**Framework Agreement for Supply of thermal paper with a holographic stripe applied**

Registered by the Client under Ref. No. **[•]**/OS/2019

(hereinafter referred to as this “Framework Agreement”)

**entered into pursuant to the Act No. 134/2016 Coll., on public procurement, as amended (hereinafter referred to as the “PPA”)**

**and**

**pursuant to Act No. 89/2012 Coll., Civil Code, as amended (hereinafter referred to as the “Civil Code”)**

by and between:

**STÁTNÍ TISKÁRNA CENIN, státní podnik**

with its registered office at Prague 1, Růžová 6, House No. 943, 110 00, Czech Republic

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

Business ID: 00001279

Tax registration No.: CZ00001279

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

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

Account number: 200210010/2700

(hereinafter the “**Client**”)

and

**[the Contractor to add its business name and further identification details]**

With its registered office at **[•]**

entered in the Commercial Register maintained by **[•]**, Section **[•]**, File **[•]**

represented by: **[•]**

Business ID: **[•]**

Tax registration No.: **[•]**

Bank details: **[•]**

Account number: **[•]**

IBAN: **[•]**

SWIFT: **[•]**

(hereinafter referred to as the “**Contractor**”)

(the “Client” and the “Contractor” are hereinafter collectively referred to as the “Parties”)

1. INTRODUCTORY PROVISIONS
   1. This Framework Agreement is entered into based on the outcome of the over-limit public contract procedure in accordance with PPA titled ***“Supplies of security printing paper, security printing paper with a holographic stripe applied and thermal paper with a holographic stripe applied - Part C): Supplies of thermal paper with a holographic stripe applied”*** (hereinafter referred to as the "**Tender Procedure**”) with the Contractor that meets any and all tender conditions, and the tender of which was selected as economically the most advantageous. Further, this Framework Agreement was based on the Contractor’s tender filed under the Tender Procedure on **[the Contractor to add its tender submission date]**, the content of which is known to the Parties (hereinafter referred to as the “**tender**”).
   2. When interpreting this Framework Agreement, the Parties shall take account of the tender terms and conditions and the purpose of the subject of Tender Procedure. The provisions of laws and regulations on interpretation of legal conduct are not affected by this.
   3. The Framework Agreement regulates the method for conclusion of individual partial contracts, terms and conditions for execution of the individual supplies by the Contractor, as well as other rights and obligations of the Parties related to the realisation of the subject hereof.
   4. The purpose of this Framework Agreement is to secure the supplies of thermal paper with a holographic stripe applied in line with the Client’s needs.
2. **SUBJECT OF THE FRAMEWORK AGREEMENT**
   1. The subject of this Framework Agreement is the Contractor’s obligation to supply to the Client, according to its current needs, **security printing paper** (hereinafter referred to as the “**Goods**”), **including potential production of print templates for embossing the original hologram** (hereinafter referred to as the “**Master**”) according to the technical specification contained in **Annex 1** to this Framework Agreement, and to enable the Client to acquire the ownership title to the supplied Goods and ownership rights and license to the Master.
   2. The Client undertakes to accept the Goods, duly delivered as regards the required quantity and type, quality of the Goods, on the required delivery dates, and pay the price for the Goods agreed to herein.
   3. The Client is entitled to request the Contractor for performance under this Framework Agreement, whereas the minimum ordered quantity of the Goods is **1,000 kg**. The Client does not have the obligation to make such an order. For the avoidance of any doubts, the Parties are hereby stating that in case of using the Master ordered and made before or in case of using the Master provided by the Client, the Client does not have the obligation to order the Master repeatedly.
3. **PARTIAL CONTRACTS**
   1. Any and all supplies of the Goods shall take place according to Client’s needs in line with the Client’s written purchase orders, each one of which constitutes a proposal to conclude a partial contract (hereinafter referred to as the “**purchase order**”), and purchase order confirmations, which constitute the acceptance of the proposal to conclude a partial contract (hereinafter referred to as the “ **partial contract**”). A partial contract shall be deemed to be entered into once the Client receives confirmation of the purchase order confirmation from the Contractor, confirming the purchase order without reservations.
   2. As a minimum requirement, an purchase order shall contain the following details:
4. Client's identification data;
5. definition of the subject of performance and detailed specifications thereof, including the quantity of the Goods to be delivered;
6. other requirements for the Goods, e.g. requirements for design and properties of the Master;
7. detailed delivery conditions, especially the delivery term and place of delivery;
8. identification of the person placing the purchase order who is authorised to act on behalf of the Client.

