

# FRAMEWORK AGREEMENT FOR THE PRODUCTION AND SUPPLY OF CHIP PRELAMINATED INLAYS

*Concluded on the basis of Dynamic Purchasing System Procedure*

registered by the Buyer under No. 038/OS/2025  
registered by the Seller under No.

(hereinafter referred to as "the Framework Agreement")

**made pursuant to Section 141 of Act No. 134/2016 Sb., on public procurement, as amended**

(hereinafter referred to as the "PPA")

and

**pursuant to Section 1746 (2) et seq. of Act No. 89/2012 Sb., the Civil Code, as amended**

(hereinafter referred to as the "Civil Code")

by and between:

## **Státní tiskárna cenin, s. p**

with its registered office at, Růžová 943/6, Nové Město, 110 00 Praha 1

entered in the Commercial Register maintained by the Municipal Court in Prague, Section ALX, Insert 296

Business ID: 00001279

Tax Identification No.: CZ00001279

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

Account number:

IBAN:

BIC:

(hereinafter referred to as the "Buyer")

and

## **LUX – Ident s.r.o.**

with its registered office at Tovární 368, Žichlínské předměstí 563 01, Lanškroun

entered in the Commercial Register administered by County Court in Hradec Králové,  
Section C, Insert 1829

Business ID: 25973959

Tax Identification No.: CZ25973959

Represented by: **Martin Březina**, Vice-President LUX – Ident Business Unit

Bank details: Skandinaviska Enskilda Banken AB, 106 40 Stockholm

Bank Account:

IBAN:

SWIFT kód:

(hereinafter the "Seller")

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

## I. INTRODUCTORY PROVISIONS

1. This Framework Agreement is based on of the results of the performance of a public contract titled "**Dynamic Purchasing System for the Production and Supply of Chip Prelaminated Inlays – Framework Agreement – invitation Nr. 13**" awarded under the dynamic purchasing system in accordance with Sec. 141 PPA (hereinafter referred to as the "**tender procedure**") and is concluded with the Seller who meets all the Tender conditions and whose Tender was selected as the most economically advantageous. This Framework Agreement is also based on the Seller's tender for the tender procedure, submitted before the deadline and the contents of which are known to both parties (hereinafter referred to as the "**Tender**").
2. When interpreting the content of this Framework Agreement, the Parties are obliged to consider the tender conditions and the purpose related to the tender procedure. The provisions of laws and regulations on interpretation of legal conduct are not affected by this.
3. For the purposes of this Framework Agreement, the term " Prelaminated Inlays " means a single position on a sheet containing a chip module and a coiled antenna within a laminated sheet (hereinafter "**Prelaminated Inlays**"), the term "sheet" shall mean a sheet containing 21 Prelaminated Inlays (in the format 3 x 7 Prelaminated Inlays) or 15 Prelaminated Inlays (in the format 3 x 5 Prelaminated Inlays) (hereinafter referred to as the "**sheet**").
4. This Framework Agreement regulates the method for conclusion of individual partial contracts, conditions for execution of individual deliveries on the part of the Seller, as well as other rights and obligations of the Parties related to the realisation of the individual partial contracts concluded hereunder.
5. This Framework Agreement is made subject to a financial limit 606 000 USD without VAT, i.e. the maximum amount of remuneration that the Buyer may provide to the Seller for the goods delivered under this Framework Agreement (hereinafter referred to as the "**Financial Limit**").

## II. SUBJECT MATTER OF THE FRAMEWORK AGREEMENT

1. The subject matter of this Framework Agreement is the Seller's obligation to produce and supply the Buyer PVC/PC Prelaminated Inlays with chip modules containing required types of chip modules, or with defined combinations of types of chip modules according to the technical specification, which is Annex No. 1 to this Framework Agreement – Technical specification and full technical identification of the Prelaminated Inlays as given in Annex No. 2 of this Framework Agreement - List of Prelaminated Inlays (hereinafter referred to as "**subject of performance**" or "**Goods**") and to transfer to the Buyer ownership of the supplied Prelaminated Inlays.
2. The Buyer undertakes to accept the Goods, duly and timely delivered as regards the required quantity and type of the Goods, on the required delivery dates, and to pay for the Goods the price agreed herein.

## III. ORDERS

1. All supplies of the Goods shall take place according to the Buyer's needs in line with the written orders, each of which constitutes a proposal to conclude a partial contract (hereinafter as an "**order**"), and confirmations, which constitute the acceptance of the proposal to conclude a partial contract (hereinafter as a "**partial contract**"). Prior to executing each order, the Buyer sends the Seller a notice of intent to place an order, specifying the required Prelaminated Inlays and quantity (hereinafter referred to as the "**Enquiry**").

