

GENERAL TERMS AND CONDITIONS OF SERO DISTRIBUTION S.R.O.

I. General Terms and Conditions

1. These General Terms and Conditions (hereinafter referred to as the „**GTC**“) of SERO distribution s.r.o., company registration no.: 14068192, with its registered office at Nové sady 988/2, Staré Brno, 602 00 Brno (hereinafter referred to as „**SERO Distribution s.r.o.**“ or the „**Buyer**“) are terms and conditions within the meaning of Section 1751 of Act No. 89/2012 Coll, the Civil Code (hereinafter referred to as the „**Civil Code**“) and shall apply to all relations arising from any purchase contract, the subject of which is the purchase of waste paper by SERO distribution s.r.o. from third parties - entrepreneurs (the aforementioned purchase contract hereinafter referred to as the „**Contract**“ and the aforementioned third party, hereinafter referred to as the „**Seller**“; SERO distribution s.r.o. and the Seller, together hereinafter also referred to as the „**Parties**“, individually referred to as the „**Parties**“). These GTC are an integral part of the Contract. These GTC are permanently available at www.sero-distribution.com.

2. By entering into the Contract with SERO Distribution s.r.o., the Seller unconditionally accepts these GTC and considers them binding for itself. Wherever the term Contract is used in the Contract or the GTC, it shall always mean the Contract as amended by the current GTC. If the content of the Contract differs from the content of the GTC, the content of the Contract shall prevail.

3. The legal relations between the Parties arising from the Contract shall be governed by the legislation of the Czech Republic, in particular the Civil Code, excluding the UN Convention on Contracts for the International Sale of Goods, as well as excluding the conflict of legal norms of the Czech Republic, in matters not regulated in the Contract and/or the GTC.

4. Any general terms and conditions of the Seller shall not apply to the relationship under the Contract.

II. Business Activities of SERO Distribution s.r.o.

1. The Buyer's business activity is, inter alia, waste management within the meaning of Section 11 (1)(c) of Act No. 541/2020 Coll., on Waste.

2. Waste from the sorting of paper and cardboard intended for recycling within the meaning of Annex 1 to Decree No. 8/2021 Coll., on the Waste Catalogue and on Assessment of Waste Properties (Waste Catalogue) (or within the meaning of a new similar provision of applicable legislation) (hereinafter referred to as the „**Waste Paper**“) shall be considered waste paper for the purposes of the Contract and these GTC.

III. Procedure for Concluding the Contract

1. The Contract may be concluded between the Parties particularly in writing, orally, by telephone, as part of electronic communication, by implication, by factual or other acceptance of an order, or in any other way which makes clear the intention of the Parties to conclude the Contract.

2. The Seller undertakes at all times to deliver the Waste Paper to the Buyer in accordance with the Contract and these GTC, to transfer to the Buyer the ownership right to the Waste Paper so delivered and to allow the Buyer to dispose of the Waste Paper so delivered without restriction.

3. The Buyer undertakes to take over the Waste Paper and pay the Seller the purchase price for it.

IV. Quality Requirements for Delivery and Transport of Waste Paper

1. The Seller undertakes to deliver the Waste Paper to the Buyer at all times:

- (i.) in the quantity, quality, and type specified in the Contract;
- (ii.) with maximum permissible moisture content of no more than 10% of the weight of the delivery;
- (iii.) free of so-called undesirable materials (in particular non-paper components, glass or mineral wool, substances containing PVC, hazardous substances, etc.);
- (iv.) suitably and firmly packed so that the content of the delivery is not released on receipt and subsequent handling;
- (v.) with the entire set of documents, which may include, but is not limited to, (i) documents relating to the particular delivery of Waste Paper, which the Seller is bound to keep by the legislation currently in force and/or (ii) documents used to identify the delivery, to the extent that is required by the legislation or commercial practice to be provided to the Buyer

(the above requirements are hereinafter referred to as „**Requirements**“).

2. Each individual delivery of Waste Paper must meet all Requirements, with a delivery being the entire load of Waste Paper delivered to the Buyer in one shipment. The Buyer shall always inspect each individual delivery for compliance with the Requirements by the appropriate means and method of its choice within ten (10) business days of the receipt. The Seller undertakes to provide all assistance to the Buyer in this regard.

3. Failure to comply with any of the Requirements set out in paragraph 1 of this Article of the GTC shall constitute defective performance by the Seller and the Buyer shall have the option of the following claims:

- (i.) to reject the relevant delivery not meeting any Requirement in its entirety and/or to require rectification and/or alternate faultless performance;
- (ii.) the right to a reasonable discount;
- (iii.) if the maximum permissible moisture content is exceeded, the right to make a weight deduction consisting in a proportional reduction in the weight of the Waste Paper and a corresponding reduction in the Purchase Price.