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

* 1. The purchase order as per this Article shall be sent by the Client to the Contractor electronically to the Contractor’s e-mail address **[the Contractor to add its e-mail address]**.
  2. The Contractor shall confirm the purchase order acceptance to the Client by return to the Client’s email address [purchasing@stc.cz](mailto:purchasing@stc.cz). As a minimum requirement, the purchase order confirmation shall contain the identification data of the Contractor and the Client, and identification of the purchase order being confirmed.
  3. The Parties agree that the Contractor shall respect the supplies of the Goods as requested and shall not modify the supplies as to type, volume or finance unless expressly agreed by the Parties.
  4. The Contractor undertakes to perform any partial contract in accordance with its Tender.

1. PLACE OF PERFORMANCE AND TERMS OF DELIVERY
   1. The Contractor shall deliver the Goods to the Client no later than in the following delivery terms:
      1. **12 weeks as of the purchase order delivery to the Contractor in case of a purchase order requesting the Master to be manufactured;**
      2. **8 weeks as of the purchase order delivery to the Contractor in case of a purchase order not requesting the Master to be manufactured.**

The Goods shall be considered as delivered on the day of handover and acceptance by protocol, i.e. the date of signature of the delivery note by the Client.

* 1. Each delivery of the Goods shall be accompanied with a delivery note to be confirmed by both Parties upon handover and takeover of the Goods, and shall be used as the **Goods acceptance protocol**. The Goods shall be considered as delivered on the day of handover and acceptance by protocol, i.e. the date of signature of the delivery note by the Client.

The delivery note shall contain:

1. Identification data of the Contractor and Client,
2. number and date of issue of the delivery note,
3. the purchase order number,
4. Position/serial number; number according to purchase order;
5. order number (if stated in the purchase order),
6. specification of the required type and properties of the Goods or the Master,
7. the Goods quantity and the unit of measure,
8. the item name.
   1. The place of performance shall be the production facilities of the Client at the following address:

**Production Plant III – Na Vápence 14/915, 130 00 Prague 3, Czech Republic.**

* 1. The Contractor shall arrange for the transportation of the Goods to the place of performance at its own expense and risk in accordance with Incoterms 2010, DAP.
  2. The Contractor may deliver the Goods on business days from 06:00 a.m. to 02:00 p.m., unless otherwise agreed to by the Parties.
  3. The supplied Goods shall be packed in a manner that is usual for such type of Goods, taking into consideration the place of delivery of the Goods and the mode of transport, so as to ensure the preservation and protection of the quality of the Goods, as well as protect the Goods from damage by mechanical and atmospheric elements. Each consignment shall be duly marked with the name of the Goods, manufacturer and weight of the Goods.
  4. If the Goods are delivered in rolls according to the Client's request, the Contractor shall mark on the delivered Goods any interruption of the Good (i.e. its potential linking/connection), namely holographic stripe, or defective kg, by inserted coloured paper (or alternatively mark also visibly by marker). Holographic stripe interruptions must be properly marked on the roll at the beginning and end by loading coloured paper.
  5. The Parties agree that there may be no more than one interruption per one roll of the Goods. The Contractor shall be liable to the Client for any damage caused by failure to comply with this provision.
  6. The Contractor shall store the individual paper sheets or rolls on a pallet, not more than 3 pieces per pallet (+ the rest), up to the height of 170 cm in case of rolls and up to the height of 130 cm in case of sheets and the total weight up to 1 ton. The rolls shall be secured with a shrink wrap and a label against unauthorised handling. The pallet needs to be provided with a top cover and a label.
  7. The pallet label shall contain the storage condition and at least the following details:

1. Pallet No.,
2. Roll No. on the pallet,
3. Good paper weight,
4. Defective paper weight,
5. Gross weight (including packaging and pallet),
6. Net weight.
   1. The Client shall agree to take over Goods free of any defects and supplied by the Contractor on the basis of and in accordance with this Framework Agreement, and to pay the price for deliveries of the Goods to the Contractor.
   2. The ownership title to the Goods supplied under this Framework Agreement shall pass on to the Client at the moment of takeover of the Goods, i.e. upon the handover protocol for the Goods (delivery note) being signed by the Client. The risk of damage to the Goods is transferred to the Client at the same moment.
7. PRICE
8. The Contractor agrees to supply the Goods and manufacture the Master for the duration of this Framework Agreement for the Client for the prices calculated according to the price list contained in **Annex 1** to this Framework Agreement. Any and all prices are stated **in euros (EUR) exclusive of VAT**.
9. The price for the individual supplies of the Goods and the Master manufacture also includes any and all the related costs of the Contractor, particularly packaging and transportation of the Goods to the place of performance, customs duty, customs charges, any ecological liquidation of the Goods and related services. This price is the final and maximum permissible price.
10. VAT shall be billed at the rate stipulated in the legislation that is valid and in force on the date of taxable supply.
11. PAYMENT TERMS
    1. The price shall be paid by the Client after proper delivery of the Goods on the basis of tax documents (invoices) issued by Contractor.
    2. The Contractor’s right to issue a tax document (invoice) for the consignment of Goods is established on the date delivery, i.e. the date of signature of the delivery note by the Client’s authorised representative. The date of taxable supply is the date of handover and acceptance of the Goods with confirmation in the form of a protocol, i.e. the date on which the Client’s authorised representative signed the Goods acceptance protocol (delivery note).
    3. The Client does not provide the Contractor with any advance payments for the price.
    4. An invoice (tax invoice) shall contain all the prerequisites as for a tax document according to the applicable legal regulations and this Framework Agreement. Each tax document (invoice) shall include a copy of the confirmed Delivery Note relating to the executed delivery.
    5. For each delivery of the Goods, the Contractor shall issue a separate tax document (invoice).
    6. The maturity period of any tax document (invoice) duly issued by the Contractor is 30 days as of the issue date. The Contractor shall deliver the invoice to the Client to the following email address: [podatelna@stc.cz](mailto:podatelna@stc.cz). For the purposes of this Framework Agreement, an invoice shall be deemed paid once the respective amount is credited to the Contractor’s account specified in the header hereof.
    7. In the event that any invoice issued by the Contractor does not contain the necessary formalities or will contain incorrect or incomplete information, the Client is entitled to return the invoice to the Contractor stating the reason for such return, without getting into arrears with payment. The new maturity period shall commence from the date of delivery of a duly corrected or supplemented invoice to the Client.
    8. If the Contractor is an entity liable for VAT registered in the Czech Republic, the following arrangements as contained in this article shall be binding and applicable (paragraphs 9 to 12 of this Article).
    9. The Contractor shall immediately and demonstrably notify the Client, a recipient of the taxable supply, within two business days of its becoming aware of its insolvency or its threat at the latest, or of issuing a decision by a tax administrator, that the Contractor is an unreliable payer pursuant to Section 106a of the Value Added Tax Act No. 235/2004 Coll., as amended (hereinafter “VATA”). Violation of this obligation by the Parties is considered a material breach of this Framework Agreement.
    10. Each Contractor pursuant to paragraph 9 of this Article undertakes that the bank account designated by him for the payment of any obligation of the Client under this Framework Agreement shall be published and accessible from this Framework Agreement conclusion date until its expiry in accordance with Section 98 of VATA, otherwise the Contractor is obliged to provide another bank account to the Client that is duly published in accordance with Section 98. In the case that the Contractor has been indicated by a tax administrator as an unreliable tax payer pursuant to Section 106a of VATA, the Contractor undertakes to immediately notify this to the Client along with the date on which this circumstance arose.
    11. If a guarantee for unpaid VAT arises for the Client according to Section 109 of VATA on received taxable supply from any Contractor, or the Client justifiably assumes that such facts have occurred or could have occurred, the Client is entitled, without the consent of such Contractor, to exercise a procedure according to the special method for securing tax, i.e. the Client is entitled to pay the concerned VAT according to the invoice (tax document) issued by the given Contractor directly to the competent revenue authority and to do so according to Sections 109 and 109a of VATA.
