

GENERAL TERMS AND CONDITIONS

governing the participation agreements in the collective scheme for the recovery of waste oils operated by
ECO OIL RESOURCE EOOD

Version: EOR-OM-GTC-2026-6 · in force from 30.09.2026

*English translation for information purposes only. In the event of any conflict, the Bulgarian text shall prevail
(Article 62d).*

These General Terms and Conditions govern the standard rights and obligations between ECO OIL RESOURCE EOOD, UIC (Unified Identification Code) 204449446, VAT identification number (VAT No.) BG204449446, hereinafter referred to as “the ORGANISATION”, and each person who places oils on the market in the territory of the Republic of Bulgaria and has concluded an individual agreement for participation in the collective scheme of the ORGANISATION, hereinafter referred to as “the MEMBER”.

These General Terms and Conditions form an integral part of the individual AGREEMENT between the ORGANISATION and the MEMBER and shall apply together therewith.

PREAMBLE

What is a recovery organisation?

ECO OIL RESOURCE EOOD is a waste oil recovery organisation within the meaning of the Waste Management Act (WMA). The ORGANISATION holds a permit under Art. 81(1) of the WMA — Decision No. OOn-OM-07-00/13.07.2017 of the Minister of Environment and Water, as amended by Decision No. OOn-OM-07-01/27.10.2021 and Decision No. OOn-OM-07-02/16.11.2022 — which authorises it to operate a collective scheme for the collection, transport and recovery of waste oils.

Why does this scheme exist?

Every person who places oils on the Bulgarian market — a manufacturer, an importer or a person introducing oils from another EU Member State — bears extended producer responsibility (EPR). This means that such person is obliged to ensure the collection and recovery of the waste oils generated from its products. The Act provides two options: individual compliance or membership of a collective scheme. The collective scheme of the ORGANISATION assumes these obligations in the name and for the account of its members.

What does being a member of the collective scheme mean?

Membership is established by signing an individual agreement and accepting these General Terms and Conditions. From the commencement of participation, the ORGANISATION organises the fulfilment of the MEMBER’s statutory obligations in respect of waste oils. In return, the MEMBER pays a fee for each kilogram of oil placed on the market. The fee is determined by the notice period option selected in the AGREEMENT and by the applicable product tariff rate under the publicly disclosed scale. Individually negotiated rates outside the public scale shall not apply.

Rights and obligations in brief

The MEMBER: declares the quantities of oils monthly via Portal 2.0; pays the agreed fee on time; maintains its registration in the public register under the WMA; stores waste oils without mixing; provides documents for inspection upon request.

The ORGANISATION: organises the collection, transport and recovery of waste oils; reports on performance to the Executive Environment Agency (ExEA) and the Ministry of Environment and Water (MoEW); issues a certificate of participation; ensures a network of operators covering the territory; publishes aggregated information on the activities of the scheme annually.

Priority in treatment is given to regeneration (code R9) — the conversion of waste oil back into base oil. Alternative operations are permitted only where regeneration and recycling are not technically feasible or not economically viable, or would yield a worse overall environmental outcome, and where the deviation is justified by a life-cycle approach (Art. 4(2)).

These General Terms and Conditions comply with Directive 2008/98/EC (the Waste Framework Directive, including Art. 8a and Art. 21 of the Directive — on EPR and on waste oils respectively), Regulation (EU) 2016/679 (GDPR), Regulation (EU) No 910/2014 (eIDAS), Regulation (EU) 2019/1021 (persistent organic pollutants) and the applicable national legislation.

KEY SUMMARY

This summary is for guidance only. In the event of any conflict, the full clauses of these General Terms and Conditions and of the individual AGREEMENT shall prevail.

1. The MEMBER's reporting shall be carried out via "Portal 2.0", unless the ORGANISATION expressly designates another permissible electronic means.
2. A submitted declaration may not be withdrawn, deleted or cancelled unilaterally. A correction is permitted only following approval by the ORGANISATION, and all versions shall remain in the audit trail.
3. A reduction of already declared quantities is permitted in the event of a proven error or of a subsequently proven export or dispatch outside Bulgaria, including intra-Community dispatch, where this is permissible under the law.
4. **The term of the AGREEMENT and the notice period shall be agreed in the individual AGREEMENT; the AGREEMENT shall specify exactly one notice period; where no choice has been made or two options have been marked, the configuration of the AGREEMENT is incomplete and it shall not take effect until the incompleteness is remedied by a written addendum (Art. 46).** The AGREEMENT shall be renewed automatically for a further period of the same duration, unless a PARTY objects in writing no later than the beginning of the notice period under Art. 46, counted backwards from the expiry date of the current period (Art. 45). Irrespective of the term of the AGREEMENT, either PARTY may terminate it at any time without stating grounds by giving the agreed notice; the MEMBER's maximum commitment is the notice period and not the term of the AGREEMENT (Art. 46).
5. The ORGANISATION may unilaterally change the rates by giving the notice agreed in the AGREEMENT for a change of rates (Art. 18(1)). By mutual written consent, the rates may be changed with immediate effect (Art. 19).

6. If the MEMBER disagrees with a unilateral increase of the rate, the MEMBER may terminate the AGREEMENT by giving the notice agreed in the AGREEMENT for that case, irrespective of the period under Art. 46. This right shall be exercised within 30 calendar days of the demonstrable receipt of the notification (Art. 18(8)); after the expiry of that period, termination shall be in accordance with the general procedure under Art. 46.

7. The fees are a price for participation in the collective scheme and not a public-law product fee payable to the Enterprise for Management of Environmental Protection Activities (EMEPA).

8. The fees are determined on an actual cost basis under Art. 17. For each product, the base contractual rate under the selected option shall apply until another product rate becomes applicable in accordance with the procedure under Art. 16a(3). The tariff class is determined for the product and not for the MEMBER. A change of the rate due shall be made in compliance with the agreed price stability and the procedure under Art. 18 or Art. 19.

9. A routine inspection or audit shall be carried out **with 7 calendar days' written notice**, except in the event of risk, a request by an authority or suspicion of false data.

10. The MEMBER is responsible for the accuracy of the data, the registration and the payments. The mere failure to submit, or late submission of, a monthly declaration shall result in a reminder under Art. 21(8), without contractual sanctions. Statutorily mandatory reporting and public-law consequences are not thereby waived.

11. In the event of late payment after the due date, Art. 36 shall apply. Where understated or concealed quantities are established, Art. 37 shall apply, with the exception for an unsubmitted or late declaration under paragraph (1) of that Article.

12. The total amount of the contractual penalties under Art. 36 and Art. 37 for one reporting period may not exceed 50 per cent of the fee due for that period after all corrections and the quantities established upon inspection have been taken into account, and not of the originally declared or invoiced fee, unless the individual AGREEMENT provides for a lower cap (Art. 38a). The contractual penalty for parallel membership, the audit costs and the compensation under Art. 38 do not fall within this cap. The cap shall always apply, except in the case of wilful concealment of quantities or of gross negligence resulting in materially inaccurate or manipulated data (Art. 40, items 4 and 9); in the case of an ordinary inaccuracy without fault, the cap shall apply.

13. Parallel membership of two organisations for the same waste stream is prohibited and constitutes a material breach. In the event of a breach, a contractual penalty of three times the last monthly fee is payable or, if the parallel membership is not terminated within 15 calendar days of the written notification, five times the last monthly fee, but not more than the MEMBER's annual fee (Art. 6(4)).

14. The mixing of waste oils with different characteristics, as well as their mixing with other wastes, substances or materials, is prohibited where it would impede regeneration or another equivalent recycling operation (Art. 26). This prohibition is not subject to any exception between the PARTIES; the derogation under Art. 8(3) of the WMA is available only to an operator holding a permit under Art. 35 of the WMA and does not apply to the MEMBER (Art. 26(1)). A breach may result in the non-recognition of quantities.

15. The ORGANISATION publishes aggregated information annually: quantities collected and treated by operation, the extent to which the targets have been achieved, costs and revenues in aggregated form, a list of operators (Art. 33(3)), as well as ownership and membership, the actually applicable fees per unit of

product and, where a programme tariff scale applies, the full scale of classes and the procedure and criteria for the selection of operators (Art. 33(5)).

16. The ORGANISATION ensures equal treatment and non-discrimination irrespective of the size of the undertaking, without a disproportionate burden on small and medium-sized enterprises (Art. 17(8)).

17. Confidentiality is of unlimited duration — including after termination of the AGREEMENT. Personal data are processed in accordance with the GDPR; retention period 10 years after termination (Art. 50, Art. 52).

18. Upon termination, the PARTIES shall sign a financial settlement record. Any overpayment shall be refunded **within 30 business days**. In the event of delay, the ORGANISATION shall owe statutory interest and, under Art. 36(2), a contractual penalty in the amount under Art. 36(1), whichever is the greater (Art. 49(3)–(4)).

I. DEFINITIONS AND SCOPE

Article 1. Definitions

(1) For the purposes of these General Terms and Conditions:

1. “The ORGANISATION” — ECO OIL RESOURCE EOOD, UIC 204449446, a waste oil recovery organisation within the meaning of the WMA, holding a valid permit under Art. 81(1) of the WMA.

2. “The MEMBER” — a person who places oils on the market and fulfils its obligations through the collective scheme of the ORGANISATION on the basis of an individual agreement.

3. “The AGREEMENT” — the individual agreement between the ORGANISATION and the MEMBER.

4. “The PARTIES” — the ORGANISATION and the MEMBER, taken together.

5. “WMA” — the Waste Management Act, as currently in force.

6. “The Oils Ordinance” — the Ordinance on Waste Oils and Waste Petroleum Products, as currently in force.

7. “The Product Fee Ordinance” — the Ordinance on the Procedure for and Amount of Payment of the Product Fee, as currently in force.

8. “Directive 2008/98/EC” — Directive 2008/98/EC on waste, including the requirements for extended producer responsibility and the specific rules on waste oils.

9. “Waste Shipment Rules” — the European Union law and national law on shipments of waste applicable at the relevant time, including Regulation (EU) 2024/1157 and, insofar as applicable under the transitional rules and national cross-references, Regulation (EC) No 1013/2006.

10. “Oils” — the products falling within the statutory scope for oils, the use of which gives rise to waste oils.

11. “Waste oils” — mineral or synthetic lubricating or industrial oils which have become unfit for the use for which they were originally intended, as well as other oils falling within the statutory definition.

12. “Waste petroleum products” — the wastes which fall within the scope of the Oils Ordinance but are not counted towards the waste oil recovery target, where the legislation so provides.

13. “Reporting period” — one calendar month.

14. "Placing on the market" — placing on the market within the meaning of the applicable legislation, including import, introduction from another Member State of the European Union, manufacture and use for one's own commercial, manufacturing or professional activity, where the legislation so provides.
15. "Fee" — the price paid by the MEMBER to the ORGANISATION for participation in the collective scheme. This payment is not the public-law product fee under Art. 59 of the WMA.
16. "Rate" (applicable product rate) — the price in euro per kilogram of oil, exclusive of VAT, for the specific product and the specific reporting period, determined in accordance with: the notice period option selected in the AGREEMENT; the tariff class of the product; the applicable publicly disclosed tariff scale; and the applicable version of the approved Programme. 16a. "Base contractual rate" — the numerical rate in euro per kilogram, exclusive of VAT, expressly agreed in the individual AGREEMENT according to the notice period selected therein. For the standard product, for which no other applicable product category has been determined, the base contractual rate shall apply. The base contractual rate and the applicable product rate are distinct concepts.
17. "Portal 2.0" — the electronic reporting system of the ORGANISATION, through which the MEMBER may submit declarations, corrections and documents and receive messages, pro forma invoices, invoices and other documents.
18. "Waste stream" — the category of waste (waste oils) in respect of which the MEMBER fulfils its obligations through the collective scheme.
19. "ExEA" — the Executive Environment Agency.
20. "MoEW" — the Ministry of Environment and Water.
21. "EMEPA" — the Enterprise for Management of Environmental Protection Activities.
22. "QES" — a qualified electronic signature within the meaning of Regulation (EU) No 910/2014 and the EDETSa.
23. "EDETSa" — the Electronic Document and Electronic Trust Services Act.
24. "NISO" — the National Waste Information System maintained by the Executive Environment Agency, through which the statutorily required data on waste and on products placed on the market are submitted.
25. "VAT Act" — the Value Added Tax Act, as currently in force.
26. "Tariff class" — one of the four classes A, B, C and D under Art. 16(4), which is determined for the product and not for the MEMBER, in accordance with the rules of the applicable Programme and of the publicly disclosed tariff methodology. The tariff class is a product classification and not a contractual price; its indication by the MEMBER has the effect provided for in Art. 16(7) and does not in itself amend the base contractual rate.
27. "The Methodology" — the ORGANISATION's Methodology for determining the tariff classes and for the modulation of the fees, which is contained in the applicable approved Programme under Art. 53 of the WMA and in the publicly disclosed tariff methodology. These General Terms and Conditions contain only the principles under Art. 16a and do not reproduce the technical thresholds and testing methods.
- (2) In the event of a change in a mandatory statutory definition or legal regime, the definition or mandatory rule in force shall apply.

Article 2. Order of Precedence

In the event of any conflict between the documents, the following order of precedence shall apply:

1. mandatory rules of law;
2. the individual AGREEMENT;
3. the annexes to the AGREEMENT;
4. these General Terms and Conditions;
5. the approved Programme under Art. 53 of the WMA and the publicly disclosed tariff methodology — solely in respect of matters which the AGREEMENT or these General Terms and Conditions expressly incorporate by reference;
6. the technical rules of Portal 2.0.

In matters concerning the price, the base contractual rate, the notice period and the term of the AGREEMENT, the individual AGREEMENT shall take precedence over the annexes, these General Terms and Conditions, the Programme and the tariff methodology. The Programme under Art. 53 of the WMA and the tariff scale disclosed under Art. 33(5), item 2 shall apply in the applicable approved and duly disclosed version (Art. 16(12)) and serve to determine the tariff classes and the product modulation; they shall have financial effect only in accordance with the procedure under Art. 16a(3). A change in the Programme or in the Scale which increases the amount payable by the MEMBER shall not take effect merely by reason of the change: it shall apply prospectively, after the applicable procedure has been carried out and the required notification has been given, in compliance with the individual AGREEMENT and without prejudice to the MEMBER's rights under Art. 18(8). An unapproved Programme shall not amend the contractual price. An entry in an internal register of the ORGANISATION shall not derogate from a mandatory rule of law, the permit under Art. 81(1) of the WMA or the signed AGREEMENT.

The order of precedence shall not apply where its application would result in a departure from a mandatory rule of law or in less protection for the MEMBER than that provided for in these General Terms and Conditions. The individual AGREEMENT shall take precedence only insofar as it provides for terms equally favourable or more favourable to the MEMBER than these General Terms and Conditions. The preceding sentence shall not apply to the price, the base contractual rate, the notice period and the term of the AGREEMENT, in respect of which the AGREEMENT shall take precedence, save over a mandatory rule of law, subject to the first sentence.

Article 3. Subject Matter

The ORGANISATION, through its collective scheme, organises the fulfilment of the statutory obligations relating to the oils placed on the market by the MEMBER, on the terms of the AGREEMENT, these General Terms and Conditions and the legislation in force.

Article 4. Statutory Target and Priority of Regeneration

(1) The ORGANISATION organises the achievement of the annual waste oil recovery target laid down in the Oils Ordinance. As at the date of adoption of these General Terms and Conditions, the target is the recovery of waste oils in a quantity of not less than 40 per cent of the quantity of oils placed on the market during the current year, and in the event of a subsequent legislative change the level then in force shall apply.

(2) In organising the scheme, the following shall apply: the principles of the waste hierarchy, the separate collection of waste oils, the priority of regeneration (R9) and, alternatively, another recycling operation which

delivers an equivalent or better overall environmental outcome than regeneration, in accordance with Art. 21(1), letter (b) of Directive 2008/98/EC. The following order of preference shall apply: regeneration (R9); other permissible recycling with an equivalent or better environmental outcome; another lawful recovery operation; disposal — only where lawfully justified. Directing waste oils to a recovery operation other than recycling, including energy recovery (R1), or to a disposal operation (D10, D15) is permitted only where regeneration and recycling are not technically feasible or not economically viable within the meaning of Art. 4(2) of Directive 2008/98/EC, or where they would deliver a worse overall environmental outcome, and only where the deviation is justified by the life-cycle approach under Art. 4(2) of Directive 2008/98/EC, the grounds being documented for each affected batch and summarised in the annual report. Operators shall provide data by operation code (R9, R12, R1, D10, D15, etc.) to demonstrate the priority of regeneration. The ORGANISATION shall maintain an annual mass balance tracking the quantities from placing on the market, through separate collection, to the final treatment operation, by operation code.

(3) The ORGANISATION shall not report towards the achievement of the target quantities which are not counted under the legislation, including waste oils that have arrived or been imported, unused oils past their expiry date, and waste petroleum products, where the Oils Ordinance in force so provides.

