



## **PRODUCTION AND SUPPLY OF CHIP PRELAMINATES CONTRACT**

*Concluded on the basis of Dynamic Purchasing System Procedure*

registered by the Buyer under No. 025/OS/2024

registered by the Seller under No. 6

(hereinafter referred to as "**this Contract**")

**made pursuant to the provision of Section 141 of the Act No. 134/2016 Coll., on public procurement, as amended (hereinafter referred to as the "PPA") and pursuant to Section 1746 (2) et seq. of Act No. 89/2012 Coll., the Civil Code, as amended (hereinafter referred to as the "Civil Code")**

by and between:

### **Státní tiskárna cenin, s. p.**

with its registered office at Růžová 943/6, Nové Město, 110 00 Praha 1, entered in the Commercial Register maintained by the Municipal Court in Prague, Section ALX, Insert 296

Business ID: 00001279

Tax Identification No.: CZ00001279

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

Bank details: UniCredit Bank Czech Republic and Slovakia, a.s.

Account number: 200210010/2700

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

and

### **LUX – Ident s.r.o.**

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

Business ID: 25973959

Tax Identification No.: CZ25973959

Represented by: Martin Březina, Vice-President LUX-IDent Business Unit

Bank details: Skandinaviska Enskilda Banken AB, 106 40 Stockholm

Bank Account: XXX

IBAN: XXX

SWIFT kód: XXX

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

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

## I. INTRODUCTORY PROVISIONS

1. This Contract is concluded by the Contracting Parties on the basis of the results of the performance of a public contract titled “**Dynamic Purchasing System for the Production and Supply of Chip Prelaminates – invitation Nr. 6**” awarded under the dynamic purchasing system in accordance with Sec. 141 PPA (hereinafter referred to as the “**tender procedure**”) with the Seller who meets all the tender conditions and whose tender was selected as the most economically advantageous. The basis for this Contract is also the Seller's tender for the tender procedure submitted 13.3.2024, the content of which is known to the Parties (hereinafter referred to as the “**Tender**”).
2. When interpreting the content of this Contract, the Parties are obliged to take into account the tender conditions and the purpose related to the tender procedure. The provisions of laws and regulations on interpretation of legal conduct are not affected by this.
3. For the purposes of this Contract, the term "Prelaminate" means
  - a) a single position on a sheet containing a chip module and a coiled antenna within a laminated sheet (hereinafter "Prelaminate"), the term “sheet” means a sheet containing 21 Prelaminates (in the format 3 x 7 Prelaminates) (hereinafter "sheet").
  - b) a single position on a sheet containing a chip module and a coiled antenna within a laminated sheet (hereinafter "Prelaminate"), the term “sheet” means a sheet containing 15 Prelaminates (in the format 3 x 5 Prelaminates) (hereinafter "sheet").
4. This Contract regulates rights and obligations of the Parties related to the realisation of this Contract concluded hereunder.

## II. SUBJECT MATTER OF THE CONTRACT

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

a)	Prelaminated inlay PVC EG-oval Mifare Desfire 4K EV2 MOB6 STC 3x7 295x435x0,42mm - 16MHz, structure 8K	XXX
b)	Prelaminated inlay PVC EG-oval Mifare S50 4B NUID EV1 MOA8 STC 3x5 295x330x0,42mm - 16 MHz, skladba 8K	XXX

3. The Buyer undertakes to accept the Goods, duly and timely delivered as regards the required quantity and type of the Goods, on the required delivery dates, and to pay for the Goods the price agreed herein.
4. The Seller undertakes in the fulfilment of this Contract in accordance with the Tender.

### **III. DELIVERY DATE AND PLACE OF PERFORMANCE,**

1. The Seller is obliged to deliver the Goods to the Buyer no latest than 4 weeks of effectiveness of this Contract, i.e. of effectiveness of this Contract.
2. The Seller is entitled to divide the agreed quantity of Goods into several partial deliveries, provided that the Seller always complies with the required delivery deadline according to the previous paragraph of this Article.
3. The place of performance, i.e., place of delivery of Goods is the Buyer's Production Plant I at Růžová 943/6, Nové Město, 110 00 Praha 1. The Seller shall arrange for the transportation of the Goods to the place of performance at its own expense and risk in accordance with Incoterms 2020, DAP.

