**Contract on performance of reserved duties**

**EB2024XXX**

Concluded under the provisions of Act No. 79/2015 Coll. on waste and on the amendment of certain laws as amended and pursuant to the provisions of Section 269, par. 2 of the Commercial Code

(hereinafter referred to as the "Contract")

**Contracting Parties:**

1. Business name: **E-cycling s.r.o.**

Registered office: Nad plážou 14554/33, 974 01 Banská Bystrica, Slovak Republic

Statutory body: Ing. Martina Iždinská – company executive,

PhDr. Jarmila Kováčová – company executive

Bank connection: Slovenská sporiteľňa, a.s.

IBAN: SK56 0900 0000 0003 0504 6923

SWIFT, BIC: GIBASKBX

Company ID number: 44 714 203

VAT ID number: SK2022800769

Registered in: Commercial Register of the District Court in Banská Bystrica,

Section: Sro

Insert number: 16344/S

Web: [www.e-cycling.sk](http://www.e-cycling.sk)

E-mail: [info@e-cycling.sk](mailto:info@e-cycling.sk)

hereinafter referred to as "**OPR**"

2. Business name: To be filled in

Registered office:: To be filled in

Statutory body : To be filled in - name, surname of person and its function

Bank connection: To be filled in

IBAN: To be filled in

SWIFT, BIC: To be filled in

Company ID number: To be filled in

VAT ID number: To be filled in

Registered in: To be filled in

Insert number: To be filled in

Web: To be filled in

E-mail: To be filled in (contact person for payments)

Phone number: To be filled in

hereinafter referred to as "**Member**"

(Hereinafter OPR and Member collectively referred to as "**Contracting Parties**")

**concerning the cooperation in the establishment, operation and efficient functioning of the system of associated handling**

the collection, transport and processing of dedicated WEEE and membership of that system;

the collection, transport, processing and recycling of waste batteries and accumulators and their membership.

**Article I**

**Introductory provisions**

1. A Member is under the provisions of Act No. 79/2015 Coll. on waste and on amendments to Certain Acts (hereinafter "the Act") the Producer of Reserved Products, i.e.:

electric devices (hereinafter "EEE")

batteries and accumulators (hereinafter "B&A").

2. OPR is a trading company established under the provisions of Act No. 513/1991 Coll. (Commercial Code), as amended. The role of the OPR is to establish and operate an associated handling system.

With specified waste streams from EEE providing EEE producers with the collection, transport, processing and other disposal of WEEE (hereinafter "WEEE"), fulfillment of information, registration and reporting obligations which are producers of EEE as reserved obligations under Section 27, par. 6 and the related provisions of the Act and related legislation are required to comply (hereinafter referred to as the "Associated Management System"),

With waste of portable, industrial and automotive B&A, which provides for the collection, transport, processing, recycling and related handling ("collection and processing") of used B&A, for the manufacturers of portable, industrial and automotive B&A, fulfillment of information, registration and reporting obligations of producers of B&A as a limited liability under Section 27, par. 6 and related provisions of the Act and related legislation are required to comply (hereinafter referred to as the "Associated Management System").

3. OPR and the Member are interested in cooperating in the field of collective performance of the reserved duties in relation to:

EEE and WEEE;

waste portable, industrial and automotive B&A.

4. EEE, WEEE, B&A and other terms defined in the Act or related legislation have the same meaning for the purposes of the Agreement as under the Act and the related legislation.

