

GENERAL BUSINESS TERMS AND CONDITIONS OF PROTIM RŽIŠNIK PERC – VERSION 4/2021

1 GENERAL PROVISIONS

- 1.1 General business terms and conditions for Protim Ržišnik Perc d.o.o. (hereinafter "GBTC"), Poslovna cona A 2, 4208 Šenčur, Slovenia, company registration number 1201573000 (hereinafter "transferee"), are applicable to all offers, contracts and other legal transactions in relation to orders for the provision of the company's services. The GBTC are part of the transferee's Methodology and Evaluation of Architectural and Engineering Services - Price List 2019 (hereinafter the "price list"), and therefore form an integral part of the offer, as applicable, or contract between the transferee and the client unless stipulated otherwise.
- 1.2 The GBTC apply to all future offers, contracts and other legal transactions, as applicable, which will be concluded between the transferee and the client. The GBTC are also applicable in cases when the offer or the contract do not refer to them explicitly. The transferee will notify the client if the GBTC are amended. If the client does not object to amendments to the GBTC in writing within five (5) working days, the client will be deemed to have accepted the amended GBTC, which shall be binding as such.
- 1.3 The transferee's provision of service is regulated exclusively by the GBTC, unless otherwise agreed in writing. The client's business terms and conditions shall only form part of an offer or a contract if the transferee gives its express written consent.

2 OFFER

- 2.1 An offer, order, contract, order cancellation or any amendment of the foregoing must be made in writing and can be sent by e-mail or electronic data transmission. The transferee's offers are not binding and can be amended until the contract is concluded, unless the offer is explicitly defined as binding.
- 2.2 Any verbal agreements or side agreements, which are substantively different from the GBTC, are not binding for the transferee, especially if they are expressed by the transferee's employees. The content of brochures, promotional materials and professional content on the transferee's website are not the subject of the contractual relationship between the transferee and the client, unless explicitly agreed.
- 2.3 The client must confirm the order in writing within thirty (30) days from acceptance of the offer, unless the offer stipulates different terms for the validity of the offer. By accepting the offer, the client agrees with and accepts the transferee's GBTC.
- 2.4 In the event that the client does not confirm the offer or the contract in writing (via e-mail or other electronic data transmission), it shall be considered that the offer was not submitted.
- 2.5 The transferee must confirm receipt of the client's order within seven (7) days from receiving the offer confirmation.
- 2.6 If the order, which was confirmed by the client, contains changes, additional work or conditions, it is considered to be an amended offer or contract, as applicable, which must be confirmed in writing by the transferee within five (5) working days from receipt of the order. In the event that the transferee does not confirm the sent order in writing, it is deemed that the order was not received.
- 2.7 In the event that the transferee's confirmation of the accepted order contains amendments, additional work or conditions, they are considered to have been accepted by the client, unless the client informs the transferee, within five (5) working days, that it does not agree with the amendment.

3 SCOPE OF WORK

- 3.1 The scope of work of the offer or the contract, as applicable, is defined in the offer or the contract, as applicable, unless the offer or the contract, as applicable, contains a reference to the detailed specification for the service package, which is part of the price list.
- 3.2 The provider has the right to outsource part of the scope of services under the offer or in the contract to external contractors.
- 3.3 The scope of the offer or the contract, as applicable, also covers the services of the external contractor. Individual external contractors are fully liable for deadlines and the accuracy and quality of their elaborations, studies, and expert opinions. The transferee and the client specifically agree that the transferee is not responsible for mistakes and delays by external contractors. The client is responsible for obligating the external contractors to adhere to deadlines.
- 3.4 Any execution of increases to the scope of work, at the request of the client or the execution of unplanned additional work, or amended work due to third party requirements, over which the transferee has no influence (providers of expert assessments, administrative authorities, contractors, etc.), represents work on which the client and the transferee will agree separately in writing. The basis for subsequent project amendments, increases in the scope of work and the execution of additional or amended work, at the behest of the client, is the pre-project phase, which has been approved by the client, or the project baselines confirmed by the client.

- 3.5 Approval by the client of the individual phase from the project documentation involves the approval of the technical solutions selected by the project designer on the basis of the project baselines or data from the previously approved phase of project documentation, as applicable, in accordance with valid regulations, standards, technical instructions, recommendations and norms. All services arising from amendments to project baselines, or data from the previously approved phase of the project documentation, which were made at the request of the client, are charged to the client in accordance with the price list and shall be considered as additional work, unless specified otherwise.