### **IV. DELIVERY CONDITIONS**

1. 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.
2. The delivery note shall contain:
  - a) identification data of the Seller and the Buyer,
  - b) the number and date of issue of the Delivery Note,
  - c) position/serial number according to the Contract;
  - d) contract number;
  - e) Material code according to IS in STC format;
  - f) the number of the supplied units without defects with a divided according to individual types,
  - g) the number of delivered pieces of defective Prelaminates according to paragraph 5 of this article,
  - h) the total number of Prelaminates delivered,
  - i) place and date of handover and acceptance(hereinafter the "**delivery note**")
3. The Seller shall notify the Buyer to the e-mail address: purchasing@stc.cz the expected date and time when the Goods will be delivered to the Buyer's address, at least 2 working days before the day of dispatch from the Seller's plant. In the event that the Seller uses a carrier that allows you to monitor the status of the delivery, the Seller will also send the Buyer the number of the bill of lading. The Seller shall immediately inform the Buyer about expected failure to arrive on time in order to solve this situation.

4. The Seller shall deliver the Goods on business days and during the Buyer's regular working hours, i.e. between 6:00 a.m. and 2:00 p.m., unless stipulated otherwise by the Buyer. Outside these hours, it is only possible to receive Goods following a previous agreement made over the phone between the Seller and the Buyer's representative stated in this Contract.
5. Within a single delivery must not content:
  - a) the number of defective Prelaminates higher than 2% of the total number of Prelaminates delivered,
  - b) no sheet in the format of 3x7 positions, on which the number of defective Prelaminates will be greater than 2,
  - c) no sheet in the format of 3x5 positions, on which the number of defective Prelaminates will be greater than 2
6. Within one partial delivery, the tolerance of the number of delivered Prelaminates is +/- 3% of the ordered number of Prelaminates.
7. The Seller undertakes to provide the subject of performance for transport and subsequent storage in a manner that is usual for this type of subject of performance in business relations so as to ensure the preservation, protection and quality of the subject of performance. Each delivered consignment will be properly marked with the indication of the subject of performance, the manufacturer and information about its weight.
8. The performance of the Seller is considered fulfilled if it is delivered on time and properly, i.e. free of any defects in quantity in accordance with the agreement of the Parties under paragraph 6 of this article, quality or legal defects, including accompanying written documents.
9. The ownership title to the Goods supplied on the basis of this Contract shall pass on the Buyer at the moment of takeover of the Goods, i.e. at the moment the handover protocol for the Goods (delivery note) is signed by the Buyer. The risk of damage to the Goods shall pass to the Buyer at the same moment.

## **V. PRICE**

1. The unit prices for delivery of Goods in **EUR excluding VAT** are determined on the basis of the Seller's tender submitted to the Tender Procedure.
2. Unit price for 1 pc of Prelaminate according to:

Article II Paragraph 2 Point a) hereof	<b>XXX</b>
Article II Paragraph 2 Point b) hereof	<b>XXX</b>

3. The price for (partial) delivery/ies will be calculated as a multiple of the relevant unit price of Prelaminates and the number of delivered perfect Prelaminates of the corresponding type.

4. The unit prices are the final maximum permissible prices that shall not be exceeded and also include any related cost, especially any cost of package and transportation of the Goods to the Buyer to the place of performance according to Article IV paragraph 1 hereof as any cost of waste disposal customs duty, customs charges, any ecological liquidation of the Goods and related services.
5. If the Seller is a registered VAT payer in the Czech Republic, the Buyer shall pay the Seller the price plus the VAT in accordance with the applicable legislation.

## **VI. PAYMENT TERMS**

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

adhere to the present obligation shall be regarded as a material breach of this Contract by the contracting parties.

10. The Seller undertakes that the bank account specified by it for payment of any obligation of the Buyer based on this Contract will be posted from the date of this Contract signing to termination of its term in the way enabling remote access in the meaning of Section 98 VATA, otherwise the Seller is obligated to notify another bank account to the Buyer, made duly public in the meaning of Section 98. In the case the Seller is recorded by the tax administrator as an unreliable tax payer in the meaning of Section 106a VATA, the Seller undertakes to immediately notify this to the Buyer along with the date on which this circumstance arose.
11. If a guarantee for the unpaid VAT arises for the Buyer pursuant to Section 109 VATA from the accepted taxable performance from the Seller, or the Buyer has a grounded assumption that such circumstances have arisen or may have arisen, the Buyer is entitled, without the Buyer's consent, to exercise a process of special method of tax provision, i.e. the Buyer is entitled to pay the VAT amount based on the invoice (tax document) issued by the Seller directly to the relevant Tax authority pursuant to Section 109 a 109a VATA.
12. By paying VAT into the bank account of the Tax Office the Seller's claim from the Buyer amounting to the VAT having been paid shall be considered settled regardless of other provisions hereof. At the same time, the Buyer is obligated to notify the Seller of such payment immediately after its accomplishment in writing.
13. The Seller is not authorised, without prior consent of the Buyer, to set-off any of its receivables from the Buyer with any of the Buyer's receivables from the Seller or assign any of its rights and receivables from the Buyer to a third party.
14. The Seller agrees that it shall in no way burden its claims against the Buyer under or in connection with a lien in favour of a third party.