    12. By payment of the VAT to the account of the revenue authority, the Contractor's receivable from Client is considered as settled in the amount of the paid VAT regardless of other provisions of the Framework Agreement. At the same time, the Client shall be bound to notify the respective Contractor of such payment in writing immediately upon its execution.
    13. The Contractor is not authorised, without the written consent of the Client, to set-off any of its receivables from the Client with any of the Client’s receivables from the Contractor or assign any of its rights and receivables from the Client to a third party.
    14. The Contractor agrees that it shall in no way burden its claims against the Client under the partial contract or in connection with a lien in favour of a third party.
    15. In case the Contractor sets off, assigns or places under lien any claim against the Client from the title of a partial contract in contravention of the preceding provisions, the Contractor is obliged to pay to the Client a contractual penalty at the rate of 10% on the value of the claim, which was set-off, assigned or placed under lien.
12. OTHER RIGHTS AND OBLIGATION OF CONTRACTING PARTIES
    1. The Contractor shall supply the goods to the Client in line with the technical specification contained in Annex 1 to this Framework Agreement.
    2. In the event that the Master manufacture creates copyrighted work within the meaning of Act No. 121/2000 Coll., on copyright, rights related to copyright and the amendment to certain acts, as amended, (hereinafter referred to as the “Work”), whose author is the Contractor, the Contractor shall grant to the Client upon delivery of the Goods an exclusive territorially unlimited licence to the Work for the duration of the property rights to the Work and for all methods of use of the Work. The licence is free of charge, respectively is already included in the price for the Master manufacture. The Contractor is not entitled to any additional remuneration in relation to the copyrights to the Work that has not been agreed to in this Framework Agreement.
    3. If the author of the Work is a person different from the Contractor, the Contractor shall obtain a licence for the Work within the scope of the previous paragraph hereof including agreement of the right to provide a sub-licence to the Work to third parties. The Parties have agreed that by supply of the Goods the Contractor is providing the Buyer with a free-of-charge sub-licence to the Work. The Contractor is not entitled to any additional remuneration in relation to the copyrights to the Work that has not been agreed to in this Framework Agreement.
    4. The Client has the right, after the termination of the Framework Agreement, to grant to third parties a sub-licence to the full or partial extent of the licence or sub-licence to the Work in an unlimited number. Furthermore, the Client has the right, after the termination of the Framework Agreement, to assign, in whole or in part, the licence or sub-licence to any third party and that third party may transfer it further without limitation, to which the Contractor gives its consent.
    5. The Client is entitled to supply the design with original hologram, the author of which is the Client, to the Contractor, potentially including the Master, for purposes of supplying the Goods containing the subject original design. The Client shall provide the design or Master to the Contract no later than in 7 calendar days as of the purchase order confirmation by the Contractor in a way defined in Article III, paragraph 4 of the Framework Agreement based on an acceptance protocol. Should the Contractor find out that the supplied Master is not suitable for production of the Goods, it shall immediately notify the Client accordingly.
    6. The Contractor agrees to use the completed Work and Masters provided by the Client as per the previous paragraph of this Article solely for production of the Goods for the Client. The Contractor shall further secure the Work and Masters against any misuse, damage or loss caused by the Contractor or a third party.
    7. The Parties have agreed that the produced Master as a physical object shall be left for physical disposal by the Contractor, unless otherwise agreed to between the Parties. Handover to the Client after this Framework Agreement termination is defined in Article XII, paragraph 9 hereof.
    8. No later than as of this Framework Agreement conclusion date, the Contractor shall submit, and maintain valid for the entire duration of this Framework Agreement, an insurance policy for insurance of damage caused to third parties by operating activity for the minimum amount of CZK 15,000,000 and for insurance of damage caused by a product defect with the minimum indemnification of CZK 15,000,000, or for an equivalent amount in another currency on the provision that they meet the required limit using the foreign exchange rates of the Czech National Bank as of this Framework Agreement conclusion date.
    9. The Contractor hereby agrees to provide the necessary assistance in performance of the obligations pursuant to the PPA.
    10. The Contractor further acknowledges and agrees that the Client is entitled to conduct the safety and quality audit related to the subject of performance of this Framework Agreement at the Contractor’s facility at any time for the duration of this Framework Agreement, which usually requires the Contractor’s assistance, by enabling access to the Contractor’s facility, or verification of specific processes of the Goods production and processing.
