

**BUSINESS REGULATIONS of the
RE'ELEM Non-Profit Limited Company,
an Organisation Coordinating the Treatment
of Waste Batteries and Accumulators**

I. GENERAL PROVISIONS

The present Business Regulations, in accordance with Section 7, Subsection 3 of the Government Decree, lay down the operating principles and the basic rules of the activity of the Coordinating organisation for the sake of the registration of the Coordinating organisation.

II. EXPLANATORY PROVISIONS

In the course of the explanation of the present Business Regulations and the agreements and contracts under their force, the terms below should be understood as follows:

General Terms and Conditions: General Terms and Conditions of RE'ELEM Non-profit Limited Company (hereinafter called **GTC**);

Business Regulations: Business Regulations of RE'ELEM Non-profit Limited Company;

Waste Management Act: Act XLIII of 2000 on waste management (hereinafter called **WMA**);

Government Decree: Regulation 181/2008 (VII. 8) of the government on the taking back of waste batteries and accumulators;

ME (Minister of Environment) Regulation: a 21/2008 MEW (Ministry of Environment and Water) Regulation on the detailed rulings of the treatment of batteries or accumulators and their waste;

Manufacturer: the manufacturer who, according to Section 3.e. of the Act XLIII of 2000 on waste management (hereinafter called WMA) and irrespective of the marketing methods – including the contract among the absentees –, is the first to put batteries and accumulators – even as component parts or accessories of motor vehicles or electrical equipment – on the market in a business-like way;

Distributor: according to Section 3.r. of WMA: the economic organisation that hands over or sells product, commodity or service to dealer, user or consumer;

Coordinating organisation: RE'ELEM Non-profit Limited Company (Centre: 1133 Budapest, Tutaj u. 6/A; Registration number: 1/2005/EaK), as such an independent organisation – defined by Section 11 of WMA and established for the sake of performing the duties included in Section 6-10 of WMA by the manufacturers and the distributors – that takes upon itself the aforesaid duties from the manufacturers and the distributors on payment of a fee and on terms laid down in a contract; organises and coordinates the collecting and utilisation or disposal of the waste materials within its field of activity. An organisation that coordinates treatment;

Dealer: the distributor, defined in Section 2.k. of the Government Decree, who sells batteries or accumulators to the consumer;

Consumer: who buys, receives or uses batteries and accumulators under the force of Government Decree for their own purpose;

Receptacle: a container, put at the disposal of the organisation operating the waste collection point by the Coordinating organisation, which serves for the gathering in of waste batteries or accumulators;

Organisation operating a waste collection point:

- Dealer or commercial unit;
- an educational institution;
- a municipality or a service provider belonging to it or acting on its authority;
- commercial user;
- an organisation operating an already functioning collecting-back system;
- every other such organisation that, by signing a Waste Collection Agreement, takes upon itself to operate a collection point.

Subcontractor: a contractor employed by the Coordinating organisation for performing the assumed duties, who possesses a valid licence necessary for fulfilling the assumed duties;

Those obliged to take back: manufacturers and distributors;

Battery or accumulator: an electric supply unit, which transforms chemical energy directly into electric energy, and which consists of one or more primary (non-rechargeable) or secondary (rechargeable) parts (cells) (hereinafter jointly called: accumulator);

Portable battery or accumulator: a battery or accumulator with a sealed covering, which may be carried in hand – defined in Section 2.b. of the Government Decree – excluding industrial batteries or accumulators as well as motor-vehicle batteries or accumulators;

Button accumulator: a small size, flat, and disk-shaped, closely sealed alkaline accumulator, the battery solution of which is alkali and the metallic content of which is silver, zinc or mercury;

Button cell: a small size, flat, and disk-shaped, closely sealed non-rechargeable electric supply unit;

Waste: any portable battery or accumulator that has become waste, or any waste material that comes from a portable battery or accumulator;

Take-back obligation: an obligation of the manufacturer – defined in Section 3 Subsection 1 of the Government Decree – whereby they are bound to take back any batteries and accumulators that have become waste;

Collection obligation: an obligation of the manufacturer – defined in Section 3 Subsection 2 of the Government Decree – whereby they are bound to ensure that any portable battery or accumulator are collected;