2. Based on the Enquiry, the Seller sends the Buyer within 2 working days after receiving the Enquiry the corresponding dimensioned technical drawing of the sheet with Prelaminated Inlays of the required type of Prelaminated Inlays (hereinafter referred to as the "**Layout**") and detailed information on the expected delivery date in accordance with Annex 2 hereof. In case of approval, the Buyer place the order with Layout corresponding to the type of ordered Prelaminated Inlays.
3. As a minimum requirement, an order shall contain the following details:
  - a) Buyer's identification data;
  - b) detailed specification of the Goods, including the quantity of the Goods to be delivered;
  - c) relevant Layout and other requirements for the Goods;
  - d) detailed delivery conditions, especially the delivery term and place of delivery;
  - e) the designation of the person placing the order, who is authorised to act on behalf of the Buyer.

In case of doubt the Seller must ask the Buyer for additional information. If the Seller fails to do so, it is understood that the instructions are sufficient for the Seller, and no such reason may release the Seller from any liability for failure to perform an order in due manner and time.

4. The order shall be sent to the Seller electronically to the Seller's e-mail address:  
XXX
5. Within the order, the Buyer shall order only one type of Prelaminated Inlays-and more, but always at least 1 000 Prelaminated Inlays-and the Seller shall accept this quantity.
6. The Seller shall confirm the receipt of this partial order in writing within 2 working days of receiving the order to the Buyer's e-mail address XXX. As a minimum requirement, confirmation of an order must contain identification data of the Seller and the Buyer, and identification of the order being confirmed. A partial contract shall be deemed to have been entered into once the Buyer receives confirmation of an order from the Seller, confirming the order without reservations.
7. Individual partial contracts fulfilling the conditions for publication in the Register of Contracts take effect once they are published in the Register of Contracts. Other individual partial contracts take effect on the day it is confirmed by Seller.
8. The Parties agree that the Seller will respect the supplies of the Goods as requested and will not modify the supplies as to type, volume or finance unless expressly agreed by the Parties.
9. The Seller undertakes in the fulfilment of any partial order to act in accordance with the Tender.

#### **IV. DELIVERY DATE AND PLACE OF PERFORMANCE, DELIVERY CONDITIONS**

1. The Seller is obliged to deliver the Goods to the Buyer within the date specified in the relevant partial order, which shall be agreed by the parties according to the limits stated in the paragraph 2 of this Article. The place of performance shall be in territory of Prague, Czech Republic, specifically ***the Production Plant I – Růžová 943/6, Nové Město 110 00 Prague 1, Czech Republic.***
2. Prelaminated Inlays shall be delivered within the delivery periods specified in Annex 2 to this Framework agreement, depending on the type of Prelaminated Inlays, unless they are PC Prelaminated Inlays, which the Seller shall deliver to the Buyer "on request" depending on stock availability (the Seller shall specify the delivery period in its response to the Enquiry). Delivery times hereunder, or in the case of PC Prelaminated Inlays for the relevant order, shall be counted from the date of taking effect of the partial order within the meaning of Article III par. 7 hereof. Delivery of the required performance in the form of one or more partial deliveries is not excluded, provided

that the delivery periods specified in Annex 2 hereto or in relevant partial contract are met, i.e. if the entire required quantity is delivered within this delivery time limit.

3. Each delivery of the Goods shall be accompanied with a delivery note, which shall be confirmed by both Parties upon handover and takeover of the Goods and shall be used as the Goods handover protocol.
4. The delivery note shall contain:
  - a) identification data of the Seller and the Buyer,
  - b) the number and date of issue of the Delivery Note,
  - c) the partial order number,
  - d) position/serial number according to the partial order;
  - e) contract number (if stated in the partial order);
  - f) Material code according to IS in STC format;
  - g) the number of the supplied units without defects with a divided according to individual types,
  - h) the number of delivered pieces of defective Prelaminated Inlays according to paragraph 8 of this article,
  - i) the total number of Prelaminated Inlays delivered,
  - j) place and date of handover and acceptance

(hereinafter the "**delivery note**")

