection, they will take any and all necessary measures to prevent unauthorised or random access to these data, their alteration, destruction or loss, unauthorised transfer, other unauthorised processing or any other misuse.
5. In this regard, the Parties agree, in particular:
 - a) Not to disclose non-public information to any third party;
 - b) To ensure the non-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 or other individuals (information processors) become aware in a credible manner or if they have a reasonable suspicion that the confidential information has been disclosed to an unauthorised party, they shall be bound to inform the other Party of such a fact without undue delay.
10. The confidentiality obligation is not time-limited. The obligation to maintain confidentiality of non-public information acquired within the framework of cooperation with the other Party lasts even after this Framework Agreement is terminated or expires. The confidentiality commitment shall pass onto any potential successors of the Parties.
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. Information 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. If the Seller 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 Buyer at the latest before the publishing the Framework Agreement in the Register of contracts.

IX. SPECIAL PROVISIONS, OTHER RIGHTS AND OBLIGATION OF PARTIES

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 CHF 2.000 000. At the request of the Buyer, the Seller is obliged to submit a copy of the 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 and under the conditions specified to 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 based on this Framework Agreement, no later than 30 days after receipt of payment from by the Buyer for specific fulfilled Tender.

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. 3 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. 3 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. 3 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. 3 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. 3 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. Before signature of this Framework Agreement the Seller shall prove 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. Before signature of this Framework Agreement the Seller also shall prove implementation of the Environmental management system through the ISO 14001 certificate, or other similar document in accordance with the Tender Documentation, and implementation of the Occupational health and safety management systems through the ISO 45001 certificate, or other similar document in accordance with the Tender Documentation. Details about proving requirements according to this Paragraph are stated in the Tender Documentation. The Seller is obliged to keep these certificates or similar documents valid for the entire period of validity and effectiveness of this Framework Agreement. At the request of the Buyer, the Seller is also obliged to prove the fulfilment of these obligations at any time during the duration of this Framework Agreement, 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, ISO 14001, ISO 45001, 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. 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;

12. 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 11 point a) or b) or c) of this Article whose capacities are being relied on within the meaning of the public procurement legislation.
13. If, during the validity and effectiveness of this Framework Agreement, the conditions specified in Paragraph 11 or 12 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.
14. The KINEGRAM® security elements, which is an integral part of the Goods, is a trademark application number #009324591 – by the European Union Intellectual Property Office (EUIPO). The KINEGRAM mark is filed in the category of paper goods and printed material, rubber products (goods and services such as embossing tools; magnetic, optical or electronic information carriers; stickers, labels, stamps (seals), vignettes; laminated foils; technical consultancy with regard to options for using identification and authentication devices and substitutes for money), computer/software & scientific services, holder of this trademark is company OVD Kinegram AG, Zählerweg 11, CH-6300 Zug 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 of trademark specified in the first sentence of this Paragraph. In the event that a third party asserts a justified claim against Buyer on the grounds that the Goods 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 Goods. In the event that this is not possible on financially reasonable terms, Seller shall, at its discretion, either modify the Goods in such a way that the property right is not infringed, or supply a Good that does not infringe the property right, or take the Goods back and refund the purchase price paid to Seller with respect thereto.
 - b) Seller's obligations as stated in this paragraph 14 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. Seller shall not liable if the infringement results from a design, specification or supply provided by Buyer.

X. SANCTIONS

1. In the case of Seller's delay with the delivery of the Goods within the term according to Article IV Paragraph 1 hereof, the Seller is obliged to pay a contractual penalty to the Buyer in the amount of 0.05 % of the price of the Goods or its part of which the Seller is in delay for each started day of delay; up to the maximum of 25% of the price of the delayed Goods 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 2 hereof, the Seller is obliged to pay a contractual penalty to the Buyer in the amount of 0.05 % of the price of the Goods or its part of which the Seller is in delay for each started day of delay; up to the maximum of 25% of the price of the delayed Goods or its part.
3. In the case of breach of any of the obligations resulting from Article VIII hereof, the Seller is obliged to pay a contractual penalty to the Buyer in the amount of CHF 7 850 per each discovered case of violation of these obligations up to a cumulative maximum amount of CHF 50 000.
4. In the case of a breach of any of the obligations resulting from Article IX Paragraph 12 or 13 hereof by the Seller, or if the statement in Article IX Paragraph 11 hereof turns out to be false, the Seller is obliged to pay a contractual penalty to the Buyer in the amount of CHF 4 000, namely for each individual violation up to the maximum of 25% of the price of the Goods.
5. 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.
6. 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 or 4 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 liability stated in Article XI Paragraph 7 hereof.
7. In the event of the Buyer's delay in paying a duly issued tax document (invoice), the Seller is entitled to request to the Buyer pay default interest of the amount due in the amount according to Government's regulation No. 351/2013 Coll., for each started day of delay.
8. The contractual penalty is due within 30 calendar days after the delivery of the bill for the contractual penalty to the Seller. The default interest is due within 30 calendar days after the delivery of the bill for the default interest to the Buyer.

