Contract for Work, Service Support and System Development

Air Navigation Services
of the Czech Republic

Contract for Work, Service Support and System Development

"DNOTAM system delivery, service support and development"

Concluded pursuant to Section 2586 et seq., 2358 et seq. and 1746 paragraph 2 of the Civil Code 89/2012 Coll., as amended, (hereinafter referred to as **"Civil Code"**)

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

1. Parties

Air Navigation Services of the Czech Republic (ANS CR)
a state enterprise existing and organized under the laws of the Czech Republic,
having its registered office at: Navigační 787, 252 61 Jeneč, Czech Republic,
Company Identification Number: 497 10 371
Tax Identification Number: CZ699004742
IBAN: CZ1203001712800000088153
SWIFT code: CEKOCZPP
Registered in the Commercial Register of the Municipal Court in Prague, Section A, Insert 10771,
Represented by: Jan Klas, Director General

(Hereinafter referred to as "**Client**")

and

FREQUENTIS COMSOFT GmbH
company existing and organized under the laws of Germany
having its registered office at: Wachhausstr. 5a, 76227 Karlsruhe, Germany
VAT number: DE815604580
Bank: Landesbank Baden-Württemberg
IBAN: DE37 6005 0101 0008 1087 84
SWIFT Code: SOLADEST600
Represented by: Josef Kutschi, Managing Director
(Hereinafter referred to as "**Contractor**")

Hereinafter individually or collectively referred to as a **"Party"** or the **"Parties"**

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2. Subject matter

2.1 Upon the terms and subject to the conditions herein contained, the Contractor undertakes to provide the Client with a new system enabling the issuance of digital NOTAMs. At the same time, the system must also allow traditional "legacy" NOTAMs to be published in ICAO format in order to maintain backward compatibility with ICAO standards. The DNOTAM system shall also include a web interface for DNOTAM origination. Due to the need to link digital NOTAMs with static data, the new system must also include an interface enabling the reception of static data. The system is in detail described in Annex 1 of this Contract – Technical Specification (hereinafter referred to as the „**System**"). The Contractor shall also provide the Client with the Training, System Development and Service Support (as defined below).

2.2 The subject of performance of this Contract consists especially of the following work packages:

2.2.1. development, delivery, installation and introduction of the System including:

2.2.1.1. Critical Design Review (CDR) as further specified in Article 9 of this Contract (hereinafter referred to as „**CDR**");

2.2.1.2. Factory Acceptance Test (FAT) as further specified in Article 10 of this Contract (hereinafter referred to as „**FAT**");

2.2.1.3. Installation and integration of the System with Client's work environment as further specified in Article 11 of this Contract;

2.2.1.4. support with the data migration as specified in Article 11.7of this Contract (hereinafter referred to as the "**Data Migration**")

2.2.1.5. Site Acceptance Test as further specified in Article 12 of this Contract (hereinafter referred to as „**SAT**");

2.2.1.6. Final Pre-Operational Acceptance (FPA) as further specified in Article 14 of this Contract (hereinafter referred to as the "**FPA**");

2.2.1.7. provision of complete technical documentation describing the System as specified in Article 16 of this Contract (hereinafter referred to as the „**Documentation**");

2.2.1.8. training as further specified in Article 15 of this Contract (hereinafter referred as the "**Training**").

hereinafter referred to as the „**Initial System Delivery**").

2.2.2. development of the System as further specified in Article 17 of this Contract (hereinafter referred as the "**System Development**")

2.2.3. service support of the System as further specified in Article 18 of this Contract (hereinafter referred as the "**Service Support**") which includes especially:

2.2.3.1. service availability support as specified in Article 18.3 of this Contract (hereinafter referred as the "**Service Availability**"),

2.2.3.2. service interventions as specified in Article 18.4 - 18.8 of this Contract (hereinafter referred as the "**Service Interventions**"),

2.2.3.3. other service support as specified in Article 18.9 of this Contract (hereinafter referred as the "**Other Service Support**");

2.2.3.4. update of the third party software as specified in Article 18.13 of this Contract.

2.3 The Contractor shall ensure that all existing (currently implemented) functionalities of the Client's work environment and the System (in case of the System Development of Service Support) shall be

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preserved, maintained and unchanged by the Initial System Delivery, the Service Support and the System Development. Any modification which anyhow changes (e.g. enhances) function of currently implemented (existing) functionalities is possible only if such a change has been requested and approved by the Client in writing. Agreed modification of existing functionalities covered by the System Development will be agreed in the Proposal (see 17.2.2 of the Contract) approved by the Client. In the case where it is not clear whether or not the modification has been agreed by the Client, such modification shall be deemed to be a modification not agreed by the Client. In such case, the Contractor is obliged to request the Client's consent in accordance with the preceding sentences of this Article and if the Client does not grant its consent, the Contractor is obliged (in case such modification has been already implemented) to remove such modification at its own expense and to compensate the Client for damages, including lost profits.

2.4 The Contractor undertakes to ensure, at no additional cost to the Client, that the System will have all the required features specified in this Contract and Annexes 1, 2 and 3 not only at the time of delivery of the System to the Client but also for the whole duration of the provision of the Service Support to the Client under this Contract.

3. Price

3.1 The Contractor and the Client have agreed that the maximum price for performance under this Contract shall amount to:

<div align="center">

3,460,217.00 EUR

</div>

(in words: three million four hundred sixty thousand two hundred and seventeen euro) exclusive of value-added tax (VAT)

for the term of this Agreement with breakdown in Annex 5 of this Contract and consists of:

3.1.1. price of the Initial System Delivery according to Article 2.2.1 of the Contract (excluding Initially System Delivery Training) that shall amount to ███████ ███ █ ████ ██ ████████ ████████ ██ ████ ██ ███████ ██ excluding VAT, which detailed breakdown is described in Annex 5,

3.1.2. price for the Training for Initial System Delivery according to Article 2.2.1.8 of the Contract which amounts to ███████ ███ █ ████ █ ████ ██ ████ ██ ███████ ██ excluding VAT,

3.1.3. ████ ███ █ ████ ██ ████ ██ ████ ██ excluding VAT for 1 (one) Man-hour of the System Development work,

3.1.4. The price for Service Support according to Article 2.2.3 of the Contract which amounts to:

3.1.4.1. ████ ███ █ ████ ██ ████ ██ ████ ██ ███ ██ excluding VAT per one month for Service Availability (Help Desk).

3.1.4.2. ████ ███ █ ████ ██ ████ ██ ████ ██ excluding VAT for 1 (one) Man-hour of the Service Intervention work.

3.1.4.3. ████ ███ █ ████ ██ ████ ██ ███ ████ ████ VAT for 1 (one) Man-hour of the Other Service Support.

3.2 With the exception set out below the prices as stated in this Contract will not be adjusted by inflation. Upon expiry of three (3) years from the day of entering into force of the Contract the prices as stated in Articles 3.1.3 and 3.1.4 of the Contract will be revised yearly in accordance with the following calculation:

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$$P_2 = P_1 \left(\frac{100+RI}{100} \right)$$

Where P2 is the new price, P1 is the old price and RI is HICP annual rate of change reported for the previous calendar year by EUROSTAT(source - HICP - all items - annual data - average index and rate of change, unit of measure: annual average rate of change) - (https://ec.europa.eu/eurostat/databrowser/view/PRC_HICP_AIND/default/table?lang=en) for the state of the registered seat of the Contractor if the Contractor has the registered seat (see Article 1 of the Contract) within the European Economic Area.

In case of the Contractor with the registered seat (see Article 1 of the Contract) outside the European Economic Area average HICP of all member states of European Union (currently European Union – 27 states (from 2020)) shall be used for RI calculation.

3.3   If the RI is less than or equal to 0,5 %, the inflation adjustment provisions of this Contract shall not apply. If the RI is higher than 10%, for the calculation of the price adjustment according to Article 3.2 of this Contract, the RI is equal to 10%.

3.4   The Contractor shall notify the Client in written form the change of the price according to Article 3.2 of the Contract when sending the invoice which reflects such change at the latest. Such notification shall be sent by the Contractor on the address for sending the invoices according to Article 4.6 of the Contract. The Parties agreed that the total payment made by the Client to the Contractor pursuant to this Contract cannot exceed the maximum price stated in 3.1 of this Contract.

3.5   The total contractual price stated in Article 3.1 of this Contract covers all costs, charges, duties, licences in accordance with Article 25 of this Contract and all other expenses related to the delivery of the System and provision of the Service Support and System Development and covers all other services, rights, installation, configuration and delivery provided by the Contractor to the Client. Any change of the total contractual price has to be performed by a written addendum concluded by both Parties in compliance with the Public Procurement Act No. 134/2016 Coll., as amended.

4.   Payment terms

4.1   The payment to the Contractor under this Contract shall be made in Euro, in favour of the Contractor's account stated to in Article 1 of this Contract.

4.2   The term of payment for Initial System Delivery shall be set as follows:

4.2.1.   Upon signature of the CDR Certificate for Initial System Delivery according to Article 9.2 of this Contract, 20 % (in words: twenty per cent) of the price for Initial System Delivery specified in Article 3.1.1 of this Contract shall be paid by the Client against an invoice issued by the Contractor. A copy of the CDR Certificate for Initial System Delivery signed by both Parties shall be attached to the invoice.

4.2.2.   Upon signature of the SAT Certificate for Initial System Delivery according to Article 12.9 of this Contract, 45% (in words: forty five per cent) of the price for Initial System Delivery specified in Article 3.1.1 of this Contract shall be paid by the Client against an invoice issued by the Contractor. A copy of the SAT Certificate for Initial System Delivery signed by both Parties shall be attached to the invoice.

4.2.3.   Upon signature of the FPA Certificate for Initial System Delivery according to Article 14.5 of this Contract, 35% (in words: thirty five per cent) of the price for Initial System Delivery specified in Article 3.1.1 of this Contract shall be paid by the Client against an invoice issued by the Contractor. A copy of the FPA Certificate for Initial System Delivery signed by both Parties shall be attached to the invoice.

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4.2.4. Upon signature of the Training Protocol for Initial System Delivery according to Article 15.10 of this Contract for all Training courses, the price specified in Article 3.1.2 of this Contract shall be paid by the Client against an invoice issued by the Contractor. A copy of the Training Protocol(s) for Initial System Delivery Training (for all Training courses) signed by both Parties shall be attached to the invoice.

4.3 The payment for the System Development according to Article 3.1.3 of this Contract shall be invoiced after completion of SAT for the respective System Development work. The payment for the System Development shall be calculated according (i) to the Man-hours rate specified in Articles 3.1.3 of this Contract; and (ii) the Proposal approved by the Client. A copy of the following documentation shall be attached to the invoice:

    i. the mutually agreed Proposal for respective System Development work the signed by both Parties;

    ii. SAT Certificate for System Development work issued according to Article 12.9 and Article 17.3 of this Contract; and

    iii. mutually agreed statement of activities relating to the respective System Development work.

4.4 The payment for the Service Support according to Article 3.1.4 of this Contract shall be invoiced monthly on the basis of an invoice issued by the Contractor by the 15th day of the month following the month when the Service support was provided. The amount of payment for Service Support shall consist of

    i. the regular monthly payment specified in the Article 3.1.4.1 of this Contract; and

    ii. the price for the actual Service Support work performed by the Contractor in the relevant month and calculated according to the Man-hours rate specified in Articles 3.1.4.2 and 3.1.4.3 (as appropriate) of this Contract.

A copy of the mutually agreed statement(s) of activities signed by both Parties (prepared according to Articles 18.5.1.7 and/or 18.5.2.5 and/or 18.11.3 of the Contract shall be attached to the invoice.

The first invoice will be issued in the month following the start of the Service Support according to the Article 6.2 of this Contract. The regular monthly payment according to the letter (i) of this Article for the first and last calendar month will be paid in its pro rata amount.