5. The Seller shall arrange for the transportation of the Goods to the place of performance at its own expense and risk in accordance with Incoterms 2020, DAP.
6. The Seller shall notify the Buyer at the e-mail address: XXX and to the e-mail address specified in the partial order the expected date and time when the Goods is delivered to the Buyer's address, at least 2 working days before the day of despatch from the Seller's plant. If the Seller uses a carrier that allows you to monitor the status of the delivery, the Seller will also send the Buyer the number of the bill of lading and tracking number. The Seller shall immediately inform the Buyer about expected failure to arrive on time to solve this situation.
7. The Seller shall deliver the Goods on working days and during the Buyer's regular working hours, i.e. between 6:00 a.m. and 2:00 p.m., unless stipulated otherwise by the Buyer. Outside these hours, it is only possible to receive Goods following a previous agreement made over the phone between the Seller and the Buyer's representative stated in the partial order.
8. Within a single delivery:
  - a) the number of defective Prelaminated Inlays must not exceed 3% of the total number of Prelaminated Inlays delivered,
  - b) no sheet in the format of 5x3 positions shall contain more than 2 defective Prelaminated Inlays,
  - c) no sheet in the format of 7x3 positions, shall contain more than 3 defective Prelaminated Inlays.
9. Within one partial delivery, the tolerance of the number of delivered Prelaminated Inlays shall be minus 3% and plus 10% of the ordered number of Prelaminated Inlays.
10. The Seller undertakes to provide the subject of performance for transport and subsequent storage in a manner that is usual for this type of subject of performance in business relations to ensure the preservation, protection and quality of the subject of performance. Each delivered consignment will

be properly marked with the indication of the subject of performance, the manufacturer and information about its weight.

11. The performance of the Seller is considered fulfilled if it is delivered on time and properly, i.e. free of any defects in quantity in accordance with the agreement of the parties under paragraph 8 of this article, quality or legal defects, including accompanying written documents.
12. The ownership title to the Goods supplied and based on this Framework Agreement shall pass on the Buyer at the moment of takeover of the Goods, i.e. at the moment the handover protocol for the Goods (delivery note) is signed by the Buyer. The risk of damage to the Goods shall pass to the Buyer at the same moment.

## V. PRICE

1. The unit prices for Goods in **USD excluding VAT** are listed in Annex No. 2 to this Framework Agreement and are determined and based on the Seller's tender submitted to the tender procedure. The unit purchase prices of Prelaminated Inlays shall be fixed as maximum, non-exceedable and valid prices for the entire period of validity and effectiveness of this Framework Agreement.
2. The price for partial deliveries will be calculated as a multiple of the relevant unit prices of Prelaminated Inlays and the number of delivered perfect Prelaminated Inlays of the corresponding type.
3. The unit prices shall include all related costs, especially the costs of packaging and transportation of the Goods to the Buyer to the place of performance according to Article IV paragraph 1 hereof and any cost of waste disposal customs duty, customs charges, any ecological liquidation of the Goods and related services.
4. If the Seller is a registered VAT payer in the Czech Republic, the Buyer shall pay the Seller the price plus the VAT in accordance with the applicable legislation.

## VI. PAYMENT TERMS

1. The price shall be paid by the Buyer after proper delivery of the Goods based on tax documents (invoices) issued by the Seller.
2. The Seller's right to issue a tax document (invoice) for each delivery of the Goods is established on the day of delivery, i.e. the date of signature of the Delivery Note by the Buyer's authorised person. The date of taxable supply is the date of documented handover and takeover of the performance, i.e. the date the Buyer signed the protocol of handover of the Goods (Delivery Note).
3. The Buyer shall not make any advance payments to the Seller.
4. A tax document (invoice) shall contain all the prerequisites of a tax document according to the applicable legal regulations and this Framework Agreement. Each tax document (invoice) must include a copy of the confirmed Delivery Note relating to the executed delivery.
5. The Seller shall issue a separate tax document (invoice) for each delivery of Goods.
6. The maturity period of any tax document (invoice) duly issued by the Seller is 30 calendar days following its issuance date. The Seller is obliged to deliver the invoice to the Buyer to e-mail address XXX. For the purposes of this Framework Agreement, an invoice shall be deemed paid once the respective amount has been debited from the Buyer's financial account.
7. If a tax document (invoice) issued by the Seller does not contain the necessary formalities or will contain incorrect or incomplete information, the Buyer is entitled to return the tax document (invoice)

to the Seller stating the reason for such return, without getting into arrears with payment. The new maturity period shall commence on the date of delivery of a duly corrected or supplemented tax document (invoice) to the Buyer.