XI. LIBERATION REASONS; LIMITATION OF LIABILITY

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 § 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. However, the Parties expressly agree that the Seller is not in arrears with the fulfilment of its obligations under this Framework Agreement for the period, when the liberation reasons persist.
4. If either Party is unable to perform its contractual obligations by liberation reasons, the Contracting 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 arise, the Party claiming liberation reasons shall provide the other Party with documents relating to that case.
6. Liability conditions abide by the Civil Code. Neither Party limits its liability for intent, death or personal injury caused by its negligence or the negligence of its employees. Neither Party shall be liable to the other Party for any indirect, special, consequential or incidental damages of whatsoever kind or nature arising out of or in connection with this Framework Agreement, including but not limited to any loss, cost, damage, loss of revenue, loss of production, loss of profit or loss of use, incurred or suffered by the victim Party or any third party.
7. The foregoing shall not affect the Buyer's right to claim compensation against the Seller for damages and/or costs suffered by the Buyer under any legal theory arising directly from the performance, bad performance or non-performance of the Seller's duties and/or obligations under this Framework Agreement, provided however that the total liability of the Seller in connection therewith shall not 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 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 liability shall not exceed the amount of 200 000 CHF.

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 Goods of 11 April 1980, known as the Vienna Convention, is excluded by this Framework Agreement.

XIII. TERM OF THE FRAMEWORK AGREEMENT

1. This Framework Agreement comes into force on the day it is signed by both Parties and taking effect on 1st January 2024. If the Framework Agreement will not be published in the Register of Contracts on 1st January 2024 at the latest, it shall take effect on the day of its publication in the Register of Contracts.
2. This Framework Agreement has been entered into for a definite period of time, namely until **31. 12. 2027**.
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) failure to meet Technical specification of Goods pursuant to Annex No. 1;
 - b) repeated, at minimum the second, delay of the Seller in the delivery of Goods according to partial contracts within the term stated in Article IV Paragraph 1 hereof for a period exceeding 15 days;
 - c) the amount of defective Goods in the relevant delivery is repeatedly, at minimum the twice, higher than 50 % of such delivery (regardless of the fact when the Buyer discovered these defects);
 - d) Seller's statements referred to Article VI paragraph 10 hereof prove to be false;
 - e) the Seller violates the obligation to notify the Buyer of the fact stated in the last sentence of the Article VI paragraph 10 hereof;
 - f) breach of Article VIII hereof which has not been remedied following a previous notice for correction,
 - g) breach of obligation under Article IX Paragraph 1 hereof;
 - h) breach of obligation under Article IX Paragraph 2 point c) hereof;

- i) 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;
 - j) breach of obligation under Article IX Paragraph 3, 5, 6, 7, 8, 9 or 10 hereof;
 - k) breach of obligation under Article IX Paragraph 11 or 12 or 13 hereof;
 - l) the Buyer is in delay with payment of a duly issued tax document (invoice) more than 30 days from its maturity.
5. The partial contract shall terminate:
- a) if such termination is agreed upon by both of the Parties hereto;
 - b) By withdrawal of the Buyer
 - i. in the case 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 letters (a), (d), (e), (f), (g), (h), (i), (j), (k) or (l) hereof and the case where the Seller is in delay with the delivery of Goods according to specific partial contract for more than 15 days from delivery term;
 - 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, from the reason that the Seller will not be anymore established as an exclusive supplier of diffractive optically variable security elements for the project "EU Visas" by European Union. The notice period shall be 6 months and shall begin on the first day of the calendar month following the delivery of written notice of termination to the other Party. The notice must be sent by 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 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 labour law and occupational safety regulations in force in the country in which subject matter of this Framework Agreement is performed.
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

