

# TERMS AND CONDITIONS OF THE USE OF THE APPLICATION

## **Servantes s.r.o.**

Company ID: 09797319

registered office Neklanova 150/38, Vyšehrad, 128 00 Prague 2

email: support@servantes.cz

hereinafter the "**Provider**"

## **1. INTRODUCTORY PROVISIONS**

- 1.1** The Provider created the Miguel web application (hereinafter the "**Application**"), which serves for the generation, security and distribution of e-books or audiobooks (hereafter as a "**Book**"). The Application including the method of securing Books is specified in Annex 1 of these Terms and Conditions.
- 1.2** Using the Application, the Provider also distributes (hereinafter "**Distribution**") third-party books (hereinafter the "**Publisher**") and in the case of interest of the Customer, it can offer Books that are the subject of Distribution (a Book that is the subject of Distribution hereinafter a "**Distributed Book**"), on its online store or other websites.
- 1.3** These Terms and Conditions (hereinafter the "**Terms and Conditions**") regulate the rights and obligations of the Provider and entrepreneurial natural persons or legal persons (for the purposes of the Terms and Conditions hereinafter "**Customer**", the Provider and the Customer collectively hereinafter the "**Parties**") resulting from the provision of the Application and Distribution (hereinafter the "**Contract**"). The Application is not intended for consumers.
- 1.4** The Terms and Conditions are available online at the website <https://servantes.cz/> (hereinafter the "**Website**").
- 1.5** The subject of the Contract is an obligation on the part of the Provider to provide the Application in the "SaaS" mode (Software as a Service) and on the part of the Customer an obligation (i) to pay the Provider the agreed price (hereinafter the "**Price**") and (ii) use the Application in accordance with the Contract. If the Parties so agree, the subject of the Contract also stipulates the obligation of the Provider (i) to grant a sublicense to Distributed Books (hereinafter the "**Sublicense**") and the obligation (ii) to enable the Customer to provide Distributed Books to end users.
- 1.6** The provisions of these Terms and Conditions are integral part of the Contract. The Contract and these Terms and Conditions are drawn up in the English and Czech language. The Contract may be concluded in the English or Czech language. If the Contract is concluded in both Czech and English, the Czech version takes precedence over the English version.
- 1.7** The Contract is concluded (i) in writing via the electronic order form available on the Website, i.e., without handwritten signatures of the Parties, (ii) in writing in paper form with handwritten signatures of the Parties, (iii) in writing in electronic form with electronic signatures of the Parties or (iv) through the platform (hereinafter the "**Platform**") of third parties (hereinafter the "**Operator**").

## 2. CONCLUSION OF THE CONTRACT

### Conclusion of the Contract through the Platform

- 2.1 If the Contract is concluded through the Platform, the Contract is concluded based on the Customer's order by clicking on the button "*Order add-on*" or on another button of similar wording on the Platform website or on the Website, by installing the Application or by logging in to the Customer's user account on the Website, whichever of these facts occurs first (hereinafter collectively the "**Order**").
- 2.2 Immediately after receiving the Order, the Provider or the Platform will confirm the conclusion of the Contract to the Customer by email to the Customer's email address.
- 2.3 The Contract between the Provider and the Customer is created upon delivery of the Order to the Provider.
- 2.4 When concluding the Contract through some Platforms, the rights and obligations of the Provider, Customer and Operator are also governed by Annex 3 of the Terms and Conditions. Annex 3 takes precedence over the content of the Terms and Conditions.

### Conclusion of the Contract in paper form or with electronic signatures

- 2.5 If the Contract is concluded in written form with handwritten signatures of the Parties or in electronic form with electronic signatures of the Parties, the Contract is effective at the moment when the last of its participants signs the Contract.

### Common Provisions

- 2.6 The Provider will make the Application available to the Customer without undue delay after the conclusion of the Contract.
- 2.7 The Customer requests the Provider to grant the Sublicense (i) in writing or (ii) via a special form, if the form is present in the Application or on the Website. If there is a special form present for this purpose, the Customer is obliged to use that form. The Provider will usually decide on the approval of the provision of the Sublicense within 30 days of the request.

## 3. PAYMENT TERMS

- 3.1 For each Book (including Distributed Book) that the Customer sells through the Application, the Provider is entitled to the price below.
- 3.2 The price is derived from the recommended retail selling price of the Book without VAT, which is stated in (i) the Application, (ii) the Website or (iii) the catalogue provided by the Provider (hereinafter the "**Suggested Price**"). The price is:
- (a) 10 % of the Suggested Price for each Book sold. This does not apply (i) if the Contract is concluded via the Platform and (ii) if in Annex 3 a different part of the Suggested Price or a different calculation of the price is specified; in such a case the price will be determined according to Annex 3; and
  - (b) 80 % of the Suggested Price for each Book sold, if it is a Distributed Book;
- 3.3 Notwithstanding section 3.2(a), the minimum price is EUR 0,3 if the Book that the Customer distributes via the Application is up to 1 gigabyte and EUR 0,6 if the Book that the Customer distributes via the Application is over 1 gigabyte.