Treatment obligation: an obligation of the manufacturer – defined in Section 3 Subsection 6 of the Government Decree – whereby they are bound to ensure that any waste material – either taken back or collected – is properly treated according to a separate rule of law pertaining to the detailed rulings of the treatment of batteries and accumulators as well as their waste;

Assumed obligations: take-back-, collecting-, treatment- and information obligations that are assumed from the manufacturer by the Coordinating organisation;

Assumption agreement: an agreement between the manufacturer of portable batteries or accumulators and the Coordinating organisation, in which the Coordinating organisation assumes the fulfilment of the take-back-, collecting-, and treatment obligations of the manufacturer, as well as submits this agreement to the Chief Inspectorate;

Waste collection agreement: it means the agreement between the Coordinating organisation and the organisation operating the collection point for the sake of the emplacement and operation of receptacles and the take-back of waste materials;

Subcontract: a contract that has been made between the Coordinating organisation and the subcontractor for the concrete fulfilment of the obligations connected with the collection and treatment of waste materials;

Chief Inspectorate: the National Inspectorate For Environment, Nature and Water.

III. THE COORDINATING ORGANISATION

1. The Coordinating organisation, in conformity with the 181/2008. (VII. 8.) Government Decree and the 21/2008. MEW regulation, is a non-profit limited company established for the sake of fulfilling the take-back-, collection-, treatment, utilisation-, and disposal obligations of the manufacturers and distributors. This non-profit limited company assumes the aforesaid statutory obligations from the manufacturers and the distributors on payment of a fee and on terms laid down in a contract, and coordinates the collecting and utilisation of the waste materials within its field of activity while enforcing the principle of cost-effectiveness in conformity with Section 4.m. of the WMA.
2. The Coordinating organisation is an organisation, registered in conformity with Section 7 of the Government Decree, which fulfils the obligation of taking back and collecting portable battery and accumulator waste.
3. The Coordinating organisation, as a Coordinating organisation wishing to pursue a nation-wide activity, satisfies the conditions included in Section 7 Subsection 3 of the Government Decree, according to which:
 - a) its services are available to anyone fulfilling the conditions laid down in its articles or in its memorandum;
 - b) it is qualified for the management of the data pertaining to the fulfilment of take-back obligation, in compliance with the corresponding legislation;
 - c) it is in possession of the amount of capital that is necessary for its activity;
 - d) it is in possession of business regulations and general terms and conditions that has been submitted for approval to the Chief Inspectorate.

IV. THE SCOPE OF THE BUSINESS REGULATION

1. The scope of the present business regulation covers – without special reservations – all of the following agreements made by the Coordinating organisation: the assumption agreement made with the manufacturer; the waste collection agreement made with the organisations operating the collection points; and the subcontracts (hereinafter jointly called: contract) made with the subcontractors employed to fulfil the obligations assumed from the manufacturer.

2. The relevant provisions of the Business Regulation are binding on the Coordinating organisation, the manufacturers, the organisations operating the collection points, and the subcontractors as well as on all other parties (hereinafter jointly called: contracting party) which are in a contractual relationship with the Coordinating organisation. The parties may depart from the provisions of the Business Regulation by mutual agreement and in a manner laid down in the relevant agreements or contracts in force between them.
3. Any disparity between certain assumption agreements, waste collecting agreements or subcontracts and the provisions of the Business Regulation or the GTC shall in all instances be governed by the relevant provisions of the concrete contract/agreement. Any disparity between the GTC and the Business Regulation, shall be governed by the provisions of the GTC. In any case, where an issue is not regulated by the assumption agreements, the waste collecting agreements or the subcontracts, that issue shall be governed by the GTC, the Business Regulation and the relevant statutory provisions.
4. Present Business Regulation takes effect on the day the Coordinating organisation is registered by the Chief Inspectorate.
5. The Coordinating organisation pursues its activity exclusively within the territory of the Republic of Hungary.