4. The Buyer is entitled to demand from the Seller the payment of any costs incurred by the Buyer as a result of the subject delivery of Waste Paper not meeting the Requirements (e.g., costs associated with the return of the Waste Paper to the Seller, handling, etc.).

5. The method of shipping the Waste Paper is always specified in the Contract, and the shipping may be provided either by the Buyer or by the Seller.

6. If the Seller provides the shipments of the Waste Paper under the Contract, it is obliged to ensure the shipment of each individual delivery to the collection point designated by the Buyer at its own risk, responsibility and expense, always on working days from 7:00am to 6:00pm. The Seller is then also obliged to take care of all administrative tasks and fulfil all obligations related to the shipping. In the case of the international shipments of waste, the Seller is obliged to comply namely with the obligations under Regulation (EC) No 1013/2006 of the European Parliament and of the Council of 14 06. 2006 on shipments of waste.

7. If the Buyer arranges for the shipments of the Waste Paper under the Contract, it does so at its own risk, responsibility, and expense. However, the Seller is obliged to ensure the proper and undisturbed arrival of the Buyer's means of transport or those of the carrier chosen by the Buyer to the point of loading the Waste Paper at the time agreed by the Parties. In the event of a breach of the Seller's obligations under the previous sentence, the Buyer is entitled to compensation for damage or costs incurred in vain.

V. Transfer of Ownership Right to the Waste Paper

1. The Buyer acquires the ownership right to the Waste Paper upon its acceptance. At the same time, the risk of damage to the Waste Paper is transferred to the Buyer; this also applies if the Seller hands over the Waste Paper to a carrier of their choice for the purpose of shipping it to the Buyer.

2. If the Waste Paper does not meet the Requirements defined in Article IV of these GTC, the ownership right and the risk of damage to it do not pass to the Buyer and the Buyer shall not be liable for its damage, destruction or loss, unless the Buyer wishes otherwise, even if only implicitly, e.g., by further processing, etc. If the Buyer fails to object to the failure to meet the Requirements of the delivery within ten (10) working days of its acceptance, the ownership right and risk of damage shall be deemed to have passed to the Buyer upon acceptance of the delivery.

VI. Specific Rights and Obligations Related to the Seller's Obligation to Deliver the Waste Paper each Month

1. If the Seller undertakes in the Contract to deliver to the Buyer in each calendar month a certain minimum quantity of Waste Paper, the Seller shall be obliged to actually deliver at least such quantity in each calendar month to the Buyer (hereinafter referred to as the „**Monthly Minimum Delivery**“). If the Seller does not commit to a Monthly Minimum Delivery under the Contract, the quantity of Waste Paper delivered by the Seller shall always correspond to the agreement of the Parties in individual cases.

2. The Seller shall have the obligation of Monthly Minimum Delivery each calendar month for the duration of the Contract, always no later than on the last working day of the relevant calendar month. For the avoidance of doubt, it is thus stipulated that the Seller undertakes to ensure that the Monthly Minimum Delivery is always delivered to the Buyer no later than the last working day of the relevant calendar month.

3. A delivery not meeting any of the Requirements as defined in Article IV of these GTC shall not be deemed to have been properly delivered and shall not count towards the Monthly Minimum Delivery Quantity for the relevant calendar month.

4. The Seller is obliged to inform the Buyer if the Monthly Minimum Delivery is not met, even partially, in the relevant calendar month, no later than ten (10) calendar days before the end of the relevant calendar month. In case of a breach of the obligation to provide information under the previous sentence of this clause of the GTC, the Buyer shall be entitled to payment of a contractual penalty by the Seller in the amount of CZK 20,000 (in words: twenty thousand Czech crowns). The Buyer's claim for payment of a contractual penalty shall not exempt it from the right to compensation for damage incurred.

5. In the event of non-compliance with the obligation of the Monthly Minimum Delivery, the Buyer shall be entitled to the payment of a contractual penalty by the Seller in the amount of CZK 1,000 (in words: one thousand Czech crowns) for each one (1) tonne of Waste Paper not delivered by the Seller in the relevant calendar month. The Buyer's claim for payment of a contractual penalty shall not exempt it from the right to compensation for damage incurred.

VII. Purchase Price, Terms of Payment

1. The Seller shall be entitled to payment of the purchase price of the Waste Paper delivered by it (hereinafter referred to as the „**Purchase Price**“).

