

Membership Agreement for members of the collective non-packaging paper waste management system for collection from the household stream

This Agreement is made this day,, in between:

GREEN DOT (CYPRUS) PUBLIC CO LIMITED, a non-profit company incorporated under the Laws of the Republic of Cyprus, having its registered offices at 229 Tseriou Avenue, 2047, Strovolos, Nicosia, with Registration Number 139858, and wherein the said company shall hereinafter be referred to as the **“Contractor”**, as a representative of the Licenced corporation DI.XA Non-Packaging Paper Waste Management Company LTD, a nonprofit company incorporated under the Laws of the Republic of Cyprus, with registered offices at 25, Demosthenes Severis, METROPOLIS TOWER, Floor 3, Flat 301, 1080, Ayioi Omoloyites, Nicosia, Cyprus and Registration Number 400500, and wherein the said company shall hereinafter be referred to as the **“Licensee”**,

and

1. The Company _____, a company incorporated under the Laws of _____, having registered offices at _____ (address) and with Registration Number _____. The said company shall be hereinafter referred to as the **“Producer”**.

WHEREAS:

I. The Waste (Management of Non-Packaging Paper Waste) Regulations of 2017, issued by the Council of Ministers under sections 11,12,13, 23 and 54(2)(e) of the Waste Acts of 2011 to (No. 2) of 2016 with regard to non-packaging paper waste have been transposed into law as the **“The Waste (Management of Non-Packaging Paper Waste) Regulations 2017”**, enacted on 15 December 2017, (hereinafter **“the Act”**) and by means of the Regulations based on that legislation (hereinafter **“the Regulations”**).

II. By virtue of the Law, producers of non-packaging paper are obliged to ensure, individually or collectively, the operation of a non-packaging paper management system that allows non-packaging paper holders to separate non-packaging paper waste and to dispose of it in such a way that it can be collected separately. Non-paper waste must be managed in such a way as to ensure that the quantitative targets set out in the provisions of Regulation 19 are met.

III. For the above purposes, the Licensee operating the collective management system for non-paper packaging waste, having reserved the right under par. 7(2) of the Regulations (KPI 430/2017) to collaborate with other existing licensed collective systems of other waste streams

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to ensure collection, has entrusted the complete collection of non-packaging paper from the domestic stream to the Contractor through a Collaboration Agreement.

IV. As a condition of registration in the Non-Packaging Paper Collective Management System, each Member's obligations to the Collective System and the Collective System's obligations to the Member shall be subject to the execution of a Membership Accession Agreement. Upon the Producer's registration in the Collective System, in accordance with the terms and provisions governing both the present and the basic agreement which is an integral part hereof, the Contractor shall undertake the collection of Non-Packaging Paper from the residential stream on behalf of the Licensee.

V. In consideration of the foregoing, the Producer shall participate in the Licensee's System in accordance with the terms and provisions described in this Agreement and the Contractor shall be responsible for the collection of Non-Packaging Paper from the residential stream in accordance with its respective geographic schedule.

In consideration of the foregoing it is agreed as follows:

Article 1. Definitions

1.01. "Agreement" means this document, as signed, together with any amendments and additional items that may be agreed upon at a later stage.

1.02. "Law" means the Waste (Management of Non-Paper Waste) Regulations 2017, issued by the Council of Ministers under sections 11, 12, 13, 23 and 54(2)(e) of the Waste Acts of 2011 to (No. 2) 2016 and the Waste (Management of Non-Paper Waste) Regulations 2017, issued by the Council of Ministers under sections 11, 12, 13, 23 and 54(2)(e) of the Waste Acts of 2011 to (No. 2) to 2016.