13. LIABILITY FOR DEFECTS AND QUALITY WARRANTY
    1. The Goods and the Work must be free of any factual and legal defects. The Goods or the Work shall be considered to have defects if not delivered in accordance with this Framework Agreement or any partial contract.
    2. The Contractor shall provide the Client with a warranty for the quality of the Goods for the period of 24 months as of the date of acceptance of the Goods free of any defects (hereinafter referred to as the “Warranty period”).
    3. Under warranty for quality of the Goods, the Contractor undertakes that it shall for the duration of the warranty period be capable of performance for the contracted purpose, otherwise to the usual purpose and that it shall maintain the contracted, otherwise usual properties. The Contractor is liable for any defect that occurs within the warranty period. The Client shall be entitled to claim the defects of the delivered Goods at any time throughout the said warranty period.
    4. A defect is any condition when the quality, quantity or workmanship of the supplied Goods or the Work does not comply with the conditions specified in the specifications of the required Goods according to this Framework Agreement and the technical specifications stipulated in Annex 1 to this Framework Agreement; especially, the Goods or the Work are defective if not delivered in time, in the agreed type, quantity and quality.
    5. The term for the warranty claim assessment is 5 calendar days, commencing on the day of delivery of the notice of the defect of the Goods or of the Work to Contractor to the following e-mail address: **[The Contractor to add its e-mail address]**.
    6. If the Goods or Work suffer defect(s), the Client has the right to:
14. Have the defect eliminated through a new supply of perfect Goods or Work,
15. Have the defect eliminated through a supply of the missing Goods or Work,
16. Demand an adequate discount on the price;
17. Withdraw from the relevant specific partial contract.
    1. The choice of the entitlement resulting from defective Goods or Work under paragraph 6 of this Article of this Framework Agreement always lies with the Client.
    2. The term for the warranty claim settlement, in case the Client has chosen supply of new or missing Goods, is 15 calendar days as of the decision on warranty claim assessment as per paragraph 5 of this Article, however, not more than 15 calendar days as of the end of the term stipulated in Article 5 of this Article.
    3. Lodging a claim under liability for defects of the Goods or the Work shall not affect the Client's entitlement to the agreed contractual penalty and damage compensation.
    4. The Contractor shall conduct all activities necessary or associated with claiming of defects on its own at its own expense in cooperation with Client and within Client's working hours in order not to endanger or not to limit the Client's activities by its activities.
    5. The Contractor hereby declares that the Goods or Work are not encumbered with any rights of third parties and have no other legal defects.
18. PENALTIES
    1. In the case of the Contractor's delay with the delivery of the Goods within the deadline according to individual partial contracts, the Contractor shall pay to the Client a contractual penalty of 1% of the price of the Goods or a portion thereof (excluding VAT), to which the Contractor’s default applies, for each started day of such delay.
    2. If the Contractor uses the Work or the Master in any way in contradiction to Art. VII (6) hereof, i.e. for production of goods for another client, then the Contractor shall be charged by the Client a contractual penalty in the amount of EUR 11,800 per each such case of unauthorised use of the Work or the Master.
    3. Should the Contractor violate its obligation to eliminate the defects in the Goods or Work by delivering the new or the missing Goods within the term stipulated in Article VIII, paragraph 8 of this Framework Agreement, the Client is entitled to demand the contractual penalty amounting to 0.1% of the price of the Goods or a portion thereof or of the price of the Master (exclusive of VAT), the elimination of which is delayed by the Contractor for each started day of such delay.
    4. Should either Party violate its obligations as per Article X of this Framework Agreement in a demonstrable manner, the aggrieved Party is entitled to charge the contractual penalty amounting to EUR 11,800 for every violation or failure to meet such contractual obligation to the other Party. The burden of proof lies on the Party claiming that an obligation has been breached.
    5. In case of the Contractor’s delay in handing over the subjects within the term as per Article XIII, paragraph 9 of this Framework Agreement, the Contractor shall pay the contractual penalty amounting to EUR 80 for each started day of such delay.
    6. Payment of the contractual penalty does not release the Party from its duty to perform the obligations imposed on the basis of this Framework Agreement and the respective partial contract.
    7. Claiming the contractual penalty is without prejudice to the right to compensation of any damage suffered in the full extent.
    8. The contractual penalty (post-maturity interest) is due in 30 calendar days as of the date of delivery of the contractual (post-maturity interest) penalty billing to the other Party.