4.5 Invoices shall be due within thirty (30) days of receipt thereof by the Client.

4.6 Each invoice, marked with the Client's contract number which is located in the heading of this Contract, including all its attachments, must be sent in written form on the address of the Client as stated in Article 1 of this Contract or via email from Contractor's email address ████████████████ ■ ████████████████ ■ Client's email address fakturace@ans.cz, otherwise it shall be returned to the Contractor.

4.7 The invoice shall fulfil all requirements of a tax document according to Act no. 235/2004 Coll., on Value Added Tax, as amended, otherwise will be returned to the Contractor.

4.8 In case of duly returned invoice the due period ceases to run and new maturity period will start to run from the date on the delivery of corrected or completed invoice to the Client.

4.9 The Parties agree that in the case of payments made between banks located in different countries, such payments shall be made by SEPA payment or (if execution by SEPA payment is not possible) the payment of bank charges for international payments shall be split SHA, i.e. each Party shall bear the bank charges of its own bank.

5. Taxes

5.1 The Contractor declares that its tax domicile is in Germany.

5.2 The Client declares that its tax domicile is in the Czech Republic.

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5.3 The contractual total price has been calculated and is expressed excluding of VAT. VAT shall be applied in accordance with the Act. No. 235/2004 Coll., on Value Added Tax, as amended and the Directive 2006/112/ES. Total contractual price under this Contract is final, including all taxes (except VAT). In the event the Client is required in accordance with the Act. No. 586/1992 Coll., on Income Tax, as amended, or with the applicable treaty for the avoidance of double taxation to withhold or deduct taxes upon payment of the contractual price, the Contractor will receive the payment after such deduction.

5.4 The Client is not responsible for any Contractor's tax obligations, including obligations to tax offices of the Czech Republic.

6. Terms of performance

6.1 The Contractor shall deliver the Initial System Delivery to the Client within the following milestones:

6.1.1. Signature of the CDR Certificate for Initial System Delivery: T_0 + 60 days at the latest

6.1.2. Signature of the SAT Certificate for Initial System Delivery: T_0 + 187 days at the latest

6.1.3. Signature of the FPA Certificate for Initial System Delivery: T_0 + 218 days at the latest

Whereas T_0 is the date when the Contract is coming into force pursuant to Article 33.3 of this Contract.

6.2 Dates and milestones for the Initial System Delivery are set out in more detail in Annex 6 of this Contract. In the event of a discrepancy between this Article and Annex 6, the text of this Article shall prevail.

6.1 The Contractor undertakes to provide the Client with the System Development for the period (i) starting from the effective date of this Contract; and (ii) finishing on the date (a) of 7th anniversary of the signing of the Final Pre-Operational Acceptance (FPA) Certificate for the Initial System Delivery or (b) when the payment of the maximum price under Article 3.1 of this Contract is achieved, whatever occurs first.

6.2 The Contractor undertakes to provide the Client with the Service Support of the System for a period (i) starting from the completion of the FPA (signing of the on the Final Pre-Operational Acceptance (FPA) Certificate) for Initial System Delivery and finishing on the date (ii) of 7th anniversary of the signing of the Final Pre-Operational Acceptance (FPA) Certificate for the Initial System Delivery or (b) when the payment of the maximum price under Article 3.1 of this Contract is achieved, whatever occurs first.

6.3 This Contract is concluded for a fixed period and will expire on the 7th anniversary of the completion of FPA (the signing of the Final Pre-Operational Acceptance (FPA) Certificate) for the Initial System Delivery. In the event that the payment of the maximum price under Article 3.1 of this Contract is achieved earlier, the validity and effectivity of this Contract shall not be affected.

7. Place of performance

7.1 The place of performance of the Contract is this ANS CR site: The Air Navigation Services of the Czech Republic, Navigační 787, 252 61 Jeneč, Czech Republic.

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8. Severity levels definition

8.1 The severity levels are described in the table below. In order to classify an issue, defect or problem (the "**Problem**"), the Contractor technical support personnel will confirm with the Client the impact of the Problem to determine an appropriate classification. Where Parties disagree on the classification of the Problem, the Client's and Contractor's technical contacts will discuss the classification of the Problem in good faith to reach a mutually acceptable classification. In the event the Parties are unable to reach an agreement on the classification of the Problem, the reported Problem shall be classified at Client's assigned classification level.

Severity Level	Description of the Problem
Critical Defect	The System is inoperative and Client's inability to use the product has a critical effect on Client's operations. This condition is generally characterized by complete System failure and requires immediate attention. In addition, any condition that may critically impact human safety is considered a Critical Defect.
Major Defect	The System is partially inoperative but still usable by Client. The inoperative portion of the product severely restricts Client's operations, but has a less critical effect than a Critical Defectcondition. In addition, any situation with serious loss of redundancy which could lead to Critical Defect problem is considered as a Major Defect problem (i.e. System has single point of failure).
Minor Defect	The System is usable by Client, with little or limited impact to the function of the System. This condition is not critical and does not severely restrict overall Client operations.

The terms in the table above are used in this meaning in the whole content of this Contract.

9. Critical Design Review (CDR)

9.1 A Critical Design Review (CDR) session shall be performed at the Client's site, if not agreed otherwise by the Parties. The CDR session shall prove that understanding of the objectives of this Contract, including the technical specification and offered technical solution, are clear to both Parties. The CDR session shall include further specification of the technical solution of the Initial System Delivery in relation to the requirements specified in this Contract and in Annex 1 of this Contract – Technical specification. The Critical Design Review (CDR) Certificate shall be drawn up by the Contractor and agreed by both Parties.

9.2 The Parties shall sign the Critical Design Review (CDR) Certificate after the successful completion of Critical Design Review (CDR) session.

10. Factory Acceptance Test (FAT)

10.1 The System shall be submitted to a Factory Acceptance Test (FAT), which shall be carried out in the presence of the Client's representatives.

10.2 For the purpose of the FAT Test, the Contractor undertakes to install the System on the Contractor's hardware (e. g. using virtualization platform of the Contractor) located at the offices Wachhausstr. 5a, 76227 Karlsruhe, Germany. All costs associated with this shall be borne by the Contractor.

10.3 The FAT for the Initial System Delivery shall be held at the offices of Wachhausstr. 5a, 76227 Karlsruhe, Germany.

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10.4 The FAT test documentation shall be prepared in English by the Contractor and sent to the Client for approval at least twenty (20) business days before FAT. If the Client proposes any adjustments or changes of the Factory Acceptance Test Plan and such adjustments or changes are accepted by the Contractor, the deadline for the completion of the FAT is automatically extended by the time necessary for implementation of such adjustments or changes and the respective testing. if the deadline for the FAT is extended according to the previous sentence, the deadlines for the other delivery dates and milestones listed in Annex 6 (and Article 6.1 of the Contract) are not affected and remain the same as in Annex 6 (and Article 6.1 of the Contract).

10.5 All FAT processes and tests will be performed by the Contractor. The Client's staff will observe the FAT processing and report any detected Problem.

10.6 The FAT shall be executed subject to the following rules:

10.6.1. The Minor Defect(s) and Major Defect(s) will be listed in the FAT Certificate specifying the date when such Minor Defect and/or Major Defect shall be repaired by the Contractor;

10.6.2. Finding of Critical Defect(s) will cause FAT interruption and FAT shall be repeated in the whole range entirely;

10.6.3. The Client shall have the right, at its sole discretion, to decide that the specific test(s) performed as part of the FAT will be repeated;

10.6.4. In the event that FAT tests are not successfully completed, both Parties agree on a new date for FAT test. The deadline set in Annex 6 of this Contract shall be strictly observed. In case of repetition of FAT tests, the provisions on FAT tests shall apply mutatis mutandis.

10.7 The Parties shall sign the FAT Certificate after the successful completion of the FAT tests. Authorized personnel of the Client shall sign the FAT Certificate when the following conditions of the FAT tests are satisfied:

10.7.1. The number of the Minor Defects could be higher than 0 (zero),

10.7.2. The number of the Major Defects could be higher than 0 (zero),

10.7.3. The number of the Critical Defects shall be equal to 0 (zero)

The FAT Certificate shall be signed not later than seven (7) calendar days after FAT tests have been successfully completed. FAT shall be considered to be completed upon the signature of the FAT Certificate.

11. Installation & Integration

11.1 Upon completion of the FAT for the Initial System Delivery (see Article 10 of the Contract), the Contractor shall deliver the System to the Client's premises (see Article 7.1 of the Contract), by the date set out in Schedule 6 for Installation & Integration milestone.

11.2 The delivery will be made by providing the appropriate media or by providing login details to the platform from which the Client will be able to download the System.

11.3 Upon successful delivery of the System to the Client's premises, both Parties will sign the Delivery Protocol, and then, within 15 business days, the Client would install and integrate the System with the Client's work environment.

11.4 If requested by the Client, the Contractor shall provide assistance to the Client in the installation and integration of the System, including the configuration of workstations. The main objective of this process is to ensure that the System will be (i) fully and seamlessly integrated with the Client's other

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systems upon Initial System Delivery and upon any System Development (as appropriate), and (ii) ready for functional testing through SAT testing.

11.5 The Installation shall mean the deployment of the vmWare virtual server(s) to the Client's vmWare farms, installation of the OS on the workstation(s) & appropriate configuration of the workstation(s) for proper operation of the System in the Client's environment.

11.6 The Integration shall mean deployment of integration of the System into the Client's environment and connection of the Client's test systems working with the System to prepare the Initial System Delivery for SAT test and later to perform the Final Pre-operational Acceptance (FPA) tests.

11.7 As part of the Installation & Integration milestone, the Contractor hereby undertakes to provide the Client with support & performance of migration of agreed data from the current system(s) operated by the Client to the System. The scope of Data Migration is to be agreed upon by both Parties during the CDR sessions.

11.8 The Installation & Integration milestone shall be completed before the SAT testing according to Article 12 of this Contract can begin.

12. Site Acceptance Test (SAT)

12.1 The Contractor hereby undertakes to provide the Client with all required assistance to installation of the System and its configuration, so that the System is integrated with other systems of the Client, and duly test the functionality of the System via SAT.

12.2 The SAT test documentation shall be prepared in English language by the Contractor and sent to the Client for approval at least twenty (20) business days before SAT.

12.3 The SAT test will be performed after completing the installation of the System, its configuration, setting and tuning and also after completion of the at least one Training course according to Article 15 of the Contract.

12.4 The Client shall be responsible for providing technical infrastructure including access to the systems being integrated with the System.

12.5 The Contractor shall provide at its own expenses all tools and instrument that might be needed to conduct the SAT test if those tools are not already available at Client's site.

12.6 The Contractor shall be liable for the functionality of the System and for its compatibility with the current environment of the Client.

12.7 The Client with the necessary assistance of the Contractor shall perform SAT after the delivery and installation of the System to test platform.

12.8 The SAT shall be executed subject to the following rules:

12.8.1. The Minor Defect(s) will be listed in the SAT Certificate specifying the date when the Minor Defect shall be repaired;

12.8.2. Finding of a Critical Defect(s) or a Major Defect(s) will cause SAT interruption and SAT shall be repeated in the whole range entirely;

12.8.3. The Client shall have the right, at its sole discretion, to decide that the specific test(s) performed as part of the SAT will be repeated;

12.8.4. In the event that SAT is not successfully completed, both Parties agree on a new date for SAT. The deadline set in Annex 6 and especially Article 6.1 of this Contract shall be strictly observed. In case of repeated SAT the provisions relating to SAT shall apply accordingly.

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12.9 The Parties shall sign the SAT Certificate for the Initial System Delivery after the successful completion of the SAT tests. Authorized personnel of the Client shall sign the SAT Certificate when the following conditions are satisfied:

12.9.1. The number of the Minor Defects could be higher than 0 (zero),

12.9.2. The number of the Major Defects shall be equal to 0 (zero),

12.9.3. The number of the Critical Defects shall be equal to 0 (zero).

12.9.4. The Client will be provided with all documentation relating to the System, including the Documentation referred to in Article 16 of the Contract. The list of documentation provided will form a part of the SAT Certificate.