2. The Purchase Price shall be determined in the manner set forth in the Contract, at which it may be determined:

(i.) as fixed for each one (1) tonne of Waste Paper delivered by the Seller, when the price determined in this way is unchanged for the entire duration of the contractual relationship in the case of a long-term Contract; or

(ii.) as variable and subject to the possibility of reduction or increase according to the development of

the price of Waste Paper as published either by FOEX Indexes Ltd, Mannerheimintie 40 D 85, Helsinki, Finland for Europe (www.foex.fi) or by EUWID, Europäischer Wirtschaftsdienst GmbH, Bleichstraße 20-22, 76593 Gernsbach, Federal Republic of Germany for the Federal Republic of Germany (www.euwid-papier.de); or

(iii.) individually by agreement of the Parties.

3. The following paragraphs shall apply when invoicing and paying the Purchase Price: No later than by the middle of the calendar month following the calendar month in which the relevant delivery of the Waste Paper was accepted by the Buyer, the Buyer shall send the Seller a proposal for invoicing this delivery or all other deliveries made in the relevant preceding calendar month (hereinafter referred to as the „**Draft Purchase Price**“). The Draft Purchase Price shall be based on the quantity of Waste Paper delivered by the Seller to the Buyer in the preceding calendar month and its Contract Price. If the Seller has no objections or comments to the Draft Purchase Price, the Seller shall be entitled to issue and send to the Buyer a tax document - invoice with a due date of at least thirty (30) calendar days from the date of its delivery to the Buyer, who shall subsequently make payment of the Purchase Price to the account specified in such invoice. A condition for payment of the tax document - invoice issued by the Seller is that all its formal and substantive requirements required by the legislation of the Czech Republic are met, and furthermore, the numerical designation included in the text of the invoice corresponding to the numerical designation of the respective Draft Purchase Price, which is charged by such invoice.

4. If the Seller has any objections or comments to the Draft Purchase Price, they are obliged to communicate them to the Buyer in writing in the form of a registered letter within ten (10) calendar days of receiving the Draft Purchase Price. The Buyer shall evaluate the objections or comments and communicate the results of their evaluation to the Seller, either insisting on the original Draft Purchase Price or accepting the Buyer's objections or comments and attaching to its communication a correspondingly corrected new Draft Purchase Price, the settlement of which shall be made by the Seller as appropriate according to the previous paragraphs.

5. If the Seller defaults in the performance of its obligations under the Contract, the Buyer is entitled to postpone the payment of the Purchase Price until full satisfaction of its own claims against the Seller.

6. The Buyer undertakes to provide the Seller, at the Seller's request, with information crucial for assessing the amount to which the Seller is entitled to the Purchase Price. In addition to the Purchase Price, the Seller is not entitled to any other remuneration or reimbursement of any costs in connection with the performance of the Contract.

VIII. Other

1. The Seller hereby declares and assures the Buyer that all Waste Paper supplied by it shall be acquired by the Seller in accordance with the laws of the Czech Republic, free from any legal defects and limitations and may be disposed of in accordance with the Contract without any restriction. The Seller shall be fully and objectively responsible for the characteristics of the Waste Paper within the meaning of the preceding sentence.

2. The Seller shall be liable to the Buyer for damage caused by a breach of the Contract and/or these GTC, regardless of fault, and undertakes to fully compensate the Buyer. The Buyer's claim for payment of a contractual penalty shall not exempt it from the right to compensation for damage incurred.

3. When selling Waste Paper to the Buyer, the Seller is obliged to act in accordance with all legal regulations of the Czech Republic as well as generally binding legal regulations of the European Union.

4. In the event of delay by the Seller in the performance of its obligations under the Contract and/or these GTC, the Buyer is entitled to suspend all payments to the Seller until the remedy is completed and, if necessary, the consequences of such delay are eliminated.

5. Assignment of any claims of the Seller against the Buyer is excluded.

6. In connection with the Contract, the Seller assumes the risk of change in circumstances within the meaning of Section 1765 (2) of the Civil Code.

7. The Seller expressly agrees to exclude the application of Sections 1799 and 1800 of the Civil Code and does not consider any provision of the Contract as amended by the GTC as contrary to commercial practices and the principle of fair trade.

IX. Duration of the Contract

1. The Contract may be concluded in a particular case as a one-off contract, for the purpose of making one or several irregular deliveries of Waste Paper, or as a long-term contract for a definite or indefinite period expressly stated therein.

