VERTIS

Appendix 5.
Margin Agreement

This Margin Agreement, dated as of 13.10.2021, shall set forth the terms and conditions which will govern the margining of Transactions entered into between **TIBIEL EOOD** (**"CLIENT"**), and **Vertis Environmental Finance Ltd.** (**"VERTIS"**), each a **"Party"** and together the **"Parties"**, with respect to the sale and purchase of Allowances under the Master Agreement (the **"Agreement"**) entered into between the Parties and dated 13.10.2021. Capitalized terms used herein without definition shall have the meanings ascribed thereto in the Agreement and each Transaction.

1. Prior to entering into a Transaction the CLIENT shall provide up-front margin (**"Initial Margin"**) to VERTIS, in a mutually agreed amount, as evidenced in the Confirmation submitted for the Transaction concerned in accordance with the Agreement.

1.1. To cover for a depreciated value of the Initial Margin or, in the case of an Option Trade, to adjust to the exercise of the relevant Option, VERTIS may request additional margin for any Transaction (**"Additional Margin"**), and the CLIENT shall provide such Additional Margin by the close of business on the next Banking Day following receipt of the written request, provided the Client receives it prior to 3:00 pm Amsterdam time. If the request is received after such time, then the Additional Margin shall be provided by the close of business on the second Banking Day following receipt.

2.

2.1. The CLIENT acknowledges that trading activities on Margin involves high risks for its speculative nature and its leverage effects and that an advanced level of experience on the side of the CLIENT is required. The value of the CLIENT's positions held under any Transactions is subject to market fluctuations and the Initial Margin provided may not be sufficient to cover for the depreciated value of any related position. It is the CLIENT's responsibility to monitor its positions and to continuously ensure that sufficient Margin is available at all times

2.2. At any time on any Banking Day, VERTIS may calculate its own Exposures and the CLIENT's Exposures from all Transactions Pending between both Parties. If VERTIS, at its sole discretion, determines that its own Net Exposure exceeds the Margin Threshold as per clause 4.1 below, then the CLIENT is obliged to provide further margin equal to the Net Exposure (**"Variation Margin"**) immediately.

Ba

2.3. The CLIENT acknowledges that VERTIS may use its own parameters to calculate the Market Value and a Net Exposure and that any formulas shared with the Client are indicative only and subject to change. Absent manifest error, the CLIENT may not withhold the provision of Variation Margin disputing VERTIS's calculations. The CLIENT further acknowledges that the obligation to provide Variation Margin has immediate effect and does not require VERTIS to give notice to the CLIENT. However, subject to practicality, VERTIS will attempt to give notice to the CLIENT of its Net Exposure and the immediate need for coverage with Variation Margin.

2.4. VERTIS may, at any time after determining in its sole discretion that its Net Exposure exceeds the Margin Threshold as per clause 4.1 below, terminate any number of Transactions Pending, in whatever order, as are in its view necessary to reduce its Exposure to the CLIENT. VERTIS has this right of termination regardless of whether it has given notice of the need for Variation Margin or not and whether it has set an indicative date and/or time – whether orally or in writing – by which the provision Variation Margin would still be accepted. The termination shall take effect as of the receipt by the CLIENT of a written notice from VERTIS specifying the Transactions concerned.

2.5. If VERTIS, at its sole discretion, determines that its Net Exposure is less than the Margin Threshold, then the CLIENT may request in writing that the excess margin be released by the close of business on the Banking Day following the receipt of such request, where such request has been received prior to 3:00 pm Amsterdam time, and otherwise on the second Banking Day following receipt. VERTIS shall not be required to return any Margin if and for so long as there has occurred in respect of the CLIENT an Event of Default or an event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default under any Transaction, this Margin Agreement or the Agreement.

2.6. All Margin provisions shall be rounded up and Margin returns be rounded down to the nearest integral multiple of the Increment Amount specified in clause 4.2 below.