**Article II**

**Subject of the Contract**

1. OPR, under the terms of this Agreement and the Act, is obliged to ensure for the Member handling of waste due to Act No. 79/2015 Coll. on waste, as amended, in particular Section 3 as well as other provisions of the cited Act.
   1. Complex service of waste handling includes the collection, transportation, assessing and

recycling of WEEE, which the Member has placed on the market or distributed, at least at the rate of processing and recycling set out in Annex No. 3 of the Act and the collection, transport, assessing and recycling of packaging waste, which are the part of separately collected municipal waste components, at least in the amount of the producer's collection share of the reserved product;

recycling of waste B&A, which the Member has placed on the market or distributed, at least at the rate of processing and recycling set out in Annex No. 3 of the Act and the collection, transport, assessing and recycling of packaging waste, which are the part of separately collected municipal waste components, at least in the amount of the producer's collection share of the reserved product;

* 1. keeping and management of records and datas in accordance to item 1.1 and datas reporting according to the item 1.1 to the competent waste management authorities to the extent specified by the Act or related implementing legislation.

**Article III**

**Subject of Contract provision period**

**Fulfillment date for the complex service of waste handling**

1. Complex service of waste handling defined in the Article II item 1 of this Contract is one complex service of the same kind.

2. Both Contracting Parties have agreed that the complex service is delivered individually based on the quarterly report according to individual waste streams.

3. The Member is obliged to send quarterly report to OPR within 10 days after the end of each quarter of the relevant calendar year.

**Article IV**

**Fundamental rights and obligations of Contracting Parties**

1. OPR commits itself to effectively operate an Associated Management System for the Member and for other persons for whom it ensures the fulfillment of the reserved obligations collectively through the System of Associated Management operated by the OPR under a contract for performance of the obligations with the OPR (hereinafter referred to as "Members").

2. OPR commits itself to the Member to ensure the proper and timely fulfillment of the reserved obligations for the products agreed in Art. 1, item 3 and waste from them. The OPR will provide the above services by ordering them with the persons authorized to provide them ("Service Companies") and will conclude, if necessary, the Contracts for the collection of the entire amount of the separately collected component of municipal waste belonging to a dedicated stream of waste with the municipalities.

3. OPR commits itself to the proper and timely fulfillment of the reporting duties of the Members, which are subject to the obligations under the Act. OPR commits to properly and timely fulfill the obligation of the Member to register with the Producers Register of the reserved product and to notify the changes of the registered data pursuant to Section 27, par. 4 point a) and the related provisions of the Act and the registration and reporting obligations under Section 125, par. 5 and the related provisions, if a Member is required to issue the necessary powers of attorney, as specified in Annex No. 1 of the Contract.

4. ORP is obliged to proceed as economically as possible in the performance of the Contract. OPR is authorized to order services within the Associated Management System only to such Service Companies that will carry out their activities in accordance with the law and at the same time in accordance with the legitimate interests of the Member. Member is authorized to inspect, through the OPR, the activities of the Service Companies in the performance of their activities under the System of Associated Handling.

5. OPR undertakes to lead collectively and for individual producers the records of the reserved products and the waste stipulated in Article I, item 3 of the Contract, in accordance with the Act and related legislation.

6. OPR undertakes to allow the Member to inspect documents relating to the collection, transport and processing of waste from the reserved products agreed in Article I, item 3 of the Contract.

7. The Member undertakes to provide OPR with its co-operation in order to ensure the proper and efficient functioning of the System of Associated Management while at the same time making use of the OPR services to the extent specified by the Contract.

8. The Contracting Parties acknowledge that the Member is solely responsible for the completeness and accuracy of the data provided by OPR and OPR in the performance of the activities under this contract and the Act, based on data provided to the Member. With regard to the provision of Section 27 par. 11 of the Act (through the conclusion of a contract for the fulfillment of the reserved obligations between the reserved product manufacturer and the relevant producer responsibility organization), the responsibility of the manufacturer of the reserved product falls under the fulfillment of the obligations incumbent on this OPR. A Member declares that if, by virtue of a valid decision, OPR will have to pay any sanction imposed for violation of an obligation passed to OPR in accordance with that statutory provision and the merits of which will consist in unlawful action by the Member and / or failure to comply with the obligations of the Member under this contract, the Act or the implementing rules, the Member undertakes, at the first request and without any limitation, to pay the damage incurred to the OPR, up to the amount of the sanction legally imposed and, where applicable, the costs of the administrative and judicial proceedings.