Annex No. 2 – Price list

Annex No. 3 – Security audit

For the Buyer:

In Prague, on

For the Seller:

In Zug, on

XXX

Price list

The unit price of the Goods:

For the year 2024:

the unit price for the year 2024: 0.1216 CHF

For the years 2025 – 2027:

The prices of the Goods are determined according to the price list, which is annually issued based on the total amount ordered by all states of the European Union.

(see Article V Paragraph 2. of the Framework Agreement)

SECURITY AUDIT

(hereinafter referred to as "this document")

1. Determination of subject matter

This document is relevant and describes conditions and requirements of all security audits defined by this Framework Agreement, i.e.:

- a) the initial Security Audit, i.e. an audit before signing this Framework Agreement with the selected Contractor within the selection procedure;
- b) all subsequent regular Security Audits and extraordinary Security audits carried out after the signing of this Framework Agreement.

2. Determination of Parties

For the purposes of this document, the general designations of the Contracting Parties are used, where Státní tiskárna cenin, s.p. Business ID: 00001279 is designated as the Contracting authority (Buyer), and the Contractor (Seller) as any entity, which shall be providing the performance of the subject matter of this Framework Agreement as subcontractor/s of the Contractor and the Contractor remains responsible for fulfilment of these obligations and the Contractor is required to assure cooperation on the subcontractor/s side.

3. Participation / personnel composition

The Security Audit will be performed by representatives of the Contracting authority (usually 1-2 persons) and facultatively with a support of representatives of an independent auditor who is a person accredited by the Czech Accreditation Institute, o.p.s. (where "o.p.s." stands for a "Community interest society" a form or a legal entity recognised by the Czech law) or another authority according to the legal order of the given country.

If the Contractor raises any reservations to the course, manner of execution or outcome of the Security Audit, that was performed only by the Contracting authority, another Security Audit by an independent auditor as defined in the previous paragraph shall be subsequently arranged and performed.

For the Contractor is required to participate officer responsible for security, i.e. Security manager or an authorized person. Other persons may participate at the discretion of the Contractor.

4. Method of conducting the security audit:

The Security Audit will be performed in accordance with ISO 19011: 2019. The Security Audit will be carried out either physically on site or, if the current situation does not allow

it, it will be carried out remotely (i.e. by videoconference in combination with a shared document depository) (hereinafter referred to as "**remote audit**").

5. Time course:

The Security Audit will usually be organized in two days with the following agenda:

- Day 1 - security policy, security documentation, risk management, business continuity management, ensuring security processes, building inspection,
- Day 2 - completion of the inspection of the building and inspection of the settings of security processes, processing of the minutes of the security audit, conclusion.

The remote audit agenda can be adjusted in terms of time schedule.

6. Date of the Security Audit:

The Contractor's contact person stated within the tender procedure will be informed of the Security Audit at least 5 days in advance in the case of an initial Security Audit, i.e. an audit before signing this Framework Agreement with the selected Contractor within the tender procedure, and at least 30 days in advance in subsequent Security Audits, i.e. audits carried out after the signing of this Framework Agreement.

7. Minimum requirements to be subject to Security Audit:

All information, terms and requirements in this document must be interpreted in the context of the relevant standards and general security principles (especially according to international standards series 27000 and the interpretation of the Czech National Cyber and Information Security Agency), system management (according to international management system standards) and procedural procedures (according to the general principles of the procedural approach).

The Contractor must ensure compliance with all of the following requirements, all of which are based on the requirements in particular ISO 14298 and CWA 15374, and must be interpreted in accordance with ISO 14298 and CWA 15 374.