1.03. "non-packaging paper" bears the meaning given to it in the Waste (Management of Non-Packaging Paper Waste) Regulations 2017 and means:

- (a) Newspapers, leaflets, brochures, material printed on newsprint,
 - (b) magazines, printed documents, catalogues, advertisements on illustration paper,
 - (c) office paper, envelopes, letters, printing paper, thermal rolls, postcards, cards, cash receipts, telephone catalogues, cardboard, cards, document filing and sorting folders, tickets, paper reels,
 - (d) paper used in the production of artwork,
 - (e) books, school notebooks and other paper for school use,
 - (f) paper used in the production of any of the items listed above,
- but does not include toilet paper and paper towels;

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1.04. “producer” means any natural or legal person who, for the purpose of carrying out their professional activities, places on the market of the Republic non-packaging paper and includes any person who processes and treats non-packaging paper which they themselves place on the market.

Article 2. Purpose of the Agreement

The purpose of the Agreement is to comply with the provisions of Annex II of Paragraph 10 of Annex II of the Regulation (CPR 430/2017), according to which in order to be considered members of the collective system for the management of non-paper waste, producers must sign this Agreement. The present Agreement is an annex to the Collaboration Agreement between the Licensee and the Contractor whereby the Licensee entrusts the Contractor with the collection of Non-Packaging Paper from the domestic stream and whereby the Licensee makes the Contractor its agent for the purposes of enrolling members on its behalf and collecting the contributions.

Article 3. Territory

This Agreement shall be in effect within Cyprus Territory. Territory means the territory controlled by the Republic of Cyprus, hereinafter referred to as “the Territory”. This means that the service undertaken by the Contractor towards the Licensee is strictly limited to non-packaging paper placed by the Producer in the local market (the Territory) and where the Contractor operates geographically.

Article 4. Declaration of non-packaging paper data

4.01 In order for the Contractor to be able to fulfil its obligations under the Agreement with the Licensee, the Producer shall submit to the Contractor as the Licensee's agent a quarterly Statement of the actual quantities of Non-Packaging Paper placed on the market in the previous quarter (hereinafter “the Statement”). All declarations must be submitted within 15 days after the end of the quarter and must be accompanied by documentation showing the quantities imported. The quarters are defined as follows:

1. January - March
2. April - June
3. July - September
4. October - December

4.02. The form of the Statement is set out in **Annex 1** to this Agreement. The Contractor, as agent for the Licensee, reserves the right to change the format of the Statement, and agrees to notify the Producer of any changes at least three months prior to the end of each quarter. The information requested in the Statement will be limited to what the Contractor and the Licensee consider strictly necessary.

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4.03 Each Statement shall be certified as true by the Producer's Statutory Officers.

4.04 The Contractor has been authorized by the Licensee to perform such checks on its behalf (upon notice to the Producer) whenever it deems this necessary in order to ensure that the information in the Statement is correct. The Contractor reserves the right to undertake such audits on its own, or to delegate them to an approved auditor who will be bound by professional confidentiality.

Article 5 Registration Fees

Any Producer who registers as a Member to the Licensee through the Contractor as its agent , shall pay as a registration fee the amount of €200 plus VAT upon signing this Agreement. The registration fees are non-refundable.

Article 6 Participation Certificate Renewal Fees

The Producer who registers as a Member to the Licensee through the Contractor as its agent shall the amount of €150 plus VAT per annum for each renewal of its membership certificate in the collective system.

Article 7 Contributions to the System

7.01 0 The Producer shall pay to the Contractor acting on behalf of the Licensee quarterly contributions to fund the collection of Non-Packaging Paper from the domestic stream. The contributions shall be effective and payable as of 1 January 2021.

7.02 These Quarterly Contributions shall be due and payable for the quantities of Non-Packaging Paper placed on the market within the Territory by the Producer during the quarter, as presented by the Producer in the Quarterly Statement to be filed with the Contractor.