**3.4** The Customer pays the total price:

- (a) each calendar month always for the previous month. The total price is payable on the basis of the Provider's invoice, in CZK and by wire transfer to the Provider's account indicated on the invoice. The Provider will issue an invoice after the end of the given calendar month; or
- (b) if the Parties agree, through a payment gateway. In such a case, the Customer is obliged to enter payment card data into the third-party interface to which the Application or Website will refer (the payment gateway or other payment service provider to which the Customer will be referred hereinafter the "**Payment Gateway**"). The Customer acknowledges that in this case its legal relations may also be governed by the terms and conditions of the Payment Gateway and the processing of the Customer's personal data is governed by the relevant documentation of the Payment Gateway regarding the processing of personal data. The Provider is entitled to make the Application unavailable to the Customer until the Customer provides the payment card data to the Payment Gateway in accordance with this provision. The Provider will send the Customer an invoice after crediting the payment of the total price. The total price is deducted from the payment card as follows:
  - each calendar month always for the preceding month;
  - without prejudice to the Provider's right to deduct the total price according to the previous provision, if the total price at the discretion of the Provider is too low (especially with regard to transaction costs related to the Payment Gateway), the Provider is entitled to deduct the total price later even for several months when it considers that the total amount due (the total price due) is suitable for deduction; and
  - The Provider is also entitled to deduct the total price earlier than the following month, if the total price to which the Provider is entitled reaches the amount of CZK 2,000 (two thousand Czech crowns) or EUR 100 (one hundred euros).

**3.5** The amount of the price is calculated by the Provider in accordance with section 3.2 and 3.3 of the Terms and Conditions, depending on the method of conclusion of the Contract.

- (a) If the Contract is concluded through the Platform, the data according to sections 3.2 and 3.3 of the Terms and Conditions will be obtained by the Provider based on automated access to the Platform; and
- (b) If the Provider has the data from the Application available, it will use such data for the calculation.

The Customer undertakes to provide the Provider (whether directly or through the Platform) with correct and complete data necessary for determining the Price, in particular about the number and price of Books sold through the Application. The Customer must provide the Provider free of charge and without unnecessary delay, no later than 3 days from the date of delivery of the Provider's written request, all the documents or data necessary to determine the price, or to check the data already provided by the Customer, in particular the data according to sections 3.2 and 3.3 of the Terms and Conditions, and will provide cooperation of its employees and third parties to this end, regardless of the method of concluding the Contract.

**3.6** Payment of the price or any other fee for the Provider's services is understood as crediting the amount in full, including VAT, to the Provider's bank account.

**3.7** The Customer is obliged to check the correctness of the invoice. If the invoice contains incorrect information, the Customer is obliged to notify the Provider thereof immediately. If the invoice contained incorrect information, the Provider will correct it without undue delay. In such a case,

a new 14-day payment period starts from the day the corrected invoice is issued.

- 3.8** The Provider may introduce, operate or terminate a loyalty program or other similar offers for customers (hereinafter a “**Loyalty Program**”). As part of the Loyalty Program and according to its specific conditions, the Provider may credit the Customer's account with credits (hereinafter “**Credits**”). Credits can be exchanged or used to reduce the price, depending on the terms of such offer or program. There is no legal claim to Credits or related offers, and provision of Credits is at the sole discretion of the Provider. The terms and conditions of the Loyalty Program, including the use of Credits, are usually published by the Provider on the Website or in the Application.
- 3.9** If the Customer falls into arrears with the payment of any amount due to the Operator, in particular the obligation to pay the price, and if the Customer provides the Payment Gateway with its payment card details, the Provider is entitled to deduct the amount due, including accessories, from this payment card.

#### **4. APPLICATION LICENSE AND THE TERMS AND CONDITIONS OF THE APPLICATION**

- 4.1** The Provider grants the Customer a non-exclusive right to use the Application under the conditions set forth below and for the duration of the Contract.
- 4.2** The Customer is entitled to use the Application only on the basis of the Contract and for the purposes arising from the Contract. The Customer is obliged to use the Application in accordance with the Contract, instructions and requirements of the Provider. All the content of the Application and the method of capturing this content (especially the method of technical and process implementation, graphic appearance and editing, etc.) and all respective parts are protected by the relevant legal regulations as copyrighted works, or other objects protected by intellectual property rights. The Customer is obliged to refrain from any action that could violate or threaten the stated intellectual property rights.
- 4.3** The Customer is entitled to use the Application only for its own purposes. The Customer may not copy, reproduce, distribute or separate parts of the Application or create derivative works therefrom. When using the Application, the Customer is obliged to comply with the following restrictions:
- (a)** The Customer may not change, translate or reproduce the Application, its source code, the name or designation of the author or executor of the copyrights or transfer its right to the use of the Application.
  - (b)** The Customer may not provide or make the Application available to third parties, in particular sell, grant sublicenses, lease, sublease or lend the Application.
  - (c)** The Customer is obliged to refrain from performing any decompilation, modification, processing or other changes to the Application or its parts or databases included or used in the Application, even for the purpose of removing defects. The Customer must refrain from any action that would use the Application in order to develop derivative applications or works for use or distribution by any third party, in whole or in part, as separate products or components. The Customer may not convert the Application into source code or otherwise attempt to obtain the source code of the Application, except to the extent that such restriction is expressly permitted by law.