A fundamental document for assessing the fulfilment of the following requirements is the risk analysis prepared by the Contractor (see requirement 01 below), on which the method of meeting the individual requirements based on ISO 14298 and CWA 15374 is based:

No	Requirement	Further description on manner of fulfilling the requirement
01	A risk assessment and risk management document must be prepared and regularly updated	<p><u>Minimum level to fulfil the requirement:</u> The Contractor is obliged to have a risk analysis prepared and regularly updated (at least once a year), including the determination of the management of these risks to the extent of at least the ISO 14298 standard - point 4.4.</p> <p>The document must meet:</p> <ul style="list-style-type: none"> (1) Requirements according to ISO 27001, or (2) must contain at least the following parts: <ul style="list-style-type: none"> • risk identification • risk analysis

No	Requirement	Further description on manner of fulfilling the requirement
		<ul style="list-style-type: none"> • risk evaluation • risk mitigation • risk management (resp. its mitigation) • risk monitoring and review <p><u>Manner of fulfilling in case of physical audit:</u> Submission of specific written documentation containing a risk analysis, including the management of these risks, which demonstrates compliance with the above minimum requirements.</p> <p><u>Manner of fulfilling in case of remote audit:</u> Submission of specific written documentation containing a risk analysis, including the management of these risks, which demonstrates compliance with the above minimum requirements in the form of remote access or display on a shared screen.</p>
02	A system of regular safety inspections of the Contractor's subcontractors, who supply him with input safety material for the production and finalization of products, must be set up and implemented	<p><u>Minimum level to fulfil the requirement:</u> The Contractor is obliged to have set up and implemented a system of regular (at least once in a period of 3 years) security inspections of its subcontractors, who supply it with input security material for the production and finalization of products. For the purposes of this security audit, any control of a subcontractor that verifies compliance with the requirements of min. in the scope of points 1-12 according to this document shall be considered as the security inspection, while the form of such an inspection must be a security audit in personal / physical or remote form, or verification of the holding of ISO 14298 or CWA 15 374 certificates.</p> <p>The scope and manner of performing these security inspections may differ from the above stated minimal requirements if this different procedure is in accordance with the Contractor's risk analysis (i.e. the document according to requirement 01 in this document).</p> <p><u>Manner of fulfilling in case of physical audit:</u> Submission of specific written documentation containing the settings of the above required system of security inspections (i.e. especially the internal documentation of the Contractor), including documentation of min. 1 sample in the sense of proving the performance of a specific security inspection of the subcontractor meeting the above</p>

No	Requirement	Further description on manner of fulfilling the requirement
		<p>requirements in the last min. 3 years from the date of the ongoing Security Audit.</p> <p><u>Manner of fulfilling in case of remote audit:</u> Submission of specific written documentation containing the settings of the above required system of security inspections (i.e. especially the internal documentation of the Contractor), including documentation of min. 1 sample in the sense of proving the performance of a specific security inspection of the subcontractor meeting the above requirements in the last min. 3 years from the date of the ongoing security audit in the form of remote access or display on a shared screen.</p>
03	<p>A system of concluding confidentiality agreements with the Contractor's subcontractors must be set up and implemented</p>	<p><u>Minimum level to fulfil the requirement:</u> The Contractor is obliged to have set up and implemented a system of concluding confidentiality agreements with its subcontractors, which contain at least the following parts:</p> <ul style="list-style-type: none"> • Names of parties to the agreement, • Definition of what constitutes confidential information, • Prohibiting any exclusion from confidentiality (except for legal and other generally binding obligations to publication of information) • Relevant time period, • Fines and sanctions in the appropriate amount according to the risk analysis <p>The specific mandatory requirements and the final form of these confidentiality agreements may differ from the above stated minimal requirements if this different procedure is in line with the Contractor's risk analysis (i.e. the requirement 01 document in this document).</p> <p><u>Manner of fulfilling in case of physical audit:</u> Submission of specific written documentation containing the settings of the required system (i.e. especially the internal documentation of the Contractor), including documentation of min. 1 sample in the sense of proving the conclusion of a specific agreement on confidentiality with a subcontractor meeting the above requirements.</p> <p><u>Manner of fulfilling in case of remote audit:</u> Submission of specific written documentation containing the settings of the required system (i.e. especially the</p>