2. If the Contract is concluded for a fixed term, it shall automatically be extended for one (1) year after the expiry of the fixed term, even repeatedly. Either Party may, no later than thirty (30) calendar days prior to the expiry of the specified period for which the Contract was entered into or for which it was extended in the way set forth in the preceding sentence, notify the other Party in writing by registered letter that it is not interested in the further extension of the Contract pursuant to this Article. By proceeding in accordance with the preceding sentence, the Contracting Party shall exclude the automatic extension of this Contract and this Contract shall expire upon the expiry of the fixed term for which the Contract was entered into or the expiry of the year for which it was extended in accordance with the preceding sentences. If neither Party delivers to the other Party a written notice that it is not interested in the further extension of the Contract in accordance with the preceding sentences, it shall indicate its willingness to agree to the extension of the Contract.

3. If the Contract is concluded for an indefinite period, either Party may terminate it by written notice delivered to the other Party, provided that the notice period shall be three (3) months and shall commence on the first day of the month following the month in which the notice is delivered to the other Party.

4. The Contract may also be terminated by agreement of the Parties.

5. The Seller shall be entitled to withdraw from the Contract in the event of a material breach of the Contract by the Buyer; a material breach of the Contract by the Buyer shall be deemed to be in particular a delay in payment of the Buyer's payable obligation to the Seller, where the remedy is not achieved even within fourteen (14) calendar days following the date of the written notice to remedy delivered to the Buyer.

6. The Seller may also terminate the Contract concluded for a definite or indefinite period due to their disagreement with the changes to the GTC, in the way set out in the following sentences. The Seller undertakes to continuously monitor the Buyer's website www.sero-distribution.com. The Buyer shall always publish the new GTC at least thirty (30) calendar days prior to their effective date on its website www.sero-distribution.com. If the Seller does not agree with the wording of the new GTC, the Seller has the right to terminate the Contract within one (1) month from the effective date of the new GTC. The notice period under the preceding sentence shall not apply if the Buyer expressly notifies the Seller of the new GTC at the Seller's e-mail address specified in the Contract, no later than thirty (30) calendar days before the effective date thereof, and at the same time informs the Seller of its right to terminate this Contract. The Seller is then entitled to terminate the Contract no later than ten (10) calendar days before the effective date of the new GTC. If the Seller does not terminate the Contract within the time limits according to the previous sentence, in writing, in the form of registered letter sent to the Buyer, the new GTC become binding for the further contractual relationship under the Contract. The written termination of the Contract according to the preceding sentences is the only way to express the Buyer's disagreement with the changes to the GTC.

7. The Buyer is entitled to withdraw from the Contract in the event of a material breach of the Contract by the Seller, in particular:

(i.) The Seller is in default in the satisfaction of any monetary claim of the Buyer under the Contract where remedy is not made even within fourteen (14) calendar days following the date of written demand for remedy delivered to the Buyer.

(ii.) The Seller has repeatedly (at least twice) failed to meet its obligation of Monthly Minimum Delivery if they were contractually obliged to do so.

(iii.) The Seller breaches other obligations arising from the Contract or the legislation of the Czech Republic, where the remedy is not made even within fourteen (14) calendar days following the date of the written request for remedy delivered to the Seller.

8. Either Party shall be entitled to withdraw from the Contract if the other Party is adjudged bankrupt or the insolvency petition against the other Party is dismissed for lack of assets.

9. Withdrawal from the Contract is effective on the last day of the month in which the withdrawal is delivered to the other Party.

10. Withdrawal from the Contract, as well as any other termination of the Contract, shall only have future effects and shall not affect the rights and/or obligations of the Parties arising up to the date of termination of the Contract. These shall last until they are fully satisfied and/or fulfilled. The preceding sentence also applies in particular to the right to payment for the delivered Waste Paper, contractual penalties as well as other payments to which either Party is entitled by the date of termination of the Contract.

11. If any provision of the Contract is or becomes invalid or ineffective, this shall not affect the other provisions which shall remain valid and effective. In this case, the Parties undertake to replace the invalid and/or ineffective provision by agreement with a new valid/effective provision that best corresponds to the originally intended economic purpose of the invalid and/or ineffective provision, no later than thirty (30) days from the date on which the Party invites the other Party to do so.

X. Delivery

1. The Buyer's contact details:

Telephone: +43 677 63731068

E-mail: office@sero-distribution.com

Delivery address: Nové sady 988/2, Staré Brno, 602 00 Brno

Website: www.sero-distribution.com

2. The Seller's contact details are specified in the Contract, or the Seller shall always communicate them to the Buyer prior to the conclusion of a Contract if the Contract is concluded otherwise than in writing.