- (d) The Customer does not have the right to mine the database connected to the Application by machine resources (especially with the help of so-called software robots) through the Application.
  - (e) The Customer must use the Application only in a manner that is in accordance with all generally binding legal regulations, in particular in accordance with applicable restrictions resulting from copyright and other intellectual property rights. The Customer must ensure that its actions in connection with the Application and the use of the Application will always be in accordance with the Contract, the Terms and Conditions and generally binding legal regulations. The Customer may not act or omit to act contrary to good morals, public order and may not limit the exercise of the rights of third parties.
  - (f) The Customer acknowledges that the Application is used to distribute Books solely as defined above and undertakes to refrain from any distribution or use of the Application in connection with files of other data types than those used for the distribution of Books or with files of a different purpose. If the Customer violates this provision, this does not affect the Provider's right to the price according to the Terms and Conditions.
- 4.4** Violation of any of the Customer's obligations listed in section 4.2 or 4.3 of these Terms and Conditions constitutes a material breach of the Contract and entitles the Provider to immediately terminate the Contract without notice. In such a case, the Provider is entitled to cancel the Customer's account or otherwise prevent it from accessing and using the Application, all without compensation. This does not affect the Provider's right to the price according to the Terms and Conditions.
- 4.5** If the Customer violates the obligations under section 4.2 or 4.3 of these Terms and Conditions, the Provider does not bear any responsibility for any damage or harm that may arise therefrom or from the subsequent actions of the Provider against the Customer, and on the contrary, the Customer is fully responsible for the damage or damage caused to the Provider or to third parties.
- 4.6** The Provider reserves all rights to the Application, except those expressly granted to the Customer.
- 4.7** The Customer undertakes to hold harmless the Provider in the event of any claims raised or judicial, arbitration, administrative or other proceedings initiated or threatened by third parties in connection with an actual or alleged breach of the Contract by the Customer or unauthorized use of the Application and to indemnify the Provider in the event of any damage or immaterial damage resulting from or arising in connection with a breach of the Contract by the Customer.
- 4.8** The Customer is entitled to use the Application in connection with a Book to a maximum size of 2 gigabytes. This does not preclude the possibility of concluding individual agreements or granting consent of the Provider in the case of a larger Book size. In the event that the Customer is interested in an individual agreement within the meaning of this section, it must contact the Provider at the email listed in the introduction.
- 4.9** The Customer acknowledges that the Application serves only Customers who are publishers or publishers to generate, secure and distribute Books. Any use of the Application that is clearly contrary to this purpose entitles the Provider to proceed according to section 4.4.

## **5. SUBLICENSES AND CONDITIONS OF SALE OF PUBLISHERS' BOOKS**

- 5.1** If the Parties have agreed on the provision of a Sublicense, the provision of Article 5 of these

Terms and Conditions will apply.

- 5.2** The Provider declares to the best of its knowledge that the Publisher is the holder or executor of the rights to Distributed Books. The Provider declares that, based on the contract with the Publisher, it is entitled to Distribution, and is thus entitled to grant a Sublicense.
- 5.3** The Provider does not provide any other authorization within the framework of the Sublicense than that which is expressly stated in the Sublicense contract or in these Terms and Conditions.
- 5.4** The Sublicense granted to the Customer has the following scope and limitations:
- (a) The Sublicense includes a non-exclusive and quantitatively unlimited right to reproduce and provide Distributed Books to the public in the form of making them available remotely for unlimited use for the personal purposes of end users through download in exchange for the Suggested Price;
  - (b) The Sublicense is paid, and the Customer agrees to pay the price for it;
  - (c) The Sublicense is granted only to provide Distributed Books through the Application;
  - (d) The Provider recommends providing Distributed Books to end users for the Suggested Price;
  - (e) In terms of time, the Sublicense is limited to the duration of (i) the Contract and, in relation to a specific Distributed Book, and (ii) to the duration of the Provider's respective rights to the Distributed Book; and
  - (f) In terms of geographical location, the Sublicense is limited to the territory of the Czech Republic and the Slovak Republic.
- 5.5** The Customer will indemnify the Provider and the Publisher for any damage and will hold them harmless if any third party (private or public authority) asserts against them any claim arising from the Customer selling a Distributed Book in violation of the Sublicense. In such a case, the Customer is obliged in particular to (i) provide the Provider or the Publisher with the necessary cooperation, (ii) provide them with relevant documents for the given procedure and (iii) compensate them for all damage caused to them by such a claim, including purposefully spent costs for legal representation and amounts or performances they had to provide as a result of such proceedings or which they voluntarily provided as part of a settlement with a third party in order to prevent or terminate such proceedings.
- 5.6** The Customer undertakes to take all organizational and technical measures not to provide Distributed Books to end users outside the territory covered by the Sublicense.
- 5.7** The Customer is obliged to refrain from any modifications or interventions in Distributed Books other than the modifications made by the Application (e.g., DRM technology) as part of the services provided by the Provider.
- 5.8** The Customer is not entitled to assign or transfer the Sublicense to a third party, nor is it entitled to grant a third party authorization within the scope of the Sublicense (except for the necessary sublicense to the end user to use the Distributed Book for personal, non-commercial purposes).

## **6. APPLICATION IMPLEMENTATION**

- 6.1** If the Parties agree so in the Contract, the Provider undertakes to provide the Customer with services in the scope of Annex 1 for the purpose of operating the Application (for the purposes of the Terms and Conditions hereinafter the "**Implementation**").

- 6.2** The Customer is obliged to provide or ensure from third parties to the Provider all cooperation suitable for the Implementation.