No	Requirement	Further description on manner of fulfilling the requirement
		internal documentation of the Contractor), including documentation of min. 1 sample in the sense of proving the conclusion of a specific confidentiality agreement with the subcontractor meeting the above requirements in the form of remote access or display on a shared screen.
04	Security procedures must be set up and implemented	<p><u>Minimum level to fulfil the requirement:</u> The Contractor is obliged to have prepared and implemented security procedures and rules for the production and delivery of safety products. The whole process must be described, from the purchase of raw materials / semi-finished products, the production cycle to the dispatch and transport of the products to the customer. The documentation must include a record of materials during the production cycle, i.e. ensuring that the Contractor knows (knows / is known to the Contractor) at all times (at each production step) where and how much material is located, while the same process must be set after production step, and the same procedure must be set in case disposal of non-conforming production. The rule of traceability must be observed - the ability to trace the history, use or location of what is being assessed.</p> <p>The scope and manner of fulfilling of these requirements may differ from the above stated minimal requirements if this different procedure is in line with the Contractor's risk analysis (i.e. the requirement 01 document in this document).</p> <p><u>Manner of fulfilling in case of physical audit:</u> Submission of specific written documentation containing the above required security processes and rules (i.e. especially the Contractor's internal documentation), including documentation of min. 1 sample in the sense of proving the implementation of the given processes and rules meeting the given documentation.</p> <p><u>Manner of fulfilling in case of remote audit:</u> Submission of specific written documentation containing the above required security processes and rules (i.e. especially the Contractor's internal documentation), including documentation of min. 1 sample in the sense of proving the implementation of the given processes and</p>

No	Requirement	Further description on manner of fulfilling the requirement
		rules meeting the given documentation in the form of remote access or display on a shared screen.
05	A system of regular internal Security Audits must be set up and implemented	<p><u>Minimum level to fulfil the requirement:</u> The Contractor is obliged to have set up a system of regular (at least once a year) internal security audits of its own procedures and rules in the scope of at least according to the ISO 14298 standard - point 9.2. Performing the security audits may be part of internal audits.</p> <p><u>Manner of fulfilling in case of physical audit:</u> Submission of specific written documentation containing the settings of the above required system of internal security audits (i.e. especially the internal documentation of the Contractor), including documentation of min. 1 sample in the sense of proving the performance of a specific internal security audit meeting the above requirements in the last year from the date of the ongoing Security Audit. The Contractor is also obliged to document the record of such an audit and information on the implementation of corrective measures in case of identified deficiencies, if relevant, and the current program / plan of internal audits, if it is prepared.</p> <p><u>Manner of fulfilling in case of remote audit:</u> In the form of remote access, or display on a shared screen, the submission of specific written documentation containing the settings of the required system of internal security audits (i.e. especially the internal documentation of the Contractor), including documentation of min. 1 sample in the sense of proving the performance of a specific internal security audit meeting the above requirements in the last year from the date of the ongoing security audit. The Contractor is also obliged to document the record of such an audit and information on the implementation of corrective measures in case of identified deficiencies, if relevant, and the current program / plan of internal audits, if it is prepared.</p>
06	The so-called Business Continuity Plan of the Contractor must be prepared	<p><u>Minimum level to fulfil the requirement:</u> The Contractor is obliged to have prepared a so-called Business Continuity Plan of the Contractor in order to ensure the uninterrupted supply of products or services and to ensure maximum protection in order to ensure the</p>

No	Requirement	Further description on manner of fulfilling the requirement
		<p>operation of the company and its operation in situations where the company is threatened or facing a disaster, and this document must meet the following minimum requirements:</p> <p>(1) the requirements of the standard according to ISO 22301, or</p> <p>(2) must contain at least the following parts:</p> <ul style="list-style-type: none"> • Risk and threat analysis • Business impact analysis • Crisis measures and organizational guidelines to keep the organization in crisis • Plans and measures to maintain continuity • Scenarios, plans and measures for recovery of operation • Techniques for quality assurance, preventive measures such as maintenance, exercises, audits • Contact information for members of management (especially crisis) • Instructions for employees in the event of a crisis • Allocation of people, tools, and other resources <p>The scope and manner of fulfilling of these requirements may differ from the above stated minimal requirements if this different procedure is in line with the Contractor's risk analysis (i.e. the requirement 01 document in this document).</p> <p><u>Manner of fulfilling in case of physical audit:</u> Submission of specific documentation demonstrating compliance with the above minimum requirements.</p> <p><u>Manner of fulfilling in case of remote audit:</u> Submission of specific documentation that demonstrates compliance with the above minimum requirements in the form of remote access or display on a shared screen.</p>
07	<p>The Contractor's production and storage facilities must be secured by the following systems: IDS (Intrusion Detection System), FS (Fire System), CCTV, ACS (Access Control System)</p>	<p><u>Minimum level to fulfil the requirement:</u> The Contractor is obliged to provide and equip the Contractor's production and storage facilities with defined security systems (IDS, FS, CCTV, ACS) with connection to the monitoring center (internal or external), while the following minimum requirements must be met:</p>