3. The Parties are obliged to notify each other of any changes to their contact details (new telephone number, e-mail address, delivery address, etc.) without undue delay, but no later than ten (10) calendar days as of the implementation of this change. Failure to notify of such changes shall be the sole responsibility of the Party failing to notify of the change.

4. All notifications, notices, information, reminders, reports, or other documents to be delivered under the Contract between the Parties (hereinafter referred to as „**Submissions**“) shall be delivered by at least one of the following methods (unless otherwise expressly provided in the Contract and/or the GTC):

(i.) Electronically (by e-mail); a Submission shall be deemed to have been delivered on the date of its delivery, which is always the date on which the relevant e-mail message reaches the domain of the addressee (recipient) of this e-mail message, including the case when the receipt of the e-mail message is refused by the addressee (recipient) or when it is not read.

(ii.) Electronically (by data message), i.e., by delivery to the data box of the other Party.

(iii.) By registered or regular letter to the delivery address of the Party specified in the Contract or the GTC; the Parties shall mutually agree on these addresses as addresses for mutual delivery. If the Submission is not

delivered sooner, it will be deemed to have been delivered on the third (3rd) business day from the day on which it reaches the addressee's (recipient's) sphere of disposition, even if the Submission is not received for any reason by the addressee (recipient). The addressee's (recipient's) sphere of disposition of the Submission is also considered to deposit the Submission with the relevant postal licence holder, together with the invitation to collect it. Notwithstanding the foregoing sentences, the date of delivery of a letter item shall always be deemed to be no later than the fifth (5th) working day following its dispatch.

(iv.) By personal delivery or by courier; the Submission shall be deemed delivered on the day the Submission is handed over to the person of the addressee (recipient).

XI. Protection of Personal Data

1. The Seller, if a natural person -entrepreneur, acknowledges that in connection with the conclusion of the Contract, the Seller's personal data are processed, including name, surname, or business name (company), company registration number, registered office, where appropriate, delivery address, telephone, e-mail address, bank account number, type and quantity of material sold, the time of individual deliveries of material, the total scope of deliveries made, or data from mutual written communication.

2. The Seller acknowledges that SERO Distribution s.r.o. is the data controller within the meaning of the General Data Protection Regulation (GDPR) and other legal regulations relating to the processing of personal data.

3. The legal basis for the processing of personal data is the conclusion and performance of the Contract within the meaning of Article 6 (1)(b) of the GDPR. Without the provision of personal data, the conclusion of the Contract and its subsequent performance would not be possible. We process personal data on this legal basis for the duration of the Contract. We continue to process these personal data for a period of five (5) years starting from the end of the accounting period to which it relates, within the meaning of Article 6 (1)(c) of the GDPR. The purpose and legal basis of this further processing is the fulfilment of legal obligations arising from Act No. 563/1991 Coll., on accounting. If the applicable legislation obliges us to process certain documents containing personal data for a longer period (in particular, tax regulations), we may process personal data in accordance with the obligation imposed on us.

4. You have the right of access to personal data, the right to rectification and completion of personal data, the right to erasure, the right to restriction of processing, the right to object, the right to portability and the right to lodge a complaint with the Office for Personal Data Protection.

5. For more detailed information on the content of the individual rights mentioned above, as well as the processing and protection of personal data at SERO Distribution s.r.o., please visit the website www.sero-distribution.com.

XII. Confidentiality

1. The Seller is obliged to maintain confidentiality about the contents of the Contract and all facts which they have become aware of in connection with the Contract and its performance, not only during the term of the Contract but also after its termination. In particular, the Seller is obliged to maintain confidentiality regarding the amount of the Purchase Price of the Waste Paper agreed with the Buyer.

2. The duty of confidentiality does not apply to information whose disclosure to third parties is necessary for the purpose of the performance of the Contract or which is commonly communicated by the Buyer or information that is generally known.

3. Breach of the duty of confidentiality under this Article of the GTC shall entitle the Buyer to the payment of a contractual penalty of CZK 70,000 (in words: seventy thousand Czech crowns) for each such breach of confidentiality. The Buyer's right to compensation is not affected.

XIII. Final provisions

1. The Seller has familiarised itself with these GTC before concluding the Contract on the website www.sero-distribution.com, where the GTC are freely accessible; the contents of the GTC were legible to it without any difficulty, if understood all of the content and sees no ambiguity regarding any of their provisions. The Seller understands the meaning of the GTC and their nature as an integral part of the Contract.
2. The Buyer reserves the right to change these GTC.
3. These GTC are effective from 15 November 2022.