8. In the case that the Seller is a VAT payer registered in the Czech Republic, the provisions of the Paragraph 9 to 12 in this Article shall be applied and be binding for the Seller.
9. The Seller declares that in the moment of conclusion of the Contract it is not in liquidation and no proceedings are being conducted against it pursuant to Act No. 182/2006 Coll., on bankruptcy and settlement (Insolvency Act). The Seller also declares that in the moment of conclusion of the Framework Agreement there is no decision issued by a tax administrator, that the Seller is an unreliable payer pursuant to Section 106a of the Value Added Tax Act No. 235/2004 Coll., as amended (hereinafter "VATA"). The Seller shall immediately and demonstrably notify Buyer, a recipient of the taxable performance, within two working days of it becoming aware of its insolvency or of issuing a decision by a tax administrator that the Seller is an unreliable payer pursuant to Section 106a VATA. In the event that, during the period of validity and effectiveness of the Framework Agreement, the Seller's statements referred to in this paragraph prove to be false or the Seller violates the obligation to notify the Buyer of the fact stated in the previous sentence within the specified period, this will be considered a substantial breach of the Framework Agreement.
10. The Seller undertakes that the bank account designated by him for the payment of any obligation of the Buyer hereunder shall be published and accessible from the date of signing of this Framework Agreement until its expiry in accordance with Section 98 VATA, otherwise the Seller is obliged to provide another bank account to the Buyer that is duly published pursuant to Section 98 VATA. In the case Seller has been indicated by a tax administrator as an unreliable taxpayer pursuant to Section 106a VATA, Seller undertakes to immediately, within two working days of it becoming aware of its insolvency or of issuing a decision by a tax administrator that the Seller is an unreliable payer pursuant to Section 106a VATA, notify this to Buyer along with the date on which this circumstance arose.
11. If surety for unpaid VAT arises for the Buyer according to Section 109 VATA on received taxable performance from Seller, or the Buyer justifiably assumes that such facts have occurred or could have occurred, the Buyer is entitled without the consent of Seller to exercise procedure according to the special method for securing tax, i.e. the Buyer is entitled to pay the concerned VAT according to the invoice (tax document) issued by the given Seller to the competent revenue authority and do so according to Sections 109 and 109a VATA.
12. By payment of the VAT into the account of the revenue authority, the Seller's receivable from Buyer is considered as settled in the amount of the paid VAT regardless of other provisions of the Framework Agreement. At the same time, Buyer shall be bound to notify the respective Seller of such payment in writing immediately upon its execution.
13. The Seller is not authorised, without prior consent of the Buyer, to set-off any of its receivables from the Buyer with any of the Buyer's receivables from the Seller or assign any of its rights and receivables from the Buyer to a third party.
14. The Seller agrees that it shall in no way burden its claims against the Buyer under the partial contract or in connection with a lien in favour of a third party.

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

1. The Seller is responsible for the proper performance consisting in the delivery of the required number of Prelaminated Inlays in terms of quantity and quality and for their functionality, particularly in compliance with the Annex No. 1, 2 and relevant Layout.

2. The Seller provides the Buyer with a quality guarantee relating mainly to the life of the chip module and his functionality (hereinafter referred to as the "warranty period"):
  - (a) for PVC Prelaminated Inlays for a period of 36 months;
  - (b) for PC Prelaminated Inlays for a period of 120 months.

The stated warranty period starts from the day of signing delivery note of the delivered subject of performance.
3. By the quality guarantee, the Seller undertakes that the delivered Goods shall be free of defects, i.e. be, for the duration of the Warranty Period, capable of performance for the contracted purpose, otherwise to the usual purpose, and maintain the otherwise the usual properties contracted in particular in Article II Paragraph 1 hereof and in Annex No. 1. 2 hereto and relevant Layout. The Seller is liable for any defect, including hidden or obvious defects, which arise or manifest during the Warranty Period. The Buyer may claim defects in the delivered Goods at any time during the Warranty Period. The Goods are considered to have defects, if not delivered in accordance with this Framework Agreement or any partial contract.
4. The Seller declares that the Goods are not encumbered with rights of third parties and have no other legal defects.
5. Defective Prelaminated Inlays delivered by the Seller in accordance with Article IV, paragraph 8 of this Framework Agreement must be devalued on the sheet by physical interruption of the antenna, and at the same time clearly and unmistakably marked.
6. Complaints of obvious defects of Prelaminated Inlays shall be made by the Buyer immediately after their discovery within the acceptance of the subject of performance (e.g. defective packaging or discrepancies on labels with the delivery note). The Buyer has the right to do not accept Prelaminated Inlays with obvious defects. In such a case, the Seller is obliged to deliver perfect Prelaminated Inlays instead of Prelaminated Inlays with obvious defects no later than 15 working days from the date of refusal to accept. Given the nature of the Goods supplied, the Buyer shall inspect the quantity, quality, and any defects only at the stage of processing in its production. Complaints about these defects discovered during processing shall be made by the Buyer immediately after discovery.
7. The time limit for acknowledging or rejecting a complaint of such a complaint is 15 working days from the date of the complaint to the Seller. If the Seller does not comment within this period, the complaint is considered accepted.
8. If the Goods suffer defect(s), the Buyer is entitled to:
  - a) Have the defect removed through a new supply of perfect Goods;
  - b) Have the defect removed through the supply of the missing Goods;
  - c) Demand an adequate discount on the price;
  - d) Withdraw from the relevant partial contract.
9. The choice of the entitlement resulting from defective Goods always lies with the Buyer.
10. The time limit for acknowledging or rejecting a complaint of such a complaint is 20 working days from the date of the complaint to the Seller. If the Seller does not comment within this period, the complaint is considered acknowledged. All costs incurred in connection with the defects of the Goods or the exercise of defect warranty claims, especially the costs of the replacement of any defective Goods, and the costs of delivery of any missing quantity of the Goods, shall be borne by the Seller.