The SAT Certificate shall be signed not later than seven (7) calendar days after SAT tests have been successfully completed. The SAT shall be considered to be completed upon the signature of SAT Certificate by both Parties.

13.   General requirements for tests

13.1 The acceptance testing shall include verification and validation of all requirements for the Initial System Delivery including but not limited to

13.1.1. Functionality;

13.1.2. Technical Solution; and

13.1.3. Documentation.

13.2 Final versions of the Acceptance Test Plans (for both FAT and SAT) prepared by the Contractor and approved by the Client shall in general contain the following:

13.2.1. Test Case No. and description;

13.2.2. Requirement that is being tested;

13.2.3. Criteria for passing the test;

13.2.4. Test Mode (how it is tested);

13.2.5. Pre-Conditions;

13.2.6. Test Procedures (i.e. steps to carry out the test);

13.2.7. Result of the tests per test case(Pass/Fail);

13.2.8. Comments;

13.2.9. Signatures / Date.

13.3 The acceptance test plans for the Initial System Delivery (for both FAT and SAT) shall include, among other tests, all digital NOTAM production scenarios in order to properly demonstrate the basic functionality of the System, which is digital NOTAM production (DNOTAM).

13.4 In the event of a conflict/discrepancies between the wording of this Article and the provisions of Article 10 or Article 12 of the Contract (as appropriate), the wording of that Article 10 or Article 12 of the Contract (as appropriate) shall prevail.

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14. Final Pre-Operation Acceptance (FPA)

14.1 The pre-operational evaluation shall start after successful completion of SAT.

14.2 During this period the Contractor shall provide the Client with the support & performance with the update of the Data Migration completed according to Article 11.7of the Contract.

14.3 FPA period shall last 30 days. The Client is entitled, at its sole discretion, to shorten the time period referred to in the preceding sentence by written notice delivered to the Contractor. During FPA, the Client shall observe and evaluate the System during simulated standard operational conditions before the System is put into the operation.

14.4 No Critical Defect or Major Defect shall occur during the FPA. In the event of a Critical Defect or Major Defect, (i) the Contractor shall remedy the reason for the Critical/Major Defect as soon as possible and (ii) the Client may, at its sole discretion, decide to repeat the FPA (in which case the Client shall also decide the length of the repeated FPA with maximum of 30 days). The time limits specified in Article 6.1.3 of the Contract shall be strictly observed and in the event of non-compliance with these deadlines Article 23.1.3 of this Contract shall apply.

14.5 The Contractor and the Client shall sign the Certificate on the Final Pre-Operation Acceptance (FPA) that shall confirm that the System was duly handed over to the Client and that shall include:

14.5.1. the confirmation that the Data Migration has been successfully completed.

14.5.2. the confirmation that the System has been handed over to the Client and that the System has been successfully tested during simulated standard operational conditions.

14.5.3. the list of delivered documentation (including technical documentation, FAT Certificate, SAT certificate, Training Protocol and Documentation specified in Article 16 of this Contract),

14.5.4. the detailed list of all SW licenses of third parties provided by the Contractor during performance of this Contract. Each third party´s SW license shall be specified by the following information: identification of a document on the basis of which the Contractor obtained the license; precise title of the obtained SW given by its producer; edition, version, type (if applicable); number of obtained licenses; license limitations (e.g. identification of language version, bit version, user / device, datacenter, CPU, CORE or as the case may be other limitations of operation – by location, country etc.) (if relevant); type of the license and license program (OEM, OLP, SELECT or other); scope of the provided support (length, commencement date, ending date) or exact relation to the Contract and date of acquirement of SW licences,

14.5.5. if applicable, a complete list of open source software and/or free software used to the creation of the System, the type of license agreement shall be listed to each open source software and/or free software (if it concerns a standard license agreement such as GPLv2, GNU GPL, BSD License, etc.), or the full license agreement shall be provided to the Client,

14.5.6. a list of the Problems which have been identified in the SAT Certificate and/or FAT Certificate and which have not yet been corrected or resolved by the Contractor date and place of delivery and acceptance,

14.5.7. signatures of handing over and receiving representatives of both Parties.

14.5.8. the Certificate on the Final Pre-Operation Acceptance (FPA) shall be signed by both Parties within 7 days after successful completion of FPA period.

14.5.9. FPA shall be considered to be completed upon the signature of FPA Certificate by both Parties.

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15. Training

15.1 The Contractor shall provide the training of the Client's operational and technical staff for effective work with the System and for optimal use of all possibilities and functions of the System (the "**Training**").

15.2 The Training shall fully cover the Initial System Delivery (and System Development if requested by the Client) including all new or changed parts of the System (software, management and possible configuration tools) and shall include training materials.

15.3 The Training will be organized in a maximum of two courses, with each Training course designed for approximately 10 people. A minimum one Training course must be properly completed prior to the start of SAT test according to Article 12 of the Contract, and both Training courses must be properly completed prior to the completion of the FPA according to Article 14.5.9 of this Contract.

15.4 The Training for Initial System Delivery will last a minimum of 32 (thirty-two) hours per each Training course. The Training for Initial System Delivery shall be conducted as a face-to-face training. The Initial System Delivery Training will take place in the place specified in Article 7.1 of this Contract.

15.5 The Training shall be performed in English or Czech language. Particular dates for the Training session shall be subject to the Client's approval.

15.6 A complete set of the Training materials, approved by the Client, shall be made available for the trainees at least two (2) weeks prior to the Training session. The Training material shall be in English or Czech. The Training materials shall be provided in digital form readable in Microsoft Office and Adobe Acrobat.

15.7 Upon completion of the Training, the Contractor shall hand over a complete set (written documentation, tapes, films, etc.) of all Training material to the Client.

15.8 The Client shall have the right to use such material for further training courses organized for Client's employees at no additional costs for the Client.

15.9 If the Training is carried out in discrepancy with provided Training material and/or with this Contract, the Client shall have the right to immediately stop the Training and require a corrective action from the Contractor. In such case the Contractor shall organize a new Training session at no additional cost to the Client.

15.10 Upon successful completion of the Training, both Parties will sign a training protocol confirming the due completion of the Training (the "**Training Protocol**"). The Training Protocol shall include:

15.10.1. Training content,

15.10.2. attendance report,

15.10.3. Training certificate for each trainee.

16. Documentation

16.1 The Documentation shall be delivered to the Client in English language. The Contractor shall provide the Documentation in digital form readable in Microsoft Office and Adobe Acrobat.

16.2 The Contractor shall submit to the Client the at least following documentation:

16.2.1. Maintenance and System Documentation, which shall include:

16.2.1.1. The System/Subsystem Specifications (SSS);

16.2.1.2. The System/Subsystem Design Description (SSDD);

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> 16.2.1.3. Interface Control Description (ICD) - document (or set of related documents) containing the description of interfaces of the Initial System Delivery , covering the environmental requirements, configuration and inclusion of the Initial System Delivery within the structure of the other systems and technologies;

16.2.2. System Administrator Manual (SAM);

16.2.3. MSC (Manufacturer's Statement of Compliance) to help Client with preparation of SoC (Statement of Compliance) including demonstration of compliance with Regulation (EU) 2023/1768– see Article 24.3 of the Contract;

16.2.4. The Operational Handbook (OH) shall:
- contain a detailed description of all functions with illustrations of how to use them,
- contain an index,
- contain a description how to use the Operational Handbook,
- contain other items, necessary for the correct use of the functions of the System
- describe the System, comprising all modules, functions and sub-functions of the System,
- contain any information necessary to enable the user to rely entirely on the OH when using the system, e.g. it must not be required that the user has access to a range of different handbooks in order to use the System,
- be structured in such a way, that each part of the OH relates to a specific type of operation of the System,
- to the extent possible have a format enabling the OH to be present at the equipment, of which functionality the OH describes,
- give the operator an overall description of the system as well as details,
- be user friendly by using drawings and other visual presentations, examples of how to use the functions and detailed explanations of the responses the system can give in a function.

16.2.5. Quick Reference Guide, giving the users an easy quick overview of the functionality available.

16.2.6. FAT, SAT and FPA Certificates.

16.3 The Contractor may use standard documentation for the COTS software. However, this only covers those parts of the COTS software, where the Client is not expected to have any rights to change the software, like e.g. operating system, database system and some types of communication software.

16.4 The Contractor is obliged to provide the Client with complete documentation regarding non-COTS software of third parties, if applicable, including:

16.4.1. User documentation including User's Manual(s)

16.4.2. Deployment documentation

16.4.3. Installation manual

16.4.4. the System release notes including software version number.

17. System Development

17.1 The purpose of the System Development is to modify the System according to the Client's requirements and also to update the System according to the applicable legislation.

17.2 The System Development provided by the Contractor to the Client shall respect the following rules:

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17.2.1. The Client shall send to the Contractor a request for the System Development with the detailed specification of the System Development requested.

17.2.2. Within 10 business days the Contractor will deliver to the Client the proposal for the System Development including:

   i.   detailed specification of the System Development;
   ii.   binding price calculation prepared in accordance with Article 3.1.3 of the Contract;
   iii. specification of the necessary cooperation from the Client, if any;
   iv.   Specification of the HW and SW requirements, if any;
   v.   binding time estimate for the System Development completion (time required for the configuration of the third party software shall not exceed 10 business days); and
   vi.   Number of phases of the System Development.

   (the "**Proposal**");

17.2.3. Following the Client's approval of the Proposal, the Contractor shall immediately commence the System Development work.

17.2.4. The Contractor shall complete the System Development work in the time limit stated in the approved Proposal. The System Development is completed by signing of the SAT Certificate according to Article 12.9 of the Contract. The System Development may be delivered in phases, where the number of phases to be agreed in the Proposal. In such a case SAT shall be performed separately for each phase.

17.2.5. For the avoidance of doubt, the Parties agree that the Proposal, and the actions of the Parties pursuant to the Proposal, are subject to the provisions of this Contract, including but not limited to, e.g., contractual penalties and license provisions. The Contractor shall provide the Client with the System documentation update within 5 business days before applying the change of the System.

17.2.6. No later than 5 days after the completion of the System Development, the Contractor shall deliver to the Client a bill for the respective System Development prepared in accordance with the Proposal approved by the Client and including the statements of activities.

17.2.7. The Client may, in justified cases, refuse confirmation of the statement of activities. The statement of activities, confirmed by both Parties, shall form an annex to the invoice.

17.2.8. When requested by the Client, the System Development shall include also the Training for the System Development which shall be completed before starting of the System Development SAT. Article 15 of this Contract shall apply accordingly.

17.3 Articles 12, 13, 15 and 16 of this Contract shall apply mutatis mutandis to the System Development.

17.4 After completion of the System Development, the respective System Development will form a part of the System as defined in Article 2.1 of this Contract.

18.   Service Support conditions

18.1 The Contractor undertakes to provide Service Support to the Client for the System.

18.2 Service Support shall ensure that the System operation will be without any Problem. As a part of the Service Support, the Contractor will provide the following services to the Client:

   18.2.1. Service Availability,

   18.2.2. Service Intervention,

   18.2.3. Other Service Support; and

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        18.2.4. Update of the third party software.

18.3   The Contractor shall provide to the Client following service included in the Service Availability:

    18.3.1. Establishment of service desk available 24 hours a day, 7 days a week to receive telephone or email requirements from responsible Client personnel regarding necessary service interventions.

    18.3.2. Maintaining and provision of up-to-date versions of the Documentation.

    18.3.3. Software Update Management - the Contractor routinely monitors the availability of the software components from its suppliers and where necessary takes action to ensure that the supply line continues. The Contractor shall conduct at least once per year regular software update management check of the System and report the results to the Client.

    18.3.4. Security management, the Contractor continuously monitors published and known security vulnerabilities which can influence smooth and safe operation of the System. It means for example vulnerabilities in the operation systems, third party SW, web components etc. In case such vulnerability is discovered, the Contractor is obliged to inform the Client immediately and analyse possible impact on the System operation. When the possibility of negative influence on the System operation is confirmed, the Contractor is obliged to propose corrective measures.

