

GENERAL CONDITIONS FOR CONTRACTING FRAMEWORK AGREEMENT (GTC)

1. Scope of GTC

This GTC concerns the waste **collection, delivery, treatment and other relating services** provided by **DESIGN Kft.** (registered office: 6000 Kecskemét, Ipar u. 6, hereinafter referred to as: **DESIGN**) to its partners. If the order confirmed by DESIGN or the specific contract made between the Parties explicitly differs from certain provisions of the GTC, the differing provision shall be applied in the given question, while GTC shall be applied in connection with every other provision. The difference shall not be interpreted broadly. Derogation from this GTC and modification of the agreement between the Parties shall be made exclusively in writing.

2. Establishment of the contract

The agreement between the Parties shall be made through the execution of a specific contract by the Party ordering the service (hereinafter referred to as: **Customer**) and the representative of DESIGN or through the confirmation of an order sent in writing (by fax or electronically) by DESIGN through one of the aforementioned means. In case of metal waste management, a written agreement shall be made between the Parties. If the confirmation of DESIGN differs from the specific conditions of the order, or it contains additional provisions, these shall be accepted, unless Customer objects to these within 3 days after the confirmation, or it uses the service before this date. The contract shall be governed by the provisions of GTC and the content of possible annexes. The executed contract – unless otherwise specified – shall be made for an indefinite period of time; Parties shall be entitled to terminate such contract with a 30-day time limit.

3. Applicable laws relating to the service

The following laws relate to Parties' agreement, therefore Customer shall be familiar therewith and keep such relevant laws, especially those published on DESIGN's website (hereinafter referred to as: Laws): <http://designkft.hu/vonatkozo-jogszasbalyok/>. DESIGN and its prominent subcontractor (Multi Red Logistic Kft.) have the official authorizations at their disposal required to carry out this activity. The copies of such decisions may be viewed and downloaded from <http://designkft.hu/engedelyek/>.

4. Contractor's fee

- 4.1. DESIGN shall issue an invoice based on the waste received, collected, delivered and managed by it, as well as on other provided services, considering the fee and fee calculation indicated in the contract or the order. VAT shall be levied on the fees according to the current legislation, even if the VAT is not indicated next to a fee. In that case, the fee shall be regarded as a net price without VAT.
- 4.2. The payment deadline of the invoice shall be the date indicated on the invoice; unless otherwise specified, it shall be settled within 15 days after the issue of the invoice. In case of late payment, DESIGN shall be entitled to suspend its service, to refuse to perform the orders, and to validate default interest, flat rate and other collection costs in accordance with the Civil Code valid at the time of the establishment of the contract.
- 4.3. In case of a framework agreement, from the first day of the year following the establishment of the contract, DESIGN shall be entitled to change the fee of its services to an extent justified by the latest consumer price index increase relevant for 12 months for the services published by the Central Bureau of Statistics or the market changes (price list). DESIGN shall be entitled to validate the price list during the year as well, with retroactive effect from 1 January of the year concerned, and DESIGN shall send the price list to Customer not later than 1 March. DESIGN shall be entitled to validate indexing maximum once every calendar year.
- 4.4. DESIGN shall be entitled to validate the cost increase deriving from the change in legislation or other future cost increase (e.g. environmental impact tax, dumping contribution, road toll, other charges, taxes and contributions in connection with its activity, etc.) in its fees from the starting date of its obligation. After the placement of the packaging provided by DESIGN, DESIGN shall charge fees for using/renting to Customer based on the fees defined in the contract. The fees for using/renting shall always be invoiced based on the data included in the consignment note signed by the Parties or their representative acting on-site.
- 4.5. If the waste is not prepared properly by Customer, DESIGN shall be entitled to charge 9000 HUF/person + VAT hourly charge-out rate for the personnel required to wait at Customer's premises for waiting exceeding 30 minutes, for every hour that has been started (Waiting Fee). DESIGN shall also have the right to charge a service fee of 3000 HUF + VAT/hour for these persons if they actively take part in the preparation for every hour that has been started (Preparation Fee). The persons present shall record the additional costs and the duration on the consignment note, which shall serve as the certification of performance. DESIGN shall be entitled to every profit deriving from waste treatment.

5. Performance of the service

- 5.1. In the agreed quantity and quality, DESIGN shall receive, deliver on public roads, pretreat, treat, exploit and dispose of the waste (hereinafter referred to as: waste) determined in the contract or the order. DESIGN shall be entitled to deliver the waste and carry out any partial activity of its treatment with a subcontractor.
- 5.2. In every case, Customer shall be responsible for preparing the waste for public road delivery. DESIGN shall receive the waste prepared by Customer within 10 business days but within 15 business days in November and January and within 20 business days in December after the order has been received, however, possibly at a time preliminary agreed on. DESIGN receives the waste in accordance with the Laws and confirms receipt on the necessary certificates. DESIGN shall treat the received waste according to the content of the accompanying documents (delivery sheet, consignment note, and other accompanying documents determined in the laws). If the receipt is justifiably refused, DESIGN shall deliver the waste back at Customer's expense.
- 5.3. Customer shall provide the quality and quantity characteristics – pursuant to the provisions of the Laws – about the waste to be delivered and the packaging thereof to the best of its knowledge during the placement of the order. Customer shall guarantee this information and bear full responsibility therefor. Based on the information provided, Customer shall fill in the accompanying documents (e.g. delivery sheet, consignment note, accompanying documents for metal, commercial

documents, etc.) and DESIGN may provide help therewith based on a special agreement made between DESIGN and Customer.