(4) Only quantities of waste oils within the meaning of § 1, item 15 of the Supplementary Provisions of the Oils Ordinance which have undergone a completed final operation shall be counted towards the target under paragraph (1). Quantities under codes which constitute waste petroleum products under § 1, item 13 of the same provisions shall not be counted, including oil/water separator contents (sub-chapter 13 05), oil and concentrates from separation (code 19 02 07*), sludges and emulsions from manufacturing, wastes from tank cleaning and oily wastes from shipping — in accordance with Art. 10(2), item 3 of the Oils Ordinance. The ORGANISATION shall maintain separate records of the quantities counted and not counted towards the target and shall submit them to the registered auditor under Art. 55(2) of the Oils Ordinance.

(5) Only quantities which have undergone a completed final recovery operation shall be counted towards the target. Operations R12 (exchange for recovery) and R13 (storage pending recovery) are preliminary operations and shall not be counted towards the target; quantities in R13 as at 31 December shall be reported separately as incomplete and shall be counted in the year in which the final operation is completed.

II. CONDITIONS OF MEMBERSHIP

Article 5. Commencement of Participation

(1) The MEMBER's participation shall commence on the date specified in the individual AGREEMENT, provided that there is a validly concluded AGREEMENT, the MEMBER holds the required registration, there is no impermissible parallel membership and the necessary registration and identification data have been provided. Where the MEMBER is entered in the register and submits a copy of the entry within the period under paragraph (2), the registration condition shall be deemed fulfilled as of the commencement date under the AGREEMENT.

(2) If, at the time of conclusion of the AGREEMENT, the MEMBER is not yet entered in the relevant public register under Art. 45 of the WMA, it shall obtain entry in that register and provide the ORGANISATION with a copy of the entry within 7 business days of the conclusion of the AGREEMENT, but no later than the statutory time limit.

(3) The ORGANISATION shall conclude an AGREEMENT with every person who places oils on the market, meets the conditions under paragraph (1) and accepts these General Terms and Conditions, on equal and non-discriminatory terms. A refusal is permitted only on objective grounds: absence of the required registration, save in the case under paragraph (2); impermissible parallel membership; a waste stream outside

the scope of the permit; or outstanding due obligations of the applicant to the ORGANISATION under a previous agreement, established by a final act or acknowledged by the applicant. The refusal shall be reasoned in writing within 14 calendar days of receipt of the complete documents.

Article 5a. Retroactive Commencement of Participation

(1) The commencement of participation may be expressly agreed in writing as a date preceding the conclusion of the AGREEMENT, but not earlier than the beginning of the calendar year in which the AGREEMENT is concluded and not before the date on which the previous agreement with another recovery organisation was terminated, as evidenced under Art. 6(2). Agreeing an earlier date shall not give rise to coverage for periods before that date.

(2) For the past reporting periods expressly covered under paragraph (1), the MEMBER shall submit declarations within 10 business days of the conclusion of the AGREEMENT. No sanctions or charges for delay shall accrue in respect of them for the time prior to conclusion. The fee shall be payable within 7 calendar days of submission, but not before the applicable regular due date under the AGREEMENT. The ORGANISATION assumes its obligations for those quantities insofar as they can lawfully be reflected in the reporting. Where this is impossible, it shall notify the MEMBER before accepting the declaration; no fee shall be payable for the quantities that cannot be reflected, and any amount paid shall be refunded under Art. 49(4). In the event of later submission, Art. 21(8) shall apply, without contractual sanctions solely for the delay.

Article 6. Parallel Membership

(1) The MEMBER shall not be entitled simultaneously to fulfil its obligations for the same waste stream through another recovery organisation.

(2) When transferring from another organisation, the MEMBER shall provide evidence of the termination of the previous agreement.

(3) Impermissible parallel membership constitutes a material breach.

(4) Where impermissible parallel membership is established, the MEMBER shall owe a contractual penalty of three times the last monthly fee. If the parallel membership is not terminated within 15 calendar days of the written notification, the contractual penalty shall be five times the last monthly fee, but not more than the MEMBER's annual fee. The basis for the contractual penalty under this paragraph shall be the fee for the last reporting period for which a declaration was submitted and a fee charged before the breach was established; in the absence of such a period, the basis shall be the average monthly fee for the period during which the AGREEMENT has been in effect.

(5) The fulfilment of obligations through another recovery organisation after the AGREEMENT has been duly terminated on any ground under these General Terms and Conditions or the AGREEMENT, including under Art. 18(8), Art. 45, Art. 46, Art. 47, Art. 47a, Art. 48, Art. 55(3) and Art. 59(5), shall not constitute parallel membership; the contractual penalty under paragraph (4) shall not be payable in such cases. Nor shall a period of objective overlap constitute parallel membership where it is due to a change not reflected by the previous organisation or by the competent authority, provided that the MEMBER has fulfilled its obligation under Art. 14(7) of the WMA.

Article 7. Registration

(1) The MEMBER shall maintain the necessary entry in the public register under the WMA throughout the period of participation.

(2) The MEMBER shall promptly record the method of compliance through the ORGANISATION and all subsequent changes within the statutory time limit.

(3) The MEMBER is responsible for its registration, the registration number, the scope of the declared products, the stated method of compliance and for keeping up to date the data held by the ExEA and the other competent authorities.

Article 8. Scope of Coverage

(1) The ORGANISATION assumes contractual obligations only for quantities which are within the scope of the AGREEMENT, duly declared, supported by documents and paid for in accordance with the AGREEMENT and these General Terms and Conditions.

(2) Undeclared, under-declared, disputed or unpaid quantities shall not automatically be deemed included in the contractual coverage, save insofar as mandatory law provides otherwise.

(3) The public-law consequences of non-payment, failure to provide information or provision of false information by the MEMBER shall be borne by the MEMBER, insofar as they are caused by its act or omission.

III. REPORTING AND DECLARATIONS

Article 9. Monthly Declaration

(1) The MEMBER shall declare all oils placed on the market by it during the relevant calendar month.

(2) The declaration shall be submitted no later than the 15th day of the month following the reporting period.

(3) The declaration shall contain all statutorily and contractually required data, including the type and code of the oil, the quantity in kilograms, details of the primary documents, import, intra-Community introduction, manufacture, own professional use, export or dispatch, where applicable, and other data necessary for statutory reporting. Quantities shall be declared as the net weight of the oil, excluding the packaging. The MEMBER shall not determine the tariff class in the monthly declaration. Where the declaration form contains a field for the tariff class, the class determined under Art. 16(7) shall be entered in it; any entry made by the MEMBER in that field shall not amend the determined class. The ORGANISATION shall notify the MEMBER of the applicable class determined under Art. 16(7) via Portal 2.0 or in writing. The MEMBER may submit additional evidence and request a review of the class in accordance with the procedure under Art. 16(7) and (8).

(4) Oils contained in engines, units and systems of vehicles, machinery and equipment at the time of their import or introduction shall be declared only insofar as the legislation in force treats them as placing oils on the market. The ORGANISATION shall publish guidance on the applicable regime; upon a written enquiry by the MEMBER, the ORGANISATION shall give a written opinion within 10 business days of the enquiry; pending its provision, the MEMBER shall apply the published guidance. Where the MEMBER has applied the opinion in good faith, the ORGANISATION shall not charge, for the relevant periods, contractual penalties under Art. 36 and Art. 37 or costs under Art. 32; the public-law consequences remain as provided for in Art. 8(3).

Article 10. Nil Declaration

Where no oils have been placed on the market, the MEMBER shall submit a nil declaration within the period under Art. 9(2). The ORGANISATION shall not draw up a nil declaration ex officio on behalf of the MEMBER. No pro forma invoice or tax invoice for the quantity-based fee shall be issued in respect of a nil declaration. Consecutive nil declarations shall not in themselves constitute grounds for a sanction or for an inspection

without the notice under Art. 31(1). This shall not restrict the routine verification of the accuracy of data or actions required by law.

Article 11. Portal 2.0 and Submission Procedure

- (1) The principal electronic reporting system of the ORGANISATION is “Portal 2.0”.
- (2) Declarations and relevant documents shall be submitted via Portal 2.0 with a QES or by another electronic means expressly designated by the ORGANISATION.
- (3) A declaration shall be deemed submitted when it has been technically received by the ORGANISATION and contains all mandatory data and attachments.
- (4) A declaration already submitted may not be withdrawn, deleted or cancelled unilaterally by the MEMBER.
- (5) A submitted declaration may be corrected only by means of a corrective declaration and following approval by the ORGANISATION. The originally submitted declaration and all subsequent versions shall be retained in Portal 2.0 as part of the audit trail.
- (6) The restriction under paragraph (4) shall not preclude a reduction of an already declared quantity in the event of a subsequently proven export or dispatch of the same oils outside the territory of the Republic of Bulgaria, including intra-Community dispatch, where this is permissible under the law.
- (7) The technical format, the mandatory fields and the manner of working with Portal 2.0 shall be amended in accordance with the procedure under Art. 44.
- (8) In the event of documented unavailability or material malfunction of Portal 2.0, the period under Art. 9(2) shall be extended by as many business days as the interruption lasted, but by not less than one business day after restoration. During that period, the declaration may also be submitted as an electronic document signed with a QES to the contractual e-mail address of the ORGANISATION, and shall be deemed submitted on the date of sending. The ORGANISATION shall maintain a public log of interruptions.
- (9) Portal 2.0 Security.** The ORGANISATION ensures role-based access under the principle of least privilege, an audit log of actions, back-ups under a documented retention policy, protection of personal and commercial data, and the export of data for the registered auditor and the competent authorities. The ORGANISATION shall introduce: 1. segregation between the entry, approval and correction of declarations, and mandatory multi-factor authentication for administrator roles — within 3 months of the entry into force of these General Terms and Conditions; 2. a back-up restoration test — at least once a year, the first to be carried out within 6 months of the entry into force; 3. a register of incidents affecting data security, including personal data breaches under Art. 33(5) of Regulation (EU) 2016/679 — as of the entry into force. The MEMBER is responsible for safeguarding its means of access and shall notify the ORGANISATION without undue delay of any suspected unauthorised access.

Article 12. Corrective Declarations

- (1) Upon discovering an error or omission, the MEMBER shall submit a request for correction without undue delay, but no later than 10 business days after the discovery and in any event no later than 31 January of the calendar year following the year in which the relevant reporting period falls. Only the 31 January time limit is preclusive; failure to meet the 10-business-day time limit shall not extinguish the right to correction. The 31 January time limit shall not apply where the ORGANISATION is still able to reflect the correction in the corrective report under Art. 44(7) of the Oils Ordinance; in that case, the request shall be submitted no later than 10 February of the same calendar year. Where the ORGANISATION charges an additional fee for a given reporting period, the MEMBER may request a correction for that period within 30 business days of receipt of

the notification of the charge, but only in respect of the quantities and grounds affected by it. Outside the cases under this paragraph, the 31 January time limit is preclusive. The time limit is without prejudice to the statutory limitation periods under the Obligations and Contracts Act (OCA). The preclusive time limit under this paragraph shall also not apply where the correction is necessary to eliminate the documenting of a non-existent supply or of a taxable amount higher than the actual one. In such cases, the ORGANISATION shall issue a note under Art. 115 of the VAT Act or, as the case may be, cancel the document under Art. 116 of the VAT Act, notwithstanding the expiry of the time limit, and the resulting monetary consequences shall be settled in accordance with the procedure under Art. 39 and Art. 49.

(2) The correction shall take effect upon approval by the ORGANISATION and its recording in Portal 2.0. The ORGANISATION shall rule by a reasoned written decision within 10 business days of receipt of the complete evidence. Failure to rule within that period shall be deemed approval of the request. A refusal shall state reasons, specifying the missing evidence or the specific discrepancy, and may be challenged in accordance with the general procedure. On a request submitted within the period under paragraph (1), first sentence, the ORGANISATION shall rule no later than 10 February of the same calendar year, so as to enable the correction to be reflected in the annual corrective report, which is submitted in the period 1–20 February (Art. 44(7) of the Oils Ordinance).

(3) Any additionally established quantity shall be paid in accordance with the procedure under Art. 37. Upon the initial submission of a late declaration, the due date under the AGREEMENT shall apply; no charges for delay shall accrue for the period before that due date solely by reason of the late submission of the declaration.

(4) A reduction of a declared quantity shall be permitted only in the event of a proven factual or technical error or in the case under Art. 11(6), and after sufficient primary evidence has been submitted.

(5) The correction shall not erase the original declaration and shall not affect the right of the ORGANISATION to carry out a subsequent verification.

(6) The MEMBER shall provide corrections and evidence within time limits that enable the ORGANISATION to submit the quarterly data to the ExEA and the annual corrective report within the statutory time limits.

Article 13. Additional Documents

Upon request, the MEMBER shall provide the ORGANISATION, within 3 business days, with all relevant documents, including invoices, customs documents, Intrastat information, warehouse documents, accounting registers, sales ledgers, trial balances, statements of imports, production, introduction, exports and dispatches, and any other documents necessary for verifying the quantities.

Article 14. Annual Forecast and Annual Confirmation

(1) By 15 January, the MEMBER shall provide forecast quantities by type of oil for the current calendar year. Where the MEMBER joins during the calendar year, it shall provide the forecast within 10 business days of the conclusion of the AGREEMENT. The forecast shall be submitted by product, code and quantity; the tariff class is not forecast by the MEMBER; it shall be determined under Art. 16(7). Upon joining, where this is impossible, the forecast may be stated in aggregate and allocated by codes within 10 business days of the conclusion of the AGREEMENT.

(2) The forecast is indicative in nature and shall not replace monthly reporting.

(3) At the request of the ORGANISATION, the MEMBER shall provide an annual confirmation or reconciliation of the data by codes and quantities, including for the purposes of the report and of the report of factual findings.

(4) For the purposes of the annual closing of the accounts, the MEMBER shall provide via Portal 2.0, by 10 January, preliminary data on the quantities placed on the market in December of the preceding year and, by 31 January, an annual confirmation of the quantities by product and code for the entire preceding year. The class determined under Art. 16(7) shall be displayed by Portal 2.0 for information and shall not be contractually confirmed by the MEMBER. The confirmation shall not replace monthly reporting and corrective declarations, but shall be binding on the MEMBER until an approved corrective declaration is submitted. Differences between the preliminary and final data shall be reflected in accordance with the procedure under Art. 12 and Art. 23.

Article 15. Informing Distributors and Consumers

(1) The MEMBER shall fulfil its obligation to inform its distributors of the manner in which it fulfils its obligations through the ORGANISATION, including by providing the required certificate, where applicable.

(2) Where the MEMBER sells to end users oils intended for use in motor vehicles, it shall bear its own responsibility for displaying the required information regarding the places for changing oils after use and the risks of improper handling, insofar as that obligation applies to its activity.

(3) The ORGANISATION may provide a template information text for outlets selling oils to end users; use of the template is recommended but not mandatory.

IV. FEES AND PRICES

Article 16. Rates and Modulation

(1) The base contractual rate shall be determined in the individual AGREEMENT according to the notice period option selected therein. These General Terms and Conditions do not contain numerical rates. The tariff classes and the scale of applicable product rates shall be determined in the applicable approved Programme under Art. 53 of the WMA and in the publicly disclosed tariff methodology; their numerical values are contained in the scale disclosed under Art. 33(5), item 2.

(2) The AGREEMENT shall contain the base contractual rate as an exact numerical value in euro per kilogram exclusive of VAT and the selected notice period option. Until the entry into force of an applicable programme tariff scale under Art. 16a(3), the rate payable for each product shall be the base contractual rate under the selected option. The determination or change of the tariff class shall not in itself amend the base contractual rate. The class shall have financial effect only where an applicable programme tariff scale exists and after the applicable procedure for its introduction under Art. 16a(3) has been completed. The tariff class shall not be stated in the AGREEMENT and shall not be the subject of price negotiation.

(3) For different codes or product groups, the applicable Programme shall determine different product rates, which shall have financial effect in accordance with the procedure under Art. 16a(3). The rates shall be subject to mandatory modulation according to product criteria — durability of the product, reparability and reusability, insofar as applicable to the relevant product, suitability for regeneration and recycling, and the presence of hazardous substances — taking a life-cycle approach, in accordance with Art. 8a(4), letter (b) of Directive 2008/98/EC and the applicable requirements for the modulation of fees under the Waste Management Act and the Oils Ordinance. The classes, criteria, technical thresholds, admissible evidence, test methods and the procedure for determining and changing the class are contained in the applicable Programme of the ORGANISATION and in the publicly disclosed tariff methodology (Art. 16a) and shall be published on the website of the ORGANISATION. The necessary management costs are not a separate product criterion under letter (b); they determine the cap on fees under Art. 8a(4), letter (c) of Directive 2008/98/EC, and their overall level shall be determined under Art. 17. Where, in a publicly disclosed text under Art. 33(5), the necessary management costs are stated together with the product criteria, this shall not turn them into a

separate product criterion under letter (b). The methodology is not contained in these General Terms and Conditions; they govern only the legal principles. An amendment to the Programme or to the tariff methodology which results in a change of the class or of the applicable rate for products already declared shall have financial effect only in accordance with the procedure under Art. 16a(3) and Art. 18, and any other amendment shall be made in accordance with the procedure under Art. 16a(5).

