

PURCHASE CONTRACT

registered by the Seller under No. 010/DS/2024

registered by the Buyer under No. ---

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

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

and

pursuant to Section 2079 et seq. of Act No. 89/2012 Sb., 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: XXX

Account number: XXX

IBAN: XXX

SWIFT: XXX

(hereinafter referred to as the "**Seller**" or "**Contracting Authority**")

and

BW Papersystems Stuttgart GmbH

with its registered office at Schlosserstrasse 15, 72622 Nürtingen, Germany
entered in the Commercial Register administered by District Court of Stuttgart, Germany

Business ID: HRB 749219

Tax Identification No.: VAT ID No. DE 294947358, Tax Number 74073/00201

Represented by: **Thomas Arlit**, Managing Director Germany

Bank details: XXX

Account number: XXX

IBAN: XXX

SWIFT: XXX

(hereinafter the "**Buyer**")

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

Representatives authorized to negotiate in contractual and economic matters:

On behalf of the Seller: **Tomáš Hebelka, MSc**, Chief Executive Officer
On behalf of the Buyer: **Thomas Arlit**, Managing Director Germany

Representatives authorized to negotiate in factual and technical matters:

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

XXX, XXX
e-mail: XXX, tel.: XXX

XXX, XXX
e-mail: XXX, tel.: XXX

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

XXX, XXX
e-mail: XXX, tel.: XXX

I. INTRODUCTORY PROVISIONS

1. This Contract is concluded on the basis of the results of an over-threshold open tender procedure within the meaning of Section 56 et seq. of the PPA, which is entitled "*Supply of a passport production line including numbering_reissue*" (hereinafter referred to as the "**tender procedure**"). The basis for this Contract is also the Buyer's tender for the tender procedure submitted on 22.08.2024, 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. Tender conditions have been determined in the tender documentation to the tender procedure (hereinafter referred to as the "**Tender Documentation**").

II. SUBJECT OF THE CONTRACT

1. The Seller declares that within the meaning of § 2 par. 1 and § 16 par. 2 of Act No. 77/1997 Sb., On State Enterprise, as amended, it exercises the owner's rights to **the finishing line for the production of passports**, manufacturer Kugler-Womako GmbH, Schlosserstrasse 15, Nürtingen, D-72622, Germany, Year of manufacturing: 2000, Commissioning: 4/2002 (hereinafter the "**Machine**"). Detailed specification of the Machine is stated in Technical specification attached to this Contract as **Annex No. 1**, which is an integral part hereof.

2. The Seller sells under this Contract and under the terms and conditions specified herein to the Buyer the Machine specified in the paragraph 1 of this Article (hereinafter referred to as "**Subject of Purchase**").
3. The Buyer undertakes to overtake the Subject of Purchase, including all components and accessories, disassemble, move out from installation site and transport the Subject of Purchase and to pay the purchase price determined in this Contract for the Subject of Purchase.