- 5.4. Upon receipt of the waste, the ownership thereof is transferred to DESIGN without any further legal declarations. The waste shall be considered received if DESIGN attached its signature and the company seal to the waste accompanying documents and in case of hazardous waste, DESIGN sent back 'The person in charge of treatment sends it back to the producer' part of the delivery sheet by post, otherwise the consignment note signed at the premises and/or weighing note shall be sent back. Thereafter DESIGN shall be entitled to manage the waste as its own property, to indicate it in its records as such, and to transfer it to a third person.
 - 5.5. The authentic weighing of the weight waste is always carried out at DESIGN's premises on scales certified by OMH (National Bureau of Measurement). Customer shall be entitled to be present during the weighing of its own waste if the occupational health and safety regulations are fully observed. If Customer does not inform DESIGN about its intention to participate in advance and does not participate in the weighing, Customer irrevocably accepts the result of the authentic weighing. If the waste and its packaging cannot be efficiently separated from each other, or the waste treatment facility performing the final treatment can treat them only without separation, the weight of the packaging shall not be deducted from the gross weight during the authentic weighing, therefore the gross weight shall be regarded as the base for calculation in Parties' accounts (e.g. solid, barrel waste to be burned, etc.)
 - 5.6. DESIGN shall have the right to refuse receipt of the delivered waste in the cases set forth in the Laws. In that case, DESIGN shall deliver the waste back to Customer; therefore Customer shall have the right to ownership thereof. If the take-back is refused, DESIGN may choose to withdraw from the contract with a unilateral declaration, or to treat the waste in another way and demand its additional costs with maximum 100% additional charge as penalty from Customer. In case of withdrawal, DESIGN may demand the fee of performed services from the contractor's fee to which it is entitled to.
 - 5.7. Customer shall order the waste delivery at least 11 business days but at least 16 and 21 business days in November, January and in December, respectively, before the requested delivery date by e-mail (info@designkft.hu), fax or on www.designkft.hu/megrendeles website; Customer shall indicate the quantity and quality in accordance with the Laws for each waste type to be delivered, shall precisely indicate the requested exchange packaging, and shall refer to the reference number of the contract. DESIGN shall be entitled to pre-performance which shall be facilitated by Customer on business days between 8 a.m. and 5 p.m. Customer shall provide the conditions necessary for receiving the waste, e.g. necessary personnel, loading equipment, etc. By applying general market conditions, DESIGN attempts to receive waste differing from the waste indicated in the contract, but it is not obliged to do so.
 - 5.8. If the performance of the services of DESIGN fails and its cause is in Customer's interest, but DESIGN has left its premises, and if DESIGN shall return the waste in accordance with Section 5.6., Customer shall occasionally pay penalty for the failure of 300 HUF/km + VAT to the contractor for the return journey between the concerned premises of DESIGN and the place of delivery of the waste within 8 (eight) days.
- ### 6. Guarantee
- 6.1. Customer shall guarantee that the waste handed over to DESIGN has the characteristics indicated in the contract and the order. In case of any derogation, Customer shall consult in advance with the contact person of DESIGN in writing before the delivery has been started.
 - 6.2. Customer shall ensure and guarantee the proper classification of the waste in accordance with the Laws and its preparation for delivery. Customer shall prepare the waste and make it suitable for delivery at the time of order placement, and to keep it in such condition until the start of delivery in a way that prevents the mixing of waste items, as well as environment pollution during waste loading and delivery. The preparatory work carried out by DESIGN personnel shall not exempt Customer from its liability set forth in this section.
 - 6.3. Customer shall mark the containers and packaging containing hazardous waste in accordance with the Laws. Customer shall indicate the number of the delivery sheet and the waste identification code (HAK/EWC), UN number and proper delivery description of the waste on the packaging containing the waste, as well as mark them with labels indicating danger and treatment. Customer shall use the packaging provided by DESIGN in accordance with its intended use, otherwise DESIGN shall be entitled to charge Customer with the purchase price of the packaging used improperly. Every activity shall be regarded as improper use which prevents further use, circulation of the packaging or remarkably makes it more difficult or expensive (e.g. pollution, deformation, failure to use ADR lining bag, etc.). If the packaging is used for more than one year, DESIGN shall be entitled to invoice the purchase price thereof to Customer.
 - 6.4. In the case of waste items for which DESIGN pays compensation for Customer, the issue of an invoice complying with the relevant Laws shall be the exclusive responsibility and duty of the issuer of the invoice.
- ### 7. Other provisions
- 7.1. DESIGN shall be entitled to use Customer's name as a reference. Customer shall inform DESIGN about the changes in its essential data (company name, invoicing address, tax number, KÜJ, KTV, address of correspondence, etc.) until the first order after the changes. DESIGN shall not be obliged to monitor such changes. Parties' statements and legal declarations made to each other in writing shall be regarded delivered and stated if they are justifiably received by Parties. With regard to the legal relationship between Parties, Parties apply the relevant regulations of Section 137 of Act CXXX of 2016 on the fiction of delivery for postal delivery.
 - 7.2. The contact persons of the Parties indicated in the contract shall be entitled to make declarations concerning the performance of the contract. The authorized signature of the party making a declaration and the delivery of a written declaration

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are necessary in other questions relating to the contract (e.g. modification, termination). Parties agree that the data and information included in the contract and relating to the performance thereof shall be regarded as business secrets of the Parties, which shall be handled accordingly by Parties, and Parties shall not provide such information to a third Party.

Dated: Kecskemét, 1 January 2018

DESIGN Kft.