(4) Modulation shall be effected through four tariff classes — A, B, C and D — arranged in ascending order of the necessary management costs. 1. Class A covers products with the highest proven durability and suitability for regeneration, for which the MEMBER has submitted the evidence under paragraph (10) and which do not contain hazardous substances above the statutory thresholds, halogenated formulations or substances on the SVHC list. 2. Class B covers products with enhanced durability and suitability for regeneration and recycling which meet the thresholds under paragraph (10) for that class. 3. Class C is the standard class, to which the base contractual rate corresponds; it applies to products which do not meet the conditions for Class A or B and do not objectively fall within Class D, as well as in the absence of valid evidence. 4. Class D covers special products with objectively higher management costs or with impeded regeneration; it includes, by type: electrical insulating oils; metalworking oils and cutting fluids, including water-miscible ones; mould release oils; anti-corrosion oils; as well as products containing hazardous substances above the statutory thresholds, halogenated formulations or substances on the SVHC list. The specific numerical values of the applicable product rate for each class shall be determined in the scale disclosed under Art. 33(5), item 2; these General Terms and Conditions do not contain numerical values. The class shall be determined for the product according to the rules of the applicable Programme; its indication by the MEMBER shall have the effect under paragraph (7).

(5) The class shall be determined according to objective product characteristics and the evidence submitted, and not according to the size, turnover, origin or legal form of the MEMBER. Different classes and, accordingly, different rates may be determined for different products or groups of similar products of one and the same MEMBER.

(6) The absence of a declared or confirmed special tariff class shall not change the base contractual rate, except where the applicable Programme requires a different product rate owing to the objective characteristics of the product. In the absence of valid evidence, the standard Class C shall apply, unless the type of product objectively falls within Class D. The product groups under paragraph (4), item 4, shall be deemed products with objectively impeded treatment within the meaning of this paragraph. Products containing hazardous substances above the statutory thresholds, including halogenated formulations and substances on the Candidate List of substances of very high concern (SVHC) under Art. 59 of Regulation (EC) No 1907/2006 (REACH), shall not be assigned Class A or B and, where treatment is objectively impeded, shall be assigned to Class D. Biodegradability in itself shall not justify Class A or B where the product impedes regeneration.

(7) Product Data and Determination of the Class. The MEMBER shall declare for each product or group of identical products: the product code under Annex No. 6 to the Product Fee Ordinance; the name and trade name; the intended use; the manufacturer; the quantity; and the necessary technical information. The declaration shall be made via Portal 2.0 or by written application and shall not require a separate signed document. The MEMBER may refrain from claiming a more favourable tariff class or may submit evidence for a more favourable product classification in accordance with the procedure of the applicable Programme. The ORGANISATION shall determine the tariff class of the product according to the rules of the applicable Programme and of the publicly disclosed tariff methodology. The tariff class shall not form part of the signed AGREEMENT; the MEMBER's claim to a class is product information which the ORGANISATION confirms or corrects under this paragraph, and shall not in itself amend the base contractual rate (paragraph (2)). The decision on the class shall be recorded in Portal 2.0 together with reasons and the date and communicated to

the MEMBER; it shall apply from the following reporting period. The MEMBER shall update the product data within 7 business days of a change in the product, its composition or the available evidence and may at any time request a review of the class determined.

(8) The ORGANISATION shall carry out subsequent risk-based or sample-based control of the class determined and may require a safety data sheet (SDS), technical data sheet (TDS), certificate, laboratory result or technical opinion. A refusal to cooperate shall result in the determination of Class C or, where the objective characteristics so warrant, Class D. A promotional environmental claim without factual data shall not justify Class A or B. A false or misleading declaration shall result in a reasoned reclassification and in contractual adjustments of the fee for the affected period. All declarations, their versions and the decisions determining the class shall be retained in the audit trail in Portal 2.0.

(9) Upon a change in the product, its composition or the available evidence, the class shall be updated in accordance with the procedure under paragraphs (7) and (8). The application of the applicable product rate corresponding to the newly determined class according to the scale disclosed under Art. 33(5), item 2 and the applicable Programme shall not constitute a unilateral change of rate under Art. 18, insofar as the numerical values of the individual classes themselves remain unchanged and the scale is already applicable to the MEMBER under Art. 16a(3). Reclassification may not be used to circumvent the agreed price stability or the procedure for the initial introduction of the scale.

(10) Evidence for Classes A and B. The measurable thresholds, test methods and admissible documents for proving Classes A and B are contained in the applicable Programme and in the publicly disclosed tariff methodology (Art. 16a). Class A or B shall be determined only upon submission of evidence in accordance with the procedure of the Programme; the burden of proof lies entirely with the MEMBER. A product for which such evidence is missing or incomplete shall be assigned to the standard Class C from the date of declaration. The ORGANISATION shall verify not less than 20 per cent of the Class A and B determinations annually and all cases involving quantities exceeding 100 tonnes per year.

(11) Durability and Cap on Modulation. The “durability” criterion shall apply only insofar as it is proven that the longer service life of the product reduces the necessary costs of managing waste oils per kilogram placed on the market, taking into account the fact that the target under Art. 4(1) is calculated by reference to the quantity placed on the market and not the quantity returned. The “suitability for regeneration” criterion shall be proven by data on the behaviour of the used product under the technology actually applied by the operators of the ORGANISATION, and not merely by the characteristics of the fresh product. In the annual review under Art. 17(6), the ORGANISATION shall monitor the share of quantities in Classes A and B; where the weighted average rate falls below the level necessary to cover costs, the ORGANISATION shall review the class criteria and the rates for the following period in accordance with the procedure under Art. 18 and shall disclose this under Art. 33(5), item 2.

(12) Applicable Scale and Its Version. The applicable tariff scale shall be identified by the scale publicly disclosed under Art. 33(5), item 2, by Portal 2.0 and by the notification to the MEMBER and, where necessary, by an informative annex to the AGREEMENT. The version of the scale need not be recorded in the AGREEMENT itself; the AGREEMENT contains the base contractual rate and the selected notice period option. Where a signed AGREEMENT specifies a version of the scale, the specified version shall be binding on the MEMBER until a change under Art. 18 or Art. 19 enters into force. The scale shall not be reproduced in these General Terms and Conditions and shall not be attached in full to the AGREEMENT. The ORGANISATION shall provide the MEMBER with a copy of or an extract from the scale upon written request, within 5 business days, as well as an informative copy upon conclusion; the copy is for information only and shall not give rise to any independent contractual effect. The disclosed version applicable to the relevant reporting period shall be binding on the MEMBER. The publication of a new version of the scale shall not in itself change the base contractual rate and the selected option; they shall be changed only in accordance with the procedure under

Art. 18 or Art. 19. In the event of a conflict between a copy or extract provided to the MEMBER and the published version bearing the same designation, the one more favourable to the MEMBER shall prevail.

(13) Explanation for Members. The tariff class is determined for the product and not for the MEMBER. Accordingly, different products of one and the same MEMBER may have a different applicable product rate, while identical products with identical proven characteristics shall be treated in the same manner. A publicly disclosed rate for another tariff class shall not constitute an offer to apply that rate to all products or to all members and shall not give rise to a right of the MEMBER to demand it for a product which does not meet the criteria for that class.

Article 16a. Methodology for Determining the Tariff Classes

(1) Cross-reference. The criteria, technical thresholds, admissible evidence and test methods for determining the tariff classes are contained in the applicable Programme of the ORGANISATION under Art. 53 of the WMA and in the publicly disclosed tariff methodology. These General Terms and Conditions do not reproduce those thresholds and methods and do not constitute a second technical version of the Programme. The product modulation of fees required by the Oils Ordinance is contained in the applicable approved Programme.

(2) The Approved Programme Applies. A version of the Programme which has not been approved and has not entered into force shall not change the AGREEMENT, the base contractual rate, the tariff class of the product or the applicable product rate. The publication of such a version shall not give rise to rights and obligations for the PARTIES and shall have no retroactive effect.

(3) When a Different Product Rate Becomes Applicable. A rate by tariff class different from the base contractual rate shall apply where there are an approved and applicable Programme, a duly disclosed scale under Art. 33(5), item 2, and the conditions for notification, consultation and change under Art. 18 or Art. 19 have been fulfilled. Until those conditions are met, the base contractual rate shall apply to the relevant MEMBER. The introduction of the scale into an agreement with base rates shall be effected in accordance with this procedure, without the need to enter tariff classes in the AGREEMENT. In the event of an increase, the agreed price stability, the notice period, the restrictions under Art. 18 and the right of the MEMBER under Art. 18(8) shall be observed. For a MEMBER with an agreed 12-month price stability, a higher rate shall apply at the earliest after its expiry and after due notice, save for the exception expressly agreed in the AGREEMENT for a change in the statutory targets. A reduction shall apply under Art. 18(3). The mere approval or publication of the Programme shall not amend the rate payable. The scale shall have no retroactive effect and shall be introduced on equal terms for all members in a comparable position.

(4) Limits of Effect. The Programme and the Methodology determine the product criteria and the tariff classes. Their financial effect is governed by paragraph (3). They may not, of themselves, override the price stability, the notice period or the other restrictions on price changes agreed in the individual AGREEMENT.

(5) Amendment. An amendment to the Programme and to the tariff methodology shall be made in accordance with the procedure under Art. 33a and, depending on its consequences, in accordance with the procedure under Art. 18 or Art. 59, as the case may be. The thresholds shall be reviewed in the annual review under Art. 17(6) in line with the technology actually applied by the operators of the ORGANISATION.

Article 17. Determination of the Fee, Differentiation by Notice Period and Annual Review

(1) In implementation of Art. 8a of Directive 2008/98/EC, the WMA and the Oils Ordinance, the fees shall be determined on the basis of the preliminary financial estimate and the financial model of the collective scheme, ensuring that the necessary costs of managing waste oils from the products placed on the market by the members are covered, without the total amount of the fees exceeding the costs necessary for providing the waste oil management services in a cost-efficient manner.

(2) In determining the cost base, at least the following shall be taken into account:

1. the costs of separate collection of waste oils, their subsequent transport and treatment, including the treatment necessary to achieve the statutory targets;
2. the costs necessary for establishing, maintaining and developing the separate collection systems;
3. the costs of providing appropriate information and of carrying out information, educational and awareness-raising activities;
4. the costs of data gathering, data reporting, control and audit;
5. the costs of financial management, planning and subsequent control of the differences between the planned and the actually performed activities and costs;
6. the costs of and provisions for the obligations assumed by the ORGANISATION under Art. 41(2) and Art. 49(6), insofar as they are not covered from another source;
7. other directly relevant and legally permissible costs of operating the collective scheme.

(3) In determining the necessary costs, the following shall be deducted: the revenue of the ORGANISATION from reuse and from the sale of waste oils and waste materials, where it has any, as well as the contractual penalties received during the year under Art. 36 and Art. 37, the verification costs reimbursed under Art. 32, the interest received and any other revenue arising from the activity of the collective scheme. The amounts deducted shall be disclosed in accordance with the procedure under Art. 33(3), letter (c).

(4) The fees shall be modulated in respect of individual products or groups of similar products, taking into account their durability, reparability and reusability, insofar as applicable to the relevant product, suitability for regeneration and recycling, the presence of hazardous substances and other legally relevant characteristics, in accordance with Art. 8a(4), letter (b) of Directive 2008/98/EC.

(5) Objective Factors. The applicable product rates may take into account only objective factors which give rise to a demonstrable difference in the necessary costs of the ORGANISATION. Such factors are: the type and structure of the products; the duration of the contractual commitment and the agreed notice period for termination without cause. The notice period is taken into account because a longer period provides predictability in planning the annual quantities for collection and treatment, the production, storage and transport capacities, the staff, the auxiliary materials and the energy, as well as in contracting capacity with the operators, and thus reduces the necessary management costs. The administrative burden of servicing an individual MEMBER and individual commercial negotiations shall not constitute grounds for a different rate in euro per kilogram. Where the MEMBER itself provides a logistics or other service, this shall be governed as a separately agreed fee for that service or reflected in the publicly disclosed tariff methodology on equal terms for all members, but shall not give rise to an individual rate per kilogram. The rates shall be determined in compliance with equal treatment, transparency, product modulation and cost efficiency. Differentiation based on the duration of the contractual commitment and on the notice period does not constitute modulation under Art. 8a(4), letter (b) of Directive 2008/98/EC and shall not replace, displace or reduce the mandatory product modulation under Art. 16; it is a cost-justified differentiation within the cap under Art. 8a(4), letter (c) of the Directive and shall apply only insofar as it is justified by a documented cost model in the Programme, subject to annual review under paragraph (6), in compliance with the limits under paragraph (10). Credit risk and payment discipline shall be taken into account solely through collateral, advance payment or payment terms and shall not result in a different rate for one and the same product. The quantity placed on the market by the MEMBER, its turnover and its size shall not in themselves constitute grounds for a different rate per

kilogram; the effect of the total quantity in the collective scheme shall be reflected for all members through the annual review under paragraph (6).

(6) The ORGANISATION shall carry out periodic, and at least annual, control of the conformity between the planned and the actually incurred costs, as well as between the total amount of fees received and the costs of providing the waste oil management services, and shall, where necessary, update the financial model for future periods. The review operates in both directions: in the event of a sustained excess of the fees received over the cost-efficient level, the ORGANISATION shall review the rates with a view to reducing them, and in the event of a sustained and objectively proven shortfall, with a view to increasing them, in compliance with Art. 8a(4), letter (c) of Directive 2008/98/EC and after documented consultation with the members.

(7) Prohibition of Individual Rates. For one and the same tariff class, under one and the same notice period option and under one and the same applicable version of the disclosed scale, one and the same rate shall apply to all members. An individual rate different from the scale disclosed under Art. 33(5), item 2 shall not be agreed or applied. No special individual rate, commercial discount, volume discount, or discount on account of turnover, credit rating or payment discipline shall be permitted, nor any rate determined through individual commercial negotiations. A difference in rate shall arise solely from the tariff class of the product, from the notice period option selected in the AGREEMENT and from the applicable publicly disclosed scale. A rate agreed in an agreement concluded before the entry into force of these General Terms and Conditions shall apply until that agreement is replaced or amended; it shall not give rise to a right of another MEMBER to demand the same rate, and this paragraph shall apply upon the signing of a new AGREEMENT.

(8) The ORGANISATION shall ensure equal treatment and non-discrimination of producers, irrespective of their origin or size, without imposing a disproportionate burden on small and medium-sized enterprises, in accordance with Art. 8a(1), letter (d) of Directive 2008/98/EC.

(9) Justification of the Differentiation by Duration of the Contractual Commitment. The difference between the base contractual rates under the two options reflects a demonstrable difference in the necessary costs arising from the different planning horizon. The differentiation under paragraph (5) is based on the fact that a longer notice period provides the ORGANISATION and the collection and treatment operators with which it contracts capacity with a correspondingly longer horizon of secure planning. The longer the period agreed in the AGREEMENT, the longer the period during which planning can be carried out in advance and once, instead of on an ongoing basis. The specific cost items sensitive to the planning horizon are listed below; the list is not a promise of a specific amount of savings, which shall be established solely by the cost model under paragraph (9a). The operators' costs shall be taken into account solely insofar as they are reflected in the price agreed with them under item 1 and shall not be counted twice. The differentiation reflects a difference in the COSTS of the ORGANISATION, and not a reduction of its commercial or credit risk.

1. contracting capacity with the collection, transport and treatment operators — with a secure annual horizon, capacity is contracted with annual volume commitments instead of on a current (spot) basis, thereby eliminating the flexibility premium paid in short-term contracting;

2. the production costs of the regeneration and other treatment installations reflected in the price under item 1 — even loading, fewer downtimes, changeovers and start-ups, lower costs per unit of quantity treated;

3. the costs of the operators' staff numbers and schedules reflected in the price under item 1 — permanent employment instead of temporary or seasonal hiring and the associated costs of recruitment, training and allowances;

4. the operators' contracts with suppliers of auxiliary materials, reagents and energy reflected in the price under item 1 — annual contracts allow volume discounts and fixed prices which short-term procurement does not provide;

5. storage and transport capacities — smaller buffer stocks and better utilisation of transport runs;
6. the administrative cost of the ORGANISATION for re-planning and renewing operator commitments, measurable in person-days;
7. the unused contracted fixed costs of the separate collection network which the ORGANISATION cannot reduce when a member terminates the AGREEMENT with a shorter notice period; these costs shall be accounted for as a cost and not as a risk premium.

(9a) Permissible Difference. The difference between the rate under the shorter and the rate under the longer notice period may not exceed the proven difference in the necessary costs under the applicable cost model in the Programme. The difference shall be the same in euro per kilogram for all tariff classes, including Class D, and the product difference between the classes shall be maintained under both options. The formula and the values for its calculation are contained in the cost model in the Programme.

(9b) Calculation and Disclosure. The ORGANISATION shall calculate the proven difference in the documented cost model and shall disclose it in accordance with the procedure under Art. 33(5), item 2 on or before 30 April of each year. Where the disclosed proven difference is lower than the one applied, the difference applied shall be reduced to it from 1 January of the year following the disclosure, unless the AGREEMENT provides for an earlier date; thus the difference applied in a given year is known to the members before the beginning of that year. The reduction shall not constitute a unilateral change of rate under Art. 18. The documents shall be provided to the registered auditor and to the competent authorities and, to the MEMBER, upon request and in compliance with Art. 50.