18.4   The Contractor shall provide to the Client following services included in the Service Intervention:

    18.4.1. analysis and troubleshooting of reported Problem,

    18.4.2. problem resolving and restoring (including identifying defective software components or providing software and/or procedural workarounds),

    18.4.3. results of internal testing and verification of any proposed system changes necessary for problem resolution,

    18.4.4. System Documentation update,

    18.4.5. Documentation of the Service Intervention, which includes a description of the defect, including its cause, and recommendations for preventing similar defects in the future.

    18.4.6. Request for the Service Intervention shall be made by responsible Client personnel:
- via phone to service number +49 721-9497 4700 or
- by email to service email helpdesk-comsoft@frequentis.com or
- via online web reporting tool ITSM or HELIX ALM Web.

    18.4.7. The Client first level H24 contact phone number is +420 220 374 354. The Contractor acknowledges that all calls to this number are recorded by the Client for the purpose of incident investigation. The Contractor is obliged to inform all its employees and co-operation persons of this.

18.5   When conducting the Service Intervention, the following procedure will be followed:

    18.5.1. In case of Critical/Major Defects:

        18.5.1.1.   the Client reports the Critical/Major Defect to the Contractor according to Article 18.4.6;

        18.5.1.2.   the Contractor responds to the Critical/Major Defect report in the time limit according to Article 18.6 of this Contract, proposes remedy action and specifies the necessary cooperation from the Client, if any;

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    18.5.1.3.   following the Client's report of a Critical/Major Defect, the Contractor shall immediately commence the remedy of the Critical/Major Defect;

    18.5.1.4.   the Contractor shall restore the System within the time limits specified in Article 18.7 of this Contract;

    18.5.1.5.   the Contractor shall resolve the Critical/Major Defect within the time limits specified in Article 18.8 of the Contract;

    18.5.1.6.   the Contractor shall provide the Client with the System documentation update within 5 business days after applying the change of the System.

    18.5.1.7.   no later than 5 days after the end of the relevant calendar month, the Contractor shall deliver to the Client an account for the respective Service Intervention prepared in accordance with the Man-hour price set out in Article 3.1.4.2 of this Contract and including the statements of activities.

    18.5.1.8.   the Client may, in justified cases, refuse confirmation of the statement of activities. The statement of activities, confirmed by both Parties, shall form an annex to the invoice.

18.5.2. In case of Minor Defects:

    18.5.2.1.   The Client reports the Minor Defect to the Contractor according to Article 18.4.6;

    18.5.2.2.   the Contractor responds to the Problem report in the time limit according to Article 18.6, proposes remedy action and specifies the necessary cooperation from the Client, if any;

    18.5.2.3.   The Contractor shall resolve the Minor Defect within the time limits specified in Article 18.8 of the Contract.

    18.5.2.4.   The Contractor shall provide the Client with the System documentation update within 5 business days after applying the change of the System.

    18.5.2.5.   No later than 5 days after the end of the relevant calendar month, the Contractor shall deliver to the Client an account for the respective Service Intervention prepared in accordance with the Man-hour price set out in Article 3.1.4.2 of this Contract and including the statements of activities.

    18.5.2.6.   The Client may, in justified cases, refuse confirmation of the statement of activities. The statement of activities, confirmed by both Parties, shall form an annex to the invoice.

18.6   The Contractor is obliged to respond to the Client's report of the Problem no later than the time limit specified in the table below, which is calculated from the moment the Client reports the Problem.

Severity Level	Critical Defect	Major Defect	Minor Defect
Respond Time	4 hours	24 hours	48 hours

18.7   The Contractor shall restore the maintained System to operational status by identifying defective software components or providing software and/or procedural workarounds, in time defined in the table below from the Client's first notification to Contractor of a reported Critical Defect and/or Major Defect.

Severity Level	Critical Defect	Major Defect	Minor Defect
Restore Time	24 hours	120 hours	Not relevant

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18.8 The Contractor shall complete the corrective action which removes reason for the operational problem in the resolve time defined in the table below from Client´s first notification to Contractor of a reported Problem.

Severity Level	Critical Defect	Major Defect	Minor Defect
Resolve Time	30 days	60 days	90 days

18.9 The Contractor undertakes to ensure that:

18.9.1. The total duration of the Critical Defect shall not exceed a total of 24 hours for each consecutive 12 months from the day when the Service Support has started to be provided by the Contractor to the Client.

18.9.2. The total duration of a Major Defect shall not exceed 240 hours in total for each consecutive 12 months from the date when the Service Support has started to be provided by the Contractor to the Client.

For the purposes of this Article, the duration of a Critical Defect/Major Defect shall be deemed to be the period from the time a Critical Defect/Major Defect is reported by the Client to the time when the System is restored in operational status in accordance with the Article 18.7 of this Contract.

18.10 The Contractor shall provide to the Client following Other Service Support which includes:

18.10.1. Providing professional advice on the effective utilization of the System's functionalities to meet the Client's needs.

18.10.2. Recommending potential adjustments or optimizations to the System configuration.

18.10.3. Offering guidance related to the user operation of the System.

18.10.4. Advising on best practices and methodologies relevant to the System.

18.10.5. All other service support not included in Articles 18.3 - 18.9 of this Contract.

18.11 The Other Service Support provided by the Contractor to the Client shall respect the following rules:

18.11.1. The Client shall send to the Contractor a request for the Other Service Support with the detailed specification of the Other Service Support requested. The Other Service Support could be also provided by telephone or via a virtual communication platform (e.g. Teams).

18.11.2. The Contractor shall provide the Client with the System documentation update within 5 business days before applying the change of the System connected with the Other Service Support.

18.11.3. No later than 5 days after the end of the relevant calendar month, the Contractor shall deliver to the Client an account for the respective Other Service Support prepared in accordance with the Man-hour price set out in Article 3.1.4.3 of this Contract and including the statements of activities.

18.11.4. The Client may, in justified cases, refuse confirmation of the statement of activities. The statement of activities, confirmed by both Parties, shall form an annex to the invoice.

18.12 If, as part of the Service Support work, the System is updated or upgraded or changed in any way, that change becomes (after the completion of the respective Service Support work) a part of the System as defined in Article 2.1 of this Contract.

18.13 Updating third party software includes updating software that is necessary for the full functionality of the System and providing a new version of such software, if such a new version is available. For the avoidance of doubt, the Parties acknowledge that in the event that the third party software update pursuant to this Article requires the installation of a new version of the software (or a new software),

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the price for such installation shall be included in the price pursuant to Article 3.1.1 of this Contract and shall not be an additional cost to the Client. The Contractor is entitled to complete any update only upon written consent of the Client.

19. Contact persons

19.1 The contact persons for the purpose of this Contract are as follows:

19.1.1. For the Client:

███ ███ ███ ███ ██████ ██████ ███████ ███ ███ ██ █

19.1.2. For the Contractor:

Name: ████ ██████ ████ █████████████ █████ ████ █
██ ████████

19.2 The contact persons as stated above may provide the other Party with the list of further contact persons or any amendments thereto. Such list or amendment must be explicitly included as an attachment to an e-mail message. The attachment shall be in PDF format and signed by a recognized electronic signature according to Act No. 297/2016 Coll., on services creating confidence in electronic transactions, as amended (the "**Electronic Signature**"). Alternatively, the list may be sent via the data box or by paper-based mail via a postal licence holder as registered letter with the confirmation of delivery.

20. Obligations and responsibilities

20.1 The Contractor is obliged to provide the Client with assistance in integration of the System with SWIM services provided by other system operated by the Client.

20.2 The Contractor represents that (i) the implementation of the System will not adversely affect the performance of the Client's current hardware, software or operational system and (ii) there will be no requirement to modify or add to the Client's hardware, software or operational system in connection with the implementation of the System.

20.3 The Contractor shall comply with the rules of the entry of external entities to the premises and objects of the Client. The obligations of the Contractor regarding the entry of external entities to the premises and objects of the Client are specified on the following:

https://www.ans.cz/categorysb?CatCode=A8

20.4 The Contractor as an employer in performance of this Contract is responsible for complying with Safety and Health Protection and Fire Protection regulations by its employees or other individuals engaged in work in its favor. Any damages resulting from violation of these regulations by the Contractor's employees or other individuals engaged in work in its favor shall be borne by the Contractor. If the Contractor generates dangerous places or situations on site as a result of its activity, the Contractor shall take his own measures to secure the impending damage and shall immediately inform the Client of this fact.

20.5 The Client shall provide to the designated Contractor's employees or to other persons performing the Work on behalf of the Contractor (hereinafter together referred to as the "**Contractor's employees**") remote access and VPN connection to the maintained system via Client's IP data network (CADIN) based on defined access privileges. A RSA SecureID token will be issued to each of these Contractor's employees, a list of which shall be delivered in a written form to the Client before the need of remote access to Client's system, against the signature of each designated Contractor's employee. The list of the designated Contractor's employees (including employees stated in Annex 4) may be changed by the Contractor from time to time nevertheless each change shall be announced

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to the Client without any delay, and such communication shall be made between the contact persons as stated in Article 19.1 of this Contract in the form of letter sent via the holder of postal licence with confirmation of delivery or an e-mail message, where attachments shall be converted to pdf format and signed by a certified electronic signature.

20.6 The Contractor as an employer is responsible for its employees to observe the Client's rules for VPN access when using RSA SecureID tokens (issued based on Article 20.5 of this Contract) and also for the loss of RSA SecureID token. The Client is obliged to provide the Contractor with VPN access rules. The Contractor is obliged to compensate all damages caused by breaking these rules by its employees. The rules for VPN access are available at:

https://www.ans.cz/content/documents/Security_rules_for_major_contractors.pdf

20.7 Given that the Contractor was evaluated as a major contractor within the meaning of Section 2 (n) Regulation No. 82/2018 Coll., on security measures, cybersecurity incidents, reactive measures, requirements for filing in the area of cybersecurity, and data removal, as amended (hereinafter referred to as the "Cyber Security Regulation"), the Parties agree that an integral part of this Contract is the Annex 7 that comprises the requirements of Annex 7 of Cyber Security Regulation (that means information concerning security measures for contractual relationship with major contractors. The Contractor shall fulfil the obligations set out in this Annex 7 of this Contract. Contact details of Cyber Security Manager shall be notified to the other Party by the contact persons as stated in Article 19.1 of this Contract. These contact details/persons may be changed by the Parties from time to time nevertheless each change shall be announced to the other Party without any delay, and such communication shall be made between the contact persons stated in Article 19.1 of this Contract in electronic (digital) form, meaning email with attachments converted in pdf format and signed by the Electronic Signature, databox or in the form of letter sent via the holder of postal licence with confirmation of delivery.

21. Insurance

21.1 The Contractor declares that he is sufficiently insured against liability for damage caused by his activities to other persons.

21.2 The Contractor shall deliver to the Client, within 5 days of the signing of this Contract, an original certificate issued by the reputable insurance company confirming that the Contractor (under standard terms and conditions) is insured for liability for damage caused by its activities to other persons.

21.3 The Contractor shall maintain this insurance policy in force throughout the term of this Contract. The Contractor shall inform the Client without delay of any changes to the insurance.

22. Warranty

22.1 The Contractor is liable that the System has the features and characteristics stipulated in this Contract and its Annex 1. The Contractor warrants that the System will be functional, will be performed to the highest standard in accordance with the latest technological procedures, making maximum use of experience, knowledge and professional capacities and will meet the required quality, functionality, performance and agreed features, as well as compatibility with the Client's data environment concerned.

22.2 The Initial System Delivery shall be warranted by the Contractor for a period of twenty four (24) months starting from signature of the FPA Certificate (hereinafter referred to as the „Initial System Delivery Warranty Period").