4 IMPLEMENTATION DEADLINES

- 4.1 The services are performed, in accordance with the offer or the contract, as applicable, in line with the project's time frame, which was planned in the offer or the contract, or using an agreed schedule, as applicable, the latter being an appendix to and an integral part of the offer or the contract, as applicable.
- 4.2 The transferee's deadlines may be changed due to objective reasons. Objective reasons are considered to be force majeure, amendment of the scope of work, delays by the client in providing data to the transferee and untimely execution of contractual payments, i.e. late payments of sums owed by the client to the transferee. Contractual parties can also amend deadlines by mutual agreement.
- 4.3 The transferee does not provide a guarantee for the deadlines of the client and third parties, which are contractors, external contractors, providers of expert assessments, administrative units, ministries or bodies within ministries, etc.
- 4.4 Upon the occurrence of delay, the client shall be informed about the fact in writing by the transferee (via mail or electronic data transmission).
- 4.5 In case of delay by the client, which is not caused by the conduct of the transferee or a failure of duly conduct on its part, the contractual parties will agree a new schedule, while the existing schedule will no longer be binding for the transferee, even if the contractual parties cannot come to an agreement regarding the new schedule.
- 4.6 Each individual phase based on the project documentation must be approved by the client (conceptual design, preliminary design needed for the building permit application, preliminary project design, detailed design), within three (3) working days from receiving the project documentation (via mail or electronic data transmission). If the transferee does not approve the individual phase based on the project documentation in timely manner, the transferee cannot proceed with its work, which can cause a delay. In the event that the delay occurs due to reasons occurring on the client's side, the building designer shall not be responsible for it.

5 OFFER OR CONTRACT VALUE

- 5.1 The value of the offer or contract, as applicable, is specified in the offer or the contract and as such is fixed for planned duration of the transferee's performance of the services and for the agreed scope of work. The value of the offer or contract, as applicable, may be, in accordance with the price list, defined in euros or as a percentage of the estimated construction and exterior decoration costs.
- 5.2 The value of the offer or contract value, as applicable, is valid for a single provision of the services and the scope of work, as specified in the offer or the contract. Project amendments and additional work are not included. An amendment is considered to be changes which are requested by the client and confirmed by the transferee (in accordance with points 2.4 to 2.7 of the GBTC). For any additional work the transferee will prepare an additional offer, which will be confirmed in writing (via mail or electronic data transmission) by the client before each commencement of each individual piece of work.
- 5.3 Additional services shall be calculated on the basis of the working hours actually worked, in accordance with the hourly rates contained in the price list.
- 5.4 The value of the services is valid upon the ordering of all packages which are covered by the offer or the contract. The execution of services by phases is not taken into account for individual packages, unless expressly agreed upon in the offer or the contract.
- 5.5 In the event of an increase of more than 5% of gross area of designed structures, or external decoration, in relation to project baselines or a previously approved phase from the project documentation, as applicable, the value of the project design services is amended in accordance with the actual increase incurred.
- 5.6 VAT is not included in the price list, offers and contracts apart from where it is explicitly listed and is calculated in accordance with the applicable legislation upon the issuance of the individual invoice.
- 5.7 The value of the offer or contract, as applicable, does not include more than four (4) copies of the individual phase project documentation, or more than two (2) copies of other documentation, as applicable, administrative costs, notary and court fees as well as assessments and permits fees, copying and plotting costs for documentation outside the scope explicitly stated in the offer or the contract, as applicable, costs of translation into other languages, with the exception of key summaries of textual parts of the documentation contained in the standard scope (applies only to translations into English and German), as well as expenses for travel to the client's locations situated more than fifty (50) kilometres from the transferee's headquarters.

- 5.8 Travel is charged at a fixed price of €0.4 per km + VAT. Daily allowances for travel within Slovenia amount to €21.39 for between 12 and 24 hours, €10.68 for between 8 and 12 hours, and €7.45 for between 6 and 8 hours. Daily allowances abroad are defined in accordance with the Decree on reimbursement of costs for travelling abroad on official mission (Slovenian: Uredba o povračilu stroškov za službena potovanja v tujino).
- 5.9 The transferee reserves the right to amend the price list and therewith to amend the value of the offer or the contract, as applicable.
- 5.10 Irrespective of the agreed method of payment, in accordance with Slovenian Accounting Standards (SAS) and tax legislation, the provider will issue an invoice at the end of the financial year for services performed in that financial year for which it has not previously issued an invoice. In the case of such invoices, the parties can separately agree on the payment deadline., if the agreed scope of services for the issuance of an individual instalment has not been fully implemented.
- 5.11 The value of the offer or the contract, as applicable, can also be amended in the event of changes in circumstances, which may include but are not limited to, increases in the cost price of labour and materials on the market, increases in consumer prices (i.e. inflation), changes in legislation, and other unforeseeable influences.
- 5.12 The provider has the right to maintain real prices of services under the offer or contract in the event of an increase in the cost index of construction services and materials. The basic index is determined upon confirmation of the offer or conclusion of the contract. The index is checked 1.1. every year for the entire duration of the implementation of services on offer or contract.