(9c) Refund. Where the review under paragraphs (6) and (10) establishes that the difference collected during a past calendar year exceeds the difference proven for the same year under paragraph (9a), the excess shall be refunded to the members which, during that year, paid a fee at the rate under the shorter notice period, in proportion to the quantities invoiced to them at that rate; the method of calculation is contained in the cost model in the Programme. The ORGANISATION shall issue credit notes under Art. 115 of the VAT Act in respect of the relevant invoices within 5 days of the disclosure under paragraph (9b) (Art. 115(2) of the VAT Act). The obligation shall be discharged by set-off against the next fees payable by the MEMBER, and the portion not set off within 12 months, as well as the excess under a terminated AGREEMENT, shall be paid by bank transfer within 30 business days of the expiry of that period or of the later of the dates of disclosure and of termination, respectively. Against that claim the ORGANISATION may set off only its own due receivables which are undisputed, acknowledged by the MEMBER or established by a final act. The excess shall not be redirected to other purposes without the express written consent of the MEMBER. The lower rate enjoyed under the longer notice period shall not be recalculated to the detriment of the MEMBER.

(9d) Notice Period Option and Verification. 1. The notice period option is the one selected in the AGREEMENT. Indicating an option in a monthly declaration or in any other document other than the AGREEMENT is for information only and shall not constitute a selection or change of the option. Switching between the options shall take place only in accordance with the procedure and within the time limits of the AGREEMENT; when exercising the rights under Art. 18(8), Art. 46a, Art. 47a, Art. 48, Art. 55(3) and Art. 59(5), the MEMBER shall not repay the difference received. The applicable rate shall be determined by the reporting period for which the fee is due, and not by the date of the chargeable event, of the declaration or of the invoice. 2. The values and the calculation under paragraph (9a) shall be verified by the registered auditor as an additional procedure to the verification under Art. 55 of the Oils Ordinance; the auditor's finding shall be disclosed together with the values under paragraph (9b) no later than 30 April of each year.

(10) Limits of the Differentiation. The differentiation under paragraph (5) reflects solely that part of the savings which is causally attributable to the commitment of the relevant MEMBER, according to the share of the fixed costs attributable to it under the cost model in the Programme, and may not exceed the proven savings. It does not constitute modulation under Art. 8a(4), letter (b) of Directive 2008/98/EC and shall apply within the cap under letter (c) of the same provision. Its amount shall be proven by a documented cost model, which shall be reviewed in accordance with the procedure under paragraph (6) at least once a year; where the savings are not confirmed, the differentiation shall be reduced or discontinued for subsequent periods. The reference rate against which the difference is measured is the rate under the longer notice period and shall be disclosed in accordance with the procedure under Art. 33(5). Where the review establishes that savings did not exist for a past period as well, the difference overcollected for that period shall be refunded in accordance with the procedure under paragraph (9c). The differentiation is available on equal terms to all members, irrespective of their size, turnover, origin and legal form, and shall not impose a disproportionate burden on small and medium-sized enterprises under paragraph (8). The scale of the differentiation shall be publicly disclosed in accordance with the procedure under Art. 33(5).

Article 18. Unilateral Amendment of Rates

(1) The ORGANISATION shall be entitled unilaterally to increase the MEMBER's base contractual rate or one or more of the applicable product rates by giving the written notice agreed in the AGREEMENT for amendment of the rates, subject to paragraph (9), and to reduce them in accordance with the procedure under paragraph (3). In the event of an increase, the ORGANISATION shall announce the forthcoming amendment on its website not less than 3 (three) months before the date of its entry into force; failure to perform this obligation shall postpone the entry into force until the expiry of 3 months from the announcement.

(2) The notification shall state the new exact numerical rate or rates, the codes or product groups to which they relate, and the date from which the new rates enter into force.

(3) In the event of an increase, the new rate may not enter into force earlier than the expiry of the notice period under paragraph (1), reckoned from the date of due receipt of the notification by the MEMBER. A reduction of a rate shall take effect from the date specified in the notification, but not later than the first day of the month following the notification, without notice.

(4) The unilateral amendment under this Article shall not require the signing of a written addendum or any other additional consent of the MEMBER.

(5) The amendment shall have prospective effect only and shall not apply to quantities in respect of which the fee arose before the date of its entry into force.

(6) The right under this Article may be exercised in the event of regulatory, administrative, economic or market changes, or changes in the targets, the costs of collection, transport, regeneration, recycling and recovery, operators' prices, energy and logistics costs, inflation, the structure of quantities, or the costs of reporting, audit and information activities.

(7) In determining the new rates, the ORGANISATION shall comply with the requirements under Art. 17, including the cost-efficiency discipline and the annual review of fees; any amendment of the basic rate shall be made in compliance with that discipline and with the stability of the basic rate for the programme period, as set out in the Programme under Art. 53 of the WMA.

(8) If the MEMBER disagrees with an increase of a rate, the MEMBER may terminate the AGREEMENT by giving the notice agreed in the AGREEMENT for that case, irrespective of the notice period under Art. 46, reckoned from receipt of the notification under paragraph (2). The right under this paragraph shall be exercised within 30 calendar days of receipt of the notification; after the expiry of that period, the MEMBER

shall terminate the AGREEMENT in accordance with the general procedure under Art. 46. Until the expiry of the notice, the previous rates shall apply.

(9) A unilateral increase under this Article shall be made not more than once every 12 months and may not exceed the greater of: 1. the annual rate of inflation according to the consumer price index of the NSI (National Statistical Institute) (December on December) for the preceding calendar year, expressed as a percentage, plus 3 percentage points; where that sum is negative, it shall be deemed to be zero; or 2. the documented increase in the necessary costs under Art. 17(2) per unit of quantity, as confirmed by the registered auditor. The notification under paragraph (2) shall contain the calculation and indicate the basis applied. The limitations under this paragraph shall not apply where legislation amends the percentage or another indicator of a statutory target for separate collection, recycling or recovery of waste oils applicable to the ORGANISATION, or introduces a new such target. In that case, the increase may not exceed the documented increase in the necessary costs per unit of quantity resulting from the new target, as confirmed by the registered auditor. The increase shall be made by giving the notice agreed in the AGREEMENT for that case, irrespective of any periods agreed in the AGREEMENT during which the rate is not to be increased. The increase shall not enter into force earlier than the date from which the new target is applicable. The notification under paragraph (2) shall also contain the legal basis, the calculation and the auditor's finding. The MEMBER's right under paragraph (8) shall also apply in that case.

Article 19. Amendment of Rates by Mutual Consent

(1) Notwithstanding Art. 18, the ORGANISATION and the MEMBER may at any time, by mutual written consent, amend one or more rates with immediate effect or from another expressly agreed date.

(2) The written consent may take the form of a written addendum, a price annex signed by both parties, or an electronic document signed with a qualified electronic signature by both PARTIES.

(3) Where a notification under Art. 18 has been given and the PARTIES subsequently reach a different written agreement, the rate agreed by mutual consent shall prevail from the agreed date.

Article 20. Calculation

(1) The monthly fee shall be determined according to the formula $P = \sum(Q_j \times S_j)$, where P is the total fee exclusive of VAT, j is each separate combination of a code under Annex No. 6 to the Product Fee Ordinance and a tariff class (A, B, C or D) declared during the reporting period, Q_j is the aggregate quantity for that combination for the entire reporting period in kilograms, and S_j is the applicable product rate for the relevant tariff class in euro per kilogram exclusive of VAT. The MEMBER does not select S_j : it is determined by the notice period option chosen in the AGREEMENT, by the tariff class of the product determined under Art. 16(7) and by the applicable disclosed scale. The indication of the tariff class in the invoice is the result of the product classification and does not mean that the class is a contractual term. Quantities shall be declared to an accuracy of three decimal places (0.001 kg) and shall not be rounded at the level of an individual line of the declaration. The quantities on all lines with the same "code + class" combination shall be aggregated. The product $Q_j \times S_j$ shall be rounded to the second decimal place — upwards in absolute value where the third decimal place is 5 or greater, and downwards in all other cases — and shall form one line of the invoice. Each line of the invoice shall contain the code under Annex No. 6 to the Product Fee Ordinance, the tariff class, the quantity in kilograms to three decimal places, the unit price in euro per kilogram exclusive of tax to three decimal places and the taxable amount of the line (Art. 114(1), item 11 of the VAT Act), and the date of the chargeable event in accordance with Art. 114(1), item 10 of the VAT Act. The total fee P is the sum of the line amounts and constitutes the taxable amount of the supply for the reporting period; the tax shall be calculated on P and rounded to the second decimal place according to the same rules. Where no quantities have been declared in the accepted declaration for the reporting period (nil declaration under Art. 10), no pro forma invoice or invoice shall be issued and the period shall be documented by the accepted nil declaration. Where

the declaration contains quantities but the calculated fee P is equal to zero, including where all quantities have been exported or dispatched outside the Republic of Bulgaria, no invoice shall be issued either, and the period shall be documented by the accepted declaration and the calculation under this paragraph; such a declaration is not a nil declaration within the meaning of Art. 10. Negative lines arising from approved corrections shall not be included in P but shall be documented by notes under Art. 115 of the VAT Act in accordance with the procedure under Art. 23 and Art. 24(5).

(2) All amounts under the AGREEMENT and under these General Terms and Conditions are in euro. Invoices and notes shall be issued in euro, and the taxable amount and the amount of tax shall be stated in euro. A note under Art. 115 of the VAT Act relating to an invoice issued in Bulgarian leva shall be issued in euro and shall state the number and date of the invoice, its amount in Bulgarian leva and the fixed conversion rate applied, EUR 1 = BGN 1.95583, so as to enable reconciliation. Conversion in either direction shall be made only at the fixed conversion rate; inverse derived rates shall not be used and the rate shall not be rounded or truncated (Art. 4(2) and (3) of Regulation (EC) No 1103/97). No exchange differences shall arise from the application of the fixed conversion rate. Monetary amounts shall be rounded to the second decimal place according to the rounding rule under paragraph (1), and the rates and values under Art. 17(9a) to the third decimal place, downwards in accordance with the procedure under that paragraph.

V. DUE DATE, INVOICING AND ACCOUNTING CORRECTIONS

Article 21. Due Date, Invoicing and Tax Treatment

(1) The due date, the method of payment and the bank account shall be specified in the individual AGREEMENT.

(2) After submission of a declaration with a positive fee payable, the ORGANISATION shall issue a pro forma invoice within 3 business days, unless the procedure under paragraph (3) has been chosen. The pro forma invoice is a request for payment and not a tax document; it shall have a separate numbering series and bear the designation "PRO FORMA INVOICE — not a tax document and does not give rise to a right to input tax credit". It shall state the reporting period, the quantities, the applicable rates, the amount exclusive of VAT, the applicable VAT and the total amount payable. After receipt of payment, the ORGANISATION shall issue a tax invoice within 5 calendar days, insofar as the amount paid has not already been documented by a tax invoice. Where the chargeable event has occurred earlier, the invoice shall be issued within the time limit under paragraph (5), irrespective of whether the pro forma invoice has been paid. Subsequent payment under an invoice already issued shall not result in repeated invoicing. Non-receipt of a pro forma invoice shall not postpone the due date where the amount is determinable from the declaration and the applicable rate.

(3) Direct Tax Invoice. The MEMBER may choose not to receive a pro forma invoice by so indicating in the AGREEMENT, by a request in Portal 2.0 or by written notice. A choice made upon conclusion shall apply from the first reporting period under the new AGREEMENT; a subsequent choice or withdrawal shall apply from the following reporting period. Where a declaration with a positive fee payable has been submitted, the ORGANISATION shall issue the direct tax invoice after the 15th day of the month following the reporting month, on the basis of the declaration submitted. If the declaration is submitted after the 15th day, including within an extended time limit, the invoice shall be issued within 3 business days of the actual submission, but always within the applicable statutory time limit under paragraphs (5) and (6). Issuance and reporting shall be carried out under the VAT Act with the actual date of issue and the lawful particulars for the chargeable event or the advance payment; a future payment shall not be presented as an advance received. The invoice shall not be backdated and its issuance shall not change the due date under the AGREEMENT. In the case of an advance payment before that date, paragraph (6) shall apply, without double invoicing. The postponement under Art. 62a(2) shall not apply to the issuance of the direct invoice.

(4) The service is performed periodically and each reporting period constitutes a separate supply. The chargeable event and the chargeability of VAT shall be determined in accordance with Art. 25 of the VAT Act, including the rule on the date on which payment becomes due in the case of periodic supplies. The contractual due date shall not override the mandatory rules on the charging and reporting of VAT. The issuance of an invoice, including before the due date, shall be reflected in the relevant tax period under the VAT Act.

(5) The tax invoice shall be issued within the time limit under Art. 113 of the VAT Act and, in the general case, not later than 5 calendar days after the chargeable event. It shall state the actual date of issue and the required particulars under Art. 114 of the VAT Act. Absence of payment shall not postpone the statutory time limit. Where a declaration is missing, no assumed quantities shall be invoiced; paragraph (8) and the obligations to document actually established supplies and advance payments received shall apply. Where the fee payable is nil, the period shall be documented in accordance with Art. 20(1), without an invoice for the quantity-based fee.

(6) Where an advance payment is actually received before the chargeable event, the ORGANISATION shall document the advance payment within the applicable time limit under the VAT Act, in the general case within 5 calendar days of its receipt. Upon final calculation, the taxable amount and tax already invoiced shall be deducted, without repeated charging for the same amount. Where the advance payment covers the entire fee, no repeat invoice shall be issued for the same supply, unless required by law. Any difference in amount shall be documented according to the actual ground under paragraph (8) and Art. 23.

(7) Tax Treatment. 1. The supply under the AGREEMENT is a supply of services under Art. 9 of the VAT Act. 2. Where the place of supply is within the territory of the country, tax at the rate of 20 (twenty) per cent shall be charged on the fee (Art. 66(1) of the VAT Act). 3. Where the MEMBER is a taxable person who has established its independent economic activity outside the territory of the country and the service is not supplied to its fixed establishment within the territory of the country, the place of supply is outside the territory of the country (Art. 21(2) of the VAT Act) and no tax shall be charged. The status and the place of establishment of the recipient shall be proven in accordance with the applicable rules of Implementing Regulation (EU) No 282/2011, including by verification of the VAT number in VIES and other admissible evidence. The absence of a valid number shall not automatically be equated with absence of the status of a taxable person. Until the status of a taxable person and the place of establishment have been proven in accordance with those rules, the ORGANISATION shall charge tax under item 2, and after such proof the document shall be corrected in accordance with the procedure under the following sentence. Tax initially charged incorrectly shall be corrected under Art. 116 of the VAT Act, and a subsequent change in the taxable amount under Art. 115 of the VAT Act. The supply shall be reflected in the VIES return under Art. 125(2) of the VAT Act. The invoice shall not state the tax rate or the amount of tax but shall state the ground for not charging tax (Art. 114(1), item 12 of the VAT Act), namely: (a) for a recipient that is a taxable person established in another Member State: "Reverse charge — Art. 21(2) of the VAT Act, Art. 196 of Directive 2006/112/EC" (Art. 114(4) of the VAT Act); (b) for a recipient established in a third country or territory: "Supply with place of supply outside the territory of the country — Art. 21(2) of the VAT Act; no tax charged pursuant to Art. 86(3) of the VAT Act". 4. Where the service is supplied to a fixed establishment of the MEMBER within the territory of the country, as well as where the MEMBER is a non-taxable person, irrespective of where it is established (Art. 21(1) of the VAT Act), the place of supply is within the territory of the country and item 2 shall apply. 5. The MEMBER shall notify the ORGANISATION in writing within 5 business days of any change in its VAT registration, in its State of establishment and in the existence of a fixed establishment within the territory of the country; the ORGANISATION shall verify the applicable tax treatment on the basis of the reliable data available and shall perform its own obligations under the law.

(8) Missing or Late Declaration. Where a monthly declaration has not been submitted, the ORGANISATION shall send a reminder to the MEMBER via Portal 2.0; in the event of technical impossibility, the reminder shall be sent to the contractual e-mail address. No pro forma invoice or tax invoice shall be issued on the basis of assumed quantities, no ex officio nil declaration shall be drawn up, and no amounts shall be charged on the basis of previous periods or an annual forecast. A late declaration shall be accepted and processed irrespective of the length of the delay, subject to the statutory time limits and the permissible corrections of reporting; the fee shall be payable on the due date specified in the AGREEMENT. Return for correction shall not erase the date of submission of a declaration that complies with Art. 11(3) and shall not postpone tax liabilities that have already arisen. Mere non-submission, late submission or submission of a nil declaration shall not give rise to a contractual penalty, charge, compensation, verification cost, termination or restriction of access to the Portal. The mandatory reporting under Art. 34 and Art. 35 and the requirements for reliable certification under Art. 43 shall not be set aside. In the event of proven false data or deliberate concealment, the relevant clauses for that separate breach shall apply. Where a payment is received without a declaration, the ground and the period shall be clarified; an actual advance payment shall be documented under paragraph (6). After submission, a final calculation shall be made, and the difference shall be documented under Art. 23 and settled by additional payment, set-off or refund. An erroneous transfer shall not be presented as an advance payment. Quantities actually established during an inspection shall be documented under Art. 37(3). This paragraph does not permit the postponement of documentation that is mandatory by law.