11. The Seller is obliged to eliminate defects by delivery of replacement (new or missing) Goods within 21 calendar days from the decision on the recognition of the complaint.
12. Before all defects of the Goods are removed, the Buyer will not be obliged to pay the Seller the price of the defective Goods, if the price for defective Goods has not yet been paid to the Seller at the time of the exercise of warranty claim.
13. Making claim under liability for defects shall not affect Buyer's entitlement to the agreed contractual penalty and damages.
14. Any activities, which are necessary for or are relating to claiming the defects, shall be made by the Seller itself at its own costs in cooperation with the Buyer during the Buyer's working hours so that its activities will not endanger or limit the Buyer's activities.

## **VIII. PROTECTION OF INFORMATION**

1. The Parties are not entitled to disclose to any third party the non-public information they obtained or shall obtain during mutual cooperation, and the information relating to entering into this Framework Agreement and its content. This does not apply if the information is disclosed to the employees of the Contracting Party for the purpose of implementation hereof on a need-to-know basis, or to other individuals (information processors) involved in implementation hereof, under the same terms as laid down for the Parties hereto and always within the minimum scope necessary for due fulfilment hereof.
2. The Contracting Parties are liable to assure compliance with the obligations pursuant to this Article of all individuals to whom the non-public information is disclosed pursuant to the previous sentence. Violation of the confidentiality commitment by these individuals shall be deemed violation by the Party disclosing the information to them.
3. Confidential information is any information mutually provided in written, oral, visual, electronic, or other format as well as know-how which has actual or potential value and which is not commonly available in the respective business circles, and further information which is designated in writing as confidential (abbreviation "DIS") or which may be assumed to be confidential information due to the nature of the respective matter .
4. The Parties hereby undertake that if in the context of mutual cooperation they get in touch with personal data or special categories of personal data in the sense of the Regulation of the European Parliament and of the Council (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on free movement of these data, and repealing Directive 95/46/EC (the General Data Protection Regulation, or GDPR) and Act No. 110/2019 Sb., on Personal Data Protection, they will take any and all necessary measures to prevent unauthorised or random access to these data, their alteration, destruction or loss, unauthorised transfer, other unauthorised processing or any other misuse.
5. In this regard, the Parties agree, in particular:
  - a) Not to disclose non-public information to any third party;
  - b) To ensure the non-public information is not disclosed to third parties;
  - c) To secure the data in any form, including their copies, which include non-public information, against third party misuse and loss.
6. The obligation to protect non-public information shall not apply to the following cases:
  - a) The respective Party proves that the given information is available to the public without this availability being caused by the same Contracting Party;
  - b) If the Party is able to demonstrate that the given information was available to it before the date of disclosure of the information by the other Party and that it did not acquire it in

violation of the law;

- c) If the Party obtains a written approval from the other Party to disclose the information further;
- d) If the law or a binding decision of the respective public authority requires the information to be disclosed;
- e) An auditor performs an audit at one of the Parties based on authorisation specified in applicable legal regulations.

7. The Parties agree, upon the request of the other Party, to:

- a) Return all the non-public information which was handed over to it in a "material form" (especially in writing or electronically) and any other materials containing or implying the non-public information;
- b) Return or destroy copies, extracts or other entire or partial reproductions or records of non-public information;
- c) Destroy without undue delay all documents, memoranda, notes and other written materials elaborated based on the non-public information;
- d) Destroy materials stored in computers, text editors, or other devices containing non-public information pursuant to this Framework Agreement.