## **VII. LIABILITY FOR DEFECTS AND QUALITY WARRANTY**

1. The Seller is responsible for the proper performance consisting in the delivery of the required number of Prelaminates in terms of quantity and quality and for their functionality, in particular in compliance with the dimensions according to the detailed drawing and technical specification of Prelaminates, according to Annex No. 1 of this Contract.
2. The Seller provides the Buyer with a quality guarantee relating mainly to the life of the chip module and his functionality (hereinafter referred to as the "Warranty period") for Prelaminates for a period of 24 months. The stated Warranty period starts from the day of acceptance of the subject of performance by the Buyer without any defects.
3. By the quality guarantee, the Seller undertakes that the delivered Goods shall be free of defects, i.e. be, for the duration of the Warranty Period, capable of performance for the contracted purpose, otherwise to the usual purpose, and maintain the otherwise the usual properties contracted in particular in Article II Paragraph 1 hereof and in Annex No. 1

hereto. The Seller is liable for any defect, including hidden or obvious defects, which arise or manifest during the Warranty Period. The Buyer may claim defects in the delivered Goods at any time during the Warranty Period. The Goods are considered to have defects, if not delivered in accordance with this Contractor Tender.

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

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

## **VIII. PROTECTION OF INFORMATION**

1. The Parties are not entitled to disclose to any third party the non-public information they obtained or shall obtain during mutual cooperation, and the information relating to entering into this Contract and its content. This does not apply if the information is disclosed to the employees of the Contracting Party for the purpose of implementation hereof on 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 Contract.

The Parties also undertake to ensure that the same shall be performed by any other individuals, to which the non-public information is disclosed by either Party.

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 Contract is terminated or expires. The confidentiality commitment shall pass onto any potential successors of the Parties.

## **IX. SANCTIONS**

1. In the case of Seller's delay with the delivery of the Goods, the Seller is obliged to pay a contractual penalty to the Buyer in the amount of 0.05 % of the price of the Goods or its part with the delivery of which the Seller is in delay, for each started day of such delay.
2. In the case of the Seller's delay in settling a warranty claim within the period specified in Article VII Paragraph 6, 10 or 11 hereof, the Buyer is entitled to demand a contractual penalty in the amount of 100 EUR for each started day of such delay.
3. The Seller is obliged to pay the Buyer a contractual penalty in the amount of 2 000 EUR for each individual case, if:
  - (a) the number of defective Prelaminates within one partial delivery exceeds 2% of the total number of Prelaminates delivered; or

(b) the partial delivery contains one or more sheets on which the number of defective Prelaminates is greater than 2 in the case of a sheet with 15 Pre-laminates  
(c) the partial delivery contains one or more sheets on which the number of defective Prelaminates is greater than 2 in the case of a sheet with 21 Prelaminates.

4. Payment of the contractual penalty does not release the Seller from its duty to perform the obligations imposed on the basis of this Contract.
5. In the case of violation of the obligations resulting from Article VIII hereof, the Buyer shall be entitled to a contractual penalty in the amount of EUR 10,000 per each discovered case of violation of these obligations.
6. In the event of a breach of any of the obligations in Article XIII Paragraph 4 or 5 of hereof by the Seller, or if the statement in Article XIII paragraph 3 turns out to be false, Buyer has the right to impose a contractual fine of EUR 4 000 on the Seller, namely for each individual violation.
7. Stipulating the contractual penalty is without prejudice of the right to compensation of any incurred harm to full extent.
8. The contractual penalty is due within 30 calendar days after the delivery of the bill for the contractual penalty to the Seller.
9. Payment of the contractual penalty does not release the Seller from its duty to perform the obligations imposed on the basis of this Contract.