22.3 Each System Development complete according to the agreed Proposal shall be warranted for a period of 12 (twelve) months starting from the date of signature of relevant SAT Certificate for the respective System Development (the "**System Development Warranty Period**"). The provision of Service Support performed under Article 2.2.3.2 and 2.2.3.3 of this Contract shall be warranted by the Contractor for the period of six (6) months starting from hand over of the respective Service Support to the Client (the "**Service Support Warranty Period**"). (the Initial System Delivery Period, System Development Warranty Period and Service Support Warranty Period hereinafter collectively referred to as "**Warranty**" and/or "**Warranty Period**").

22.4 The conditions related to the Initial System Warranty Period shall apply mutatis mutandis for the System Development Warranty Period and Service Support Warranty Period.

22.5 The Contractor shall warrant the System, System Development and Service Support against all defects and failures during the Initial System Warranty Period, the System Development Warranty Period and Service Support Warranty Period (as appropriate).

22.6 For such defects, which have been identified prior to the expiration of the Warranty Period, but not remedied within the Warranty Period, the System Warranty period shall extend until the remedial actions have been completed and the effect of the action has been adequately verified.

22.7 During the Warranty Period the Contractor shall warrant the System against malfunctions and/or defects introduced by the Client staff while performing preventive maintenance as long as the Client staff follows procedures and instructions for the work to be performed.

22.8 If the Client staff by following the maintenance documentation introduces or gives reasons for defects or malfunctions, such defects and malfunctions shall be covered completely by the Contractor´s Warranty without additional costs for the Client.

22.9 The condition mentioned in Article 22.7 of this Contract shall also apply when the maintenance documentation is incomplete or inadequate, and this has undesired effects on the System.

22.10 The entire costs for the correction of deficiencies falling under this Article, inclusive the costs related to the shipment shall be fully carried out by the Contractor. In case of breach of the warranty duties of the Contractor, the Client is entitled (at its sole discretion) to restore and resolve the defect through a third person. The costs related to such defect removal shall be fully paid by the Contractor.

22.11 During the System Warranty Period the Service conditions pursuant to Article 18 shall apply but the cost of the System Intervention action shall be fully born by the Contractor. All Problems reported by the Client during the Initial System Warranty Period shall be restored and resolved within the time limits stated in the Article18 starting by the Client's first notification of the Problem to the Contractor.

22.12 The Warranty Period is extended by the period of time during which the System could not be properly and/or fully used due to a defect claimed under the Warranty.

22.13 Unless stated otherwise in this Contract the liability for defects follows the Section 2615 et seq. of the Civil Code.

23. Contractual penalties

23.1 If the Contractor fails, for reasons other than fully beyond its control, to ensure that:

23.1.1. the CDR session is completed by the time stated in Article 6.1.1 of this Contract, the Client may claim from the Contractor a contractual penalty in the amount of zero point two (0.2 %) of the price of the System defined in Article 4.2.1 of this Contract per each day of delay.

23.1.2. SAT is completed by the time stated in Article 6.1.2 of this Contract, the Client may claim from the Contractor a contractual penalty in the amount of zero point two (0.2 %) of the price of the System defined in Article 4.2.2 of this Contract per each day of delay.

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    23.1.3. FPA is completed by the time stated in Article 6.1.3 of this Contract, the Client may claim from the Contractor a contractual penalty in the amount of zero point two (0.2 %) of the price of the System defined in Article 4.2.3 of this Contract per each day of delay.

    23.1.4. The System Development work is completed within the timeframe specified in the agreed Proposal, the Client may claim from the Contractor a contractual penalty in the amount of zero point two (0.2 %) of the price specified in the respective Proposal per each day of delay.

23.2   If the Contractor fails, for reason other than fully beyond its control, to comply when providing the Service Intervention with any of the times specified in articles 18.7 and 18.8 of this Contract, the Contractor shall pay to the Client a contractual penalty in the amount as specified in following tables:

Severity Level	☐ Restore Time (Article 18.7 of the Contract)
☐ Critical Defect	☐ 100,- EUR for each hour of delay
☐ Major Defect	☐ 500,- EUR for each day of delay

☐ Severity Level	☐ Resolve Time (Article 18.8 of the Contract)
☐ All Problems	☐ 1 000,- EUR for each month of delay

23.3   In the event that the Contractor fails to comply with its obligation set out in Article 18.9.1 of the Contract, the Client may claim from the Contractor a contractual penalty of EUR 400,- (in words: four hundred Euro) for each hour of exceeding the time limit.

23.4   In the event that the Contractor fails to comply with its obligation set out in Article 18.9.2 of the Contract, the Client may claim from the Contractor a contractual penalty of EUR 20,- (in words: twenty Euro) for each hour of exceeding the time limit.

23.5   In case of breach of the rules of entry of external entities according to the Article 20.3 of this Contract, the Contractor shall pay the Client a contractual penalty of 500 EUR (in words: five hundred euro) for each individual breach.

23.6   In the event of a breach of the rules for VPN access pursuant to Article 20.6 of this Contract, the Contractor shall pay the Client a contractual penalty of 1.000 EUR,- (in words: one thousand euro) for each individual breach.

23.7   If the Contractor breaches the conditions of security of the workstation set forth in the Security Rules notified pursuant to Article 4 of Annex 7 of this Contract, the Client is entitled to demand a contractual penalty of 500 EUR (in words: five hundred euro) for each individual breach.

23.8   If the Contractor as a Processor (or Sub-Processor) fails to destruct the Personal Data or copies thereof in conformity with the conditions specified in Annex 8 of this Contract, the Client shall be entitled to claim the payment of a contractual penalty amounting to 500 EUR (in words: five hundred euro) for each individual Personal Data Subject whose Personal Data were not deleted, and namely for each day of delay (even repeatedly).

23.9   If the Contractor breaches the reporting obligation in the field of security incidents/incidents set out in the Security Rules notified pursuant to Article 4.1 of the Annex 7 of this Contract, the Client is entitled to demand a contractual penalty in the amount of 4.000 EUR (in words: four thousand euro) for each individual case of breach.

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23.10 In case the Contractor breaches any of its obligations stated in Article 30 of this Contract on audit, the Client may claim from the Contractor a contractual penalty in the amount of 500 EUR (in words: five hundred euro) for each individual case of breach.

23.11 Contractual penalty shall be paid by the Contractor independently on the possible damage caused to the Client. Notwithstanding the payment of the contractual penalty, the Contractor is obliged to compensate the Client for the full amount of damages.

23.12 The contractual penalty shall be due within 30 days from delivery of written notice to pay a contractual penalty to the Contractor.

24. ATM Compliance

24.1 The Contractor acknowledges that the subject matter of the System is subject to Regulation (EU) 2018/1139 of the European Parliament and of the Council of 4 July 2018 on common rules in the field of civil aviation and establishing a European Union Aviation Safety Agency, and amending Regulations (EC) No 2111/2005, (EC) No 1008/2008, (EU) No 996/2010, (EU) No 376/2014 and Directives 2014/30/EU and 2014/53/EU of the European Parliament and of the Council, and repealing Regulations (EC) No 552/2004 and (EC) No 216/2008 of the European Parliament and of the Council and Council Regulation (EEC) No 3922/91, in conjunction with Commission Delegated Regulation (EU) 2023/1768 of 14 July 2023 laying down detailed rules for the certification and declaration of air traffic management/air navigation services systems and air traffic management/air navigation services constituents, as well as Commission Implementing Regulation (EU) 2017/373 of 1 March 2017 laying down common requirements for providers of air traffic management/air navigation services and other air traffic management network functions and their oversight, repealing Regulation (EC) No 482/2008, Implementing Regulations (EU) No 1034/2011, (EU) No 1035/2011 and (EU) 2016/1377 and amending Regulation (EU) No 677/2011.

24.2 The subject matter of the System is categorised as "Aeronautical Information Services" in terms of the systems and constituents of the European Air Traffic Management Network (EATMN) in accordance with the provisions of Annex VIII, Article 3.1 (d) of Regulation 2018/1139.

24.3 In view of the above, the Contractor shall, in order to demonstrate compliance with Regulation (EU) 2023/1768, during the transitional period specified in, submit to the Client, to start of the SAT, a compliance matrix justifying compliance with the requirements of the detailed specifications that apply to the subject matter of performance in accordance with the relevant applicable legislation and European Aviation Safety organization (EASA) Decision.

25. Copyright and intellectual property

25.1 The Contractor hereby grants to the Client the right to use the System including changes made in System in connection with the System Development and/or the Servis Support (if appropriate) (hereinafter referred to as the "**Licence**") to the extent and under the terms and conditions set out in this Contract. The Licence is granted as non-exclusive, for the purpose specified in Article 2 and Annexes 1, 2 and 3 of this Contract, in unlimited quantities for the territory of the European Union, for the term of this Contract of time for all uses serving the given purpose.

25.2 For the avoidance of doubt, the Parties declare that all data, configurations, user settings or templates acquired using the System or the System Development or the Service Support (if appropriate) or contained therein are subject to the Client's copyright and the Contractor is only entitled to use them in the course of providing performance under this Contract on the Client's express instruction. Upon termination of this Contract, the Contractor undertakes to provide, at the Client's request, all assistance in the migration of the aforementioned data for the purpose of its further use. This assistance is included in the price specified in Article 3.1 of this Contract.

Contract for Work, Service Support and System Development

25.3   If open source software, free software, or any other work under a public license (Creative Commons, etc.) is included in the System, the System Development or the Service Support (if appropriate), the Contractor hereby grants the Client the right to use such work in accordance with such public license without limitation as to quantity, time, manner, purpose, location, and shall be responsible for ensuring that it is used in accordance with the license terms applicable thereto. The Client shall not be liable for any breach of any public licenses used by the Contractor for the performance of this Contract.

25.4   If there is so-called proprietary software in the System for which the Contractor is unable to grant the Client a license under Article 25.1 of this Contract for reasons beyond its control, the Contractor shall be entitled to grant the Client a license including a non-exclusive right to use the proprietary software in a quantity corresponding to the Client's needs in relation to its use of the System under this Contract and any subsequent agreement of the Parties. The grant of such licence shall not be terminable by the Contractor during the term of the Licence unless the Parties expressly agree otherwise. The Contractor shall restrict the use of such proprietary software in its solutions for the Client which is restricted as to license within the meaning of this Article of this Contract. If there are one-time or recurring fees associated with the use of proprietary software, support services or other related services, such fees shall be included in the price of this Agreement. For the purposes of this paragraph, Proprietary Software shall be deemed to be only Proprietary Software provided (licenses and accompanying services) in the marketplace by at least 3 independent and otherwise unrelated parties, deployed by at least 3 independent and otherwise unrelated organizations, with encapsulated functionality available through published APIs, and distributed under a non-competitive scheme; otherwise, a License shall be provided.

25.5   The Contractor shall be liable to the Client for the integrity of the rights acquired by this Contract, in particular that the use of the Systems and System Development and Service Support (if appropriate) under this Contract does not result in any unauthorised interference with the rights of third parties or any other violation of legal regulations, that any property claims of third parties have been settled and that the Client cannot incur any monetary or other liabilities to third parties in connection with the use of the System and/or System Development and/or Service Support (if appropriate). It is the Contractor's obligation to secure any necessary consents of third parties to the arrangements set out in this Contract and must act so as to secure the granting of authorisations and consents for the use of the System without prejudice to the rights of third parties. The Contractor further undertakes to ensure that the Client's use of the System is uninterrupted. If the rights granted by the Licences are threatened or infringed, the Contractor shall inform the Client thereof without undue delay, and as soon as it becomes aware of such threat or infringement, the Contractor undertakes in such case to provide the Client with assistance to legally protect the rights granted by the Licences.