9. OPR is not responsible for fulfilling those obligations (reserved or otherwise), the performance of which the Member ensures himself or through other persons than OPR.

**Article V**

**Replacement of OPR costs**

1. A Member undertakes to reimburse the costs incurred expeditiously and demonstrably for the establishment, financing and operation of the System of Associated Management and for the fulfillment of registration and reporting obligations under Article IV, item 3 of the Contract (hereinafter referred to as "Costs").

2. A Member shall be obliged to pay the obligation referred to item 1 of this Article of the Contract by paying to OPR for each calendar quarter the expenses in the amount determined as a multiple of the quantity of EEE / B&A put on the market and reported by the OPR and the recycling fees (Annex No. 2) of the Contract.

3. Remittance of payment in accordance to item 1 of this Article of the Contract will be made at latest within 21 days from the date of the beginning of tax obligation for the repeated service fulfillment, through the Bank on the OPR account stated in the title of this Contract, regardless of when the invoice was issued.

4. A Member gives consent, pursuant to Section 71, par. 1 point b) of Act No. 222/2004 Coll. on value added tax, as amended (hereinafter the "VAT Act"), to OPR to sending an invoice according to the item 2 of this Article, in electronic form (the "Electronic Invoice").

5. The Electronic Invoice fulfills all the requirements of the invoice in accordance with Section 74 of the VAT Act and is a full tax document. The Member acknowledges and agrees that the Electronic Invoice is a substitute for the paper invoice.

6. OPR undertakes to send the Electronic Invoice to Member via e-mail to the e-mail address of the person responsible for the payment referred to in the identification data of this Contract. The Electronic Invoice will be sent as a PDF document. A Member undertakes to have secure access to the e-mail address for delivery of the Electronic Invoice for the entire duration of the Contract and to update it. Member claims that he has exclusive access to this e-mail address.

7. A Member is obliged to notify the OPR without undue delay of any change that may affect the delivery of the Electronic Invoice, in particular the change of the e-mail address.

8. If the Electronic Invoice is not delivered to the Member within the time limit for issuing an invoice pursuant to item 2 of this Article, he shall be obliged to notify OPR without undue delay. In case of non-fulfillment of this obligation, OPR is not obliged to prove the sending of the Electronic Invoice.

9. An Electronic Invoice is deemed to have been delivered and its contents as notified to the Member by the date of its submission to the Member's e-mail address.

10. The OPR reserves the right, at its sole discretion, to issue and deliver the invoice for any period (i) instead of a document in electronic form, in writing, or (ii) in electronic form and in writing. In the former case, the invoice is deemed to have been delivered on the date of delivery of the written invoice. In the latter case, the invoice is deemed to have been delivered according to what is happening earlier, i.e. either delivering the Electronic Invoice or delivering it in writing.

11. Financial obligation of a member to pay to OPR costs under items 1, 2 of this Article of the Contract paid through the Bank are fulfilled by credited payment of the amount paid in full to the account of the OPR.

12. If a Member is late in fulfilling his obligation to pay to OPR expenses under items 1, 2 of this Article of the Contract, the OPR is entitled to claim default interest against the Member in the amount of 0.05% of the due amount for each day of delay.

13. In the event that the Member fails to pay the OPR expenses on maturity, OPR shall send a complaint to the Member for payment. If the costs are not paid within 30 days of sending this notice to a Member, the OPR is not obliged to continue to perform those activities where the transaction was not transferred from the Member (as a manufacturer of the reserved product) to the OPR in accordance with Section 27, par. 11 of the Act and at the same time the OPR is not in delay with the fulfillment of these obligations, until the expiration of 5 days from the full payment of the owed amount. OPR procedure under the preceding sentence is not considered to be in breach of its obligations under this Contract. The Member declares that he is aware of these facts and that OPR is not obliged to inform him of these facts separately. A Member acknowledges that in case of a delayed Member with a payment of more than 30 days, the OPR is obliged to report this fact to the Coordination Center.