2.7. If at any time, in its sole discretion, VERTIS deems market conditions too volatile and the risk of material Net Exposure above the Margin Threshold imminent, VERTIS shall be entitled to terminate such Transactions Pending as are in its view necessary to reduce its projected Exposure to the CLIENT, having regard to such market volatility, below the sum of the Margin Threshold and any Variation Margin then held by VERTIS. The termination shall take effect as of the receipt by the CLIENT of a written notice from VERTIS specifying the Transactions concerned.

3. All Margin shall be in the form of Euros delivered by wire transfer of immediately available funds. Unless otherwise agreed by the Parties, all payments under this Margin Agreement shall be made to the bank accounts defined in the Agreement.

4.

4.1. The Margin Threshold shall be € 0 (zero Euros) (the "Margin Threshold").

4.2. The Increment Amount is € 10,000 (ten thousand Euros) (the **"Increment Amount"**).

4.3. If an Event of Default or a Material Adverse Change occurs in respect of the CLIENT the Margin Threshold shall be reduced immediately and automatically to 0 (zero) and the Increment Amount shall be reduced immediately and automatically to 1 (one) Euro.

4.4. Initial Margin and, where applicable, Additional Margin shall not be included in the Margin Threshold.

5. **Title Transfer Collateral Arrangements**: All right, title and interest to Margin transferred or returned by one Party to the other Party hereunder or interest thereon shall vest in the receiving Party immediately on receipt, free and clear of lien, claim, charge, encumbrance or any other interest of the transferring Party or any third person, and the transferring Party acknowledges that it has no equity of redemption. In particular, the receiving Party shall be free to mix the Margin with all its other funds and the CLIENT shall merely have a chose in action with respect to Margin provided to VERTIS hereunder.

6. Failure to provide Margin

6.1. Subject to clause 7 of the Agreement and notwithstanding any other rights under the Agreement, a failure by the CLIENT to provide Margin when due or to make any payment when due shall constitute an Event of Default, giving rise to the remedies set out in clauses 7.2 - 7.3 of the Agreement.

6.2. **Set-Off**: VERTIS may at any time and without prior notice to the CLIENT set-off all or any Margin held by it (including accrued interest thereon) in discharge of amounts owed to VERTIS by the CLIENT under the Agreement or any Transaction thereunder. VERTIS may request Additional Margin as per clause 1 above for any Margin amount deducted in accordance with this clause.

7. **Loss of Eligibility Event of Default**

7.1. CLIENT acknowledges that the application of this Margin Agreement in whole or in part, especially the application of point 5 **"Title Transfer Collateral Arrangements"**, may be held illegal, unenforceable or otherwise invalid with Retail Clients.

7.2. An Event of Default is deemed to have occurred on the CLIENT, if CLIENT circumstances do not allow VERTIS to categorize CLIENT as Professional Client or Eligible Client under the rules of Hungarian Act CXXXVIII of 2007 on Investment Firms and Commodity Dealers, and on the Regulations Governing their Activities ("IRA") as applicable from time to time, including any and all amendments, addendums, consolidations, etc (**"Loss of Eligibility Event of Default"**)

7.3. Without prejudice to clause 7.2 or 7.3 of the Agreement, if the Loss of Eligibility Event of Default has occurred and is continuing, the Parties agree to resolve the Default in good faith, by direct negotiations, within 5 (five) Banking Days from the moment, a Party becomes aware of the Default.

7.4. If Parties fail to resolve as above, the Non-Defaulting Party may designate a day as an early termination date (the "Early Termination Date due to the Loss of Eligibility Event of Default") in respect of all outstanding Transactions between the Parties by giving not more than twenty days' notice to the Defaulting Party. Provisions set in clauses 7.2 and 7.3 of the Agreement shall apply for this termination.

8. **Loss of Eligibility due to Change of Law Event**

8.1. In case the Change of Law Event occurs and is continuing, the Parties agree to resolve it in good faith, by direct negotiations, within 5 (five) Banking Days from the moment, a Party becomes aware of it.

8.2. If Parties fail to resolve as above, either Party may, by written notice to the other Party, terminate all (but not less than all) affected Transactions.