#### **X. FORCE MAJEURE**

1. An obstruction which occurs independently of the will of the obliged Party which prevents it from performing its duty (and it may not be reasonably expected that the obliged Party could have averted or overcome the obstruction or its consequences and that at the moment of formation of this obligation it could have foreseen it) is regarded as a circumstance excluding liability.
2. In such case the concerned Party shall notify the other Party of the nature of the obstruction preventing it from performing its duties.
3. During the existence of such obstruction the concerned Party shall not be bound to perform the obligations resulting from this Contract
4. As soon as the obstacle ceases to exist, the affected Party shall resume its obligations towards the other Party and shall do its utmost to remedy the consequences of the temporary non-performance of its obligations pursuant to this Contract.
5. The Party that has a statutory right not to perform its obligations due to force majeure shall not be liable for the damage incurred by the other Party in this connection.

## **XI. APPLICABLE LAW AND RESOLUTION OF DISPUTES**

1. This Contract 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 Contract. 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 Contract 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 Contract.

## **XII. ARRANGMENT OF THE TERMINATION OF THE CONTRACT**

1. The present Contract comes into force on the day it is signed by both Parties and taking effect once it is published in the Register of Contracts.
2. This Contract has been entered into for a definite period of time, whereas this Contract shall terminate:
  - a) at the time of delivery of the agreed quantity of Goods according to Article II paragraph 2 of this Article
  - b) by written agreement of the Parties;
  - c) by withdrawal from this Contract subject to the terms given below in the event of a substantial breach hereof by either Party.
3. The Parties agree that they consider the following cases in particular to constitute a substantial breach hereof:
  - a) a failure to meet technical specification of Goods pursuant to Article II Paragraph 1 hereof or pursuant to Annex No. 1 hereto or do not comply with the relevant detailed drawing or the specified technical specification according to Annex 1 of this Contract;
  - b) delay of the Seller in the delivery of Goods according to the agreed delivery term according to Article III of paragraph 1 of this Contract for a period exceeding 10 days;
  - c) if the quantity of defective Prelaminates in deliveries is repeatedly higher than that referred to in Article IV (5) of this Contract;
  - d) breach of Article VIII hereof which has not been remedied following a previous notice for correction;
  - e) breach of obligation under Article XIII Paragraph 1, 3, 4, 5 or 6 hereof;
  - f) breach of obligation under Article XIV Paragraph 8, 9 hereof.

4. The written notice of withdrawal from this Contract shall take effect on the day the written notice of withdrawal is delivered to the other Party. The notice of withdrawal from this Contract must be sent by registered mail. Withdrawal from this Contract does not terminate the contractual relationship from the very beginning, the mutual performances provided by the Parties until the termination of this Contract shall be retained by both Parties.
5. Termination of this Contract shall not affect the provisions regarding contractual penalties, damage compensation, and such rights and obligations which, by their nature, shall persist even after this Contract is terminated.

### **XIII. OTHER PROVISIONS**

1. For the entire period of validity and effectiveness of this Contract, the Seller is obliged to maintain valid a liability insurance contract for damages caused to third parties for the minimum amount of EUR 100 000. At the request of the Buyer, the Seller is obliged to submit a copy of the insurance contract (insurance certificate) proving the required insurance at any time, no later than 10 calendar days from the receipt of such a request by the Buyer.
2. The Seller is entitled to perform this Contract 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 Contract if he performed it itself,
  - b. was obliged to submit to the Buyer (Contracting Authority) the List of subcontractors according to the 13.3 of the Invitation for Tender Submission;
  - 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.

the Seller is obliged to ensure proper and timely fulfilment of financial obligations to its subcontractors for the entire period of performance of this Contract, while full and timely fulfilment is considered full payment of invoices issued by the subcontractor for performances provided for this Contract, no later than 30 days after receipt of payment from the Buyer for specific fulfilled partial order. This Contract and its Annexes shall not be amended due to the use of subcontractors or its change according to this paragraph.

3. The Seller declares that the Seller in the sense of:
  - a. Article 2, paragraph 2 of Council Regulation (EU) No. 269/2014 of 17 March 2014 on restrictive measures with regard to activities that violate or threaten the territorial integrity, sovereignty and independence of Ukraine, as amended, (hereinafter referred to as the "Regulation No. 269/2014), and
  - b. Article 2, paragraph 2 of Council Regulation (EU) No. 208/2014 of March 5, 2014, on restrictive measures against certain persons, entities and authorities in view of the situation in Ukraine, as amended, (hereinafter referred to as the "Regulation No. 208/2014"), and
  - c. Article 2, paragraph 2 of Council Regulation (EC) No. 765/2006 of 18 May 2006 on restrictive measures against President Lukashenko and certain representatives of Belarus, as amended, (hereinafter referred to as "Regulation No. 765/2006"),
  - d. is not a natural or legal person, entity or body or a natural or legal person, entity or body associated with them listed in Annex I of Regulation No. 269/2014, Regulation No. 208/2014 or Regulation No. 765/2006.
4. The Seller further declares that for purposes of performance of this Contract no funds or economic resources will be made available directly or indirectly to natural or legal persons, entities or bodies listed in Annex I of Regulation No. 269/2014, Regulation No. 208/2014 or Regulation No. 765/2006 or for their benefit.
5. If, during the validity and effectiveness of this Contract, there should be non-compliance with the conditions specified in paragraph 4 or 5 of this Article hereof, the Seller undertakes to immediately once the Seller finds out about the change of circumstances, inform the Buyer of this fact in writing.
6. Violation of the Seller's obligations in Paragraph 3, 4 or 5 of this Article is considered a material breach of the Contract, on the basis of which Buyer has the right to withdraw from this Contract.