III. TIMES AND POINTS OF PERFORMANCE

1. The Contracting Parties have agreed that the Subject of Purchase specified in Article II, paragraph 1 hereof, including all components and accessories shall be handed over to the Buyer at the point of performance after the Purchase price specified in Article IV and Article V hereof has been paid.
2. The point of performance is the Seller's facility located at the address: **Production Plant I – Růžová 943/6, Nové Město, 110 00 Prague 1, Czech Republic.**
3. The Buyer acknowledges that the Machine will not be ready for disassembly until 46 weeks after the effective date of this Contract due the fact that the Machine will be in operation till this moment to ensure the continuous production until the replacement with a new machine and also the fact that the Seller needs to prepare transport way for moving out the Machine from the installation site. The start of disassembly and moving out shall be determined based on the Seller's notification following the completion of construction preparation of the transport ways to the installation site for moving out of the Machine. The Seller's notification referred to in the previous sentence of this paragraph must be made by email to the following address: XXX, and the Buyer must start disassembly of the Machine within 30 calendar days of receiving the notification.
4. The moving out of the Machine must be completed no later than 5 business day from the start of the disassembly. In justified cases, the deadline for moving out the Machine can be extended to a maximum of 7 consecutive calendar days.
5. The Buyer acknowledges and agrees that the latest date for moving out the Machine according to the previous clause of this Article is set in connection with the maximum Seller's estimated time for the installation of the new machine, which will be installed by the Seller under the Contract for supply and service of passport booklet production line No. 005/OS/2024 (hereinafter referred to as "**Contract for supply**").
6. The Buyer acknowledges that the disassembling of the Machine cannot start before the Buyer has bindingly confirmed that the delivery of the new machine according to the Contract for supply is proceeding according to the schedule and will not be delayed.
7. The Buyer acknowledges and agrees that in the case that the disassembling of the Machine will not start in the term in accordance with the paragraph 3 of this Article or the disassembling does not take place within the period specified in paragraph 4 of this Article and such a circumstance would constitute a substantial delay in the fulfillment of the Contract for supply, the Seller has the right to ensure the disassembling himself at the expense of the Buyer. In such a case, the Buyer also assumes the risk of damage to the Machine that could be caused by such a procedure, and the Seller will not be held responsible for such damage.

IV. PURCHASE PRICE

The purchase price for the Subject of the Purchase under Art. II, par. 1 and 2 hereof amounts, in accordance with the Seller's Tender submitted by him as part of the tender procedure, is **XXX EUR** excluding VAT (in words: two hundred fifty thousand euro).

V. TERMS OF PAYMENT

1. The Buyer undertakes to pay to the Seller the purchase price stated in Article IV hereof on the basis of an invoice to the Seller's bank account stated in the heading of this contract within 14 calendar days from the issuance of the invoice for payment of the purchase price according paragraph 2 of this Article. The Purchase Price must be credited to the Seller's account at least 7 calendar days before the start of the disassembly of the Machine.
2. The Seller shall issue the invoice for payment of the purchase price and sends it together with the Seller's request in accordance with the Article III paragraph 3 hereof as its annex.
3. The due date is considered to be observed if the amount specified in the Article IV hereof is credited to the Seller's bank account no later than on the due date.
4. The Purchase price in this Article is set without VAT because, it is a delivery of goods to another EU member state to a person registered for tax in another member state, which is exempt from VAT.
5. The Buyer must provide the Seller with a confirmation from the carrier about dispatch and transport of the Machine from the Czech Republic (conveyance note, invoice from the carrier) no later than 3 days after moving out of the Machine. If the Buyer does not submit the confirmation mentioned in the previous sentence, it will be a delivery of goods in the Czech Republic with a place of fulfillment in the Czech Republic, i.e. the fulfillment will not be a delivery of goods exempt from VAT. The Seller has the right to invoice the Buyer for VAT in the amount determined by the relevant legal regulations.

VI. TERMS OF DELIVERY

1. Disassembly of the Machine at the point of performance pursuant to Article III and its removal from the place of performance, as well as its transport from the place of performance, shall be at the sole cost of the Buyer at its own expense and responsibility.
2. The Seller shall ensure the readiness of the transport way for the removal of the Machine. The Seller declares that the Buyer is entitled to use for moving out of the Machine the ramp that will be prepared by the Seller for moving in the new machine in accordance with Contract for supply. In addition, the Buyer can use a 7-ton forklift with a lift of up to 5.5 m.
3. The Seller declares that the Machine is free of any rights of third parties.
4. Before the commencement of disassembly of the Machine a protocol on handing over the Machine as described in Article II paragraph 1 hereof, including components, accessories and documentation will be prepared and signed by the representatives authorized to negotiate in factual and technical matters of the Contracting Parties (hereinafter the "**Protocol No. 1**"). Template of the Protocol No. 1 is attached as **Annex No. 2**, which is an integral part hereof. The Protocol No. 1 shall be issued by the Seller in two copies and each Contractual Party shall receive 1 copy.