No	Requirement	Further description on manner of fulfilling the requirement
		<ul style="list-style-type: none"> - CCTV must be recorded and must monitor the entire production area and perimeter without blind spots. - ACS must be installed at least at all entrances to the production premises. - IDS must fully cover at least all production premises, production preparation and storage premises. - FS is not mandatory if this fact is stated in the "Fire safety solution" or a similar document. <p>The scope and manner of fulfilling of these requirements may differ from the above stated minimal requirements may differ from the above if this different procedure is in line with the Contractor's risk analysis (i.e. the requirement 01 document in this document).</p> <p><u>Manner of fulfilling in case of physical audit:</u> Physical inspection of the installed security technology, visit to the monitoring center, submission of the document "Description of physical and logical perimeter," or "Security project" or the directive "Physical protection" or similar documents describing the installed security technologies, including "Fire safety solution" or a similar document, if relevant, and proving compliance with the above minimum requirements.</p> <p><u>Manner of fulfilling in case of remote audit:</u> Submission of specific documents "Description of the physical and logical perimeter, or "Security project" or the directive "Physical Protection" or similar documents describing the installed security technologies demonstrating compliance with the above minimum requirements, including "Fire safety solution" or a similar document, if relevant, remote access or shared screen display the documentation must be photographs of the installed technologies, or document the security features installed by the camera as part of the online transmission, which will document compliance with the minimum requirements).</p>
08	Space must be designated for loading and unloading goods and materials	<p><u>Minimum level to fulfil the requirement:</u> The Contractor is obliged to have a marked area for loading or unloading goods and material and this area</p>

No	Requirement	Further description on manner of fulfilling the requirement
		<p>must be operated in security mode (i.e. min. PZTS, ACS and CCTV with a record that monitors the entire area without blind spots). At the time of loading / unloading, only the operator handling the goods or materials and, if necessary, guarding must be present in the area.</p> <p>The scope and manner of fulfilling of these requirements may differ from the above stated minimal requirements may differ from the above if this different procedure is in line with the Contractor's risk analysis (i.e. the requirement 01 document in this document).</p> <p><u>Manner of fulfilling in case of physical audit:</u> Physical inspection of the space, submission of the document "Description of physical and logical perimeter, or" Security project "or the directive" Physical protection "or similar documents describing the security of loading / unloading areas that demonstrate compliance with the above minimum requirements, the documentation must include photographs of the installed technologies that will document compliance with the minimum requirements.</p> <p><u>Manner of fulfilling in case of remote audit:</u> Submission of documents "Description of the physical and logical perimeter, or" Security project "or the" Physical Protection "Directive or similar documents describing the security of loading / unloading areas demonstrating compliance with the above minimum requirements, by remote access or display on a shared screen (the documentation must include photographs of the installed technologies, that will document compliance with the minimum requirements).</p>
09	Physical security must be performed by the Contractor's own staff or by an external qualified entity	<p><u>Minimum level to fulfil the requirement:</u> The Contractor is obliged to ensure continuous physical security of its facilities by its own employees or by an external qualified entity that is authorized to perform the physical security in accordance with the law. All production and storage facilities of the Contractor related to the performance of the public contract must be secured against the intrusion and entry of unauthorized persons, detailed inspection of the interior from the outside or the presence of unauthorized persons. E.g. it must have adequate perimeter security (fencing) and mechanical</p>