(9) Electronic Invoicing. The ORGANISATION shall issue and provide invoices and notes in electronic format via Portal 2.0 where the MEMBER has accepted this in the AGREEMENT (Art. 114(9) of the VAT Act). The ORGANISATION shall ensure the authenticity of origin, the integrity of content and the legibility of the documents, and the possibility for the MEMBER to download and store them. Upon express written request, the ORGANISATION shall also provide the document on another durable medium.

(10) Objection to an Invoice. The MEMBER may object in writing to an invoice or note within 14 calendar days of its provision under paragraph (9), specifying the particular disputed quantity, rate or calculation. The objection shall not postpone the due date for the undisputed part. Art. 39(1) and (2) shall apply to the disputed part; the decision shall be made in accordance with the procedure under Art. 12(2). The absence of an objection shall not deprive the MEMBER of its rights under Art. 12 and Art. 29(2).

Article 22. (repealed)

Article 23. Accounting Corrections

Debit and credit notes and other accounting documents shall be issued in accordance with the tax and accounting legislation in force. Contractual penalties, compensation and costs shall be documented in accordance with the tax treatment applicable to them. Contractual penalties and compensation of a compensatory nature shall not be regarded as consideration for a supply and shall not be included in the taxable amount (Art. 26(2), last sentence of the VAT Act). No tax document shall be issued for them; they shall be documented in accordance with the procedure under Art. 84 of the Regulations for the Implementation of the VAT Act — by a document certifying their payment, and when the receivable is charged, a record shall be drawn up containing the particulars under Art. 6(1) of the Accountancy Act — name and number, date of issue, name, address and UIC of the ORGANISATION and of the MEMBER, subject matter, quantitative and value expression — which shall also contain: the ground and the period of charging, the method of calculation, the applicable limit under Art. 38a and the reasons why the amount is of a compensatory nature and is not consideration for a supply within the meaning of Art. 26(2) of the VAT Act. The record shall be served on the MEMBER in accordance with the procedure under Art. 58 within 5 business days of its drawing up. Where an amount, irrespective of its designation, economically substitutes the fee payable for the supply, it shall be included in the taxable amount and documented by a tax document. No debit note shall be issued

for contractual penalties and compensation of a compensatory nature. A debit note under Art. 115 of the VAT Act shall be issued only where the taxable amount of a supply already invoiced is increased, including in the case of an additionally established fee under Art. 37(1). A credit note under Art. 115 of the VAT Act shall be issued upon a reduction of the taxable amount of a supply already invoiced or upon cancellation of a supply (Art. 115(3) of the VAT Act). Notes shall be issued not later than 5 days after the occurrence of the relevant circumstance (Art. 115(2) of the VAT Act) and shall contain, in addition to the particulars under Art. 114 of the VAT Act, the number and date of the invoice to which they relate and the ground for issuance (Art. 115(4) of the VAT Act). Corrections and additions to invoices and notes shall not be permitted; erroneously drawn up documents shall be cancelled and new ones issued (Art. 116(1) of the VAT Act), and where they have been entered in the accounting registers, a record of the cancellation under Art. 116(4) of the VAT Act shall be drawn up for each of the PARTIES. The documents issued, cancelled and newly issued shall be retained in the audit trail in Portal 2.0.

VI. IRREVOCABILITY, EXPORT, DISPATCH AND REFUND

Article 24. Irrevocability of the Declaration and Corrections upon Export

(1) A declaration submitted by the MEMBER may not be withdrawn, cancelled or deleted unilaterally. A correction shall be made solely in accordance with the procedure under Art. 11 and Art. 12 and after approval by the ORGANISATION.

(2) A reduction of a quantity due to subsequent proven export or dispatch of the same oils outside the territory of the Republic of Bulgaria, including intra-Community dispatch, where this is permitted by law, shall not be regarded as a withdrawal of the declaration.

(3) For the correction under paragraph (2), the MEMBER shall submit traceable evidence of the identity of the goods, the quantity, the original reporting, the fee paid, the export or dispatch and the absence of a double refund. For each correction, the MEMBER shall specify: the source declaration; the line thereof; the export or dispatch document; the quantity; and whether the quantity has already been deducted. The same quantity may not be both excluded from the original declaration and deducted as an export correction.

(4) The request for correction or refund shall be submitted within 3 months of the export or dispatch, unless a mandatory provision prescribes another time limit. This time limit is a preclusive contractual time limit for administrative correction within the collective scheme and shall not affect the statutory limitation periods under the Obligations and Contracts Act for any restitution claims of the MEMBER. The time limit under Art. 12(1) shall not apply to corrections under paragraph (2).

(5) The ORGANISATION shall be entitled to carry out a verification before recognising the correction and may first set off its own due receivables. The ORGANISATION shall decide in accordance with the procedure under Art. 12(2), second, third and fourth sentences. Upon an approved correction, the ORGANISATION shall issue a credit note under Art. 115 of the VAT Act within 5 days of the approval (Art. 115(2) of the VAT Act). The note shall be issued in respect of the invoice by which the specific quantity subject to the correction was documented, determined by the reporting period, the code under Annex No. 6 to the Product Fee Ordinance and the tariff class from the corrected declaration, and shall contain the particulars under Art. 115(4) of the VAT Act. Where the same quantity has been documented by more than one invoice, the reduction shall be allocated among them in proportion to the quantities under the same code and class documented by each of them, and for each quantity the rate under the invoice in respect of which the note is issued shall apply. Where the invoice was issued in Bulgarian leva, the note relating to it shall be issued in accordance with the procedure under Art. 20(2). The rounding remainder upon conversion at the fixed conversion rate shall be attributed to the last note under the relevant invoice and shall be described therein. The issuance of the note shall not be conditional upon the set-off under the first sentence and may not be postponed on account

thereof. Where, instead of a correction, the cancellation of an erroneously drawn up invoice is required, Art. 116 of the VAT Act shall apply.

Article 25. Shipments of Waste and Recognition towards Fulfilment of the Statutory Target

(1) Where export or dispatch of waste oils outside the territory of the Republic of Bulgaria for recovery is used to fulfil the statutory target, it shall be recognised only subject to compliance with the applicable Waste Shipment Rules and upon evidence that the recovery operation was carried out under conditions equivalent to the requirements of the Oils Ordinance, including evidence that the installation or facility in which the recovery was carried out guarantees the attainment of the target under Art. 8 of the Oils Ordinance (Art. 10(1), item 2 of that Ordinance).

(2) The ORGANISATION may require from the MEMBER, the operator or the consignee all documents under the applicable waste shipment rules, including documents for the specific shipment, a permit or other document evidencing the consignee's legal capacity, and a certificate or confirmation of completion of the final recovery operation, where applicable.

(3) There shall be no contractual coverage for quantities in respect of which the evidence of shipment, receipt or final operation is incomplete, untrue or not submitted in time, insofar as this prevents statutory reporting.

VII. WASTE OILS, MIXING, PCBs AND OPERATORS

Article 25a. Scope of Chapter VII

The provisions of this Chapter shall apply to every MEMBER insofar as it generates, stores, hands over or participates in the handover of waste oils, including during oil changes. For a MEMBER that does not carry out such activities, the obligations under this Chapter shall not arise.

Article 26. Prohibition of Mixing that Impedes Regeneration or Recycling

(1) The MEMBER, insofar as it generates, stores or hands over waste oils in connection with its activities: 1. shall not permit the mixing of waste oils with different characteristics, or the mixing of waste oils and waste petroleum products with other waste, where this would impede regeneration or another recycling operation delivering an equivalent or better overall environmental outcome than regeneration (Art. 4, item 7 of the Oils Ordinance; Art. 21(1), letter (c) of Directive 2008/98/EC); 2. shall under no circumstances mix waste oils and waste petroleum products with fuels, coolants, brake fluid, solvents or other substances and materials (Art. 4, item 8 of the Oils Ordinance — a prohibition without exception); 3. shall not hand over waste oils and waste petroleum products to persons who do not hold a document under Art. 35 of the WMA (Art. 4, item 6 of the Oils Ordinance); 4. shall not discharge waste oils and waste petroleum products into surface water or groundwater, the territorial sea, sewerage systems or household waste containers, and shall not store them in a manner leading to soil contamination (Art. 4, items 2, 3 and 9 of the Oils Ordinance); 5. shall not carry out oil changes at places not equipped for that purpose or in containers not meeting the statutory requirements (Art. 4, item 10 of the Oils Ordinance); 6. shall not permit the landfilling of waste oils and liquid waste petroleum products (Art. 4, item 11 of the Oils Ordinance); 7. shall ensure the separate collection and separate storage of waste oils where this is technically feasible (Art. 21(1), letter (a) of Directive 2008/98/EC; Art. 22 of the Oils Ordinance). The prohibition under item 1 admits of no exception pursuant to Art. 21(1), letter (c) of Directive 2008/98/EC (as amended by Directive (EU) 2018/851). The exception under Art. 4, item 7, last limb of the Oils Ordinance (technical infeasibility and economic impracticability) shall not apply between the PARTIES. The obligation under item 7 shall apply insofar as separate collection and storage is technically feasible. The prohibitions under items 2–6 are not subject to exception. The derogation from the prohibition on mixing hazardous waste under Art. 18(2) of Directive 2008/98/EC and under Art. 8(3) of the

WMA is available only to an operator holding a permit under Art. 35 of the WMA covering mixing, and shall not apply to the MEMBER.

(2) The MEMBER shall be liable for damage, costs and inability to recognise quantities caused by improper storage, mixing, contamination or untrue declaration of waste oils, insofar as such acts were committed by it or by persons for whom it is responsible, including carriers and subcontractors.

(3) A MEMBER that stores waste oils or waste petroleum products shall provide a site and containers complying with Art. 25(1) and Art. 26 of the Oils Ordinance — oil-resistant surfacing, receiving tanks and containers, devices for spill-free draining, available sorbents, facilities for removal from waste water, containers made of non-reactive material, tightly closed except during handling, marked with the inscription “Waste oils” or “Waste petroleum products” and with the code and name of the waste, and equipped with anti-spill facilities. The ORGANISATION may provide compliant containers in accordance with the procedure under Art. 42a.

Article 27. PCBs, Chlorine and Hazardous Properties

(1) Where the MEMBER hands over or participates in the handover of waste oils, it shall provide the available information on the hazardous properties, origin and any content of PCBs, chlorine or other contaminants relevant to storage, transport, regeneration, recovery or disposal.

(2) Waste oils and waste petroleum products with a content of polychlorinated biphenyls (PCBs) exceeding 0.005 per cent by mass (50 mg/kg) or of chlorine exceeding 1 per cent by mass shall be collected, stored and transported separately from other oils and waste petroleum products (Art. 23(1) and (2) of the Oils Ordinance). Regeneration shall not be permitted where the PCB content exceeds 0.005 per cent by mass (Art. 28(3) of the Oils Ordinance), and such quantities shall be disposed of in accordance with the procedure under the ordinance referred to in Art. 43(1) of the WMA (Art. 30 of the Oils Ordinance). The concentration limit of 50 mg/kg for PCBs in waste is also laid down in Annex IV to Regulation (EU) 2019/1021. Quantities with a chlorine content exceeding 1 per cent by mass shall be managed separately and directed to an operator whose permit allows their treatment. Their acceptance for regeneration shall be permissible only where the input specification and the permit of the receiving site so allow, following an individual route assessment under paragraph (3).

(3) The ORGANISATION shall be entitled to refuse the inclusion, certification or recognition of quantities that are ineligible for contractual coverage owing to contamination, improper mixing, lack of data or non-conformity with the applicable regime. The operational thresholds for incoming acceptance control for regeneration, including the individual route assessment where the total chlorine content exceeds 0.5 per cent by mass, are included as mandatory clauses in the ORGANISATION's contracts with the receiving operators and shall apply subject to the conditions of the permits of the respective sites. Sampling shall be carried out in accordance with Art. 35(6) of the Oils Ordinance — under BDS EN ISO 3171 and BDS EN IEC 60475 (designated in the Oils Ordinance as “BDS EN ISO 60 475”). Where technical conditions do not permit automatic pipeline sampling, the ORGANISATION shall additionally apply, on a contractual basis, BDS EN ISO 3170 (manual sampling). Analysis for PCBs shall be carried out under BDS EN 12766-1, BDS EN 12766-2 and BDS EN 61619, and for total chlorine under BDS 15172-84 or another equivalent validated method whose proven working range covers the thresholds under paragraph (2) and under this paragraph (Art. 36 of the Oils Ordinance); the method and its working range shall be documented in the laboratory test report. The exact current numbers of the standards shall be verified as at the date of the analysis. These clauses shall be published on the ORGANISATION's website together with these General Terms and Conditions.

Article 27a. Handover, Sampling and Costs in the Event of Non-Conformity

(1) A MEMBER whose activities generate waste oils or waste petroleum products shall hand them over for recovery and/or disposal only to persons referred to in Art. 28(1) of the Oils Ordinance and on the basis of a written contract (Art. 32 of the Oils Ordinance). Handover along a route of the ORGANISATION shall be carried out under the contract between the MEMBER and the relevant operator of the ORGANISATION.

(2) Upon each handover, transport and acceptance, the MEMBER, as consignor, shall complete an identification document in the form prescribed by the ordinance referred to in Art. 48(1) of the WMA (Art. 33 of the Oils Ordinance) and shall retain its copy.

(3) The MEMBER shall cooperate in the taking of a representative sample upon acceptance, divided into two control samples and one referee sample, and shall retain the control sample left with it until the recovery or disposal of the relevant batch has been carried out (Art. 35(1)–(4) of the Oils Ordinance). Sampling shall be carried out under BDS EN ISO 3171 (automatic pipeline sampling) and BDS EN IEC 60475 (insulating liquids) and, where automatic sampling is technically infeasible, additionally under BDS EN ISO 3170 (manual sampling).

(4) Where a PCB content exceeding 0.005 per cent by mass is established, the costs of storage, handover for disposal and testing of the control and referee samples shall be borne by the MEMBER as the person handing over the waste (Art. 37(4) of the Oils Ordinance, which permits a different arrangement; the PARTIES do not agree otherwise) and shall not be covered by the fee under Art. 20. The MEMBER shall keep record books and submit reports in accordance with the procedure under the ordinance referred to in Art. 48(1) of the WMA, where applicable to its activities.

Article 27b. Non-Conformity at Incoming Acceptance Control

(1) Before consolidating quantities within zonal logistics, the operator shall perform rapid screening for total chlorine at container or site level. A batch showing an indication of contamination shall not be mixed with a clean load and shall remain traceable to its source.

(2) Where a non-conformity with the thresholds under Art. 27 is established, the batch shall be placed in quarantine, shall not be routed to regeneration and shall remain stored separately until the verification is completed. The ORGANISATION shall notify the MEMBER through Portal 2.0 within 3 business days of becoming aware, specifying the batch, the parameter established, the method applied and the measure taken.

(3) Within 10 business days of the notification, the ORGANISATION shall determine the permitted route for the batch — referral to an operator whose permit allows its treatment, return to the person who delivered it, or disposal — and shall notify the competent authority where this is required.

(4) In the event of a dispute concerning the result, either of the PARTIES may request testing of the referee sample under Art. 27a(3) in an independent laboratory accredited under BDS EN ISO/IEC 17025 for the relevant method, selected by mutual agreement or, failing agreement, by the ORGANISATION from among at least three laboratories proposed by it. The result of the referee testing shall be binding on the PARTIES. The request shall be made within 5 business days of the notification under paragraph (2). The ORGANISATION shall retain the referee sample, and the MEMBER shall retain the control sample left with it, irrespective of the fate of the batch and notwithstanding Art. 27a(3), first sentence, until the expiry of 30 business days from the communication of the result or, where no request is made, until the expiry of the period under the preceding sentence. The determination and implementation of the route under paragraph (3) shall not deprive a PARTY of the right under this paragraph; the consequences shall be governed by paragraph (6).

(5) The ORGANISATION shall require the operators to keep a register of rejected and contaminated batches, to notify it immediately of any non-conformity concerning PCBs or chlorine, rejection, quarantine, return, incident or notification of a competent authority, and to submit a signed monthly summary. Upon request, the ORGANISATION shall provide the MEMBER with an extract from the register insofar as it relates to the MEMBER's batches.

(6) Where the non-conformity is confirmed, the costs shall be allocated in accordance with Art. 27a(4). Where the referee testing under paragraph (4) does not confirm the non-conformity, the costs of the quarantine, the repeat testing and the rerouting shall be borne by the ORGANISATION.

Article 28. Operators and Permits

(1) The activities of collection, transport, storage, regeneration, recycling, recovery or disposal shall be carried out by persons holding the necessary permit, registration document, integrated permit or other document required by law.

(2) The ORGANISATION may select, change and use more than one operator in accordance with the statutory requirements, cost-effectiveness and security of performance.