25.6   The Contractor shall also be liable to the Client for damages arising in connection with the exercise of third party rights. If any third party brings a claim against the Client for infringement of its rights in connection with the System or System Development or Service Support (if appropriate) or the license granted to the System, System Development or Service Support (if appropriate), the Contractor shall be obliged to defend the Client at its own expense and indemnify the Client in full if the third party successfully asserts its claim arising from a legal defect in the System or the System Development or the Service Support (if appropriate). In the event that a claim by a third party arising in connection with the System or the System Development or the Service Support (if appropriate), regardless of its validity, results in a temporary or permanent injunction or restriction of the use of the System, the System Development or the Service Support (if appropriate) or any part thereof, the Contractor shall promptly provide the Client with alternative performance and minimize the effects of such a situation, at its own expense and without prejudice to the price of performance agreed in this Contract, without prejudice to the Client's claims for damages. In the event of such alternative performance, the Contractor shall guarantee that the software supplied will have the same functionality as the System or the System Development or the Service Support (if appropriate).

25.7   For the avoidance of doubt, it is stated that the Contractor's liability for legal defects in the System or the System Development or the Service Support shall not be limited by the warranty period agreed in Article 22 this Contract.

Contract for Work, Service Support and System Development

25.8   If any instruction or request made by the Client may lead to an infringement of industrial property rights, in particular patent rights, design rights, trademark rights, trade name rights, copyrights or other intellectual property rights, the Contractor is obliged to notify the Client in writing of the objections to such instruction or request and to justify its notification. If the Client still insists on carrying out its instruction or request, the Client provides the Contractor with the indemnification promise the same as set forth in Article of this Contract.

26.   Force Majeure

26.1   The Parties shall be exempt from liability for partial or total non-performance of their contractual obligations if this is proven to be due to force majeure. Force majeure shall be deemed to be circumstances arising after the conclusion of this Contract as a result of unforeseen and unavoidable events of an extraordinary nature unforeseen by the Parties and having an immediate effect on the performance of the subject matter of this Contract. Should the above circumstances arise, both Parties shall inform each other of these circumstances without delay.

26.2   The time limits for performance of the obligations under this Contract shall be extended by the period during which the circumstance excluding liability for partial or total non-performance of the contractual obligations is proven to exist.

26.3   If the consequences resulting from force majeure are proven to last longer than three months, either Party may withdraw from this Contract, provided that the claims of the Parties are settled in such a way that neither Party is unjustly enriched.

27.   Assignment – subcontracting

27.1   Neither Party to this Contract shall be entitled to assign or transfer any of its contractual rights or obligations to any third party without prior written approval from the other Party; such approval shall not be denied unreasonably. The Client shall not be entitled to reject granting the approval under previous sentence in case of Contractor's intra-group assignment, transfer or subcontracting.

28.   Termination

28.1   The Client is entitled to withdraw from the Contract in case the substantial breach of Contractor's obligation, especially when:

28.1.1. the Contractor is, for reasons solely within the Contractor's control, in delay of more than 30 days in the performance with any of its obligations under the Article 6.1 of this Contract; or

28.1.2. the Contractor is, for reasons solely within the Contractor's control, in delay of more than 30 days in the performance of its obligations under the respective Offer; or

28.1.3. the Contractor is, for reasons solely within the Contractor's control, in delay of more than 30 days in the performance of its obligations under the r of this respective Proposal; or

28.1.4. the Contractor is in breach of the provision of 7 of this Contract or Security Rules notified pursuant to Article 4 of 7 to the Contract; or

28.1.5. the Contractor breaches GDPR rules; or

28.1.6. the Contractor shall cease to hold the certificates referred to in Articles 29.1 of this Contract; or

Contract for Work, Service Support and System Development

28.1.7. the Contractor fails to implement corrective actions resulting from the audit carried out in accordance with Article 30 of this Contract within deadlines stated in the final audit report.

28.2 The Client is also entitled to withdraw from this Contract in the event of a significant change in control of the Contractor or a change in control of the principal assets used by the Contractor for performance under the Contract whereas a significant change in control means a change in the controlling entity pursuant to Section 74 et seq. of Act No. 90/2012 Coll., on Business Companies and Cooperatives (Business Corporations Act), as amended.

28.3 The Client may, within three months of the withdrawal of this Contract, decide that the withdrawal of the Contract shall not apply to that part of the performance delivered up to that time which, in the Client's discretion, makes independent economic sense for the Client and which the Client decides to retain. In such a case, the Contractor shall not be obliged to refund the part of the price received corresponding to the price of the part of the performance retained by the Client and, if that part of the price has not yet been paid, the Contractor shall be entitled to payment for that part of the performance. In respect of the part of the performance retained by the Client, the Contract shall be deemed to have been terminated by performance.

28.4 Either Party shall have the right to terminate this Contract in case the other Party is in bankruptcy according to its national law. The legal effects of the termination shall occur on the day of the delivery of the written notice to the other Party.

28.5 The Client is entitled to terminate (i) this Contract; and/or (ii) provision of the Service Support; and/or (iii) provision of the System Development according to this Contract, by the termination notice even without giving any reason. The three (3) months notice period shall run from the first day of the month following receipt of the written termination of this Contract by the Contractor and shall end on the last day of the calendar month. The Client may serve the termination notice under this Article at any time after a period of two years from the commencement of the provision of Service Support under Article 6.2 of this Contract.

28.6 The termination shall become effective upon the receipt of the written notice by other Party. The withdrawal will be sent by registered mail via the postal license holder, via a data box or via an email signed with the Electronic Signature and sent to the email of the Contractor or the Client (as the case may be) stated in Article 19.1 of the Contract.

28.7 This Contract may be terminated by mutual agreement of both Parties.

28.8 In case of termination for any reason whatsoever, the Parties will try to establish by mutual agreement a liquidation settlement; failure such an agreement, provisions of Article 32 of this Contract hereinafter shall apply.

29. Certificates

29.1 The Contractor declares that it is the holder of the following certificates as of the date of this Contract and undertakes to maintain these certificates in force throughout the term of this Contract:

29.1.1. quality management system certificate issued in accordance with the current standard EN ISO 9001 by an accredited entity or the equivalent documents issued in a member state of the European Union.

29.1.2. documentation outlining procedures for the development and maintenance of software products within the scope of the contract, demonstrating adherence to standard software lifecycle processes in accordance with the current technical standard ISO/IEC 12207 or equivalent documents issued by European Union member states.

29.1.3. information security management system certificate issued in accordance with the current EN ISO 27001 standard by an accredited entity or equivalent documents issued in a member

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state of the European Union or other documents of equivalent information security assurance measures.

30. Audit

30.1 The Contractor undertakes to allow the Client to audit the procedures set out in Regulation (EU) 2017/373.

30.2 The Client is entitled to conduct audits of the Contractor to examine the Contractor's activities and processes, including documentation and records, for the purpose of verifying compliance with the requirements of this Contract.

30.3 The Contractor shall provide the auditor appointed by the Client with the necessary cooperation, documentation, and records, as well as access to the premises necessary for the performance of the subject matter of the Contract, which are essential to demonstrate compliance with the requirements of this Contract. The Contractor shall also ensure that such cooperation is provided by his subcontractors.

30.4 The Client shall give the Contractor reasonable notice, but not less than 30 days, of its intention to conduct an audit. The Client shall use reasonable efforts to ensure that the conduct of the audit does not result in damage or undue disruption to the relevant premises, equipment, personnel, and activities of the Contractor.

30.5 The Contractor shall not be obliged to grant access to its premises during the audit if and only if

- the person conducting the audit fails to provide his/her ID and authorisation to conduct the audit; and/or

- the audit is conducted outside regular working hours unless the purpose of the audit requires it to be carried out outside regular working hours and the Client has notified the Contractor of this in advance (during regular working hours).

30.6 The Client shall prepare and submit to the Contractor a final report within 30 days of the completion of the audit, containing the results of the audit and identifying any audit findings or non-conformities.

30.7 The Contractor shall have the right to comment on the results of the audit. Contractor's comments will then be taken into account when approving the content and deadlines for corrective actions.

30.8 The Contractor shall, within 30 days of receipt of the final report, inform the Client of the corrective actions determined to address the causes of the audit findings or non-conformities, including a binding deadline for their implementation.

30.9 The Contractor shall promptly inform the Client of the implementation of the corrective actions in accordance with preceding Article of this Contract.

30.10 The Contractor acknowledges that the Client conducts periodic evaluations of the Contractor in accordance with the requirements of the ČSN ISO/IEC 9001 standard, taking into account, inter alia, known risks and the implementation of security measures by the Contractor.

31. Miscellaneous

31.1 No change, alteration, modification or addition to this Contract shall be valid unless made in writing and properly executed by the Parties hereto.

Contract for Work, Service Support and System Development

31.2 If any of the provisions of this Contract is found, by a competent authority, to be void or unenforceable, such provision shall be deemed to be deleted from this Contract while the other provisions of this Contract shall remain in full force and effect. The Parties shall negotiate in good faith in order to agree upon a mutually satisfactory provision to be substituted for the provision so found to be void or unenforceable.

31.3 The headings used in this Contract are for convenient reference only and cannot be used for interpreting the provisions of this Contract.

31.4 *Civil Aviation Security*

By signing this Contract the Contractor acknowledges that it is not authorized to disclose or disseminate any information which could affect the security of civil aviation, namely due to requirements for maintaining security in civil aviation resulting from the relevant legislation (in particular the ICAO Annex 17) and imposing on air navigation service providers to take appropriate actions as a base to provide safeguarding of civil aviation against acts of unlawful interference. Particularly, the Contractor shall not anyhow reproduce and redistribute any information acquired in connection with the performance thereof.

31.5 *Publication*

The Contractor acknowledges that the Client is obliged to publish this Contract and associated information and documents related to the performance under this Contract pursuant to the Act No. 340/2015 Coll., on the Register of Contracts, as amended, and the Act No. 134/2016 Coll., on Public Procurement, as amended. The Contractor also acknowledges that the Client is obliged to provide information pursuant to the Act No. 106/1999 Coll., on Free Access to Information, as amended.

31.6 *Trade secret*

Trade secret, within the sense of § 504 of the Civil Code, means all price calculation detailed in Article 3.1 of this Contract and in Annex 5 of this Contract, Technical Specification detailed in Annex 1 of this Contract and information contained in Annex 2 and Annex 3 of this Contract and for this reason price calculation detailed in Article 3.1.1 to 3.1.4 of this Contract and Annex 5 of this Contract, Annex 1, Annex 2 and Annex 3 of this Contract will neither be published nor provided according to Article 31.5 of this Contract.

31.7 *Personal Data Protection*

Considering that personal data are processed within the scope of this Contract and due to the fact that 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), i.e. GDPR Regulation, is applicable as from 25th May 2018, the Parties declare that GDPR Regulation shall be observed when processing personal data on the basis of this Contract. The requirements of GDPR regulation (i.e. information regarding the processing of personal data by the processor, as stated in Article 28 paragraph 3 of GDPR Regulation, and alternatively equivalent requirements of other legal acts on personal data protection) are implemented into this Contract in the form of Annex No 8 of this Contract.

Contact details of Data Protection Officer/Person Responsible for Personal Data Protection shall be notified to the other Party by the contact persons as stated in Article 19.1 of this Contract. These contact details/persons may be changed by the Parties from time to time nevertheless each change shall be announced to the other Party without any delay, and such communication shall be made between the contact persons stated in Article 19.1 of this Contract in electronic (digital) form, meaning email with attachments converted in pdf format and signed by the Electronic Signature, databox or in the form of letter sent via the holder of postal licence.

31.8 *Confidentiality*

Contract for Work, Service Support and System Development

The Contractor considers all data stored in systems and programs of the Client as confidential, for unlimited period of time. The Contractor is not allowed to provide such information and/or data to third person.

32.   Settlement of disputes

32.1   All disputes arising out or in connection with the present Contract shall be finally settled under the appropriate court of the Czech Republic. The Parties hereby agree that a court of Client's registered office shall be considered appropriate in relation to the local jurisdiction.

32.2   This Contract is governed by Czech law.

33.   Enter into force

33.1   Both Parties declare that the individual Clauses of this Contract are sufficient with regards to the requirements for forming a contractual relationship, that the contractual freedom of the Parties has been used and that the Contract has been concluded in such a way that it is not to the debit of either Party.