5. The Buyer declares to have inspected the Machine specified in Article II paragraph 1 hereof, that the current condition of the Machine is known to the Buyer and that the Buyer purchases the Machine in such condition. The Buyer is aware that the technical condition of the Machine and the production quality corresponds to the age and wear and tear of the Machine used in a shift operation. The Buyer is also aware that the Machine will be used until the moment of dismantling and moving out.
6. After completion of the moving out of the Machine a protocol on the completion of the Machine disassembly will be prepared and signed by the representatives authorized to negotiate in factual and technical matters of the Contracting Parties (hereinafter the "**Protocol No. 2**"). A template of the Protocol No. 2 is attached as **Annex No. 3**, which is an integral part hereof. In this Protocol No. 2, the Contracting Parties confirm that the disassembly took place properly and on time, and that there was no damage to the Seller and his property caused by the Buyer. If the disassembly was not carried out properly and on time, the Contracting Parties shall enter all their reservations in the Protocol No. 2. The Protocol No. 2 shall be issued by the Seller in two copies and each Contractual Party shall receive 1 copy.
7. The Buyer agrees that no warranty is being extended with respect to the Subject of Purchase defined in Article II, paragraph 2 hereof.
8. The responsibility for damages to the Machine as well as ownership title to the Machine passes on to the Buyer at the moment of receipt of the Subject of Purchase, i.e. signing of Protocol No. 1.

VII. SPECIAL PROVISIONS

1. The Buyer is obliged to have liability insurance for damage caused by the Buyer, Buyer's employees or a third party with the minimum indemnity limit of at least 400.000 EUR for the period of validity of the Contract until the signing of the Protocol No. 2.
2. The Machine disassembly and moving out will typically take place from 06:00 a.m. to 6:00 p.m. on workdays and in special cases also outside the specified time, or on non-working days provided the Contracting Parties so agree in advance.
3. Due to the specific conditions of production in the Seller's premises, the entry and movement of the Buyer's employees must be governed by internal safety rules of the owner of the building in which the point of performance is situated. The basic principle of these rules is to identify all persons entering the premises. The Buyer personnel must endure the fact that work activities can be monitored by CCTV.
4. The Buyer undertakes to submit to the Seller no later than 5 working days prior to the commencement of the disassembly of the Machine according to this Agreement, a list of persons performing the activities and drivers including the designation of an employee who is the contact person. The Buyer shall include in the list of persons the name, surname and number of the identity card or passport and registration numbers of trucks and semi-trailers used during dismantling.
5. For an orderly fulfilment of the Subject of Contract, the Seller shall procure for the Buyer in particular:
 - a) Access of the Buyer's employees to the Seller's facility to enable disassembly of the Machine i.e., upon prior notification, also outside the business hours,
 - b) Instruct the Buyer's employees on protective and safety regulations to be followed in the Seller's facility.

6. The Buyer's employees are in particular:
- a) authorized to enter only those premises in the Seller's premises, which will be agreed between the representatives authorized to negotiate in factual and technical matters of both Contracting Parties; the Buyer's employees are entitled to enter the safety regime zone of the Seller's premises (hereinafter referred to as "**BRZ**") only on the basis of an entry identification card authorized to enter the BRZ and accompanied by the responsible employee of the Seller;
 - b) obliged to wear visibly entrance identification cards and wear their own yellow reflective vest and a valid identity card throughout their presence in the Seller's premises; In the event that the Buyer's employees do not prove their issued identification card, they will not be allowed into the Seller's premises. After completion of activities, the Buyer is obliged to return all entrance identification cards. In case of loss, damage or non-return of the entrance identification card, the Buyer is obliged to pay compensation for the incurred damage in the amount of the purchase price for each entrance identification card,
 - c) obligated to follow all generally binding legal regulations and binding standards applicable to the implementation of the subject of the Contract, the occupational safety and health protection regulations, environmental regulations, waste disposal regulations and ISO standards,
 - d) obliged to obey the instructions of Seller's security personnel
7. The Contracting Parties are not entitled to disclose to any third party the non-public information they obtained or shall obtain during mutual cooperation, and the information relating to entering into this Contract and its content. This does not apply if the information is disclosed to the employees of the contracting party for the purpose of implementation hereof on the need-to-know basis, or to other individuals (information processors) involved in implementation hereof, under the same terms as laid down for the Parties hereto and always within the minimum scope necessary for due fulfilment hereof.
8. The Contracting Parties are liable to assure compliance with the liability pursuant to this Article of all individuals to whom the non-public information is disclosed pursuant to the previous sentence. Violation of the confidentiality commitment by these individuals shall be deemed violation by the Party disclosing the information to them.
9. 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.
10. The Contracting Parties undertake that if they come, during mutual cooperation, into contact with personal/sensitive information within the meaning of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) and Act No. 110/2019 Sb., on Personal Data Protection, they will take all precautions to prevent unauthorized or accidental access to these data, their alteration, destruction or their loss, unauthorized transfers, unauthorized processing, as well as other kinds of their abuse.
11. In this regard, the Contracting Parties undertake:
- a) Not to disclose confidential information to any third party;