## **7. LIMITATION OF LIABILITY OF THE PROVIDER**

- 7.1** The Provider guarantees the availability of the Application to the extent of at least 99 % of all time in a calendar month, with the exception of standard exclusions and shutdowns. The Provider does not guarantee the Customer the availability of the Application during an unannounced increased traffic on the Provider's server (hereinafter the "**Server**") for reasons on the part of the Customer. The Customer must notify the Provider of any expected increased traffic on the Server at least 3 days in advance.
- 7.2** The Provider undertakes to provide the Customer with adequate technical support for the Application via email support@servantes.cz.
- 7.3** The Provider does not provide any other guarantees of any kind other than the guarantees expressly specified in the Terms and Conditions. The Provider does not guarantee that the Application will work without defects in terms of hardware or software. Furthermore, the Provider does not and cannot guarantee the performance or results that the Customer could achieve by using the Application.
- 7.4** The Customer hereby waives, to the maximum extent possible, the right to compensation for any damage or injury to the Provider which may arise in connection with the use of the Application, to the maximum extent determined by generally binding legal regulations. In particular, the Provider is not liable to the Customer for direct, indirect, consequential or accidental damage or harm of any kind, including lost profit, loss of business income, loss of business case or opportunity, damage to reputation, interruption of operations, other economic losses or loss of data, nor for private or public law sanctions.
- 7.5** The exclusion of the Provider's liability according to these Terms and Conditions will not apply in the case of intent or gross negligence on the part of the Provider or in the event of damage to the natural rights of persons.
- 7.6** The agreed deadline for fulfilling a relevant obligation of the Provider is extended by the period during which the Customer is in delay in providing its cooperation or ensuring the cooperation of a third party.
- 7.7** The Customer acknowledges that during the time when the Application is not available, it is not possible to carry out the Distribution, and thus it will not be possible to provide Distributed Books to end users.

## **8. ENSURING CONTRACTUAL OBLIGATIONS**

- 8.1** In case of default by the Customer in the payment of any amount due to the Provider, the Customer is obliged to pay the Provider a contractual penalty in the amount of 0.2 % per each day of default in the payment of the amount due, including VAT, starting from the first day of the default, until full payment is made.
- 8.2** The amount of the contractual penalty is considered by the Parties to be reasonable with regard to the possible damage to the Provider and the rate of inflation and bank interest rates. The Parties also note that the rate of inflation and bank interest rates may change in the future.

- 8.3** In the event of the Customer's default in the payment of any amount due to the Provider, the Provider is entitled not prevent the use of the Application and services to the Customer (including in relation to the Distribution) until full payment of all the Customer's amounts due to the Provider is made. In this case, the Provider is not responsible for any damage or harm that may be caused to the Customer. The restriction according to this section does not count into the time of unavailability of the Application according to the Terms and Conditions (section 7.1).
- 8.4** Claiming a contractual penalty does not affect the Provider's claim to compensation for damage or harm against the Customer.
- 8.5** The contractual penalty is payable on the basis of the Provider's request within the period specified in this request, otherwise within 7 days from the date of delivery of the request.

## **9. PROTECTION OF PERSONAL DATA**

- 9.1** Information on the processing of the Customer's personal data (the Provider is the controller of personal data) and the contract on the processing of personal data (the Provider is the processor of personal data) are contained in Annex 2, Privacy Notice to these Terms and Conditions.

## **10. FORCE MAJEURE AND CHANGE OF CIRCUMSTANCES**

- 10.1** A Party is not deemed in default, is not liable as a result of faulty performance of the Contract nor is it obliged to compensate damage caused to the other Party by breaching its obligations arising from this Contract or the law in case of obstacles preventing the fulfilment of the obligation that exclude liability for damages. An obstacle excluding liability for damages in the sense of the generally binding legal regulations is considered an obstacle excluding the obligation to compensate for damage caused by a violation of this Contract or the law.
- 10.2** In addition to the scope set forth by law, the Parties expressly agree that any obstacle related to the spread of the disease COVID-19 or other viral disease and subsequent preventive official measures (in particular quarantine orders, closure of establishments, prohibition free movement of persons, restriction of social, sports and cultural events, expropriation of property, taking over the management of the company, closing of production, etc.) (hereinafter "**COVID-19**"), even though it may not be an obstacle that is completely unforeseeable on the date of conclusion of the Contract, is considered an obstacle excluding liability for damages. The Parties intend to exclude liability for default and damage caused by breach of the obligations arising from the Contract or law as a result of the COVID-19, as they are unable to foresee its further development and consequences on the ability of either Party to fulfil its obligations.

## **11. TERM OF THE CONTRACT**

- 11.1** The Contract is concluded for an indefinite period.
- 11.2** Each Party may terminate the Contract in writing with a notice period of 1 month, which begins on the first day of the month following the month in which the notice was delivered to the other Party.
- 11.3** The Provider may terminate the Contract or disable the Application with immediate effect in the event that



- (a) The Customer breaches its obligations against the Provider in a material way;
- (b) The Customer has violated the generally binding legal regulations by using the Application;
- (c) The Provider cannot provide the Application to the Customer under the terms of the Contract or these Terms and Conditions for objective or subjective reasons;
- (d) Performance of the Provider becomes objectively impossible or illegal; or
- (e) The Customer defaults in the payment of the price.

**11.4** Upon termination of the Contract, the Customer loses the right to use the Application. In the event of termination of the Contract, the Customer is not entitled to any compensation or damages against the Provider.

**11.5** The Provider is entitled to terminate the Contract within the scope of the provision of the Sublicense immediately with regard to specific Distributed Books (individual titles) if there is a material reason for this. In particular, the following cases are considered to be a material reason according to the previous sentence: (i) The Provider or Publisher is not authorized to carry out the Distribution or (ii) the Customer has breached the Contract.

Termination in relation to specific Distributed Books will be carried out by the Provider by not allowing such Distributed Book to be further provided through the Application.

## **12. GOVERNING LAW AND DISPUTE RESOLUTION**

**12.1** The legal relationships, obligations and rights arising from the Contract will be governed by the legal system of the Czech Republic, excluding conflicting provisions and Sections 557, 558(2), 1740(3), 1748 and 2389a to 2389u of the Civil Code.

**12.2** All disputes arising from the Contract or in connection therewith will be decided by the courts of justice in Brno.

## **13. FINAL PROVISIONS**

**13.1** The Parties hereby declare that on the date of conclusion of the Contract no practice has arisen between them that could be considered relevant.