1. PROTECTION OF INFORMATION
2. 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 related to entering into this Framework Agreement and its content. This does not apply if the information is disclosed to the employees of the 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 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 the Act No. 110/2019 Coll., on Personal Data Protection, they shall 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 undertake:

1. Not to disclose confidential information to any third party;
2. Ensure that the confidential information is not disclosed to third parties;
3. Secure the data in any form, including their copies, which include confidential information, against third party abuse and loss.

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

1. The respective Party proves that the given information is available to the public without this availability being caused by the same Party;
2. 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;
3. If the Party obtains a written approval from the other party to disclose the information further;
4. If the law or a binding decision of the respective public authority requires the information to be disclosed;
5. An auditor performs an audit at one of the Parties based on authorisation specified in applicable legal regulations.

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

1. 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;
2. Return or destroy copies, extracts or other entire or partial reproductions or records of non-public information;
3. Destroy without undue delay all documents, memoranda, notes and other written materials elaborated on the basis of the non-public information;
4. 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 upon 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 confidentiality obligation is not time-limited. The obligation to maintain confidentiality of non-public information acquired within the framework of cooperation with the other Party lasts even after this Framework Agreement is terminated or expires. The confidentiality commitment shall pass on to any potential successors of the Parties.

11. The Contractor hereby acknowledges that the Client may impose the “Restricted” confidentiality level on a part of the technical specification of the Goods. In such case, the Contractor agrees to ensure that all persons provided an access to the restricted information provided by the Client for purposes of performance of the partial contracts shall meet the requirements for the right to receive the confidential information at the “Restricted” level pursuant to Act No. 412/2005 Coll., on confidential information protection and on security qualification, as amended.

**Xi. 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.

XII. APPLICABLE LAW AND RESOLUTION OF DISPUTES

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

XIII. 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 of time, specifically for 4 years as of its effective date.
  3. This Framework Agreement shall terminate