14. The Contracting Parties agreed, that if remuneration to the OPR according to the item 1 of this Article of the Contract does not reach the amount of EUR 25.00 (VAT excluded), in the relevant quarter of the year, OPR is entitled to invoice a minimum remuneration of EUR 25.00 (VAT excluded). That part of the minimum remuneration, which constitutes a calculation between the real basis of the remuneration to the amount of EUR 25.00, represents the coverage of the material and administrative costs associated with the fulfillment of the existing OPR obligations according to this Contract. Entitlement to a minimum remuneration of EUR 25.00 (VAT excluded) also arise if the Customer's statement has zero basis for the obligation to collect and appreciation of waste in the respective quarter. The minimum remuneration in this case represents coverage of the administrative costs associated with the fulfillment of the existing OPR obligations.

**Article VI**

**Informing**

1. OPR is obliged to inform Member without undue delay of important facts related to the establishment and operation of the System of Associated Handling. In particular, OPR is required to provide Member with an overview of the collection and treatment of WEEE / B&A used as the extent of fulfillment of the reserved obligations, indicating the share of collected and processed WEEE / waste B&A accruing to the Member according to its share (hereinafter referred to as "Share of the Member"). The share of the Member shall be determined by share:

the amount of WEEE whose collection, transport and processing is required by the Member under the Act and the related legislation to ensure the total amount of WEEE whose collection, transport and processing are required to be ensured by all members together. The OPR shall submit that Report and determine the Member's share of the quantities of EEE and WEEE duly and timely reported by members for the whole calendar year and by March 31 of the following year at the latest.

the amount of used B&A, the collection and processing of which is required by the Member under the Act and the related legislation and the total amount of used B&A, the collection and processing of which is required to be ensured by all members together. The OPR submits the Report and determines the share of the Member according to the B&A quantities duly and timely reported by members for the whole calendar year and no later than March 31 of the following year. The OPR shall determine the share of the Member separately for portable, industrial and automotive B&A and for portable B&A particularly also for individual types of B&A with different rates of contribution to the Recycling Fund (B&A weighing up to 1 kg and over 1 kg, for industrial B&A, assuming they have always over 1 kg).

2. A Member is obliged to present OPR at the latest by signing of the Contract data reports from the EEE and WEEE / B&A and used B&A records, that was submitted or had to be submitted according to the Act or previous legislation to the Ministry of the Environment of the Slovak Republic (hereinafter referred to as "ME SR") for the last 3 (three) calendar years before the Contract signature.

3. A Member shall, without undue delay, provide OPR with all relevant information he/she obtains and which is related to the Contract, and in particular shall be obliged:

a) to immediately inform OPR about the changes it is obliged to report to the state authority or designated person under the Waste Act;

b) to submit to OPR a Report on EEE and WEEE in the previous calendar quarter in order to ensure fulfillment of the registration and reporting obligation of the Member within the 10th day after the last quarter, scope and structure listed in Annex No. 3a of the Contract;

c) to inform OPR without delay of a person who is an EEE producer within the meaning of the Act and who is suspected of failing to comply with the obligations relating to the management of EEE and WEEE;

d) submit the B&A Report in the previous quarter to ensure fulfillment of the registration and reporting obligation of the Member within the 10th day after the last quarter, scope and structure listed in Annex No. 3b of the Contract.

4. The Contracting Parties have agreed that, for the purposes of fulfilling the obligations under item 3 point b) and d) of this Article of the Contract will preferably be communicated electronically through the portal created by OPR. For this purpose, after the conclusion of the Contract, the Customer will receive the access name and access password to be used for the electronic transmission of the statements referred to in item 3 point b) and d) of this Article of the Contract.