No	Requirement	Further description on manner of fulfilling the requirement
		<p>security of all entrances (grilles on windows, hardened entrances-doors, etc.)</p> <p>The scope and manner of fulfilling of these requirements may differ from the above stated minimal requirements may differ from the above if this different procedure is in line with the Contractor's risk analysis (i.e. the requirement 01 document in this document).</p> <p><u>Manner of fulfilling in case of physical audit:</u> Physical inspection of the security area and mechanical security systems, submission of a document "Description of physical and logical perimeter", or document "Security project" or directive "Physical protection" or similar documents describing the state of physical security, which demonstrates compliance with the above minimum requirements. The Contractor must submit photographs of the security of the building, which will document the fulfilment of the minimum requirements, and in the case of an external entity, the Contractor must document the concluded valid contract on ensuring physical security between the Contractor and the external entity.</p> <p><u>Manner of fulfilling in case of remote audit:</u> Submission of a document "Description of the physical and logical perimeter, or a document" Security project "or a directive" Physical protection "or similar documents describing the state of physical security demonstrating compliance with the above minimum requirements, by remote access or display on a shared screen. The Contractor must submit photographs of the security of the building, which will document the fulfilment of the minimum requirements, and in the case of an external entity, the Contractor must document the concluded valid contract on ensuring physical security between the Contractor and the external entity.</p>
10	A key management must be implemented	<p><u>Minimum level to fulfil the requirement:</u> The Contractor is obliged to have a transparent key regime implemented, which ensures the registration, allocation, and secure storage of keys. The key mode system must be inspected at least once a year.</p>

No	Requirement	Further description on manner of fulfilling the requirement
		<p>The scope and manner of fulfilling of these requirements may differ from the above stated minimal requirements may differ from the above if this different procedure is in line with the Contractor's risk analysis (i.e. the requirement 01 document in this document).</p> <p><u>Manner of fulfilling in case of physical audit:</u> Physical inspection of the registration system and key storage, documentation of specific documentation that the inspection of the key regime system is performed at least once a year, i.e. the Contractor must submit at least a record of the inspection in the last year from the date of the ongoing security audit.</p> <p><u>Manner of fulfilling in case of remote audit:</u> In the form of remote access or display on a shared screen, the Contractor must document documents from which it is clear that the key mode is implemented (photo documentation of key storage must be included) and document specific documentation that the records of assigned keys are checked at least once a year, i.e. the Contractor must provide at least a record of the inspection in the last year from the date of the ongoing security audit.</p>
11	They must be processed and implemented the principle of access to information systems during and upon termination of employment	<p><u>Minimum level to fulfil the requirement:</u> The Contractor is obliged to have developed and implemented the principles of controlled access to information systems during and upon termination of employment of the Contractor's employees.</p> <p><u>Manner of fulfilling in case of physical audit:</u> Submission of specific written documentation containing the setting of the above required principles (i.e. especially the internal documentation of the Contractor, e.g. output sheet), including documentation of min. 1 sample in the sense of proving the implementation of the given principles meeting the above requirements.</p> <p><u>Manner of fulfilling in case of remote audit:</u> Submission of specific written documentation containing the setting of the above required principles (i.e. especially the internal documentation of the Contractor, e.g. output sheet), including documentation of min. 1 sample in the sense of proving the implementation of the given</p>

No	Requirement	Further description on manner of fulfilling the requirement
		principles meeting the above requirements in the form of remote access or display on a shared screen.
12	The Contractor has its own employees to ensure the production and storage of security products, or agency employees who meet other conditions	<p><u>Minimum level to fulfil the requirement:</u> The Contractor is obliged to ensure the production and storage of security products by its own employees or by an agency staff. If they use agency staff, they must have a signed confidentiality agreement (to the minimum extent of point 03 of this document), both with their own staffing agency and with the Contractor. At the same time, there must be a confidentiality agreement (to the minimum extent of point 03 of this document) between the Contractor and the recruitment agency.</p> <p>For the purposes of this security audit, Agency Employment is the temporary placement of an employment agency employee to perform work for an employer on the basis of an employment contract or also in the form of an employment agreement concluded between the employee and the employment agency. In this case, the user does not "take" temporarily placed employees from the agency, but only "hires" them for a period of time. At the same time, agencies may not demand payment from agency staff - the user pays the agency.</p> <p><u>Manner of fulfilling in case of physical audit:</u> Submission of specific written documentation proving compliance with the requirement (i.e. especially personnel records).</p> <p><u>Manner of fulfilling in case of remote audit:</u> Submission of specific written documentation proving the fulfilment of the given requirement (i.e. especially personnel records) in the form of remote access or display on a shared screen.</p>