V. THE PUBLICITY AND MODIFICATION OF THE BUSINESS REGULATION

1. The Business Regulation is accessible; it is placarded by the Coordinating organisation in all its premises of customer service for the sake of informing the contracting parties, and it is likewise publicized on its Internet homepage (www.relem.hu). If requested, the Coordinating organisation puts a printed version of the Business Regulation at the Contracting party's disposal, free of charge.
2. The Coordinating organisation expressly reserves the right to modify the provisions of the Business Regulation one-sidedly in case any change occurs in the costs of the coordinating activity, in the laws and the official regulations connected with its activity or the assumed obligations, as well as in the business policy and the financial conditions of the manufacturers or in any other justified cases. The modification applies to all pre-existent contracts from the date of its entry into force.
3. The Coordinating organisation is bound to placard the modified Business Regulation in all its premises of customer service 15 days before its entry into force, and also publicize it on the homepage of the Coordinating organisation, as well as inform its contractors directly about the modification.
4. The agreements/contracts of those manufacturers, organisations operating collecting points, and subcontractors (hereinafter: contractors), who do not accept the provisions of the modified Business Regulation and notify the Coordinating organisation about this, are regarded by the Coordinating organisation as being cancelled as of the date of entry into force of the modification. In such a case the Coordinating organisation and the Contractor are obliged to settle accounts with each other, pay their debts in full, as well as make provisions about their claims, no later than the end of the period of notice.
5. In case the Contractor does not raise objections against the modification until its date of entry into force, the modification must be considered as accepted by him/her.

VI. NOTIFICATIONS, DELIVERY

1. The Coordinating organisation sends the contractual offers, statements, notifications and documents for the Contractor to the address that has been given to it by the Contractor. Failing such an address, the Coordinating organisation sends the documents to an address of the Contractor known by it. The Coordinating organisation is not liable, if, on account of the inaccuracy or change of name, address or any other data that are significant in terms of the delivery, or for any other reason that is beyond the control of the Coordinating organisation, the delivery is protracted or unsuccessful. Additional charges issuing from mistaken posting on account of incorrect address given by the Contractor, are charged on the Contractor's account, and become due immediately.
2. The Coordinating organisation is, in justified circumstances, obliged to send documents and notifications for the Contractor via registered mail. The Coordinating organisation notifies the Contractor in this form, especially in a case when any of the provisions of the GTC or the Business Regulation changes.
3. In a case, when the information included in the notification concerns a wide range of Contractors, the Coordinating organisation may also notify the Contractor through placarding in its premises of customer service. Such notifications are to be considered as delivered on the workday following their placarding during the business hours. The placarding cannot be considered as delivery if, according to the present Business Regulation, a registered mailing is necessary.
4. Written communications for the Coordinating organisation should be addressed to the seat of the Coordinating organisation.
5. Upon the Contractor's request, the Coordinating organisation issues a certificate about the receipt of the mail. A copy of the mailed letter stamped and signed by a stamp and signature of the Coordinating organisation used for this purpose, is considered a certification of the receipt.

VII. FORM OF COMMUNICATION, WRITTEN RECORDS

1. The Contractor communicates with the Coordinating organisation through the notification channels used by the Coordinating organisation. The following means may be qualified as such notification channels: customer service (personal contact), telefax, telephone, e-mail (direct computer) contact.
2. Both the Coordinating organisation and the Contractor are obliged to put their notifications, commissions, and messages for each other, as well as the contracts, agreements and all the documents with financial consequences into writing, and also confirm them in writing.
3. All notifications and messages sent to each other via letter, telex, telefax or e-mail are qualified as written forms of communication. All non-written conveyances should simultaneously be confirmed in writing, because they take effect by written confirmation.
4. In case of the acknowledgement of a conveyance received via telephone or via any other non-written forms, the other party is obliged to indicate the disparity between the conveyance and the written acknowledgement without delay.
5. The Contractor is responsible for all such losses that are the result of any error, misunderstanding, mistake and abuses of all sorts occurring in the course of communication via telephone, telefax or computer network, except for the case when the loss is unquestionably the result of a mistake of the Coordinating organisation.

6. If it was pointed out by the Coordinating organisation that the Contractor may comment on the notification – unless the parties otherwise agree –, then, if the Coordinating organisation receives no written comment or objection from the Contractor within fifteen days from the date of delivery, the Coordinating organisation is entitled to consider all that was included in its notification as acknowledged and accepted by the Contractor.