- b) Ensure that the confidential information is not disclosed to third parties;
- c) Secure the data in any form, including their copies, which include confidential information, against third party abuse and loss.

12. The obligation to protect confidential information does not apply to the following cases:

- a) The respective Contracting Party proves that the given information is available to the public without this availability being caused by the same Contracting Party;
- b) If the Contracting Party is able to demonstrate that the given information was available to it before the date of disclosure of the information by the other Contracting Party and that it did not acquire it in violation of the law;
- c) If the Contracting Party obtains a written approval from the other party to disclose the information further;
- d) If the law or a binding decision of the respective public authority requires the information to be disclosed;
- e) An auditor performs audit at one of the contracting parties based on authorization specified in applicable legal regulations.

13. The Contracting Party undertakes, upon the request of the other Contracting 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, unless the relevant regulations governing the Contracting Party determine binding rules of data retention.

The Contracting 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 Contracting Party.

14. The employee of the liable Contracting Party authorised to destroy the documents in the sense of the previous paragraph shall confirm the destruction in request of the other Contracting Party in writing.

15. In case that either of the Contracting Parties or their employees or other individuals (information processors) become aware in a credible manner or if they have a reasonable suspicion that the confidential information has been disclosed to an unauthorized party, they shall be bound to inform the other Contracting Party of such a fact without undue delay.

16. The confidentiality obligation is not time-limited. The obligation to maintain confidentiality of non-public information acquired within the framework of cooperation with the other Contracting Party lasts even after this Contract is terminated or expires. The confidentiality commitment shall pass onto any potential successors of the Contracting Parties.

17. The Buyer is entitled to perform this Contract or part thereof through its subcontractor(s). In the case that the Buyer uses a subcontractor within the meaning of the previous sentence,

- a) the Buyer remains responsible for fulfilment the subject of this Contract as if the Buyer performed it itself,

- b) was obliged to submit to the Seller (Contracting Authority) the List of subcontractors according to the tender documentation of the tender procedure and under the conditions specified in Art. 10.10 of the Tender Documentation of the tender procedure,
- c) in the case of a change in the List of subcontractors (e.g. different scope of performance, change of subcontractor, new subcontractor), the Buyer is obliged to notify such change to the Seller without undue delay, but no later than within 10 working days of such change. The Buyer 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 Buyer 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 by the Seller for specific fulfilled partial contract. In the event that the Seller learns in a credible and demonstrable manner that the Buyer has failed to fulfil its obligations according to the first sentence of this letter d), and the Buyer, despite prior written notice from the Seller, continues to fail to fulfil these obligations or does not seek remedial action, the Seller has the right to withdraw from this Contract under the conditions specified in Article XI of this Contract.