7.03 The invoicing and payment of the Producer's Statements to the Contractor shall be made quarterly. All invoices shall be paid within 30 days unless :

- the amount of the invoice is up to €2,000 in which case it shall be paid in a single monthly instalment
- the invoice amount is between €2,000 and €10,000 in which case it shall be paid in two (2) equal consecutive monthly instalments
- if the invoice amount is between €10,001 and €20,000 in which case it shall be paid in three (3) equal consecutive monthly instalments
- if the invoice amount is between €20,001 and €35,000 in which case it shall be paid in four (4) equal consecutive monthly instalments

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- the amount of the invoice is between €35,001 and €85,000 in which case it shall be paid in five (5) equal consecutive monthly instalments; and
- the amount of the invoice is more than €85,001 in which case it shall be paid in six (6) equal consecutive monthly instalments. In this case, together with the 1st instalment, in addition to 1/6 of the net amount, the full VAT for all of the Producer's contributions shall be paid.

Late payments shall bear interest of 2%.

7.04 Payments shall be made by bank transfer or banker's draft, or any other method of payment approved by the Contractor. All invoices are due and payable within thirty (30) days of receipt unless due to its amount the invoice falls into an incremental payment category as described in Section 6.03 above. The Producer shall not be permanently relieved of its obligation to pay an invoice unless the Contractor has received the full amount invoiced. Therefore, for example, bank charges related to the payment method chosen by the Producer will be borne by the Producer. To be valid, any dispute regarding the invoices must be submitted by registered mail within thirty calendar days of the invoice date.

7.05 The Producer's Declarant Contributions shall be calculated based on the weight of the non-packaging paper placed in the Territory on the System's Schedule of Charges contained in Annex 2 to this Agreement.

7.06 If the Producer fails to timely submit its Statement to the Contractor in accordance with this Agreement, then the Producer shall be responsible for the delay and shall pay agreed-upon liquidated damages to the Contractor acting on behalf of the Licensee at 2% on its quarterly Statement. In the event that after a period of six months, calculated in accordance with Article 4.01, the Contractor has not yet received the relevant Statement, the Contractor shall have the right to terminate the Agreement in accordance with Article 10 after giving written notice to the Producer requiring that the latter comply with its obligations within fifteen (15) days of receipt of the notice letter.

7.07 In the event that the Contractor, using the means available to it under the Agreement and the Act, and more specifically, using the checks stated in Article 4.04, determines that the Agreement contains a false statement made by the Producer, then the Producer shall be responsible, on the one hand, to pay to the Contractor the contributions not paid plus interest on the sums due plus the cost of the check. In the event of a second breach of the Agreement, the Contractor will have the right to terminate the Agreement in its sole discretion.

Article 8 Approval of the collective non-paper waste management system

8.01 The Licensee shall undertake the collection of Non-Packaging Paper in the areas where the Paper and PMD streams are collected through the Collaboration Agreement with the Contractor and shall relieve the Producer of this obligation.

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8.02 The Contractor, as agent for the Licensee, shall prepare a list of Producers who have signed the Membership Agreement and contracted with the Contractor.

Article 9 Duration

The Agreement shall come into effect on 2 January 2021 without affecting the provisions of Article 7.01 regarding retroactivity of contributions. The Agreement shall remain in force until 31 December 2023.

Article 10 Termination

10.01 The Agreement will be terminated ipso jure, without any judicial intervention, in the event that the Contractor's Operating License is permanently revoked by the competent authorities. In no event shall the Contractor be liable for damages or compensation unless found guilty of any wilful act or gross negligence.

10.02 The Agreement shall be terminated ipso jure, without any judicial intervention, in the event that Licensee's License is permanently revoked by the competent authorities. In no event shall Licensee be liable for damages or compensation unless found guilty of any wilful act or gross negligence.

10.03 The Agreement shall be terminated ipso jure at the request of Producer if, thirty days after sending a request to the Contractor and the Licensee for termination of the breach of any of their obligations, there is no termination of such breach or explanation satisfactory to the Producer.

10.04 Except in the event of early termination, the Agreement may be lawfully terminated upon demand by the Contractor and/or Licensee without legal formalities or court intervention:

- In the event that the Producer fails to pay the amount due fifteen working days after receipt of a registered letter sent by the Contractor for this purpose,
- In the event of a serious error on the part of the Producer in relation to their binding obligations under this Agreement and which has not been corrected within ten working days after notice from the Contractor, or an explanation has not been given to the satisfaction of the Contractor.