VIII. PLACE, TIME, AND MANNER PERFORMANCE OF PAYMENT

1. Any sum, payable under the contract, must be paid in full by the Contractor in HUF.
2. If the due date of the payment falls on a bank holiday, any payment obligation becomes due on the first workday following the bank holiday.
3. The date of performance of any payment to the credit of the Coordinating organisation is the day on which the amount to be paid by the Contractor is credited to the account of the Coordinating organisation by the financial institution managing the account of the Coordinating organisation.
4. A cash-settled payment should be considered completed when the payment has been effected at the pay-office of the Coordinating organisation or at a post office.
5. The Contractor is obliged to take measures – either by charging his/her bank account or in another manner – about the timely fulfilment of his/her due payment obligations incumbent on him/her against the Coordinating organisation. If any amount payable by the Contractor by virtue of the contract or agreement is not paid at the time of its due date, the Contractor is obliged – save as otherwise provided by contract or agreement – to pay a default interest on the unpaid amount for the period ranging from the due date until the actual payment. The default interest rate is twice the amount of the central bank's current prime rate. The dilatory party is also obliged to reimburse all the expenses of the Coordinating organisation connected with debt management, debt settlement and debt collection.

IX. CUSTOMER SERVICE ACTIVITY

1. The duties of the customer service
 - 1.1. The Coordinating organisation performs its duties on the telephone, in writing and through its customer service office, which it operates for the personal client traffic, and for ensuring direct contacts with the Contractors and the consumers. Contact information of the customer service office is publicised by the Coordinating organisation through special notice as well as on its Internet homepage (www.relem.hu). The customer service office is available on the telephone from Monday to Friday 8:00-16:00, and in person on a date previously arranged on the phone at the following address: 1133 Budapest, Tutaj u. 6/a III. 4.
2. The scope of authority of the customer service:
 - communication with the contractors;
 - communication with the consumers and the consumer representative organisations;
 - tasks connected with the satisfaction of needs pertaining to the service provided by the Coordinating organisation;
 - tasks connected with contracting, and the modification of the contract, the GTC, and the Business Regulation;
 - tasks connected with settlement of accounts;
 - giving information especially in connection with the collecting points;

- giving advice pertaining to the waste management of batteries and battery-size accumulators.

X. A RECORDING SYSTEM OF THE DISTRIBUTION OF BATTERIES AND ACCUMULATORS AND THEIR WASTE

1. Within the framework of a record-keeping obligation the Coordinating organisation is obliged to keep regular records of the following:
 - of the weight of batteries and battery-size accumulators distributed by the manufacturer defined by variety and type;
 - of the weight of battery- and accumulator waste taken back;
 - of the methods of treatment, disposal and utilisation of the taken-back battery- and accumulator waste; as well as of the fulfilment of its obligations assumed according to the 109/2005. Government Decree and in the assumption agreement.
2. On the basis of the records, the Coordinating organisation is obliged, up until the 31st day of the January following the current year, to supply the Chief Inspectorate with information about the data figuring in the records, applying the community nomenclature numbers.
3. The data supply should especially contain the following:
 - a) a listing of those economic organisations and take-back obligors, who are in a contractual relationship with the Coordinating organisation;
 - b) data relating to the quantity of batteries and accumulators – defined by variety – distributed by the take-back obligors contracted with the Coordinating organisation;
 - c) data relating to the quantities of batteries and accumulators taken back, disposed of and recycled with the assistance of the Coordinating organisation.
4. The Coordinating organisation is obliged to prepare the data supply with a content in agreement with Supplement No.1. of the Government decree, and submit it to the Chief Inspectorate.

XI. WASTE TREATMENT FEE

1. In exchange for the assumption of the take-back, disposal, recycling and relevant data-supply obligations from the take-back obligors, the Coordinating organisation determines a waste treatment fee, depending on the type and weight of the distributed battery and battery-size accumulator.
2. The detailed rulings and conditions pertaining to the waste treatment fee and its payment are contained in the GTC.

XII. TRADEMARK USAGE AGREEMENT; A LABELLING REFERRING TO THE BELONGING TO THE COORDINATING ORGANISATION

1. The following trademark – which is the trademark of the Coordinating organisation registered under the registration number M 09 00142 at the Hungarian Patent Office (hereinafter: trademark) – is used for the labelling of the Coordinating organisation.