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

18. The Buyer declares, that the Buyer in the sense of:

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

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

19. The Buyer 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.

20. The Buyer declares 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 Buyer 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.
21. The Buyer declares, that the Buyer does and shall not account for more than 10 % of contract value of this Contract, subcontractors, suppliers or entities, referred to in the Paragraph 20 point. a) or b) or c) of this Article whose capacities are being relied on within the meaning of the public procurement legislation.
22. If, during the validity and effectiveness of this Contract, there should be non-compliance with the conditions specified in Paragraph 18, 19, 20 or 21 of this Article, the Buyer undertakes to immediately once the Buyer finds out about the change of circumstances, inform the Seller of this fact in writing.
23. Violation of the Buyer's obligations in Article 18, 19, 20, 21 or 22 of this Contract is considered a material breach of the contract, on the basis of which Seller has the right to withdraw from this Contract.

VIII. SANCTIONS

1. If the Buyer is in delay with payment of the Purchase price pursuant to Article V paragraph 1 hereof, due to reasons attributable to him, the Seller shall be entitled to a contractual penalty of 0.1 % of the total price of the subject of the Purchase for each commenced day of delay.
2. In case of delay in moving out the Machine from the point of performance in deadline in accordance with the Article III paragraph 3 or 4 hereof due to reasons attributable to the Buyer that lasts more than 10 days, the Seller can apply a penalty in the amount of EUR 500 for each commenced day of delay.
3. In the event of a breach of the obligations under Article VII paragraph 1 hereof or under Art. VII paragraph 7, 8, 10, 11, 13 hereof, the Buyer shall be entitled to a contractual penalty of EUR 12,000 for each case of breach of these obligations.
4. In the event of a breach of any of the obligations in Article VII Paragraph 19, 21 or 22 of this Contract by the Buyer, or if the statement in Article VII Paragraph 18 or 20 of this Contract turns out to be false, the Seller has the right to impose a contractual penalty in the amount of EUR 4 000 for each case of violation of these obligations.
6. For the purposes of an avoidance of any doubt, the Contracting Parties state that the authorized party's right to a contractual penalty under the individual provisions of this Article is not mutually exclusive and the contractual penalties for individual delays can be added together. The Buyer's liability to the Seller for aggregated liquidated damages (contractual penalties), regardless of whether such damages are disclaimed herein, shall in no event exceed 40 % of the contract price, i.e. the total value of performance according to this contract. The obliged party shall pay the contractual penalty within 15 days of its enumeration and the receipt of the invoice of the authorized party.
7. Payment of the contractual penalty does not exonerate the obliged party of its duty to meet the obligations under this Contract.
8. Payment of the contractual penalty does not affect the authorized party's claim for damages, even damages exceeding the contractual penalty.

IX. LIABILITY FOR DAMAGES, FORCE MAJEURE

1. The Contracting Party's total liability for claims of any kind made against him by the other Contracting Party under this contract or otherwise shall not exceed 100 % of the contract price, i.e. the total value of performance according to this contract. The Contracting Party is not liable for consequential, indirect or incidental damages. The limitations set forth in this paragraph shall not apply to damages arising from:
 - a. Contracting Party's fraud, willful misconduct and gross negligence;
 - b. Third party claims for death and personal injury; and
 - c. Property damage, which are limited to insurance proceeds received by Contracting Party.
2. The Contracting Party shall not be liable for failure to fulfil its obligations if such failure is caused by an extraordinary unforeseeable and insurmountable obstacle arising independently of its will.
3. The Contracting Party which, as a result of force majeure, is unable to fulfil its obligations under this Contract shall inform the other Contracting Party of the beginning and the end of the above stated circumstances within 3 days. In such a case, the deadlines for fulfilling the obligations shall be extended by a duration of force majeure.
4. The Contracting Party invoking force majeure shall provide credible evidence to the other Contracting Party confirming the obstacle that has arisen and demonstrating that it has seriously affected the Contracting Party's ability to fulfil its contractual obligations.
5. If the case of force majeure lasts more than 6 months, the Contracting Parties undertake to negotiate with a view to resolving the problem satisfactorily.