(3) The MEMBER shall not be entitled to require the use of a specific operator unless expressly agreed in writing.

(4) The ORGANISATION's contracts with regeneration operators shall contain the requirements under Art. 28(2) of the Oils Ordinance, including outgoing control of the regenerated base oils — that they do not contain substances constituting hazardous waste within the meaning of § 1, item 12 of the Supplementary Provisions of the WMA (item 4), and that they do not contain more than 0.005 per cent by mass of PCBs (item 5), as certified by a laboratory test report under BDS EN 12766-1, BDS EN 12766-2 or BDS EN 61619 for each production batch. The results shall form part of the batch mass balance and shall be provided to the registered auditor and to the competent authorities.

VIII. INSPECTION AND AUDIT

Article 29. Right of Inspection

(1) The ORGANISATION shall be entitled, itself or through a registered auditor, to verify the accuracy and completeness of the MEMBER's data and of the documents on the basis of which the declarations were prepared.

(2) The right of inspection and of subsequent charging shall be exercised within 5 years of the expiry of the relevant reporting period. The period under the preceding sentence is a contractual period for exercising the right of inspection and shall not extend the statutory limitation periods under the Obligations and Contracts Act (OCA), including the three-year period under Art. 111, letter (c) of the OCA for periodic payments. Where the ORGANISATION exercises this right in respect of an expired period, the preclusive time limits under Art. 12(1) and Art. 24(4) shall not apply to the same period, and the MEMBER may also make corrections in its own favour until the inspection is completed.

Article 30. Scope of the Inspection

The inspection may cover all relevant primary accounting documents, invoices, customs documents, Intrastat data, warehouse and quantity registers, accounting registers, sales reports, trial balances, data from electronic systems and other evidence concerning the quantities placed on the market, the quantities exported or dispatched, the corrections and the payments.

Article 31. Notice of Audit

(1) An ordinary inspection or audit shall be carried out after at least 7 calendar days' prior written notice to the MEMBER.

(2) An inspection without the notice under paragraph (1) shall be permitted at the express request of a competent authority or where specific documented circumstances indicate concealment, manipulation of data or an imminent risk to statutory compliance and postponement would obstruct the inspection. The grounds shall be communicated to the MEMBER in writing unless prohibited by law. A missing, late or nil declaration, including where repeated, shall not in itself constitute grounds for an inspection without notice.

Article 32. Audit Costs

Subject to the exception under Art. 21(8) and Art. 37(1), where an understatement of quantities of at least 5 per cent of the total declared quantity for the period under inspection, but not less than 200 kg, is established, or in the event of wilful concealment irrespective of the amount, the MEMBER shall reimburse the reasonable and documented costs of the inspection.

Article 33. Annual Audit and Data on the Organisation

(1) The ORGANISATION shall demonstrate the achievement of the statutory target and the performance of its obligations by means of an annual report and a report of factual findings by a registered auditor, where required under the Oils Ordinance.

(2) The MEMBER is obliged to provide without delay all data and documents required by the ORGANISATION and by the registered auditor for verification of the quantities placed on the market, the fees charged and paid, the nil declarations, the missing declarations, the terminated agreements, the export or dispatch, and any other information required by law.

(3) The ORGANISATION shall publish annually, not later than 30 June of the following calendar year, summary information on: (a) the quantities of waste oils collected and treated, by operation (R9, R12, R1, D10, etc.); (b) the extent to which the statutory targets have been achieved; (c) the costs and revenues of the collective scheme in summary form; (d) the list of collection and treatment operators. Publication shall not include the individual data of individual members. The standing information under paragraphs (4) and (5) shall be updated within 7 business days of the occurrence of the change. By 31 March, the ORGANISATION shall publish the aggregated reporting data for the preceding calendar year with the express designation "data submitted for annual verification". Within 15 calendar days of the order of the Minister of Environment and Water under Art. 63 of the Oils Ordinance, the ORGANISATION shall publish the number and date of the order and the final status of compliance and, where there is a discrepancy with the values previously published, those values shall be corrected, stating the date of the update.

(4) The ORGANISATION shall publicly announce, in an appropriate manner, the issue of its permit under Art. 81(1) of the WMA, as well as any subsequent amendments, supplements or revocation thereof, in accordance with Art. 92(2) of the WMA.

(5) The ORGANISATION shall publicly disclose on its website and keep up to date information on: 1. its ownership and membership, including the persons who perform their obligations through the collective scheme; 2. the financial contributions (the fees under Art. 1(1), item 15) payable by the members per unit of product or per tonne of product placed on the market, including the base contractual rates actually applicable and, where a programme tariff scale under Art. 16a(3) applies, also the full scale of tariff classes A, B, C and D and any applicable differentiation under Art. 17(5), together with the justification therefor, including the applied differential under Art. 17(9a), the values of the parameters of the cost model in the Programme and the finding of the registered auditor under Art. 17(9d), item 2; 3. the procedure and criteria for the selection

of waste management operators, without the commercial offers and prices. The information under item 2 shall be published without the individual data of individual members. The information under item 2 shall be published before the first application of the relevant rate or differential and shall be updated within 7 business days of each change. The rates actually applicable shall be published as exact numerical values in euro per kilogram exclusive of VAT for each notice period option and, where a programme tariff scale under Art. 16a(3) applies, also for each tariff class, together with the date of their entry into force and the version of the Programme. A programme scale that has not been approved or is not yet applicable shall be published only as part of the Programme, expressly designated as not applicable, and shall not be presented as a rate in force. Where a scale by tariff classes becomes actually applicable, the public information shall be updated within the period of 7 business days under this paragraph. Publication of a text stating that the rate is determined individually, or of any other text that does not contain the numerical values, shall not fulfil the obligation under this paragraph. Texts of the “one price for all” type, or any other text presenting the tariff as undifferentiated, shall not be used. Publication of a lower rate for another product class shall not entitle the MEMBER to claim it for a product that does not meet the criteria for that class.

Article 33a. Dialogue with Stakeholders and Consultation on Fees

(1) In implementation of Art. 8a(6) of Directive 2008/98/EC, the ORGANISATION shall maintain a permanent framework for dialogue with the members, with the collection, transport and treatment operators, with the municipalities and with the competent authorities. An annual dialogue meeting shall be held not later than 31 May and shall be minuted.

(2) Before adopting or amending the scale of rates disclosed under Art. 33(5), item 2, the Methodology under Art. 16(3), the cost model under Art. 17(10) and the applied differential under Art. 17(9a), the ORGANISATION shall publish the proposed wording together with the cost model and shall allow the members and the operators a period of not less than 30 calendar days for written opinions.

(3) Simultaneously with the final decision, the ORGANISATION shall publish the opinions received in summary form and a reasoned response to each of them, including the reasons for non-acceptance.

(4) The minutes, opinions and responses shall be retained for 10 years, shall be provided to the registered auditor and to the MoEW, and shall be referred to in the annual report.

(5) Failure to comply with paragraph (2) shall render the relevant change inapplicable to the MEMBER until the consultation has been held. Paragraph (2) and the first sentence shall not apply to a reduction of the applied differential under Art. 17(9b) or to a reduction of a rate; such a reduction shall take effect irrespective of the failure to comply with paragraph (2).

IX. INFORMATION TO COMPETENT AUTHORITIES

Article 34. Quarterly and Annual Information

(1) The ORGANISATION shall submit to the ExEA, through NISO or by another procedure laid down by law, information on the quantities of oils placed on the market, exported or dispatched from the territory of the country, for each person who is a member of the ORGANISATION, within the time limits and in the format laid down by law.

(2) The MEMBER is responsible for the accuracy, completeness and timely provision of the primary data on the basis of which the ORGANISATION performs the obligations under paragraph (1). Submission under paragraph (1) shall not release the MEMBER from its own statutory obligations to keep records and to report, including under Art. 7 and Art. 27a(4).

(3) Where information already provided needs to be corrected, the MEMBER is obliged to cooperate so that the correction can be reflected within the period permitted by law.

Article 35. Non-Paying and Non-Reporting Members

The ORGANISATION shall provide the Minister of Environment and Water and other competent authorities with the lists and data required by law on MEMBERS who have not paid the agreed fee or have not reported the quantities of oils placed by them on the market. Such provision shall not constitute a breach of confidentiality. The list under Art. 46 of the Oils Ordinance shall be submitted annually by 1 March and shall be drawn up after the expiry of the period for ruling on corrective declarations under Art. 12(2). An approved correction shall be taken into account when drawing up the list. The MEMBER shall be omitted from the list only if, after the correction has been reflected, there are no statutory grounds for inclusion; approval for one period shall not extinguish unperformed statutory obligations for another period. The ORGANISATION shall notify the MEMBER within 3 business days of its inclusion in the list.

X. CONTRACTUAL PENALTIES AND LIABILITY

Article 36. Contractual Penalty for Delay

(1) In the event of late payment, the MEMBER shall owe, without demand, a contractual penalty of 0.1 per cent of the overdue principal for each calendar day of delay, but not more than 20 per cent of the relevant overdue principal.

(2) In the event of delay by the ORGANISATION in refunding amounts under Art. 17(9c), Art. 17(10), Art. 41(2), Art. 47a(2), Art. 48(4) and Art. 49(4), as well as in the event of failure to issue the certificates and confirmations under Art. 43 within the respective time limits under that Article, the ORGANISATION shall owe a contractual penalty of the same amount and subject to the same cap as under paragraph (1). The contractual penalty under this paragraph shall not be cumulative with statutory interest for the same delay — the greater of the two amounts shall be payable.

Article 37. Understated or Undeclared Quantities

(1) Where understated quantities or proven concealment are established, the MEMBER shall owe the additional fee, a one-off contractual penalty of 10 per cent thereof, the costs of the inspection under the conditions of Art. 32 and a contractual penalty for delay from the applicable original due date. Where the sole breach is a declaration not submitted or submitted late, without proven concealment or materially inaccurate data, only the fee for the quantities actually established shall be payable. In such case, where a declaration has been submitted, the due date shall be as set out in the AGREEMENT; where the quantities are established by a finding accepted by the MEMBER or by a final act, the due date shall be 7 calendar days after the acceptance or after the act has become final, respectively, and no charges for delay shall accrue for a preceding period. The one-off contractual penalty, inspection costs or other contractual sanctions shall not be payable solely by reason of the missing or late declaration. Once the due date has actually arrived, Art. 36 shall apply to the unpaid undisputed fee.

(2) Where the individual AGREEMENT contains an overall cap on contractual penalties for the reporting period, that cap shall apply if it is lower than the cap under Art. 38a.

(3) The additionally established fee shall be documented in accordance with the VAT Act: by a debit note in the event of a subsequent increase in the taxable amount of a supply already invoiced, by an invoice for a supply not invoiced, or by cancellation and a new document where the original document was drawn up incorrectly. The time limits under Art. 113, Art. 115 and Art. 116 of the VAT Act shall apply according to the actual grounds. The acceptance of a finding or an act becoming final shall not defer an obligation to issue

documentation that arose earlier by law. The chargeable event and the reporting period shall be determined under the VAT Act. Contractual penalties shall be documented under Art. 23.

Article 38. Direct Damage

The mere failure to submit, or late submission of, a monthly declaration shall not constitute grounds for contractual compensation; liability that cannot be limited by law shall not be excluded. In the event of any other culpable non-performance, the MEMBER shall reimburse the ORGANISATION for the directly caused and proven pecuniary damage exceeding the amount of the contractual penalties, without double compensation. The liability of the ORGANISATION for administrative penalties shall not be transferred contractually to the MEMBER.

Article 38a. Overall Cap on Contractual Penalties

The total amount of the contractual penalties under Art. 36 and Art. 37 for one reporting period may not exceed 50 per cent of the fee payable for the same period after all corrections and the quantities established during inspection have been reflected, and not of the originally declared or invoiced fee, unless the individual AGREEMENT provides for a lower cap. The cap shall always apply, EXCEPT in the event of wilful concealment of quantities or gross negligence resulting in materially inaccurate or manipulated data under Art. 40, items 4 and 9. In the event of an ordinary inaccuracy without fault, the cap shall apply. The contractual penalty under Art. 6(4), the audit costs under Art. 32 and the compensation under Art. 38 shall not be included in this cap.

Article 38b. General Liability Regime

(1) Neither PARTY shall be liable to the other PARTY for indirect damage or loss of profit. The first sentence shall not apply to the obligations under Art. 41 or to the refunds under Art. 17, Art. 24, Art. 27b, Art. 47a, Art. 48 and Art. 49.

(2) The total pecuniary liability of the ORGANISATION to the MEMBER on all grounds other than Art. 27b(6), Art. 36(2), Art. 41 and the refunds under Art. 17, Art. 24, Art. 47a, Art. 48 and Art. 49 may not exceed the sum of the fees paid by the MEMBER for the last 12 reporting periods preceding the event or, where the AGREEMENT has been in effect for a shorter period, the sum of the fees for the entire term of its effect. In all cases the limit may not be lower than the fee for the last reporting period for which a declaration has been submitted and a fee has been charged or, in the absence of such a period, than the average monthly fee for the period during which the AGREEMENT has been in effect.

(3) The limitations under this Article shall not apply in the event of intent or gross negligence or where a mandatory rule of law does not permit limitation of liability.

Article 39. Set-Off

(1) The ORGANISATION may, by written statement, set off its due receivables against refunds, credits, deposits or other amounts owed to the MEMBER, under the conditions laid down by law and provided that the receivable is undisputed, acknowledged by the MEMBER or established by a final act. The part disputed by the MEMBER shall not be subject to set-off and shall be paid within the agreed period. The MEMBER shall have the same right of set-off under the conditions laid down by law. Set-off shall not give rise to a supply within the meaning of the VAT Act and shall not be documented by a tax document. Tax documents shall be issued for the respective supplies and for changes in their taxable amount under Art. 115 of the VAT Act. Set-off shall be documented by the written statement under the first sentence and by a set-off record containing the particulars under Art. 6(1) of the Accountancy Act, served on the other PARTY, in which the grounds, amount, currency, applicable tax treatment and the document by which it is documented shall be stated for each receivable set off. Payments shall be made by bank transfer in accordance with the Limitation of Cash Payments Act.

(2) In the event of partial payment and where there are several due obligations, discharge shall be effected in the order laid down in Art. 76 of the OCA: first the costs, then the interest and finally the principal, the PARTIES agreeing that contractual penalties shall be discharged after the costs and before the interest; where there are several equally onerous obligations, the oldest shall be discharged. The MEMBER may specify otherwise at the time of payment by indicating the number of the invoice or of the record. In the event of payment without specified grounds, the ORGANISATION shall allocate the amount in the order set out in this paragraph and shall notify the MEMBER through Portal 2.0. No allocation under this paragraph shall be made to a receivable which the MEMBER has disputed and which has not been acknowledged by it or established by a final act; such a receivable shall be skipped in the discharge until the dispute ceases. The restriction under paragraph (1), second sentence, may not be circumvented through the order of discharge under this paragraph.

Article 40. Material Breach

The following, inter alia, shall be deemed to constitute a material breach by the MEMBER:

1. a delay in payment exceeding 30 calendar days of an amount exceeding 10 per cent of the average monthly fee for the last six reporting periods, or a delay exceeding 60 calendar days irrespective of the amount;
2. two or more delays in payment, each lasting more than 10 calendar days, within six consecutive reporting periods;
3. (repealed);
4. materially inaccurate or manipulated data;
5. refusal of an audit;
6. failure to provide requested documents;
7. impermissible parallel membership;
8. loss or absence of a necessary registration;
9. wilful concealment of quantities;
10. mixing or contamination of waste oils that prevents regeneration, recycling, recovery or statutory reporting;
11. any other breach that materially jeopardises the statutory compliance of the ORGANISATION.

The mere failure to submit, or late submission of, a monthly declaration shall not constitute a material breach under this Article and may not constitute grounds for termination by means of item 6 or item 11. This shall not exclude liability for a separately proven breach, including wilful concealment or manipulation of data. For breaches under items 1–11 that are remediable, termination under Art. 47 shall be preceded by a written request served in accordance with Art. 58, with a period of 7 calendar days for remedy.

XI. RIGHTS AND OBLIGATIONS OF THE ORGANISATION

Article 41. Statutory Targets

(1) The ORGANISATION shall organise the achievement of the statutory targets for the quantities of the MEMBER in respect of which the MEMBER has performed its contractual obligations.

(2) If the statutory targets for separate collection and recovery are not achieved and, as a result, a competent authority obliges the MEMBER, by a final act, to pay a product fee under Art. 59 of the WMA, the ORGANISATION shall pay that fee, together with the interest charged thereon, on behalf of the MEMBER within 14 calendar days of the MEMBER's written request accompanied by a copy of the act, unless the ORGANISATION proves the existence of a circumstance under paragraph (4). No other grounds for exclusion of liability under this paragraph shall apply. In the event of delay, the ORGANISATION shall owe statutory interest. Payment under this paragraph shall be made to the account of EMEPA in accordance with Art. 178 of the Tax and Social Insurance Procedure Code (TSIPC) and, where the MEMBER has already paid the amount, it shall be refunded to the MEMBER. In both cases the payment shall constitute compensation for non-performance of a contractual obligation of the ORGANISATION, shall not be consideration for a supply and shall not be deemed a reduction of the price under the AGREEMENT; it shall not be included in the taxable amount (Art. 26(2) of the VAT Act), shall not be documented by a tax document and shall be documented in accordance with Art. 23 — by a document evidencing the payment and by a record under Art. 6(1) of the Accountancy Act, served on the MEMBER, stating the act, the amount of the fee, the amount of the interest and the grounds under this paragraph. If the act under this paragraph is revoked or amended, or the amount paid is refunded from the budget, the MEMBER shall reimburse the ORGANISATION for the amount received or the refunded part thereof, respectively, together with the interest received, within 10 business days of receipt, and shall notify the ORGANISATION within the same period. The MEMBER is obliged to appeal against the act upon the written request of the ORGANISATION and at its expense.