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

- 8. The employee of the liable Party authorised to destroy the documents in the sense of the previous paragraph shall confirm the destruction at the request of the other Party in writing.
- 9. In case that either of the Parties or their employees of other individuals (information processors) become aware in a credible manner or if they have a reasonable suspicion that the confidential information has been disclosed to an unauthorised party, they shall be bound to inform the other Party of such a fact without undue delay.
- 10. The Contracting Parties are obliged to ensure the protection of information which one of the Contracting Parties designates as a trade secret within the meaning of Section 504 of the Civil Code. The Parties are obliged to secure information designated as a trade secret at least to the same extent as the non-public information defined in this Framework Agreement. Text designated by the Contracting Parties as a trade secret shall not be published in the Register of Contracts within the meaning of Article XIV paragraph 9 hereof.
- 11. The confidentiality obligation is limited to a period of 15 years after termination of this Framework Agreement. The obligation to maintain confidentiality of non-public information acquired within the framework of cooperation with the other Party lasts even after this Framework Agreement is terminated or expires. The confidentiality commitment shall pass onto any potential successors of the Parties.

## IX. SANCTIONS

- 1. In the case of Seller's delay with the delivery of the Goods, the Seller is obliged to pay a contractual penalty to the Buyer in the amount of 0.1 % of the price of the Goods or its part with the delivery of which the Seller is in delay, for each started day of such delay.
- 2. In the case of the Seller's delay in settling a warranty claim within the period specified in Article VII Paragraph 6, 10 or 11 hereof, the Buyer is entitled to demand a contractual penalty in the amount of **50 USD** for each started day of such delay.
- 3. The Seller is obliged to pay the Buyer a contractual penalty in the amount of 4 700 USD for each individual case, if:

- (a) the number of defective Prelaminated Inlays within one partial delivery exceeds 3% of the total number of Prelaminated Inlays delivered; or
- (b) the partial delivery contains one or more sheets with more than 2 defective Prelaminated Inlays in the case of a sheet with 15 Prelaminated Inlays; or
- (c) the partial delivery contains one or more sheets with more than 3 defective Prelaminated Inlays in the case of a sheet with 21 Prelaminated Inlays.

Payment of the contractual penalty does not release the Seller from its duty to perform the obligations imposed are based on this Framework Agreement and the respective partial contract.

4. In the case of violation of the obligations resulting from Article VIII hereof, the Buyer shall be entitled to a contractual penalty in the amount of **USD 10,000** per each discovered case of violation of these obligations.
5. Stipulating the contractual penalty is without prejudice of the right to compensation of any incurred harm to full extent.
6. The contractual penalty is due within 30 calendar days after the delivery of the bill for the contractual penalty to the Seller.
7. Payment of the contractual penalty does not release the Seller from its duty to perform the obligations imposed and based on this Framework Agreement and the respective partial contract.

## **X. FORCE MAJEURE**

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

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

1. This Framework Agreement is governed by the laws of the Czech Republic, especially the Civil Code and PPA.
2. The Parties undertake to exert every effort to resolve any mutual disputes resulting from this Framework Agreement. Should the Parties fail to agree on an amicable settlement of a mutual dispute, each of the Parties may seek its rights before a competent court in the Czech Republic; the jurisdiction of any foreign court is excluded. The Parties have agreed that the competent court for judgement of the disputes arising between them under this Framework Agreement is the general court according to the Buyer's registered seat.

3. The application of the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980, known as the Vienna Convention, is excluded by this Framework Agreement.