#### **XIV. FINAL PROVISIONS**

1. The Parties agree that any modifications and additions hereto may only be made in written amendments identified as such, numbered in ascending order, and agreed upon by the Parties.
2. The Seller undertakes to notify the Buyer without undue delay if the Seller becomes insolvent or is under threat of becoming insolvent.
3. The Seller guarantees that the subject of performance is not encumbered by the rights of third parties.
4. This Contract constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior oral or written agreements of the Parties with respect to the subject matter hereof. No speech made by the Contracting Parties in the negotiation of this Contract, or any speech made after the conclusion of this Contract shall

be construed in a manner inconsistent with the express provisions of this Contract and shall not create any obligation on the part of either Contracting Party.

5. The Parties expressly declare that they do not wish, in addition to the express provisions of this Contract, any rights and obligations to be derived from future practices established between the Parties or practices maintained generally or in the sector relating to the subject matter of this Contract, unless expressly provided otherwise in this Contract. At the same time, the Contracting Parties declare that they are not aware of any business customs or practices established so far between them. The Parties hereby declare that no verbal arrangement, contract or proceedings on the part of any of the Parties exists, which would negatively influence the exercise of any rights and duties according to this Contract. At the same time, the Parties confirm by their signatures that all the assurances and documents hereunder are true, valid and legally enforceable.
6. If any provision hereof is or becomes invalid or ineffective, it shall have no effect whatsoever on the other provisions hereof, which shall remain valid and effective. In such a case, the Parties undertake to replace the invalid/ineffective provision with a valid/effective provision the effect of which comes as close as possible to the originally intended effect of the invalid/ineffective provision. If any provision hereof is found null (void), the Parties shall analogously assess the effect of such nullity on the remaining provisions hereof in accordance with Section 576 of the Civil Code.
7. The rights and obligations arising from this Contract may not be transferred to a third party without the prior written consent of the other Party.
8. 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 Contract pursuant to Article XII paragraph 2 (c) and following hereof.
9. The Seller further declares that, in the performance of this Contract, he will observe fair working conditions and recognize and ensure the rights of employees in accordance with labour law and occupational safety regulations in force in the country in which subject matter of This Contract is performed. In the case of the Buyer in a reliable and verifiable manner learns that the Seller violated or violate fair working conditions, and the Seller despite a prior written notice of the Buyer continues to violate generally accepted fair working conditions or fails to remedy, the Buyer has the right to withdraw from this Contract pursuant to Article XII paragraph 2 (c) and following hereof.
10. This Contract shall be binding, as the case may be, on the legal successors of the Contracting Parties. The Parties take into consideration that in accordance with Section 219 (1) (d) of the PPA, this Contract 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.

11. This Contract is drawn up in electronic form in 1 copy in the English language with electronic signatures of both Contracting Parties in accordance with Act No. 297/2016 Coll., on trust-building services for electronic transactions, as amended.
12. The Parties declare they agree with the content hereof and this Contract 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.
13. The following Annex form an integral part of this Contract:  
Annex No. 1a) – Technical specification Technical drawing ID 551EGL7C8K/ST2 i01  
Annex No. 1b) - Technical specification Technical drawing ID 551EGH8C8K/ST5 i01

In Prague, date \_\_\_\_\_

In Lanškroun, date \_\_\_\_\_

For the Buyer:

For the Seller:

**Tomáš Hebelka, MSc**

Chief Executive Officer  
Státní tiskárna cenin, s. p.

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**vz. Ing. Pavel Galyaš**

Finance Director  
Státní tiskárna cenin, s. p.

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**Ing. Martin Březina**

Vice-President LUX-Ident Business Unit  
LUX-Ident, s.r.o.