8.2.1. The Parties' corresponding Transfer and acceptance obligations shall be released and discharged.

8.2.2. As applicable in the Agreement, each Party will determine its Loss in respect of the affected Transaction and an amount will be payable equal to one half of the difference between the Loss of the Party with the higher Loss ("X") and the Loss of the Party with the lower Loss ("Y"). If the amount payable is a positive number, Y will pay it to X; if it is a negative number, X will pay the absolute value of such amount to Y.

9. This Margin Agreement shall not be capable of being terminated by neither of the Parties other than in accordance with the Agreement and after the CLIENT's performance in full of all Transactions under this Margin Agreement. Provided performance in full has been made, this Margin Agreement ends with the termination of the Agreement.

10. The provisions of the Agreement on provisions severability (clause 13.2), notices (clauses 13.3-13.4), law and jurisdiction (clause 13.5) and confidentiality (clause 9.1) shall be applied to this Margin Agreement (with the necessary changes being made) provided, however, that the confidentiality obligation shall also include the existence of this Margin Agreement.

11. For purposes of this Margin Agreement:

11.1. **Change of Law Event** means a material adverse change in a law, rule, act or regulation of whatever nature in the jurisdiction of VERTIS or CLIENT after the date of execution of this Agreement that prevents CLIENT from being Eligible Client or Professional Client.

11.2. **Eligible Client** means a client who possesses the experience, knowledge and expertise to make its own investment decisions and properly assess the risks that it incurs, and has been categorized as eligible counterparty by VERTIS pursuant to the provisions of IRA and other relevant rules as applicable from time to time.

11.3. **"Exposure"** means, with respect to each Transaction at any time, the net present value of the difference between the current Market Value and the relevant Pending Contract Amount with the Buyer having an Exposure if the Market Value exceeds the Pending Contract Amount and with the Seller having an Exposure if the opposite is the case;

11.4. **"Margin"** means either Initial Margin or Additional Margin or Variation Margin.

11.5. **"Market Value"** of any Transaction means at any time (i) the number of Traded Allowances (less any such Allowances which have been paid for in full by the Buyer), multiplied by (ii) the market price per Allowance on the Delivery Date, as determined by VERTIS in its sole discretion, multiplied by (iii) the Volatility Factor.

11.6. **"Net Exposure"** means, for any Party, an amount equal to (a) the sum of that Party's Exposures, less (b) the sum of the other Party's Exposures and less (c) any Variation Margin held, whereby (i) the number of Traded Allowances already paid for, whether in advance or on Delivery, and (ii) the Initial Margin and, where applicable, the Additional Margin are excluded from the determination.

11.7. **"Pending Contract Amount"** of any Transaction means at any time (a) the number of Traded Allowances (less any such Allowances which have been paid for in full by the Buyer), multiplied by (b) the agreed price for each such Allowance

11.8. **Professional Client** means a client who possesses the experience, knowledge and expertise to make its own investment decisions and properly assess the risks that it incurs, and has been categorized as professional client by VERTIS pursuant to the provisions of IRA and other relevant rules as applicable from time to time under applicable laws and regulations , or requested themselves to be recategorized as professional client.

11.9. **Retail Client** means a client who is not a Professional Client or Eligible Client. A client who has not been categorized shall be considered a retail client by default

11.10. **"Transaction Pending"** means a Transaction for which either the Traded Allowances have not been Delivered, whether in full or in part, or Payment has not been made, whether in full or in part, or both.

11.11. **"Volatility Factor"** means a factor established by VERTIS at its sole discretion based on its professional judgment of the volatility of the relevant markets;

VERTIS

IN WITNESS WHEREOF, the Parties have executed this Margin Agreement as of the date specified on the first page hereof.

For and on behalf of
TIBIEL EOOD

(**"CLIENT"**)

Name : Mr. Dimitar Ivanov
Title:

For and on behalf of
Vertis Environmental Finance Ltd.

(**"VERTIS" / "VERTIS"**)

Name: James Atkins
Title: Board Member

Name: Kata Kiss
Title: Head of Operations
Date: 22 | 11 | 2021

VERTIS ENVIRONMENTAL FINANCE LTD.
Csörsz utca 45, 1124 Budapest, Hungary
VERTIS EU VAT HU13748890