10.05 Any early termination shall become effective ipso jure and without any judicial intervention, even if summarily, by written notice sent by registered mail from the party wishing to exercise its rights to the other party.

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10.06 In the event of termination of the Agreement for any reason, neither party shall be bound to the other with respect to damages, termination indemnities, or any other amounts imposed by law, except those payable under the terms of this Agreement. It is understood that all outstanding invoices at the time of termination shall become payable. Any amount collected in advance and relating to the period after termination shall be deemed as agreed upon and irrevocable compensation to the Contractor.

Article 11 General provisions

11.01 Notifications and seat

Any written notice required to be given by either Party within the scope of the Agreement, unless otherwise provided, shall be deemed duly delivered when sent by registered mail and when its delivery to the other Party is confirmed. The Producer shall be sent the various notices by the Contractor at the address set forth on the first page of this Agreement or at the Packager's P.O. Box, unless the Contractor is otherwise notified by the Producer of a new address.

11.02 Non-Transferability

The Producer may not, under any circumstances, assign the Agreement to a third party without the prior written consent of the Licensee and Contractor.

11.03 Applicable Law

This Agreement shall be governed by the laws of the Republic of Cyprus. The competent authorities for the resolution of any disputes that may arise under this Agreement shall be the Courts of the Republic of Cyprus.

11.04 Liability

In no event shall the Contractor and/or Licensee be liable for damages or interest unless found guilty of wilful misconduct or gross negligence.

11.05 Modifications and alterations

Any amendments and modifications to the Agreement must be in writing and signed by the duly authorized representatives of the parties to the Agreement.

11.06 All provisions of this Agreement are material.

11.07 Prior Agreements

This Agreement supersedes and replaces, effective upon entering into force, any prior oral or written agreements previously entered into by the Parties relating to the same subject matter.

11.08 Annexes

The Annexes are an integral part of this Agreement.

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This agreement is executed in two originals and each Party holds one original.

In _____ Date: _____

Witnesses:

Parties to the Contract

1. _____

Contractor on behalf of the Licensee

In Full: _____

1. _____

2. _____

Producer through its legal representative

In Full: _____

2. _____

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ANNEX 1

Annual Statement

DECLARATION FOR THE PERIOD FROM.....TO202..						
1	Company name:	Official use only				
2	Company's Registration No:	Received date		Net €		0.00
3	V.A.T. No..:	Received by		Vat €		0.00
4	Declaration period:	Noted by		Total €		0.00
5	Date of Completion:	Approved by				
6	Responsible Person:					
7	Telephone:					
	TYPE OF NON-PACKAGING PAPER	Tones	Fee €	Total €	VAT €	Total €
1	Newspapers Cyprus/Imported, Foreign Printed Press, leaflets, brochures, advertising material printed on newsprint	0.000	7.00	0.00	0	0.00
2	Magazines, publications, catalogs, advertisements on illustrated paper	0.000	18.00	0.00	0	0.00
3	Office Paper (copy machine), envelopes, letters, printing paper, thermal rools, telephone catalogues, cardboard, cards, document filing and sorting folders, tickets, paper reels	0.000	18.00	0.00	0	0.00
4	Paper used in the production of artwork	0.000	18.00	0.00	0	0.00
5	Books, school notebooks and other paper for school use	0.000	18.00	0.00	0	0.00
6	Paper used in the production of any of the items listed above (1-5)	0.000	18.00	0.00	0	0.00
	Total	0.00		0.00	0.00	0.00

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ANNEX 2

LIST OF CHARGES

TYPE OF NON-PACKAGING	€ per tonne
Newspapers	€7.00
Magazines, publications, catalogs, advertisements on illustrated paper	€18.00
Office Paper (copy machine), envelopes, letters, printing paper, thermal rools, telephone catalogues, cardboard, cards, document filing and sorting folders, tickets, paper reels	
Paper used in the production of artwork	
Books, school notebooks and other paper for school use	
Paper used in the production of any of the items listed above	

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