(3) Where the targets are not achieved through the fault of the ORGANISATION, the ORGANISATION shall assist the MEMBER in the appeal and shall provide the evidence at its disposal.

(4) The ORGANISATION shall not be liable under paragraphs (2) and (3) to the extent that the failure to achieve the targets is caused by: (a) inaccurate, manipulated or late data from the MEMBER, insofar as they have materially affected the reporting; (b) an unpaid or incompletely paid fee for the relevant period; (c) termination of the AGREEMENT through the fault of the MEMBER, and only for the period after the date of termination; (d) failure to provide documents or refusal to cooperate under Art. 13 and Art. 33; (e) force majeure under Art. 55. Termination of the AGREEMENT on any grounds whatsoever shall not constitute grounds for exclusion of liability under paragraphs (2) and (3) for the period during which the AGREEMENT was in effect, including where the act under paragraph (2) is issued or becomes final after the termination.

(5) Where the ORGANISATION has requested an appeal in writing under paragraph (2), it shall, within 10 business days of the request, provide at its own expense the security required for suspension of enforcement under Art. 153 of the TSIPC, or pay on behalf of the MEMBER in accordance with the procedure and with the consequences of paragraph (2). In the event of non-performance, the MEMBER shall not be bound by the obligation to appeal under paragraph (2), last sentence, and the ORGANISATION may not invoke the fact that the act has not become final as grounds for not performing its obligation under paragraph (2).

(6) The ORGANISATION shall maintain the bank guarantee under Art. 82 of the WMA and shall notify the MEMBER in accordance with Art. 58 within 10 business days in the event of full or partial drawdown. The drawdown shall not give rise to claims of the ORGANISATION against the MEMBER and shall not release it from the obligations under paragraph (2); where a product fee payable for quantities of the MEMBER has been discharged through the drawdown, the obligation under paragraph (2) shall be deemed performed up to the amount discharged.

Article 41a. Change of the Statutory Targets and Information to Members

(1) Where the percentage or another indicator of an applicable statutory target is amended by legislation, as well as where a new target is introduced, the ORGANISATION shall notify the members through Portal 2.0

within 10 business days of promulgation and shall publish on its website the legal basis, the date from which the target applies and an assessment of its impact on the necessary costs under Art. 17(2).

(2) The ORGANISATION shall implement an annual information plan aimed at distributors, oil-change points and end users, and shall disclose its implementation together with the data under Art. 33(5). The costs of information are part of the necessary costs under Art. 17(2) and shall be reported separately in the cost model under Art. 17(10).

Article 42. Assignment of Activities to Operators

The ORGANISATION may assign the activities under Art. 28(1) to operators under the conditions of Art. 28.

Article 42a. Collection Network and Geographical Coverage

(1) The ORGANISATION shall establish and maintain a system for separate collection and recovery which provides the components under Art. 19 of the Oils Ordinance: 1. separate collection of oils generated at vehicle service centres during oil changes; 2. separate collection from the waste motor oil change points under Art. 39(1), item 1 of the Oils Ordinance designated by the mayors of municipalities with which the ORGANISATION has a contract in force; 3. separate collection from the sites for preliminary storage of oils generated from the operation of machinery and equipment; 4. delivery of the quantities collected for regeneration and, where this is not feasible, for other appropriate recycling or other lawful recovery in accordance with Art. 4(2); delivery for disposal shall be permitted where lawfully justified under Art. 4(2). The ORGANISATION shall provide the covered sites with containers and tanks meeting the requirements of Art. 25 and Art. 26 of the Oils Ordinance and shall carry out removal within 10 business days of the request. The list of municipalities with which the ORGANISATION has a contract in force under item 2 shall be published and kept up to date. The network shall ensure coverage of the territory in which the MEMBERS place oils on the market, including accessibility for entities generating waste oils in small quantities.

(2) The ORGANISATION shall publish and keep up to date on its website information on the manner of delivering waste oils and of requesting removal, on the extent of geographical coverage by region and on the procedure for including new points of generation. The data identifying individual points of generation are commercial information and shall not be published; they shall be provided to the competent authorities upon request.

(3) Where a person is identified as placing oils on the market without participating in a collective scheme and without individual compliance, the ORGANISATION shall notify the ExEA and/or the competent Regional Inspectorate of Environment and Water (RIEW).

(4) Free-of-Charge Acceptance and Scope. The acceptance, collection and removal of waste oils from the sites under paragraph (1) shall not be paid for separately by the MEMBER or by the person delivering them — they are covered by the fee under Art. 20. Separate payment shall be due only for the costs under Art. 27a(4) and Art. 27b(6) where a non-conformity is established, as well as for services expressly requested by the MEMBER outside the scope of paragraph (1). The system covers waste oils generated in the course of business activity; waste oils generated in households shall be accepted in accordance with the procedure established for municipal sites and shall not be counted against the contractual coverage of the MEMBER.

Article 43. Certificate

(1) The ORGANISATION shall issue a certificate of participation within 14 calendar days of a written request by the MEMBER. The certificate and the specification shall cover the periods for which declarations, including nil declarations, have been submitted and accepted and the undisputed fee due, where such a fee has arisen, has been paid. Quantities shall not be certified for a period without a declaration; after the declaration has been submitted and the fee due has been settled, a supplement shall be issued within the same period.

(2) Certification for an individual period shall be deferred for as long as no declaration has been submitted for it or the undisputed fee has not been paid, as well as in the event of any other statutory impediment. The deferral stems from the requirement that the certified data be reliable and is not a sanction; it shall not affect the certification of the other periods. A receivable disputed by the MEMBER and neither acknowledged by it nor established by a final act shall not constitute grounds for deferral for the periods for which the reporting has been accepted and the undisputed amounts have been paid.

(3) The issue of a certificate shall not restrict the right of subsequent inspection or correction.

(4) The certificate shall contain the details of the MEMBER, the period for which it is issued and a confirmation that during that period the MEMBER performs its obligations through the collective scheme of the ORGANISATION. Where quantities must be stated by type and code, they shall be contained in a specification which shall form an integral part of the certificate and shall be issued simultaneously with it. The certificate and the specification shall be issued in accordance with the templates annexed to the AGREEMENT.

(5) In the event of an inspection of the MEMBER by the MoEW, the ExEA, a RIEW, the National Revenue Agency (NRA), the Customs Agency or another competent authority, the ORGANISATION shall issue, at the request of the MEMBER and within 3 business days, a written confirmation of its participation and a statement of the declared quantities and the fees paid for the specified period and, where necessary, shall confirm the data directly to the authority. Paragraph (2) shall not apply to the confirmation under this paragraph.

(6) Upon the MEMBER's written request, the ORGANISATION shall also issue, within 5 business days, a certificate of the quantities declared and paid for the period of participation in respect of which the obligations under Art. 14(2), item 2 of the WMA have been performed through its collective scheme, intended for submission to another recovery organisation and to the competent authorities, and, upon request, shall confirm the data directly to them.

Article 44. Technical Rules and Portal 2.0

The ORGANISATION may unilaterally, after prior written notice to the MEMBER, amend the technical formats, fields, file structures, procedures and channels for the provision of information in Portal 2.0, provided that this does not change the base contractual rate, the applicable product rates, the tariff classes, the due date, the contractual penalties or the termination period. An amendment affecting the manner of submitting declarations or the mandatory fields shall be communicated at least 30 calendar days before its entry into force, and during a transitional period of 30 calendar days declarations in the previous format shall also be accepted. A delay attributable to such an amendment shall not constitute non-performance and shall not give rise to a contractual penalty.

XII. TERM AND TERMINATION

Article 45. Term

The term of the AGREEMENT shall be determined in the individual AGREEMENT. Upon its expiry, the AGREEMENT shall be renewed automatically for successive periods of the same duration, unless either of the PARTIES objects in writing no later than the beginning of the notice period under Art. 46, counted backwards from the expiry date of the current period. No objection shall be required where the PARTY has already terminated the AGREEMENT in accordance with Art. 46. The objection shall not shorten the notice period under Art. 46. Where the notice period is equal to or longer than the term of the AGREEMENT, an objection may be made at any time until the expiry of the current period; in that case the AGREEMENT shall not be renewed for a new full period but shall remain in force until the expiry of the notice period, calculated from receipt of the objection. The objection shall be made in accordance with Art. 58.

Article 46. Termination without Cause

Either PARTY may at any time terminate the AGREEMENT without stating a reason by written notice, the period of which shall be determined in the individual AGREEMENT, irrespective of the current term of the AGREEMENT, subject to the principles of equal treatment and proportionality under Art. 8a(1) of Directive 2008/98/EC and to the right of the MEMBER to transfer to another recovery organisation after termination of the AGREEMENT in accordance with the WMA. The notice period shall be the same for both PARTIES and shall be determined in the individual AGREEMENT; these General Terms and Conditions do not set any minimum or maximum thereof. Where two different notice periods are applicable to one and the same situation, the shorter shall apply to the MEMBER. A notice period option not selected in the AGREEMENT shall not be an applicable period within the meaning of the preceding sentence. The special notice periods under Art. 18(8) and Art. 59(5) shall apply to the respective situations and shall not be affected by this Article. The individual AGREEMENT must specify exactly one notice period. Where the AGREEMENT requires a selection and no selection has been made or two options have been marked, the configuration of the AGREEMENT shall be incomplete: the AGREEMENT shall not take effect, participation shall not commence and the PARTIES shall remedy the incompleteness by means of a written addendum. No fallback notice period shall be created automatically and no interim rate shall apply.

Article 46a. Insolvency, Liquidation and Deregistration of the MEMBER

(1) The MEMBER shall notify the ORGANISATION via Portal 2.0 within 7 business days of the entry in the register of a decision opening insolvency proceedings, on winding-up by liquidation or on deregistration from the Commercial Register, as well as of a transformation whereby the obligations under the AGREEMENT pass to another person.

(2) In the event of universal succession, the AGREEMENT shall continue with the successor on the terms of Art. 62. The successor shall notify the ORGANISATION within the period under paragraph (1) and shall provide evidence of its registration under Art. 7.

(3) Upon deregistration of the MEMBER without a successor, the AGREEMENT shall terminate by operation of law as of the date of deregistration. Upon the opening of insolvency proceedings or of liquidation, either of the PARTIES may terminate the AGREEMENT by written notification, without a notice period.

(4) Termination under this Article shall not extinguish the declaration and payment obligations that have arisen up to the date thereof; accounts shall be settled in accordance with Art. 49. Quantities placed on the market up to the date of termination shall remain within the contractual coverage, insofar as they have been declared and paid for.

Article 47. Immediate Termination by the ORGANISATION

The ORGANISATION may terminate the AGREEMENT without a notice period in the event of a material breach under Art. 40, subject to the prior request under Art. 40, last paragraph, where the breach is remediable.

Article 47a. Immediate Termination by the MEMBER

(1) The MEMBER may terminate the AGREEMENT without a notice period by written notification in accordance with Art. 58 in the event of: 1. suspension of the ORGANISATION's permit under Art. 81(1) of the WMA for more than 30 calendar days or restriction of its scope affecting the MEMBER's waste stream; upon revocation, termination or expiry of the permit, the AGREEMENT shall terminate by operation of law in accordance with Art. 48 and no notification under this paragraph shall be required; 2. unjustified failure to issue the certificate under Art. 43 within 14 calendar days of a written request by the MEMBER, where the MEMBER has fulfilled its reporting and payment obligations; 3. failure to perform the obligation under Art. 41(2) within the agreed period; 4. any other material breach by the ORGANISATION which has not been

remedied within 7 calendar days of a written request; 5. failure to achieve the annual target under Art. 4(1) for two consecutive calendar years, as established by the report under Art. 55(1) of the Oils Ordinance or by the information published under Art. 33(3); 6. the opening of insolvency proceedings, a declaration of insolvency or winding-up by liquidation of the ORGANISATION, as well as universal succession where the successor does not hold a permit under Art. 81(1) of the WMA with a scope covering the MEMBER's waste stream.

(2) In the cases under paragraph (1), the MEMBER shall not owe any fee for the period after the date of termination, and any amounts paid in advance for that period shall be refunded within 15 business days of termination in accordance with Art. 49(4).

(3) Upon deregistration of the ORGANISATION from the Commercial Register, the AGREEMENT shall terminate by operation of law as of the date of deregistration. The ORGANISATION shall notify the MEMBER in accordance with Art. 58 within 3 business days of the occurrence of a circumstance under paragraph (1), item 6. Quantities placed on the market up to the date of termination shall remain within the contractual coverage, insofar as they have been declared and paid for.

Article 48. Loss of the Permit

(1) Upon revocation, termination or expiry of the ORGANISATION's permit under Art. 81(1) of the WMA, the AGREEMENT shall terminate by operation of law as of the date on which the ORGANISATION loses the right to operate the collective scheme, and the contractual coverage for quantities placed on the market after that date shall lapse.

(2) The ORGANISATION shall notify the MEMBER in writing in accordance with Art. 58 within 3 business days of becoming aware of the circumstance under paragraph (1), as well as in the event of suspension or restriction of the permit under Art. 47a(1), item 1.

(3) The obligation under Art. 49(5) shall also apply in the cases under paragraph (1). The ORGANISATION shall notify the ExEA and the MoEW of the circumstance under paragraph (1) within the period under paragraph (2).

(4) Financial relations shall be settled in accordance with Art. 49, whereby the fee paid for the period after the date under paragraph (1) shall be refunded in full. The refund shall be made within 15 business days of the date under paragraph (1).

(5) In the event of suspension or restriction of the permit, the ORGANISATION shall specify in the notification under paragraph (2) the consequences for the coverage. Quantities placed on the market during the period of suspension shall remain within the contractual coverage, insofar as the legislation permits them to be credited; if crediting is not permissible, the fee for them shall be refunded, and the ORGANISATION shall issue a credit note under Art. 115 of the VAT Act in accordance with Art. 23.

Article 49. Consequences of Termination

(1) Termination shall not affect unpaid fees, contractual penalties, damages, obligations relating to documents and corrections, the right of inspection for past periods, the obligations of the ORGANISATION under Art. 36(2), Art. 41(2) and (6), Art. 43(6) and Art. 53(3) for the period during which the AGREEMENT was in force, confidentiality, the rights of the ORGANISATION to submit data for previous periods, or rights of set-off that have arisen.

(2) Within 10 business days of the termination taking effect, the MEMBER shall cease all use of the certificate under Art. 43 and of any marks, documents and references relating to membership of the ORGANISATION, and shall return or destroy all copies of the certificate intended for current use. The MEMBER shall retain a

copy of the certificates and specifications issued to it for the purposes of accounting, audit, control and the protection of its rights; the copy so retained shall certify membership only for the period for which it was issued and may not be used as evidence of current membership after termination. Upon request, the MEMBER shall provide written confirmation of compliance with the obligation under this paragraph. The ORGANISATION shall notify the MoEW and the ExEA of the termination of the MEMBER's membership within 14 business days.

(3) Upon termination of the AGREEMENT, the PARTIES shall sign a bilateral record certifying the final status of their financial relations. The record shall be drawn up within 15 business days of the termination taking effect. If the MEMBER refuses to attend for the drawing up of the record or refuses to sign it, the record may be drawn up in its absence, its findings being confirmed by the signatures of two witnesses. A record drawn up in the absence of the MEMBER shall have effect only for establishing the fact of refusal and for the commencement of the periods under paragraph (4), and shall not bind the MEMBER as regards the amount of the claims. The record shall contain the particulars under Art. 6(1) of the Accountancy Act and, as a minimum: a list of the invoices and notes issued for the period, stating number, date, currency, taxable amount and tax; the payments received, by date and amount; the contractual penalties, interest and costs charged, with the legal basis and supporting document for each of them; the set-offs effected; and the final balance in euro, separately for taxable amount and for tax.

(4) Where an overpayment by the MEMBER is established, the ORGANISATION shall refund the difference within 30 business days of the signing of the record under paragraph (3) or, if a record is not signed by both PARTIES, within 30 business days of the expiry of the period under paragraph (3), second sentence, irrespective of the reason for the failure to sign. Prior to the refund, the ORGANISATION may set off only its due claims under Art. 39 which are undisputed, acknowledged by the MEMBER or established by a final act; the part disputed by the MEMBER shall be refunded within the period under this paragraph. In the event of late refund, the ORGANISATION shall owe statutory interest from the expiry of the relevant period. Where the overpayment results from a change in the taxable amount of invoiced supplies, the ORGANISATION shall issue a credit note under Art. 115 of the VAT Act in respect of the relevant invoices within 5 days of the signing of the record under paragraph (3) or, as the case may be, of the expiry of the period under paragraph (3), second sentence, and shall refund the taxable amount together with the tax charged thereon. Where the overpayment constitutes an amount paid but not owed, no tax document shall be issued and the refund shall be documented by the record under paragraph (3) and by the payment document. The periods under Art. 47a(2) and Art. 48(4) shall take precedence over the period under this paragraph.