33.2   Both Parties declare that regarding their own national regulations, they are fully entitled to sign the present Contract.

33.3   This Contract shall be valid upon signature by both Parties and shall enter into force on a day when it is published in the Register of Contracts.

This Contract has been signed electronically, only in one electronic copy.

The following Annexes form an integral part of the Contract:

Annex 1: Technical Specification

Annex 2: Compliance Matrix – mandatory requirements

Annex 3: Compliance Matrix - other requirements

Annex 4: Contractor's Personel's VPN Access

Annex 5: Breakdown of the total price
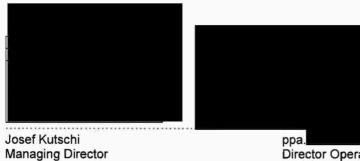
Annex 6: Delivery dates and milestones

Annex 7: Cyber Security

Annex 8: GDPR

Contract for Work, Service Support and System Development

....
Jan Klas
Director General
Air Navigation Services of the Czech Republic

....
Josef Kutschi
Managing Director
Frequentis Comsoft GmbH

ppa.
Director Operations
(Authorised Officer)

ANNEX 4 OF THE CONTRACT NO. 170/2024/IS/120 – CONTRACTOR'S PERSONNEL WITH VPN ACCESS TO CLIENT'S NETWORK

1.1 Contractor's personnel with VPN access to Client's IP data network (CADIN):

Name	SecureID serial number	Handover date
███████ ████	PulseSecure id: frq-vlcek	12.6.2024

DNOTAM system

Air Navigation Services
of the Czech Republic

Description		Abbr.	Day # in project	Cal days per task	Comment
Announcement of Contract in the Register of Contracts		T_0	0		
CDR period	CDR start	$T_{CDR\ Start} \leq T_0 + 46$		14	est. 14 calendar days / 10 working days
	CDR end	$T_{CDR\ End} \leq T_0 + 60$			see Contract - Para 9.2
FAT Doc. for Approval		$T_{FAT\ App} \leq T_0 + 84$		$T_{FAT\ Start} - 28$	see Contract - Para 10.4
FAT period	FAT start	$T_{FAT\ Start} \leq T_0 + 112$		14	Minimum estimated time in case of FAT repetition: est. 14 calendar days / 10 working days
	FAT end	$T_{FAT\ End} \leq T_0 + 126$			
Delivery period	Delivery start	$T_{Del\ Start} \leq T_0 + 127$		3	3days estimated time calculated as possible time according to delivery of SW images, etc.
	Delivery end	$T_{Del\ End} \leq \quad 130$			
FAT Certificate		$T_{FAT\ Cert} \leq T_0 + 133$		$T_{FAT\ End} + 7$	see Contract - Para 10.8
Training Doc. being Available		$T_{TRN\ Avl} \leq T_0 + 139$		$T_{TRN\ Start} - 14$	see Contract - Para 15.6
SAT Doc. for Approval		$T_{SAT\ App} \leq T_0 + 138$		$T_{SAT\ Start} - 28$	see Contract - Para 12.2
Install. & Integration start		$T_{I\&I\ Start} \leq T_0 + 131$		21	estimated time: est. 21 calendar days / 15 working days
Install. & Integration period					
Install. & Integration end		$T_{I\&I\ End} \leq T_0 + 152$			see Contract - Article 11
Training period	Training start	$T_{TRN\ Start} \leq T_0 + 153$		**12**	please fill (**calendar days !**)
	Training end	$T_{TRN\ End} \leq T_0 + 165$			
SAT period	SAT start	$T_{SAT\ Start} \leq T_0 + 166$		14	Minimum estimated time in case of SAT repetition: est. 14 calendar days / 10 working days
	SAT end	$T_{SAT\ End} \leq T_0 + 180$			
SAT Certificate		$T_{SAT\ Cert} \leq T_0 + 187$		$T_{SAT\ End} + 7$	see Contract - Para 12.10.4 The Tenderer shall fill in this value (Days # in) into the Contract - para 6.1.2 !

Tenderer must fill the number of **months** (integer format), the only acceptable values are between 6 and 10 inclusive.
Upon selection of months, the table will recalculate automatically backwards from the "SAT end" up to "FAT Doc. for Approval".
1 month is calculated as 30 calendar days.

6 months

DNOTAM system

The tenderer will fill unlocked boxes in table that are marked in yellow.

Description		Abbr.	Day # in project	Cal days per task		Comment
FPA period	FPA start	$T_{FPA\ Start} \leq T_0 + 181$		$T_{SAT\ End} + 1$		see Contract - Article 14
	FPA end	$T_{FPA\ End} \leq T_0 + 211$		30		
	System into OPS	$T_{OPS} \geq T_0 + 212$				responsibilty of Client
	FPA Certificate	$T_{FPA\ Cert} \leq T_0 + 218$		$T_{FPA\ End} + 7$		see Contract - Para 14.4.8 The Tenderer shall fill in this value (Days # in) into the Contract - para 6.1.3 !

All dates/term are "At the latest" dtto (≤)

Milestone

Annex 7 – Cyber Security

Contractual assurance of measures in the area of information and cyber security within the meaning of Section 8 (2) of the Regulation No. 82/2018 on security measures, cybersecurity incidents, reactive measures, filing requirements in the area of cybersecurity and data removal (the "Cybersecurity Regulation"), as amended

1. Preamble

1.1 The Contractor understands and acknowledges that it is a major contractor within the meaning of Section 2 (n) of the Cybersecurity Regulation for the Client, which is Air Navigation Services of the Czech Republic (ANS CR), which is an administrator of information and communication systems of the critical information infrastructure.

1.2 The information/communication system to which the role of the major contractor relates is as follows: DNOTAM.

1.3 The Contractor undertakes to comply with the information security management system requirements specified in this Annex and the Security Rules distributed in compliance with Article 4 of this Annex.

2. Definitions of Terms

2.1 "Information/communication system" means a collection of applications, services and assets of information technology or other components dealing with information.

2.2 "Asset" means a collection of elements, information and services necessary for the operation of the information/communication systems referred to in Article 1.2 of this Annex.

2.3 "Security incident" means a breach of the security of information in information systems or a breach of the security of services or the security and integrity of electronic communications networks, as a result of which there has been or may be a breach of protected assets (in terms of their confidentiality, integrity and availability) in the information/communication systems referred to in Article 1.2 of this Annex.

2.4 "Security measure" means an action aimed at ensuring the security of protected assets in the information/communication systems referred to in Article 1.2 of this Annex, their availability and reliability in cyberspace.

2.5 "Security policy" means a set of rules and principles that determine the manner, in which the protection of assets is ensured.

2.6 "Contractor" means a contractor under the Contract who is also a major contractor as defined in Section 2 (n) of the Cybersecurity Regulation.

2.7 "Critical information infrastructure" means an element or a system of elements that are necessary for the operation of the information/communication systems referred to in Article 1.2 of this Annex.

3. Information Security

3.1 The Contractor is obliged to implement and execute security measures to the extent necessary to ensure the security of the information/communication systems referred to in Article 1.2 of this Annex, and to maintain appropriate security documentation of such measures.

3.2 The security measures are established in accordance with the requirements of Act No. 181/2014 Coll. on Cybersecurity and on amendments to related acts (the Cybersecurity Act), as amended, the requirements of the Cybersecurity Regulation and the applicable international ISMS standards of the ISO/IEC 27xxx series.

3.3 The Client shall verify the implementation and execution of the security measures by the Contractor in accordance with the procedure set out in Article 8 of this Annex, or by acceptance of a valid ISO/IEC 27001 certificate, or by acceptance of any other established and internationally recognized information security management system at the Contractor.

4. Adherence to the Client's Security Policies

4.1 The Contractor shall comply with the Client´s "Security Rules for Major Contractors" that are available on the following website:

https://www.ans.cz/content/documents/Security_rules_for_major_contractors.pdf

(hereinafter referred to as the "**Security Rules**"). The Contractor hereby confirms that it is familiar with and agrees to be bound by the Security Rules.

4.2 The Client, through its cybersecurity manager, shall provide the Contractor with details of the Client´s security standards by electronically signed email within 10 days of the effective date of the Contract.

4.3 The Client may amend the Security Rules after the Contract has been signed in connection with changes in legislation, decisions, or warnings of the National Cyber and Information Security Agency, decisions of other administrative authorities or the fulfilment of corrective measures resulting from state supervision. The amended Security Rules shall be distributed in electronic (digital) form, i.e. via email with attachments converted to pdf format and signed by the cybersecurity manager with a recognized electronic signature (in accordance with eIDAS), via data box, or via letter signed by the cybersecurity manager and sent via the holder of a postal licence with confirmation of delivery to the address of the Contractor´s cybersecurity manager. If the Contractor does not object to the amended Security Rules within 10 working days of delivery of the notice, it shall be deemed to have accepted the amendment and the Contractor shall comply with the amended Security Rules.

4.4 The Contractor shall ensure that all of its personnel involved in the performance of the obligations under the Contract are demonstrably familiar with the Security Rules of the Client.

5. Change Management

5.1 The Contractor shall manage the risks associated with the performance of the subject matter of the Contract. If requested by the Client's cybersecurity manager or the persons performing the control activities as defined in Article 8 of this Annex, the Contractor shall demonstrably document the way in which the risks are managed.

5.2 The Contractor acknowledges that the Client shall proceed in accordance with Section 11 of the Cybersecurity Regulation when implementing the changes.

5.3 In the case of major changes, the Client shall carry out a risk analysis in compliance with the recommendations of the ISO/IEC 27005standard, using the support tools currently available and owned by the Client.

5.4 The Contractor shall provide the Client with the necessary cooperation and assistance in change management, in particular during regular risk assessments and inspections of the implemented security measures carried out by persons appointed by the Client. The Contractor shall also ensure that such cooperation is provided by its subcontractors.

5.5 If the Contractor uses technical or software tools of Huawei Technologies Co., Ltd. or ZTE Corporation, including their subsidiaries, as part of its solution required for the performance of the Contract, the Contractor has provided the Client during the tender procedure with a risk analysis prepared in compliance with the methodology of the National Cyber and Information Security Agency (NÚKIB).

6. Notification Requirements

6.1 The Contractor shall promptly notify the Client through the cybersecurity manager if it detects a breach of security of the protected assets as a result of a security incident and shall provide the Client with sufficient information to enable the Client to remedy the consequences of such incident, investigate it and report it to the National Cyber and Information Security Agency in compliance with the requirements of the Cybersecurity Regulation. The Contractor shall cooperate in such actions and to take all financially reasonable steps required by the Client.

6.2 The Contractor, through the cybersecurity manager, shall inform the Client on an ongoing and timely basis of all significant and critical threats and vulnerabilities known to the Contractor that may affect the Client´s risk assessment.

6.3 The Contractor shall promptly notify the Client, through the Client´s cybersecurity manager, of any significant change in the control of the Contractor pursuant to Act No. 90/2012 Coll. on Commercial Companies and Cooperatives (Commercial Companies Act), as amended (the "**Commercial Companies Act**"), or of any change in the ownership of significant assets, or of any change in the authorization to dispose of such assets used by the Contractor for the performance under the Contract. It is understood that a significant change in control means a change in the controlling entity pursuant to Sections 74 et seq. of the Commercial Companies Act.

6.4 More detailed conditions for the reporting and classification of security incidents are set out in the Security Rules.

7. Subcontractors

7.1 Pursuant to Section 105 (4) in connection with Section 3 of Act No. 134/2016 Coll. on Public Procurement, as amended, the Contractor shall inform the Client in writing in advance of its intention to use a subcontractor that it did not announce during the procurement procedure, including the subcontractor´s identification and details of the activities to be carried out by the subcontractor and the data made available to the subcontractor. The Contractor shall provide the Client with the identification data of the subcontractors who will be involved in the performance of the subject matter of the Contract after the conclusion of the Contract, the subject matter of the activities to be performed by the subcontractor and the data made available to the subcontractor before the subcontractor concerned commences the performance of the Contract.