X. 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 Seller'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.

XI. JOINT PROVISIONS AND FINAL PROVISIONS

1. The rights and obligations resulting from this Contract may not be assigned to any third party without approval from the other Contracting Party.
2. Subject to the conditions set out in paragraph 1 of this Article, the present contract shall be equally binding for the respective legal successors of the Contracting Parties.

3. This Contract may be amended only in form of written amendments marked as such and numbered in ascending order and upon agreement of both Contracting Parties. This provision shall not apply in the event of changes in the authorized representatives or contacts listed in the Contract and change in the List of subcontractors in accordance with Article VII paragraph 17 hereof, which may be addressed by means of an official letter.
4. Each of the two Contracting Parties shall have the right to withdraw from the Contract by written notice if the other Contracting Party violates a substantive agreement of this Contract or if it is contrary to good manners and despite a written notice of its conduct contrary to this contract or good manners. The party's right to compensation is not prejudiced. The Contracting Parties in accordance with the provisions of § 2001 et seq. of the Act, they agree that, as a substantial breach of the contract will be considered in particular the non-payment of the purchase price within the period provided for in Article V, paragraph 1 of this Contract, non-compliance with the obligation according to Article III paragraph 3 or 4 hereof and cases of withdrawal from the Contract expressly stated in the Contract.
5. The Contracting Parties agree that the effects of withdrawal shall take effect at the moment of service of the written notice of withdrawal to the other Contracting Party unless otherwise specified in the written notice of withdrawal.
6. The Contracting Parties assume the risk of a change in circumstances and must fulfil their obligations hereunder even if there is such a substantial change in circumstances that the change constitutes an especially gross disproportion in the rights and duties of the Contracting Parties by disadvantaging one of them by disproportionately increasing the cost of the performance or disproportionately reducing the value of the subject matter of performance; in particular, the Contracting Parties may not apply to a court for a decision restoring the balance of their rights and obligations or cancelling the Contract. Even if the performance of one of the Contracting Parties is grossly disproportionate to what the other Party has provided, the aggrieved Party may not request that the Contract be cancelled, and everything be restored to the original condition.
7. The Contracting Parties do not wish that any other rights and obligations, in addition to those expressly agreed under the Contract, should be derived from the existing or future practices established between the Contracting Parties or from general trade usage or from the usage applied in the field relating to the subject of performance hereof, unless expressly agreed otherwise herein. In addition to the provisions stated above, the Contracting Parties hereby confirm that they are not aware of any trading usage or practices established previously between them.
8. If any provision hereof is or becomes invalid or ineffective, this shall not affect the other provisions hereof, which shall remain valid and effective. In such case, the Contracting 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 putative (void), the effect of such defect on the other provisions hereof shall be appraised analogously to Section 576 of the Civil Code.
9. This contract is drawn up in electronic form, with both Contracting Parties receiving its electronic original with qualified electronic signatures of the responsible person and with a qualified electronic time stamp in accordance with REGULATION (EU) No 910/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC and Act No. 297/2016 Sb., on trust-creating services for electronic transactions, as amended later regulations. In the event that this Contract is not

drawn up in electronic form for any reason, it will be drawn up and signed in two copies, with each of the Contracting Parties receiving one copy.

10. The Contracting Parties take note that this Contract will be in accordance with § 219 Art 1, par d) of the Public Procurement Act published in the register of contracts pursuant to Act No. 340/2015 Coll., on special conditions for the effectiveness of certain contracts, the publication of such contracts and the register of contracts (Law on the Register of Contracts). The publication shall be provided by the Seller.
11. This Contract enters into force on the day it is signed by both Contracting Parties and enters effect by its publication in the Register of Contracts.
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 Annexes form an integral part of this Contract:
 - Annex No. 1: Technical specification
 - Annex No. 2: Protocol No. 1 (template)
 - Annex No. 3: Protocol No. 2 (template)

In Prague, date _____

In Nürtingen, date _____

For the Seller:

For the Buyer:

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

Thomas Arlit
Managing Director Germany
BW Papersystems Stuttgart GmbH

XXX
XXX
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