1. with the lapse of the agreed-upon term of the Contract;
2. by a written agreement between the Parties;
3. by a written notice of termination by either Party;
4. by withdrawal from this Framework Agreement subject to the terms and conditions given below in the event of a substantial breach hereof by either Party.
   1. The Parties have agreed that substantial breach of Framework Agreement shall particularly be:
5. A failure to meet the technical specification of the Goods;
6. Recurring, at minimum second, delay on the part of the Contractor in the delivery of the Goods according to a partial contract for a period exceeding 7 business days;
7. Use of the Work or Master supplied by the Client inconsistently with Article VII(6) of this Framework Agreement;
8. Other cases as per this Framework Agreement.
   1. The withdrawal from this Framework Agreement shall take effect on the day of a written notice of withdrawal delivery to the other Party. The notice of withdrawal must be sent by registered mail. Withdrawal from this Framework Agreement does not terminate the contractual relationship from the outset and the Parties retain any performance provided for each other up to termination hereof.
   2. The Parties are entitled to terminate this Framework Agreement at any time, even without stating a reason. The notice period is 6 months, commencing on the first day of the calendar month following delivery of the written notice of termination to the other Party. The notice must be sent by registered mail. The Parties hereby agree that their obligations pursuant hereto shall apply until the end of the notice period.
   3. 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.
   4. A partial contract expires:
9. if such termination is agreed upon by both of the Parties hereto;
10. by the Client’s withdrawal due to a substantial violation of the partial contract by the Contractor, whereas such violation mainly means when the Contractor is in default in delivering the Goods under the partial contract for more than 4 calendar weeks.
    1. Within 30 calendar days as of termination of this Framework Agreement, or within the term stipulated by agreement of the Parties, the Contractor agrees to submit any and all Masters supplied by the Client or the Work completed under a partial contract to the Client against an acceptance protocol.

XIV. FINAL PROVISIONS

* 1. The Parties agree that any modifications and additions hereto may only be made in written amendments identified as such, numbered in ascending order, and agreed upon by the Parties.
  2. Any established commercial habits or practices relevant to the agreed performance or to follow-up performance, shall not take precedence over contractual provisions or provisions specified in the Civil Code, even if such provisions have no enforcement effects.
  3. The Contractor agrees to notify the Client without undue delay about its own insolvency or a threat thereof.
  4. The Parties hereby declare that no verbal arrangement, contract or proceedings on the part of any of the Parties exists, which would negatively influence the exercise of any rights and duties according to this Framework Agreement. At the same time, the Parties confirm by their signatures that all the assurances and documents hereunder are true, valid and legally enforceable.
  5. If any provision hereof is or becomes invalid or ineffective, it shall have no effect whatsoever on the other provisions hereof, which shall remain valid and effective. In such a case, the Parties undertake to replace the invalid/ineffective provision with a valid/effective provision the effect of which comes as close as possible to the originally intended effect of the invalid/ineffective provision. If any provision hereof is found null (void), the Parties shall analogously assess the effect of such nullity on the remaining provisions hereof in accordance with Section 576 of the Civil Code.
  6. The Parties agree that in accordance with Section 219(1)(d) of PPA, this Framework Agreement shall be published in the Register of Contracts pursuant to Act No. 340/2015 Coll., laying down special conditions for the effectiveness of certain contracts, the disclosure of these contracts and the register of contracts (the Register of Contracts Act). The Client shall arrange for the publication. Performance of the subject of this Framework Agreement completed prior to the effective date of this Framework Agreement shall be considered the performance under this Framework Agreement, whereas the related rights and obligations shall be governed by this Framework Agreement.
  7. This Framework Agreement is made in 2 counterparts. The Client and the Contractor shall each receive one.
  8. The Parties represent and warrant that they have read this Framework Agreement and accept its contents, in witness whereof they attach their signatures.
  9. The following Annex forms an integral part of this Framework Agreement:

Annex No. 1: Technical Specification and Price List [to be completed by the Contractor according to the instructions contained in this Annex and in the tender documentation]

In Prague, date \_\_\_\_\_\_\_\_ In **[to be completed by the Contractor in place of signature]** date \_\_\_\_\_\_\_\_

For the Client: For the Contractor:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Tomáš Hebelka, MSc [the Contractor to add the authorised person’s full name]**

General Manager [the Contractor to add the job positions of the person signing the Agreement]

STÁTNÍ TISKÁRNA CENIN, státní podnik [the Contractor to add its name]