2. Any manufacturer, collection-point operating organisation or subcontractor entering a contract with the Coordinating organisation is entitled to display and use the above trademark in an unaltered form on the territory of the Republic of Hungary, in agreement and in connection with the details of the special contract/agreement, under the force of the contract/agreement, and without paying a special fee.
3. He, who uses the trademark illegally, commits trademark infringement. The Coordinating organisation as proprietor of the trademark may advance the following civil law claims against the infringer – relative to the circumstances of the case:
 - a) it may claim that a court of law should establish that an act of trademark infringement has been made;
 - b) it may claim the discontinuance of trademark infringement and prohibiting the infringer from further infringement of lawful rights;
 - c) it may claim that the infringer provide data about the persons who participated in the production and distribution of the commodities and the fulfilment of the services affected by infringement, as well as about the business relations established for the distribution of such commodities;
 - d) it may claim that the infringer make amends by a declaration or in any other proper way, and that, should it prove necessary, publicity suitable to the amends be provided by, or at the expense of, the infringer;
 - e) it may claim the reimbursement of the enrichment attained by trademark infringement;
 - f) it may claim the seizure of the tools and materials used exclusively or primarily for the act of trademark infringement, as well as that of the commodities and packaging materials affected by trademark infringement.
4. The court may rule, at the request of the Coordinating organisation, as proprietor of the trademark, that the seized tools, materials, commodities and packaging materials be divested – primarily by the removal of the trademark – of their illegal character, or – if it is not possible – be destroyed. In justified cases, the court may also rule, instead of the destruction, the realisation of the seized tools and materials, according to the rules of court enforcement; in this latter case it passes a court decision about the receipts. The seizure of the tools and materials used for the act trademark infringement as well as that of the commodities and packaging materials affected by trademark infringement is operative even if they are not in the possession of the infringer, but the owner knew about the trademark infringement or might, with due foresight, have known about it.
5. In the case of trademark infringement, the Coordinating organisation, as proprietor of the trademark, is also entitled to claim amends according to the rules of civil liability.
6. In the case of infringement, the Coordinating organisation, as proprietor of the trademark, may claim – according to the provisions of a separate rule of law – that the customs authorities prevent the dutiable goods to be placed on the market.

XIII. EMPLOYMENT OF THE SERVICES OF THE COORDINATING ORGANISATION

1. The Coordinating organisation does not preclude the possibility that others, besides its members, may also receive the services it provides.

2. The Coordinating organisation provides for the building and operating of a battery- and accumulator waste collecting and recovery system.
3. The services of the Coordinating organisation may be employed by the manufacturers and distributors having joined the Coordinating organisation as founders, as well as the non-member manufacturers on the basis of an assumption agreement.

XIV. THE COORDINATION OF COLLECTION

1. The Coordinating organisation performs its duties with the help of contractual relations. For the sake of the accomplishment of the collection rate included in Section 56, Subsection 8 of the WMA, and in the Government Decree, the Coordinating organisation develops its national collecting system – or has it developed –, and enters into separate contracts with the collection point operating organisations, and with those collecting, treating, disposing and processing the waste.
2. An agreement with local governments, commercial units and with other public organisations
 - 2.1. For the sake of the fulfilment of its assumed obligations specified in the present Business Regulation, the Coordinating organisation develops a long-term cooperation with the local governments, the commercial units and with other public organisations.
 - 2.2. On the basis of Section 22, Subsection 3 of the WMA, the Coordinating organisation may enter into contract with the local governments for the selective collection or sorting of the waste materials pertaining to the take-back responsibility of the manufacturer – specified by Government Decree. The selective collection or sorting would take place on the territory of the respective local governments.
 - 2.3. With regard to the accomplishment of the collection rate specified by the Government Decree, the Coordinating organisation establishes contact with the local governments and, as circumstances may require, makes co-operation agreements connected with the selective collection of communal waste.
 - 2.4. The local governments, collaborating with the Coordinating organisation, aim for long-time agreements, with the involvement of public service providers, according to the effective rules of law.
 - 2.5. The cooperation and waste-treatment contract made between the Coordinating organisation and the local public service provider contains provisions as to the determination of the waste materials to be collected selectively, and the quantity thereof, the scheduling of the establishment and the expansion of the collection, as well as to the cost-bearing of the Coordinating organisation, and the guarantees relating to the receipt and utilisation of the materials thus collected in proper quality.

XV. FINAL PROVISIONS

1. The present Business Regulation bears on all portable batteries and battery-size accumulators distributed by manufacturers making the assumptions agreement.
2. Any non-regulated matters of the present Business Regulation shall be governed by the provisions of the relevant rules of law.