**13.2** Unless otherwise specified in the Terms and Conditions, capitalized words used herein will have the meaning ascribed to them at the place where they are defined. Headings in these Terms and Conditions are used for convenience only and do not affect the interpretation of these Terms and Conditions. References to provisions in and Annexes to these Terms and Conditions without further reference to another document are references to the provisions and Annexes of these Terms and Conditions. Unless the meaning and context indicate otherwise, words in the singular include the plural and vice versa. Words are interpreted regardless of their grammatical gender.

**13.3** For relations arising from the Contract or related to the Contract, the Parties exclude the application of business practices.

**13.4** The Customer assumes the risk of a change in circumstances and waives the right to demand cancellation of an obligation.

**13.5** The Provider is entitled to unilaterally change these Terms and Conditions as well as all other Annexes to the Contract to a reasonable extent. The Provider will notify the Customer of changes

to these Terms and Conditions in writing. The Customer has the right, within 10 days from the date of delivery of the Provider's notification of a change to these Terms and Conditions, to agree to this change or to reject this change and at the same time terminate the Contract for this reason with a notice period of 10 days, starting from the day following the date on which the notice was delivered to the Provider. The Parties to the Contract agree that failure to deliver the Customer's timely notice according to the previous sentence or failure to deliver the Customer's timely consent to a change to these Terms and Conditions is an expression of the Customer's consent to the change to these Terms and Conditions. In this case, the Parties agree that the obligation of the written form of the Customer's consent remains preserved (i.e., the Parties consider it preserved even in the event of failure to deliver the Customer's timely notice or failure to deliver the Customer's timely consent to a change to these Terms and Conditions). Changes to these Terms and Conditions made in this way become effective on the 10th day from the date of delivery of the Provider's notification of the change to these Terms and Conditions to the Customer.

- 13.6** Any changes to the Contract may only be made with the consent of both Parties in the form of written amendments. The Provider's right according to section 13.5 is not affected by the preceding. The Parties exclude the possibility of using e-mail messages without a qualified electronic signature to amend the Contract.
- 13.7** The Parties hereby declare that the basic terms of the Contract and its Annexes or parts thereof (especially these Terms and Conditions) are the result of their free will and that each Party has had the opportunity to influence the content of the Contract and its Annexes or parts thereof.
- 13.8** The following Annexes to these Terms and Conditions form an integral part of the Contract. The Parties declare that they have properly familiarized themselves with the following documents:

**Annex 1** Application Specifications

**Annex 2** Privacy Notice

**Annex 3** Terms of Some Platforms

# APPLICATION SPECIFICATIONS

Annex 1 to the Terms and Conditions of the Use of Miguel Application

## 1. APPLICATION SPECIFICATIONS

**1.1** Miguel is a web application used for generating, securing and distributing Books. The Application enables the Customer to distribute copies of electronic books in common data formats (e.g., epub, mobi, pdf or mp3) online. The functionality of the Application is as follows:

- (a) The Customer can use the Application to upload Books in common data formats to the Server and delete them from the Server. The mobi format is generated automatically after inserting the epub format.
- (b) The Application receives requests from the Customer's online store via the REST API to create a secure copy of the Book uploaded to the Server and to generate and send the Customer a link to download the secure copy of the Book.
- (c) The Application creates secure copies of the Book according to the Customer's request.
- (d) The Application generates and sends the Customer a link to download a secure copy of the Book.
- (e) In the Application interface, the Customer also has the option to change the access data to the Application, view the history of the generation of Customer links and generate API keys.

## 2. IMPLEMENTATION SPECIFICATIONS

**2.1** As part of the Implementation, the Provider will set up the Application for the Customer so that its functionality corresponds to the specification in the Contract and so that the Customer can use it in the agreed manner.

**2.2** Part of the Implementation is the provision of documents related to using the Application.

**2.3** As part of the Implementation, the Provider will arrange for the Customer one session of customer staff training for the use of the Application in the scope of two hours.

**2.4** The Implementation is properly completed when the Provider hands over the access data to the Application to the Customer and the documents for using the Application and provides the training of the technical staff of the Customer.

**2.5** The Implementation also includes 10 hours of consulting by the Provider's project manager for the purpose of completing the Implementation on the Customer's side.

## 3. SECURITY SPECIFICATIONS

**3.1** The Application will secure every Book that is an e-book through a watermark or social DRM.

**3.2** Furthermore, the Provider will have access to the personal data of the Customer's customers, regarding which the Parties conclude a contract on the processing of personal data.

# PRIVACY NOTICE

Annex 2 to the Terms and Conditions of the Use of Miguel Application

## PART A – INTRODUCTORY PROVISIONS

### 1. INTRODUCTORY PROVISIONS

#### 1.1 This Annex 2 to the Contract meets

- (a) Part B of the provisions of Articles 12 and 13 of Regulation (EU) No. 2016/679 of the European Parliament and of the Council of April 27, 2016, on the protection of natural persons in connection with the processing of personal data and on the free movement of such data (hereinafter "**GDPR**"), when the Provider, through this Annex 2 to the Contract, provides, in a concise, transparent, comprehensible and easily accessible manner using clear and simple language means, all information about the processing of personal data of natural persons on the part of the Customer, who are its representatives in the negotiation of the Contract, its conclusion or during any action having any connection with the Contract, whether it is a statutory or other body of the Customer, procurator, representative under power of attorney, sales representative, employee, person designated as a contact person on the Customer's side or any other natural person in a similar position; a
- (b) Part C of the provisions of Art. 28(3) of the GDPR, when the processing of personal data processed in the fulfilment of the subject of the Contract is governed by this Annex 2 to the Contract, which establishes the subject and duration of processing, the nature and purpose of processing, the type of personal data and the category of data subjects and the obligations and rights of the Provider and the Customer.