5. A Member undertakes to promptly allow OPR to consult his documents and records to the extent necessary to verify the accuracy and veracity of the data referred to the item 2 and 3 of this Article.

6. If a Member fails to report to OPR properly and in a timely manner the data according to Annex No. 3 of the Contract, the quantity of EEE / B&A placed on the market may be marketed for the purpose of determining the extent of the obligations that the OPR must provide for the Member, in particular the extent of the obligation to ensure collection, transport and processing of WEEE / the calculation of the amount of reimbursement under Article III of the Contract, as determined by the OPR estimate.

7. If a Member fails to report the data to OPR in accordance with Annex No. 3 of the Contract, even after the appeal of the OPR, the OPR is entitled to a contractual fine up to EUR 1000 (thousand EUR). This is without prejudice to the claim for damages in excess of the applicable contractual penalty.

**Article VII**

**Secrecy**

Each Contracting Party shall maintain confidentiality of information forming the trade secret of the other Contracting Party as well as other information concerning the other Contracting Party which is not publicly available and its provision to a third party is liable to cause damage or to prejudice the legitimate interests of the other Contracting Party information which the Contracting Party has learned in connection with the conclusion or performance of the Contract, in particular the information referred in Article IV, item 2 and 3 of the Contract. ("Protected Information"). A Contracting Party may not make the Protected Information available to any person other than to be made available to persons who are members of the Associated Management System under the Contract with OPR are exempted from disclosing to third parties for the proper performance of the Contract and may not use them otherwise than as foreseen in the in Contract.

**Article VIII**

**Duration and termination of the Contract**

1. This Contract is concluded for a specified period untill 31.12.20XX.

2. The Contract enters into force and takes effect on the date of signature of the Contracting Parties. At the same time, all previous contracts and arrangements will expire.

3. The Producer of the reserved product may terminate the Contract in accordance with the Section 27, par. 14 point a) of the Act.

4. OPR may terminate the Contract without any reason, but always only with effect to December, 31 of the calendar year, if the notice on Contract termination is delivered to the other party untill August, 20 in the year in which the contractual relationship has to be terminated. The Contract shall be terminated according to the previous sentence at the earliest after 2 years from the date of its entry into force.

5. Each Contracting Party may withdraw from the Contract if the other party breaches any of the obligations set out in this Contract and there will be no remedy even on the basis of a written request with a reasonable additional period of at least one month from the date of delivery, unless the Contract provides otherwise.

6. OPR may also withdraw from the Contract:

a. for reasons for which, according to the Act, it would not have to sign a contract with the Producer of the reserved product on performance of reserved duties,

b. due to the fact that the Member will be in arrears with the payment of the obligation arising from the Contract for a period longer than 30 days,

c. due to the fact if a sanction will be imposed to OPR according to Article IV, point 8. of the Contract,

d. due to the fact that the Member will disagree with the draft of OPR on the change of the recycling fees (rates) for commodities determined in the Annex No. 2 of this Contract according to Article V, item 2. of this Contract.

7. Member is entitled to terminate the Contract also in case, that the Ministry will legally revoke the authorization of the OPR (pursuant to Section 94, par. 2 of the Act).

8. By withdrawing from the Contract, the Contract is not interrupted from the beginning, but only from the date of delivery of the written withdrawal to the other Contracting Party. The withdrawal must be written, must be served on the other Contracting Party and must be the reason stated for the resignation. The period within which withdrawal is effective according to the item 6.d. of this Article is at the end of the next quarter of a respective year.

9. The expiration of the Contract does not invalidate the right to payment of compensation, including accessories, provided that such claim arises prior to the termination of the Contract. Termination of the Contract shall not give rise to any claim for damages if the reasons which have led to the occurrence of the damage have arisen over the duration of the Contract.