(5) Upon any termination of the AGREEMENT, irrespective of the grounds, the ORGANISATION shall provide the MEMBER within 10 business days with all data and documents necessary for it to arrange another lawful means of fulfilling its obligations, including a statement of the quantities declared and reported and of the fees paid for the period during which the AGREEMENT was in force, including the electronic copies of all invoices, notes under Art. 115 of the VAT Act, records under Art. 116 of the VAT Act and records under Art. 23 issued to the MEMBER for the period during which the AGREEMENT was in force, in a machine-readable format and with the data necessary for the MEMBER to fulfil its obligations under Art. 121 of the VAT Act and Art. 12 of the Accountancy Act, as well as written confirmation of the termination and of the date on which it took effect. The ORGANISATION shall also provide, within the same period, the certificate under Art. 43(6); upon receipt of a written request from the MEMBER, the certificate shall be provided within the period under Art. 43(6).

(6) Quantities placed on the market by the MEMBER up to the date on which the termination took effect shall remain within the target base of the ORGANISATION for the relevant calendar year. The fee paid for those quantities shall not be refunded and shall also cover the costs of their subsequent separate collection and treatment, including where this is carried out after termination. This paragraph shall be without prejudice to

the right of the MEMBER under Art. 11(6) and Art. 24 to request a reduction of a declared quantity and a refund for quantities exported or dispatched outside the country; that right may also be exercised after termination, within the periods under Art. 24, and the refund shall be made in accordance with Art. 24(5). This paragraph shall not apply in the cases under Art. 47a(1), items 1–6 and Art. 48, in which the refund shall be made in accordance with Art. 47a(2) and Art. 48(4).

(7) Quantities placed on the market during the period of participation, including those declared after termination, insofar as they may lawfully be reflected in the reporting, shall fall within the contractual coverage under Art. 8(1) upon payment of the fee due for them, including where payment is made after termination. This paragraph shall also apply in the cases under Art. 46a(4), Art. 47a and Art. 48.

XIII. CONFIDENTIALITY AND PERSONAL DATA

Article 50. Confidentiality

The PARTIES shall keep the commercial, accounting, technical and financial information received confidential. This obligation shall survive termination of the AGREEMENT, without limitation in time. Information which has become publicly known otherwise than as a result of a breach of this Article, including information published under Art. 33(3) and (5) and Art. 42a(2), as well as information lawfully obtained from a third party without an obligation of confidentiality or independently developed by the recipient, shall not be confidential.

Article 51. Permitted Disclosure

The provision of information to the MoEW, the ExEA, a Regional Inspectorate of Environment and Water (RIEW), the National Revenue Agency (NRA), the Customs Agency, the EMEPA, a court, an auditor, a bank, an insurer, an operator under contract with the ORGANISATION or a professional adviser shall not constitute a breach of confidentiality where such provision is required by law or necessary for the performance, protection or control of contractual rights.

Article 52. Personal Data

(1) The controller of the personal data is ECO OIL RESOURCE EOOD, UIC 204449446.

(2) The personal data of the persons representing the MEMBER and signing the AGREEMENT shall be processed on the basis of Art. 6(1), letter (f) (legitimate interest in the conclusion and performance of the AGREEMENT with the MEMBER, under which they act as representatives) and letter (c) (compliance with legal obligations under the WMA and the Oils Ordinance) of Regulation (EU) 2016/679. The personal data of the contact persons and employees of the MEMBER who are not a party to the AGREEMENT shall be processed on the basis of Art. 6(1), letters (c) and (f) — the legitimate interest of the ORGANISATION in the performance, control and protection of the rights under the AGREEMENT and in communication thereunder, following a conducted and documented balancing-of-interests assessment, which shall be provided upon request.

(3) Categories of data: names, position, e-mail address, telephone number, qualified electronic signature data. Retention period: 10 years after termination of the AGREEMENT, justified by the legal obligations regarding accounting and tax retention and reporting under the WMA, in accordance with the storage limitation principle under Art. 5(1), letter (e) of Regulation (EU) 2016/679.

(4) The data may be provided to the ExEA, the MoEW, the RIEW, the NRA, the Customs Agency, the EMEPA, auditors and operators — to the extent necessary for the fulfilment of legal obligations. Where the recipient processes personal data on behalf of and on the instructions of the ORGANISATION, including the operators under Art. 42 and the provider of Portal 2.0, it shall act as a processor and the relations shall be governed by a contract under Art. 28(3) of Regulation (EU) 2016/679.

(5) The data subject has the right of access, rectification, erasure, restriction of processing and portability, as well as the right to object under Art. 21 of Regulation (EU) 2016/679 where the processing is based on legitimate interest. The data subject also has the right to lodge a complaint with the Commission for Personal Data Protection (CPDP).

(6) Detailed information is available in the Privacy Policy of the ORGANISATION, published at <https://ecooilresource.com>.

XIV. ELECTRONIC DOCUMENTS AND EVIDENCE

Article 53. Evidential Value of Records in Portal 2.0

(1) Records in Portal 2.0 concerning date, time, user, declaration version, quantity, status, corrections and system messages may be used as evidence between the PARTIES alongside other admissible evidence.

(2) Records in Portal 2.0 shall be retained for at least 10 years in a manner which protects their integrity and makes it possible to establish the date, time and author of each action.

(3) Upon written request, the ORGANISATION shall provide the MEMBER within 5 business days with a complete extract of all records under paragraph (1) relating to it, including all versions of the declarations and the audit trail, in a machine-readable format, signed with the qualified electronic signature of the ORGANISATION. Records in respect of which the ORGANISATION has not provided the extract requested under this paragraph within the period under the first sentence may not be used against the MEMBER.

Article 54. User Accounts and Electronic Signature

The MEMBER shall be liable for actions performed through the user accounts provided to it until due notification of compromise or withdrawal of access, unless the compromise has been caused by a circumstance within the technical or organisational sphere of the ORGANISATION or by an act of its employees or subcontractors. The ORGANISATION shall notify the MEMBER of any identified security incident affecting its data within 24 hours of becoming aware of it. The Electronic Document and Electronic Trust Services Act (EDE TSA) and Regulation (EU) No 910/2014 shall apply to qualified electronic signatures.

XV. FORCE MAJEURE

Article 55. Force Majeure

(1) A PARTY shall not be liable for non-performance directly caused by force majeure within the meaning of Art. 306(2) of the Commerce Act, provided that it notifies the other PARTY within 5 business days of becoming aware thereof and takes reasonable measures to mitigate the consequences.

(2) If the notification under paragraph (1) has been duly made, the performance of the obligations of the affected PARTY, other than monetary obligations, shall be suspended for the duration of the force majeure. Monetary obligations shall not be suspended. Where the force majeure affects the payment infrastructure and prevents the payment itself, the affected PARTY shall not owe a contractual penalty for delay for the duration of the impact, the principal obligation remaining due.

(3) If the force majeure continues for more than 6 (six) months, either of the PARTIES may terminate the AGREEMENT by written notification, without owing compensation. Amounts due and obligations that arose before the occurrence of the force majeure shall remain in force.

Article 56. Exclusions from Force Majeure

(1) Lack of funds, a decline in sales, changes in market prices or non-performance by a counterparty shall not in themselves constitute force majeure. Monetary obligations that arose before the event shall remain due.

(2) A PARTY may not invoke force majeure where the event has been caused by its negligence or wilful act.

(3) If a PARTY which was required to perform an obligation under the AGREEMENT was already in default before the occurrence of the event, it may not invoke force majeure.

XVI. NOTICES

Article 57. Operational Communications

Operational communications may be sent via Portal 2.0, the contractual e-mail address or any other durable electronic means.

Article 58. Notices with Material Legal Effect

(1) Notifications of a change of the rates under Art. 18, of an amendment of these General Terms and Conditions under Art. 59, of termination, of a request under Art. 40, last paragraph, of a change of bank account, of significant financial claims and of set-off, as well as of a change of the correspondence address and of the e-mail address, shall be served by registered letter or courier with proof of receipt, by an electronic document signed with a qualified electronic signature, or via Portal 2.0 if the system provides a reliable time stamp and proof of receipt.

(2) A change of a rate under Art. 18 shall be deemed duly communicated only upon demonstrable receipt by the MEMBER.

(3) The periods under Art. 18(3) and (8), under Art. 40, last paragraph, and under Art. 59(5) shall run from the demonstrable receipt of the relevant notification by the addressee.

(4) Where a consignment sent to the contractual address under Art. 8(2) of the AGREEMENT is returned marked to the effect that the addressee was not found, refused to accept it or failed to collect it, the notice shall be deemed served on the seventh calendar day after dispatch. Where the MEMBER has communicated a new correspondence address to the ORGANISATION in accordance with paragraph (1), the preceding sentence shall apply to the last address so communicated. Failure to notify a change of address shall not preclude the application of the first sentence to the contractual address. For demonstrable receipt by electronic means, a qualified electronic registered delivery service under Art. 44 of Regulation (EU) No 910/2014 or an acknowledgement of receipt generated by Portal 2.0 shall be used. The deemed service under the first sentence shall also apply to the notifications under paragraphs (2) and (3), provided that dispatch has been effected simultaneously by a consignment to the contractual address and by an electronic document to the contractual e-mail address or via Portal 2.0 and none of the means has resulted in demonstrable receipt.

(5) The MEMBER shall notify the ORGANISATION of any change of its contractual correspondence address and contact details without undue delay, in accordance with paragraph (1).

XVII. AMENDMENT OF THE GENERAL TERMS AND CONDITIONS

Article 59. Amendment of the General Terms and Conditions

(1) The ORGANISATION may amend these General Terms and Conditions in the event of a legislative change, a change in administrative practice, a requirement of a competent authority, a change to Portal 2.0 or a need to improve the control, reporting and functioning of the collective scheme.

(2) Amendments shall be communicated to the MEMBER in accordance with the established procedure.

(3) The right to unilaterally change the base contractual rate and the applicable product rates shall be exercised solely in accordance with the special procedure under Art. 18, with the notice agreed in the AGREEMENT for changes to the rates.

(4) By mutual written consent, the rates may be changed with immediate effect in accordance with Art. 19.

(5) Amendments shall be binding on the MEMBER if it does not object in writing within 1 (one) month of the demonstrable receipt of the communication under paragraph (2). In the event of an objection, the previous General Terms and Conditions shall continue to apply in the relations between the PARTIES, except for the part in which the amendment reproduces a mandatory rule of law or an express requirement of a competent authority — that part shall bind the MEMBER from its entry into force. In the event of an objection, the MEMBER may terminate the AGREEMENT by 3 (three) months' written notice, calculated from the objection; that right shall be exercised simultaneously with the objection or within 30 calendar days thereafter. The objection shall not give rise to a right of the ORGANISATION to terminate the AGREEMENT, nor to terminate it at shorter notice than that agreed under Art. 46.

XVIII. FINAL PROVISIONS

Article 60. Invalidity

The invalidity or unenforceability of any individual provision shall not affect the remaining provisions. The invalid provision shall be replaced by a permissible provision which achieves to the greatest possible extent the same economic purpose.

Article 61. Non-exercise of Rights

The non-exercise or delayed exercise of a right shall not constitute a waiver thereof. Acceptance of a single late or defective performance shall not establish a practice for future reporting periods.

Article 62. Assignment

Neither of the PARTIES may transfer the AGREEMENT or its rights and obligations thereunder without the prior written consent of the other PARTY, except in the case of universal succession.

Article 62a. Computation of Periods

(1) A period specified in business days shall not include days which are non-working days under Bulgarian legislation.

(2) Where the last day of a period specified in calendar days, in months or by a specific date is a non-working day, the period shall expire on the next following business day (Art. 72(2) of the Obligations and Contracts Act), unless legislation provides otherwise.

(3) A period specified in months shall expire on the corresponding date of the last month and, where the last month has no such date, on its last day.

(4) For submission and receipt via Portal 2.0, the record in the Portal (Art. 53) shall be authoritative, and in the event of documented unavailability Art. 11(8) shall apply.

Article 62b. Written Form and Entire Agreement

(1) Amendments and supplements to the AGREEMENT shall be made only in writing — by a written addendum signed on paper or with a qualified electronic signature by both PARTIES — except in the cases for

which these General Terms and Conditions provide for another express procedure, including under Art. 16, Art. 17, Art. 18, Art. 19, Art. 21(3), Art. 44, Art. 46a, Art. 59 and Art. 62. Written form is a condition of validity.

(2) The AGREEMENT, its annexes and the documents to which they refer, as well as these General Terms and Conditions, contain the entire agreement between the PARTIES with respect to their subject matter and supersede all prior negotiations, offers, correspondence and arrangements on the same subject matter; this shall not exclude liability for pre-contractual bad faith under Art. 12 of the Obligations and Contracts Act (OCA).

Article 62c. Restrictive Measures and Anti-corruption Declarations

(1) Each PARTY declares that neither it nor its ultimate owner is a person subject to restrictive measures of the European Union, the United Nations or the Republic of Bulgaria, and undertakes to notify the other PARTY of any change.

(2) The ORGANISATION may refuse to recognise an export or dispatch to a person or territory subject to such measures, and may terminate the AGREEMENT without a notice period if measures are imposed on the MEMBER.

(3) The PARTIES declare that, in connection with the conclusion and performance of the AGREEMENT, they have not offered, given or accepted any undue advantage.

Article 62d. Language

These General Terms and Conditions, the AGREEMENT, the annexes and the correspondence between the PARTIES shall be drawn up in the Bulgarian language. Any translations provided are for information purposes only; in the event of any conflict, the Bulgarian text shall prevail. A document in a foreign language shall be submitted together with a translation into Bulgarian, unless the ORGANISATION agrees otherwise.

Article 63. Governing Law

Matters not regulated herein shall be governed by the WMA, the Oils Ordinance, the Product Fee Ordinance, Directive 2008/98/EC, Directive 96/59/EC on the disposal of polychlorinated biphenyls and polychlorinated terphenyls (PCBs/PCTs), Regulation (EU) 2024/1157 on shipments of waste and, to the extent applicable under the transitional rules, Regulation (EC) No 1013/2006, Regulation (EU) No 910/2014, Regulation (EU) 2019/1021 on persistent organic pollutants, Regulation (EC) No 1907/2006 (REACH), Regulation (EU) 2016/679 (GDPR), the Limitation of Cash Payments Act, the Obligations and Contracts Act and the Commerce Act.

Article 64. Disputes

(1) Disputes arising out of or in connection with these General Terms and Conditions and the AGREEMENT shall first be settled by negotiations between the PARTIES within 30 calendar days of the written notification by the affected PARTY.

(2) If no agreement is reached within the period under paragraph (1), the dispute shall be referred for resolution to the relevant competent court seated in Sofia in accordance with the rules on subject-matter jurisdiction.

Article 65. Adoption, Entry into Force and Electronic Signing

(1) These General Terms and Conditions, version EOR-OM-GTC-2026-6, were adopted and approved by the Managing Director of the ORGANISATION on 30.09.2026 and shall enter into force on 30.09.2026. Their application to a particular MEMBER shall be in accordance with paragraphs (3)–(5).

(2) The General Terms and Conditions shall be signed with a qualified electronic signature by the Managing Director of the ORGANISATION. The electronic copy signed with a valid qualified electronic signature constitutes the original of the document.

(3) These General Terms and Conditions shall apply to new agreements which expressly refer to version EOR-OM-GTC-2026-6, including a new agreement voluntarily signed by an existing MEMBER. Their application shall commence from the date agreed in the relevant AGREEMENT, not earlier than their entry into force, except for coverage for past reporting periods expressly agreed under Art. 5a.

(4) For agreements concluded on the basis of this version, these General Terms and Conditions shall replace the previous General Terms and Conditions of the ORGANISATION in the relations between the respective PARTIES, unless the individual AGREEMENT expressly provides otherwise.

(5) For an existing MEMBER who has not signed a new AGREEMENT, the existing agreement, the rate and the version of the General Terms and Conditions applicable to it shall be preserved. The publication or sending of this version for information purposes shall not constitute a replacement of the agreement or an amendment under Art. 59. Voluntary transition shall be effected by signing a new AGREEMENT or an express written agreement specifying a commencement date. Obligations that arose before the commencement date shall not be recalculated, save by express written agreement. This shall not exclude the direct effect of mandatory rules of law.

ECO OIL RESOURCE EOOD

Approved by: Mariyanka Nikolova Gadzheva — Managing Director

Signature: qualified electronic signature

Date of adoption: 30.09.2026

MARIYANK
A
NIKOLOVA
GADZHEVA

Digitally signed
by MARIYANKA
NIKOLOVA
GADZHEVA
Date: 2026.10.07
15:56:47 +03'00'