#### 1.2 In the processing of personal data according

- (a) Section 1.1(a) of Part A, the Provider is the controller of the personal data of the given natural persons, as the Provider in this case determines the purposes and means of personal data processing;
- (b) Section 1.1(b) of Part A, the Provider is the processor of personal data and the Customer is the controller of the personal data of the given natural persons, as the Customer determines the purposes and means of personal data processing in this case.

#### 1.3 Except as otherwise expressly provided in this Annex 2, any capitalized terms used in this Contract and not defined herein have the same meaning as they have in the Terms and Conditions.

## PART B – INFORMATION ABOUT THE PROCESSING OF PERSONAL DATA

### 1. CONTROLLER AND ITS CONTACT DETAILS

#### 1.1 The controller of personal data processed according to section 1.1(a) of Part A is the Provider:

**Servantes s.r.o.**

Company ID: 09797319

registered office Neklanova 150/38, Vyšehrad, 128 00 Prague 2

#### **Contact Details**

Address: Neklanova 150/38, Vyšehrad, 128 00 Prague 2

E-mail: [podpora@servantes.cz](mailto:podpora@servantes.cz)

## **2. CATEGORIES OF PROCESSED PERSONAL DATA**

**2.1** Based on the relevant legal title and purpose of processing, the Provider processes the following personal data, respectively categories of personal data:

- (a) **identification and address data:** e.g., first name, last name, company name, registered office address, delivery address, Company ID number, VAT number;
- (b) **electronic contact details:** e.g., phone number, e-mail address, Skype address or other electronic means of communication;
- (c) **other personal data associated with the contractual relationship:** e.g., academic degree, bank account number, order history, functions, other data, common data provided in the contact or order form or in other documents and when communicating with the Provider, including later changes.

## **3. ORIGIN OF PERSONAL DATA**

**3.1** The Provider processes the data provided by relevant natural persons, in particular through the provision of a business card, filling out a contact or order form, negotiating the Contract, concluding the Contract, fulfilling the Contract or through business documents. This usually includes

- (a) identification and address data;
- (b) electronic contact details;
- (c) other personal data associated with the contractual relationship.

**3.2** The Provider further processes data that it obtains itself from publicly accessible sources (e.g., public registers of persons, public lists, professional social networks). The Provider usually processes this personal data for the purpose of verifying the correctness of the data provided in accordance with section 3.1.

## **4. PURPOSE, LEGAL BASIS AND PERIOD OF PERSONAL DATA PROCESSING**

**4.1** The Provider processes personal data for the following purposes:

- (a) **Negotiations on the conclusion of the Contract, conclusion and performance of the Contract**

Purpose: Based on the Contract, the Customer is entitled to the provision of the Application. In return, the Provider is entitled to the payment of the agreed remuneration. In order for the Provider to fulfil its obligations and check the fulfilment of the Customer's obligations, the Provider needs to process identification and address data, electronic contact data and other personal data associated with the contractual relationship of natural persons acting on the Customer's behalf.

Legal basis: The processing of personal data for the purpose of fulfilling the Contract is based on the contractual relationship between the Provider and the Customer. In this case, the provision of personal data is a contractual requirement, without which the Contract cannot be concluded.

Retention period: The data retention period is determined by the duration of the Contract.

**(b) Communication with the Customer, evaluation of satisfaction, processing of suggestions and complaints**

Purpose: The Provider processes personal data to manage the Customer's inquiries and process its suggestions, complaints, etc. It also processes personal data in cases of exercising rights from defective performance and when exercising rights in connection with the processing of personal data.

Legal basis: The processing of personal data for the purpose of communicating with the Customer and business partners, assessing satisfaction, handling suggestions and complaints is based on the Provider's legitimate interest in the possibility of communicating with customers and business partners. The provision of personal data in this case is not a legal or contractual requirement. The Customer is therefore under no obligation to provide its personal data to the Provider for this purpose.

Retention period: The retention period is determined by the duration of the Contract and subsequently for a period of 4 years from its termination.

**(c) Protection of the rights, property or safety of the Provider or the rights, property or safety of other persons**

Purpose: The Provider may use personal data (especially those contained in the contractual documentation) to prevent or detect illegal acts, fraud, misuse, breach of the Contract, as well as to comply with the decisions of the court or other law enforcement authorities, state administration authorities or conditions set forth by applicable legal regulations.

Legal basis: The processing of personal data for the purpose of protecting the rights, property or safety of the Provider or the rights and property or safety of other persons is based on the Provider's legitimate interest in protecting its rights, property or safety or the rights and property or safety of other persons. The provision of personal data in this case is not a legal or contractual requirement. The Customer is therefore under no obligation to provide personal data to the Provider for this purpose. A natural person is entitled to object to the processing of personal data based on a legitimate interest.

Retention period: The retention period is 4 years from the termination of the Contract or 4 years from acquisition of the data.

**(d) Accounting and tax purposes**

Purpose: The Provider must also process personal data because it is obliged to do so by the relevant accounting and tax legislation.

Legal basis: The processing of personal data for accounting and tax purposes is based on the obligation to fulfil legal obligations. The Provider must process personal data for this purpose.

Retention period: Accounting data is processed for 5 years, tax documents for 10 years.