## **XII. TERM OF THE FRAMEWORK AGREEMENT**

1. The present Framework Agreement comes into force on the day it is signed by both Parties and taking effect once it is published in the Register of Contracts.
2. This Framework Agreement has been entered into for a definite period, namely for a period of 2 years from the date of its entry into force and shall terminate upon expiration of 2 years from the day of effectiveness of the Framework Agreement or upon fulfilment Financial Limit of 606 000 USD in the sense of Article I Paragraph 5 hereof, whichever occurs first.
3. The expiration and effectiveness of this Framework Agreement does not affect partial orders under this Framework Agreement that have already been delivered to the Seller at the time of expiry and effectiveness of this Framework Agreement (such partial deliveries will be confirmed and performed by the Seller in accordance with this Framework Agreement, partial order).
4. This Framework Agreement shall also terminate
  - a) by written agreement of the Parties;
  - b) by written notice of termination by either Party;
  - c) by withdrawal from this Framework Agreement in the cases given in this Framework Agreement or in the event of a substantial breach by either Party.
5. The Parties agree that they consider the following cases in particular to constitute a substantial breach hereof:
  - a) a failure to meet technical specification of Goods pursuant to Article II Paragraph 1 hereof or pursuant to Annex No. 1, 2 hereto or do not comply with the relevant Layout;
  - b) repeated, at minimum the second, delay of the Seller in the delivery of Goods according to partial contracts for a period exceeding 10 days;
  - c) if the quantity of defective Prelaminated Inlays in deliveries is repeatedly (more than twice) higher than that referred to in Article IV Paragraph8 of this Framework Agreement;
  - d) breach of Article VIII hereof which has not been remedied following a previous notice for correction,
  - e) breach of obligation under Article XIII Paragraph 1 hereof;
  - f) in other cases, stated in this Framework Agreement.
6. The partial contract shall terminate:
  - a) if such termination is agreed upon by the Parties hereto;
  - b) By withdrawal of the Buyer
    - i. in the case pursuant to Article VII Paragraph 8 letter (d) hereof; or
    - ii. in the case of a breach of the partial contract by the Seller in a substantial manner, whereas the Parties consider such a breach of the partial contract in a substantial manner to be in particular the case pursuant to Article XII Paragraph 5 letters (a), (c), (d) and/or (e) hereof and the case where the Seller is in delay with the delivery of Goods according to specific partial contract for more than 2 calendar weeks.

7. The written notice of withdrawal from this Framework Agreement or a specific partial contract shall take effect on the day the written notice of withdrawal is delivered to the other Party. The notice of withdrawal from this Framework Agreement or a specific partial contract must be sent by registered mail or via Czech data box system. Withdrawal from this Framework Agreement or from a specific partial contract does not terminate the contractual relationship from the very beginning, the mutual performances provided by the Parties until the termination of this Framework Agreement or a specific partial contract shall be retained by both Parties.
8. The Parties are entitled to terminate this Framework Agreement at any time, without stating any reason. The notice period shall be 6 months and shall begin on the first day of the calendar month following the delivery of written notice of termination to the other Party. The notice must be sent by registered mail. The Parties take into consideration that they are obliged to fulfil the obligations arising from this Framework Agreement during the notice period.
9. Termination of this Framework Agreement shall not affect the provisions regarding contractual penalties, damage compensation, and such rights and obligations which, by their nature, shall persist even after this Framework Agreement is terminated. This Framework Agreement is also to be applied to the relations, including partial contracts, formed during this Framework Agreement even after this Framework Agreement is terminated.

### **XIII. OTHER PROVISIONS**

1. For the entire period of validity and effectiveness of this Framework Agreement, the Seller is obliged to maintain valid a liability insurance contract for damages caused to third parties for the minimum amount of EUR 100.000. The Seller has submitted the insurance contract (insurance certificate) prior to the signing of this Framework Agreement and is further obliged to submit it upon request at any time, no later than 10 calendar days from the receipt of such a request by the Buyer.
2. The Seller is entitled in the fulfilment of this Framework Agreement, respectively, individual partial orders, to use other subcontractors that he did not list on the list of subcontractors submitted as an integral part of the bid, only with the prior written consent of the Buyer assuming that the Contractor shall submit the documents that demonstrate fulfilment of the basic qualifications pursuant to Section 74 PPA and professional qualifications pursuant to Section 77 PPA by the new subcontractor. The Contractor shall be liable for the performance of its subcontractors as for its own including liability for consequences due to breach of contractual duties.
3. The Seller undertakes to cooperate as necessary in the performance of duties pursuant to the PPA.
4. The Seller, hereby declares in compliance with the Article 5k of the Council Regulation (EU) No. 2022/576 of 8 April 2022, by which the Council Regulation (EU) No. 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine, was amended, that the Seller is not:
  - a. a Russian national, or a natural or legal person, entity or body established in Russia;
  - b. a legal person, entity or body whose proprietary rights are directly or indirectly owned for more than 50 % by an entity referred to in point a. of this paragraph;
  - c. a natural or legal person, entity or body acting on behalf or at the direction of an entity referred to in point a. or b. of this paragraph.
5. The Seller, hereby declare, that the Seller does and shall not account for more than 10 % of contract value of this Contract, subcontractors, suppliers or entities, referred to in the paragraph 4-

point a. or b. or c. of this Article whose capacities are being relied on within the meaning of the public procurement legislation.