7.2 If the Contractor employs a subcontractor to carry out activities or disclose data within the meaning of this Annex to the Contract, the Contractor shall enter into a contract or other legal instrument with the subcontractor giving rise to the same rights and obligations in relation to information and cyber security as are set out in this Annex. This shall include in particular the provision of sufficient guarantees for the implementation of appropriate technical and organizational measures so that the processing complies with the requirements of the Cybersecurity Regulation.

7.3 The Contractor shall, in relation to each subcontractor,

   a) make all reasonable efforts to verify that the subcontractor provides the level of information and cyber security protection required by this Annex;

b) ensure that, in the case of a chain of subcontracting, the mutual rights and obligations in relation to information and cyber security are governed by a written contract containing terms and conditions that provide at least the same level of protection as that specified in this Annex and that meet the requirements of the relevant legislation in relation to the performance of the Contract;

c) provide the Client, on request, with copies of selected parts of contracts with subcontractors (or similar documents) relevant to the performance of the Contract;

d) ensure that any subcontractor fulfils the obligations arising from this Annex, which apply to the protection of information and cyber security performed by the subcontractor, as if the subcontractor were a party to the Contract instead of the Contractor.

7.4 If the Security Rules are provided as part of an agreement with subcontractors or between subcontractors, the Contractor shall inform the Client in advance. The Client shall be entitled to object, within five working days of the notification of the need to provide Security Rules to subcontractors, that the provision of Security Rules to subcontractors is not necessary or that the provision of Security Rules to a particular subcontractor creates a security risk for the Client. In this case, the Contractor shall demonstrate the necessary need to provide these Security Rules to a particular subcontractor or propose the use of another subcontractor. If the Client considers that this need is justified or that the new subcontractor does not pose a security risk, it shall allow the Security Rules to be provided to the particular subcontractor.

8. Audit

8.1 The Client is entitled to conduct audits of the Contractor to examine the Contractor's activities and processes, including documentation and records, for the purpose of verifying compliance with the requirements of this Annex.

8.2 The Contractor shall provide the auditor appointed by the Client with the necessary cooperation, documentation, and records, as well as access to the premises necessary for the performance of the subject matter of the Contract, which are essential to demonstrate compliance with the requirements of this Annex. The Contractor shall also ensure that such cooperation is provided by his subcontractors.

8.3 The Client shall give the Contractor reasonable notice, but not less than 30 days, of its intention to conduct an audit. The Client shall use reasonable efforts to ensure that the conduct of the audit does not result in damage or undue disruption to the relevant premises, equipment, personnel, and activities of the Contractor.

8.4 The Contractor shall not be obliged to grant access to its premises during the audit if and only if

a) the person conducting the audit fails to provide his/her ID and authorisation to conduct the audit; and/or

b) the audit is conducted outside regular working hours unless the purpose of the audit requires it to be carried out outside regular working hours and the Client has notified the Contractor of this in advance (during regular working hours).

8.5 The Client shall prepare and submit to the Contractor a final report within 30 days of the completion of the audit, containing the results of the audit and identifying any audit findings or non-conformities.

8.6 The Contractor shall have the right to comment on the results of the audit. His comments will then be taken into account when approving the content and deadlines for corrective actions.

8.7 The Contractor shall, within 30 days of receipt of the final report, inform the Client of the corrective actions determined to address the causes of the audit findings or non-conformities, including a binding deadline for their implementation.

8.8 The Contractor shall promptly inform the Client of the implementation of the corrective actions in accordance with Article 8.7 of this Annex.

8.9 The Contractor acknowledges that the Client conducts periodic evaluations of the Contractor in accordance with the requirements of the ČSN ISO/IEC 9001 standard, taking into account, inter alia, known risks and the implementation of security measures by the Contractor.

Annex No. 8 to the Contract No. 170/2024/IS/120 (hereinafter referred to as the "Contract")

"Ensuring Protection of Personal Data pursuant to the Regulation of the European Parliament and Council (EU) 2016/679 of 27th April 2016 on protection of natural persons in association with the personal data processing and on free movement of such data and on cancellation of the Directive 95/46/ES (General Data Protection Regulation); (hereinafter referred to as the **"GDPR**)"

1.   Definition of Terms

1.1   "Personal Data" shall mean for the purposes of this Annex and within the meaning of the GDPR, any and all information on an identified or identifiable natural person (hereinafter the "**Data Subject**"); an identifiable natural person shall mean a natural person who may be directly or indirectly identified, in particular with reference to a certain identified, such as name, identification number,location data, network identifier or to one or more special elements of physical, physiological, genetic, mental, economic, cultural and/or social identity of such a natural person.

1.2   **"Processing"** shall mean for the purposes of this Annex and within the meaning of the GDPR any operation or a set of operations with personal data or sets of personal data which is made with the use of automated procedures or without the use of automated procedures, such as collecting, recording, organizing, structuring, storage, adaptation or alteration, retrieving, consulting, use, disclosure by transmitting, dissemination and/or any other disclosure, alignment or combination, restriction, deletion or destruction.

1.3   **"Controller"** shall mean for the purposes of this Annex and within the meaning of the GDPR the natural person or legal entity, public authority, agency or another entity which by himself/herself/itself or together with others determines the purposes and means of personal data processing ; if such purposes and means of such processing are determined by the law of the Union or of a member state, such law may determine the Controller in question or the special criteria for determination of such a Controller. Controller within the sense of this Annex to the Contract is ANS CR.

1.4   **"Processor"** shall mean for the purposes of this Annex and within the meaning of the GDPR the natural person or legal entity, public authority, agency or another entity processing the personal data on behalf of the Controller. Processor within the sense of this Annex to the Contract is Frequentis Comsoft GmbH, Wachhausstr. 5a, 76227 Karlsruhe.

1.5   **"Sub-Processor"** shall mean for the purposes of this Annex and within the meaning of the GDPR the natural person or legal entity, public authority, agency or another entity (with the exception of the Processor's employee) who processes the personal data on the basis of an authorization from the Processor on behalf of the Controller.

1.6   "Personal Data Security Breach" shall mean for the purposes of this Annex and within the meaning of the GDPR a security breach which leads to accidental or unlawful destruction, loss, change or unauthorized provision or disclosure of the transferred, stored or otherwise processed personal data.

2.   Subject of Processing

2.1   The subject of personal data processing is: Access to DNOTAM/NOTAM system administrators/operators and user data stored in the system during provisioning of service support.

3. Duration of Processing

3.1 The personal data will be processed for the period of: the validity is for the duration of the agreement and, if not specified by legal retention periods, 3 months beyond that.

4. Nature and Purpose of Processing

4.1 Nature and purpose of personal data processing are defined as follows: The purpose of the processing is defined in the Contract. Processing of Personal Data entails the On-demand support, administration, configuration and management of DNOTAM/NOTAM system maintained and operated by ANS CR. Personal Data is only processed as necessary to perform the Processors obligation under the Contract.

5. Type of Personal Data Processed

5.1 The personal data processed are of the following type: Login information, Username, name and surname, contact information, IP address

6. Categories of the Subject of the Personal Data Processed

6.1 The categories of the subject of the personal data processed are the following: Employees of the Controller, NOTAM users, others, depending on who will use the system during the operation.

7. Processor's Obligations

7.1 The Processor has to observe all the applicable legal regulations governing data protection, in particular the GDPR.

7.2 The Processor must not process the personal data provided by the Controller in any other way and for any other purpose than in conformity with the documented instructions by the Controller, unless the processing is required by the legal regulations in force which apply to such Processor. In this event, the Processor shall notify the Controller of such a legal requirement even before the processing of such personal data.

7.3 The Processor shall immediately notify the Controller in the event if, in the Processor's opinion, a certain instruction breaches the GDPR or other regulations of the European Union or of any member state related to personal data protection.

7.4 The Processor has to ensure that the persons authorized to process personal data are committed to confidentiality, unless the statutory obligation of confidentiality already applies to them.

7.5 Taking into account the state of the art, the implementation costs, nature, extent, context and purposes of processing as well as the different levels of probability and differently serious risks to rights and freedoms of Data Subjects, the Controller and the Processor shall make suitable technical and organizational measures to ensure the level of security corresponding to the particular risk, including the measures indicated in Art. 32 of the GDPR.

8. Sub-Processors

8.1 In accordance with Section 105 (4) in conjunction with Section 3 of Act No. 134/2016 Coll., On Public Procurement, as amended, the Processor shall inform in writing in advance of its intention to use a Sub-Processor that the Processor has not notified during the procurement procedure, including its identification and details of the activities to be carried out by the subcontractor and the personal data processed. Identification of the Sub-Processors who will be

involved in the performance of the public contract after the conclusion of the contract, the subject of activities to be performed by the Sub-Processor and the personal data processed shall be communicated by the Processor to the Controller prior to commencement of performance by the Sub-Processor concerned.

8.2 If the Processor negotiates with a Sub-Processor to carry out activities or process personal data within the meaning of this Annex to the Contract, the Processor shall enter into a contract or other legal act with the Sub-Processor giving rise to the same rights and obligations in relation to the personal data processing as set out in this Annex. In particular, it is necessary to provide sufficient guarantees for the implementation of appropriate technical and organizational measures so that the processing complies with the requirements of the GDPR.

8.3 With respect to each Sub-Processor, the Processor:

8.3.1. shall make every reasonable effort to verify that the Sub-Processor provides the level of personal data protection as required in the Agreement;

8.3.2. shall make sure that if the Sub-Processors are chained, the mutual rights and obligations related to personal data protection are regulated with a written agreement containing the terms and conditions granting at least the same level of personal data protection as those stated in this Amendment and/or in the Agreement, and that they comply with the requirements of Article 28 of the GDPR;

8.3.3. if personal data processing is performed by a Sub-Processor who is seated outside the EEA and, at the same time, the country where such Sub-Processor is seated was not marked by the European Commission as a country providing sufficient level of protection, the Processor has to make sure that the Processing Agreement entered into with such a Sub-Processor contains the standard contractual clauses; and

8.3.4. shall provide to the Controller upon request the copies of Processing Agreements (or similar documents) entered into with Sub-Processors which may be modified in order to eliminate confidential business information which is not relevant for the requirements of this Agreement.

8.4 The Processor has to make sure that each Sub-Processor performs the duties resulting from this Annex to the Contract, which apply to the processing of personal data performed by such Sub-Processor as if the Processor were the party to such Contract instead of the Processor.

8.5 The Controller is entitled to object within five working days of the notification of the need to use a new Sub-Processor that the use of a new Sub-Processor is not necessary or that the use of a new Sub-Processor entails a security risk. In this case, the Processor must prove the necessary need to use the said new Sub-Processor or propose the use of another new Sub-Processor. If the Controller finds this need justified or fails to assess the new Sub-Processor as a security risk, the Controller will allow to use the said new Sub-Processor.

9. Exercise of the Data Subject's Rights

9.1 The Processor

9.1.1. shall immediately notify the Controller, if the Processor (or any Sub-Processor) receives a request from the Data Subject aiming at the exercise of the Data Subject's Rights pursuant to the GDPR; and

9.1.2. shall make sure that the Processor (or any Sub-Processor) will not reply to requests aiming at the exercise of the Data Subject's Rights pursuant to GDPR in another way than in conformity with the Controller's written instruction and/or to the extent as required in conformity with the applicable legal regulation. In this event, however, the Processor

disturbance on the premises, of the equipment, staff and Processor's activities. The Processor is not obligated to enable access to his/her/its premises during inspection only in the event that

12.3.1. the person performing the inspection fails to submit the identity document and authorization to perform the inspection;

12.3.2. The inspection is performed outside the ordinary working hours, unless to meet its purpose, the inspection requires to be performed outside the ordinary working hours and the inspector notified the Processor in advance (during ordinary working hours) that this was such a case.