## **5. RECIPIENTS OF PERSONAL DATA**

- 5.1** The Provider primarily makes personal data available to its employees who need this data in order for the Provider to provide the Application to customers.
- 5.2** The following categories of business partners of the Provider (recipients) who enable the functioning of the Provider and the provision of the Application may have access to personal data:
- (a) providers of accounting and tax consultancy;
  - (b) providers of IT services and hosting, including cloud storage;
  - (c) providers of security and integrity of the Provider's services and its website;
  - (d) analytics services providers;
  - (e) legal service providers, lawyers;
  - (f) print and postal service providers, including couriers;
  - (g) partners cooperating with the Provider in organizing conferences, seminars and other events;
  - (h) public administration bodies.

## **6. TRANSFER OF PERSONAL DATA OUTSIDE THE EU/EEA**

- 6.1** The Provider does not intend to transfer personal data for processing to a third country (outside the European Economic Area, which also includes countries outside the European Union – Iceland, Liechtenstein and Norway) or an international organization.
- 6.2** If the Provider transfers personal data for processing to a third country or an international organization in the future, it will do so only on the condition that the European Commission has decided that this third country or international organization ensures an adequate level of protection, or if the recipient of the personal data has provided appropriate guarantees of their protection and enforceable data subject rights and effective legal protection of data subjects are available in the recipient country.

## **7. METHOD OF PROCESSING OF PERSONAL DATA**

- 7.1** The Provider processes personal data manually and automatically.

## **8. RIGHTS OF DATA SUBJECTS**

- 8.1** When exercising their rights regarding the processing of personal data, natural persons may contact the Provider through the contact details listed in section 1.1 of Part B.
- 8.2** The Provider reserves the right to reasonably verify the identity of the applicant. If the requests are repeated and are clearly unreasonable, the Provider is entitled to impose a reasonable fee on the applicant or to refuse to comply with the request.

**(a) Right of access to personal data**

If you want to know whether we are processing your personal data, you have the right to obtain from us information about whether your personal data is being processed, and if so, you also have the right to access your personal data. In the event of a repeated request, we are entitled to charge a reasonable fee based on our administrative costs for a copy of the personal data provided.

**(b) Right to rectify inaccurate and supplement incomplete personal data**

If you believe that we are processing inaccurate or false data about you, you have the right to request their rectification. You also have the right to supplement incomplete data. We will rectify or supplement the data without unnecessary delay, but always taking into account our technical capabilities.

**(c) Right to erasure**

In the event that your personal data is no longer needed for the purposes for which it was collected or otherwise processed, or if you discover that it is being processed unlawfully, you have the right to request their erasure.

**(d) Right to restrict the processing of personal data**

In the event that you are not interested in a complete erasure, but only in a temporary restriction of the processing of your personal data, you can request us to restrict the processing of your personal data.

**(e) Right to portability**

If you want us to transfer your personal data to third parties, you can exercise your right to data portability. In the event that the exercise of this right could adversely affect the rights and freedoms of third parties, we will not be able to comply with your request.

**(f) Right to object to the processing of your personal data based on a legitimate interest**

You have the right to object at any time to the processing of personal data that is processed for the purpose of fulfilling a task carried out in the public interest or in the exercise of public authority or for the purpose of protecting our legitimate interests. In the event that we do not prove that there is a serious legitimate reason for the processing that outweighs your interests or rights and freedoms, we will terminate the processing based on your objection without undue delay.

**(g) Right to object to the processing of your personal data for the purpose of direct marketing**

You have the right to object to our processing of your personal data for the purpose of direct marketing (e.g., for the purpose of sending commercial messages). In this case, we will stop processing your personal data for this purpose without undue delay.

**(h) Right to revoke consent**

If the processing of your data is based on your consent, you have the right to revoke this consent at any time.

**(i) Right to information about automated decision-making, including profiling**

You are not the subject of any decision based solely on automated processing, including profiling, which would have legal effects for you or would similarly significantly affect you.



**(j) Right to file a complaint with the Office for Personal Data Protection**

You have the right to file a complaint with the supervisory authority, which is the Office for Personal Data Protection, Plk. Sochova 27, 170 00 Prague 7, phone: 234 665 111, web: <https://www.uoou.cz/podatelna-uradu/os-1006>.

**PART C – CONTRACT ON THE PROCESSING OF PERSONAL DATA**

**1. INTRODUCTORY PROVISIONS**

**1.1** With regard to the fact that the Parties have concluded the Contract based on which the Provider will gain access to Personal Data processed by the Customer as a controller, the Parties, in accordance with Art. 28(3) of GDPR, conclude this Contract on the Processing of Personal Data (hereinafter the "**Data Processing Contract**").

**2. SUBJECT OF THE DATA PROCESSING CONTRACT**

**2.1** The subject of this Data Processing Contract is the Provider's obligation to process personal data to which the Provider gains access in connection with the performance of the Contract and in relation to which the Customer is the controller and the Provider is the processor (hereinafter "**Personal Data**").

**2.2** The Customer declares that

- (a) it is the controller of Personal Data;
- (b) this Data Processing Contract contains all categories of data subjects and categories of Personal Data;
- (c) it processes Personal Data in accordance with GDPR, Civil Code, Labour Code and other generally binding legal regulations;
- (d) it informed data subjects about the processing of their Personal Data in accordance with Articles 12 and 13 of GDPR;
- (e) it is, in accordance with GDPR, Civil Code, Labour Code and other generally binding legal regulations, authorized to empower the Provider to process Personal Data to the extent and for the purpose also specified in this Data Processing Contract.