6. The Seller further declares that the Seller in the sense of:

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

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

7. The Seller also further declares that for purposes of performance of this Framework Agreement no funds or economic resources will be made available directly or indirectly to natural or legal persons, entities or bodies listed in Annex I of Regulation No. 269/2014, Regulation No. 208/2014 or Regulation No. 765/2006 or for their benefit.
8. If, during the validity and effectiveness of this Framework Agreement, there should be non-compliance with the conditions specified in Paragraph 4, 5, 6 or 7 of this Article hereof, the Seller undertakes to immediately once the Seller finds out about the change of circumstances, inform the Buyer of this fact in writing.
9. Violation of the Seller's obligations above mentioned in Paragraph 4 - 8 of this Article is considered a material breach of the Framework Agreement, based on which Buyer has the right to withdraw from this Framework Agreement in accordance with the terms of this Framework Agreement.

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

1. The Parties agree that any modifications and additions hereto may only be made in written amendments identified as such, numbered in ascending order, and agreed upon by the Parties.
2. The Seller undertakes to notify the Buyer without undue delay if the Seller becomes insolvent or is under threat of becoming insolvent.
3. The Seller guarantees that the subject of performance is not encumbered by the rights of third parties.
4. The Seller hereby declares that respects fundamental human rights and generally accepted ethical and moral standards in accordance with Universal Declaration of Human Rights (hereinafter also only „Rights“). In the case of the Buyer in a reliable and verifiable manner learns that the Seller has violated or violate Rights, and the Seller despite a prior written notice of the Buyer continues to violate generally accepted Rights or fails to remedy, the Buyer has the right to withdraw from this Framework Agreement or to withdraw from partial contract pursuant to the terms hereof.

5. This Framework Agreement constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior oral or written agreements of the Parties with respect to the subject matter hereof. No speech made by the Contracting Parties in the negotiation of this Framework Agreement or any speech made after the conclusion of this Framework Agreement shall be construed in a manner inconsistent with the express provisions of this Framework Agreement and shall not create any obligation on the part of either Contracting Party.
6. The Parties expressly declare that they do not wish, in addition to the express provisions of this Framework Agreement, any rights and obligations to be derived from future practices established between the Parties or practices maintained generally or in the sector relating to the subject matter of this Framework Agreement, unless expressly provided otherwise in this Framework Agreement. At the same time, the Parties declare that they are not aware of any business customs or practices established so far between them. The Parties hereby declare that no verbal arrangement, contract or proceedings on the part of any of the Parties exists, which would negatively influence the exercise of any rights and duties according to this Framework Agreement. At the same time, the Parties confirm by their signatures that all the assurances and documents hereunder are true, valid and legally enforceable.
7. If any provision hereof is or becomes invalid or ineffective, it shall have no effect whatsoever on the other provisions hereof, which shall remain valid and effective. In such a case, the Parties undertake to replace the invalid/ineffective provision with a valid/effective provision the effect of which comes as close as possible to the originally intended effect of the invalid/ineffective provision. If any provision hereof is found null (void), the Parties shall analogously assess the effect of such nullity on the remaining provisions hereof in accordance with Section 576 of the Civil Code.
8. The rights and obligations arising from this Framework Agreement may not be transferred to a third party without the prior written consent of the other Party.
9. This Framework Agreement shall be binding on the legal successors of the Contracting Parties. The Parties take into consideration that in accordance with Section 219 (1) (d) of the PPA, this Framework Agreement shall be published in the Register of Contracts pursuant to Act No. 340/2015 Sb., laying down special conditions for the effectiveness of certain contracts, the disclosure of these contracts and the register of contracts (the Register of Contracts Act), as amended. The publication shall be arranged by the Buyer.
10. The Framework Agreement shall be drawn up for the purpose of signing in electronic form in one copy in English with electronic signatures of both parties in accordance with Act No. 297/2016 Sb., on trust services for electronic transactions, as amended; or for the purpose of signing the Agreement in paper form in two copies in English with the validity of the original, of which each party shall receive one copy.
11. The Parties declare they agree with the content hereof and this Framework Agreement is prepared in a certain and intelligible manner, based on true, free and serious will of the Parties, without any duress on either Party. In witness whereof they append their signatures below.
12. The following Annexes form an integral part of this Framework Agreement:

**Annex No. 1 – Technical specification**

**Annex No. 2 - List of Prelaminated Inlays**

For the Buyer:

For the Seller:

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

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**Martin Březina,**  
Vice-President LUX –  
Ident Business Unit  
**LUX – Ident s.r.o.**