**Article IX**

**General provisions**

1. The Contracting Parties shall provide all necessary co-operation in the performance of the Contract.
2. Neither Contracting Party shall, on the basis of the Contract of the other Contracting Party, grant the right to use its trade name, trade marks owned or used, or other indications, except as provided in the following item of this Article.
3. The OPR grants the Member the right to use the E-cycling label and trade name of the OPR throughout the validity of the Contract throughout the world but only to inform third parties of their cooperation under the Contract. The same right is granted by a member of the OPR in relation to his trade name and logos.

**Article X**

**Final provisions**

1. From the content point of view, the annexes included in this Contract are also included in the Contract. Attachments have been submitted to the Member prior to the signature of the Contract and are known to and agreed with the Member, which is confirmed by the signature of the Contract. The Contract may be varied according to the needs of the defined OPR and the Members upon their mutual agreement. Amendments must be made in the form of a written amendment, otherwise they are void. The annexes (except Annex No. 1 Power of Attorney) may also change the OPR by notifying the Member, provided that it is merely a change to the extent necessary to bring these annexes into conformity with the relevant legislation, and in the case of Annex No. 2 in addition only when there is no increase in recycling fees (rates).
2. Each of the Contracting Parties shall be liable only for the damage caused directly and by its own fault, and only up to the sum of the cash benefits paid by the Member under the Contract until the occurrence of the event giving rise to the claim for damages.
3. Each of the Contracting Parties shall provide the other Contracting Party with a reasonable period of time to remedy the breach before it is brought in respect of its failure to fulfill its obligations.
4. In the event of termination of a Contract, a Member shall not be entitled to a refund of the financial fulfillment he has provided.
5. The parties to the dispute shall communicate their wills and information in relation to the Contract, including their resignation and termination, in writing, to the address specified in their original specifications, unless otherwise specified in the following paragraphs. If a Contracting Party is to deliver to another address, that Contracting Party shall notify the other Contracting Party in writing, and the documents sent after notification of such new address shall be communicated by the other Contracting Party to the latter's notified address. A document sent by one of the Contracting Parties to the other Contracting Party by registered mail to the address designated pursuant to this paragraph shall be deemed to have been served even if it is not handed over from the date on which the mail service failed to deliver.
6. To the extent permitted by law, each of the Contracting Parties is entitled to communicate with the other Party by electronic means, and such communication shall, to the extent stipulated by law, be equivalent to written communication. The identification code contained in the electronic document is sufficient to verify the identity of the sender and the authenticity of the document. OPR may notify the Service Member to enable it to fulfill its obligations under the Contract by means of electronic means under conditions other than those provided for by law.
7. If any provision of the Contract is invalid or ineffective, the invalidity of any other provision of the Contract which remains as a whole shall remain unaffected and effective. The Contracting Parties undertake in this case to immediately replace an invalid or ineffective provision with a valid and effective provision that best fits the purpose originally intended for an invalid or ineffective provision. The Contracting Parties undertake to proceed in the same way if necessary to bring the Treaty into line with the relevant legislation. Until that time, the applicable legal regulations in the Slovak Republic apply.
8. The Contract shall be made out in two (2) identical equivalents bearing the original, of which one (1) shall receive each of the Contracting Parties. The Contracting Parties have read, mutually interpreted the Contract and signed it in a free and serious manner, not in a hurry and not in a disadvantageous manner.
9. The Contracting Parties have agreed that the conclusion of this Contract shall abolish all existing treaties and agreements concluded between them prior to the signature of this Contract.

In Banská Bystrica, Slovakia, dated To be filled in In To be filled in, dated To be filled in

On behalf of E-cycling s.r.o. On behalf of fill in the business name:

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

Ing. Martina Iždinská, company executive Fill in name and surname, function

PhDr. Jarmila Kováčová,company executive

Annexes:

A1 - Power of Attorney

A2 - 2a - Recycling fees "EEE"

2b - Recycling fees "B&A"

A3 - 3a - Quarterly report "EEE"

3b - Quarterly report "B&A"

A4 - Producer´s data