**3. SCOPE OF PROCESSING OF PERSONAL DATA**

**3.1** The Customer authorizes the Provider to process Personal Data in connection with the Contract of the following categories of data subjects:

- (a) **customers.**

**3.2** This Data Processing Contract applies to the processing of Personal Data to the following extent:

- (a) identification and address data: e.g., name, surname, date of birth, address of permanent or temporary residence, delivery or other contact address, registered office, Company ID number, VAT number;
- (b) electronic contact data: e.g., telephone number, e-mail address, Skype identifier;
- (c) descriptive data: e.g., academic degree, employee identification number;

(d) data related to the Customer's services: e.g., service type, service identification, data generated in connection with the use of the service, service orders, etc.;

**3.3** The Provider is obliged to process Personal Data only on the basis of documented instructions from the Customer.

**3.4** The Provider will process Personal Data by collecting, recording, storing, transmitting, disseminating, arranging, structuring, modifying, viewing, combining, linking and analysing in electronic form for the purpose of fulfilling its obligations arising from the Contract. For other purposes, the processor is authorized to process Personal Data only if required by law.

#### **4. RIGHTS AND OBLIGATIONS OF THE PARTIES**

**4.1** The Customer and the Provider undertake to notify each other of all facts known to them that could adversely affect the proper and timely fulfilment of the obligations arising from this Data Processing Contract without undue delay after learning thereof.

**4.2** The Parties undertake to provide each other with the necessary cooperation in ensuring their obligations under Articles 32 to 36 of GDPR with regard to and to the extent necessary for the security of Personal Data processed in accordance with the Contract as well as with this Data Processing Contract.

**4.3** The Provider hereby undertakes to provide the Customer with the assistance necessary to ensure the fulfilment of the obligations imposed on the Parties in connection with the exercise of the rights of data subjects according to Articles 16 to 21 of GDPR.

**4.4** The Provider is obliged, taking into account the state of the art, implementation costs, nature, scope, context and purposes of processing, to implement appropriate technical and organizational measures to ensure a level of security corresponding to the given risk, or to take measures pursuant to Art. 32(1), in particular letter b) and c) of the same article of GDPR.

**4.5** In the event that the Provider requires any written documents in order to fulfil its obligations under this Data Processing Contract or GDPR, the Customer is obliged to provide assistance and hand over such documents to the Provider without undue delay after the Provider's request.

**4.6** In the event of a violation of the security of Personal Data in accordance with Art. 33(2) of GDPR, the Provider is obliged to notify the Customer without undue delay after the discovery of this violation. The notification will then be made via electronic communication directed to the e-mail address used by the Customer when communicating with the Provider, or by telephone.

**4.7** The Parties agree that the information obligation arising from Article 13 and Article 14 of GDPR will be fulfilled by the Customer in relation to data subjects whose Personal Data is processed by the Provider.

**4.8** The Provider is entitled to involve another processor in the processing of Personal Data. If the Provider engages an additional processor to perform certain processing activities on behalf of the Customer, this additional processor must be subject to the same data protection obligations as set forth in this Contract between the Customer and the Provider. In the event that the said additional processor does not properly fulfil its obligations in the area of data protection, then the Provider will continue to be liable to the controller for the fulfilment of the obligations of the additional processor according to this Data Processing Contract.

**4.9** In the case of the performance of so-called auxiliary services, which are provided by another processor, or on its behalf through another independent service provider, where the purpose of

such auxiliary services is understood to be the provision of support for the Provider or another processor in the fulfilment of the obligations under this Data Processing Contract or the Contract, the Parties agree that these auxiliary services will not be considered as processing by another processor. Auxiliary services are mainly telecommunication services, cleaning services, or services consisting in the management of hardware and software equipment.

- 4.10** The Provider undertakes to ensure that the persons authorized to process Personal Data commit to confidentiality or that they are subject to a legal obligation of confidentiality.
- 4.11** As soon as the purpose of processing Personal Data in the sense of this Data Processing Contract or the Contract ceases, the Personal Data in question will no longer be processed. In this case, the Provider undertakes to dispose of this Personal Data in accordance with the Customer's instructions, as well as in accordance with GDPR and relevant legislation.

## **5. DURATION AND TERMINATION OF THE DATA PROCESSING CONTRACT**

- 5.1** This Data Processing Contract becomes valid and effective on the date of signature of the contract by both Parties and is concluded for the duration of the Contract.
- 5.2** The Parties have agreed that in the event of termination of the Data Processing Contract, the Provider is obliged, in accordance with the Customer's decision, to either erase all Personal Data or return it to the Customer after termination of the services, and erase all existing copies, unless the EU law or the law of a Member State requires further retention of the given personal data;

## **6. GOVERNING LAW AND DISPUTE RESOLUTION**

- 6.1** Legal relationships, obligations, rights and obligations arising from the Data Processing Contract will be governed by the legal order of the Czech Republic.
- 6.2** All disputes arising from or in connection with the Data Processing Contract will be decided by the courts competent for the Provider's registered office pursuant to Section 89a of the Code of Civil Procedure.

## TERMS OF SOME PLATFORMS

### Annex 3 to the Terms and Conditions of the Use of Miguel Application

If the Operator is the company Shoptet, a.s., Company ID No.: 28935675, registered office at Dvořeckého 628/8, Břevnov, 169 00 Prague 6 (hereinafter "**Shoptet**"), the following provisions are part of the Terms and Conditions:

- (a) Shoptet is not the Provider of the Application and is not responsible for the Application or its content. Based on the Contract, the Application is provided to the Customer by the Provider not by Shoptet.
- (b) The price according to section 3.2(a) of the Terms and Conditions is 12.5 % of the Suggested Price for each Book sold.
- (c) The Customer agrees that Shoptet has no obligation to provide any support or maintenance services and is not responsible for settling the claims of the Customer or any third party in relation to the Provider or the Application, whether these result from liability for defects, damage caused, violations of legal regulations, especially in areas of personal data processing, or other rights.