6 PAYMENT TERMS

- 6.1 The client is obliged to pay the agreed value of the offer or the contract within fifteen (15) days of the invoice date, unless the transferee and the client have agreed differently in the offer or the contract.
- 6.2 The client can reject the invoice in part or in its entirety within five (5) working days, from the day of which it receives the invoice at its address. If it does not reject the invoice by that deadline, the issued invoice shall be deemed to have been accepted. In the event of a delay in payment by the client, the transferee has the right to charge the statutory rate of interest, as well as to prolong the deadlines contained in the offer or the contract during the delay of the individual payment.
- 6.3 The client will settle all financial obligations, together with the corresponding VAT, as per the offer or the contract, as applicable, by making payments to the transaction account of the transferee, held with Sberbank d.d., IBAN SI56 3000 0008 0107 583.
- 6.4 The offsetting of any claims that the client has in respect of the transferee against the claims that the transferee has in respect of the client is not permitted, unless explicitly agreed. The client's claims in respect of the transferee cannot be transferred to third parties without the explicit consent of the transferee.
- 6.5 The client has no right to withhold part of sums owed on the basis of the invoices issued by the transferee for the executed service, unless withholding is explicitly agreed in the offer or the contract.
- 6.6 The costs of each individual payment notice will be charged to the client in amount of €15 + VAT. The client shall bear all of the transferee's costs in relation to the possible enforcement of due liabilities.
- 6.7 In case of payment in instalments of the value of the offer or contract, it will be deemed that all instalments shall become due if the client falls behind with any individual instalment.

7 OBLIGATIONS OF THE CLIENT

- 7.1 The client is obliged:
- to confirm or comment, as applicable, on the submitted documentation or its individual parts within five (5) working days of receipt of the documentation. They shall request confirmation from the transferee; otherwise it will be deemed that the documentation has been confirmed. Confirmation will be carried out in stages, in accordance with individual parts and packages,
 - to collaborate with the transferee on substantive issues of project design, pre-construction, services during construction and to answer questions no later than three (3) working days after the transferee's request. If the client does not adhere to its deadlines, all of the transferee's deadlines are extended for the duration of the client's delay,
 - to regularly inform the transferee about all the changes that could affect the drawing up of project documentation or the execution of other services, respectively, in accordance with the offer or the contract, as applicable,
 - to hand over all of the documentation necessary for the commencement of work and to deliver all of the necessary data for project design in due time, along with legal and other baselines needed for execution of the subject of the offer or the contract, as applicable, within five (5) working days of the offer confirmation or signature of the contract,
 - to inform the transferee of the actual and substantive legal status of the land in question,

- to make decisions that by their nature fall under the business of the client within the deadlines so as not to interfere with the execution dynamics,
- to regularly make payments in accordance with the provisions of item 6.1 of the GBTC.

7.2 The client has the right to:

- guide and supervise the work of the transferee according to the offer confirmed or contract concluded, as applicable,
- withdraw from the offer confirmed or contract concluded respectively if they establish that the transferee is not executing the service in accordance with the offer and regulations.

8 OBLIGATIONS OF THE TRANSFEREE

8.1 The transferee is obliged:

- to fulfil the obligations deriving from the offer or the contract in a professional manner, with the due diligence of a prudent operator, for the benefit of the client, accurately and properly in accordance with professional standards, as well as applicable regulations, standards, technical instructions, recommendations and norms,
- to fulfil the obligations deriving from the offer or the contract, as applicable, in agreement with the client. If an agreement cannot be achieved, the client must adopt a position in writing in the shortest possible time and anyway no longer than three (3) working days,
- to warn the client about all the circumstances regarding the project documentation or other documentation that can affect the successful fulfilment of the client's interests and which are known or should be known to the transferee,
- to fulfil the obligations deriving from the offer or the contract using professionally qualified workers and subcontractors, who are appropriately trained and who have passed their professional exams, as required by the Building Act and other sectoral provisions,
- to protect the commercial confidentiality of the client, as well as the confidentiality of all the plans, procedures, contracts, and other information in accordance with item 11 of the GBTC,
- to ensure that the prepared project or other documentation, as applicable, is confirmed by the responsible persons and delivered to the client.

8.2 The transferee appoints, allocates and engages professional staff according to the complexity and the extent of the individual phases of the work, based on the scope needed for meeting the deadlines and the required quality level for services performed under this contract.

8.3 The transferee has concluded a project design liability insurance policy in accordance with the Building Act.

9 WITHDRAWAL FROM THE OFFER OR THE CONTRACT

9.1 In the event of a delay by the client in fulfilling its financial or other obligations to the transferee, due to insolvency, for a period of more than thirty (30) days, the transferee shall invite the client in writing to immediately fulfil his obligations. If the client does not fulfil its overdue obligations to the transferee, by an appropriate further deadline set by the transferee, the transferee may withdraw from the offer or the contract, as applicable, with a unilateral notice.

9.2 The transferee can also withdraw from the offer or the contract, as applicable, with a written unilateral notice, if liquidation or bankruptcy proceedings have been initiated against the client, or in the event of the client's change in the ownership structure or in its key management, respectively, which may hinder or prevent the execution of the offer or the contract.

9.3 The transferee can also withdraw from the offer or the contract, as applicable, with a written unilateral notice in the event of a breach by the client of point 7.1 of the GBTC and if it does not remedy the breach by the appropriate further deadline imposed, even after receiving the transferee's request.

9.4 In the event of the withdrawal of the transferee, in compliance with points 9.1, 9.2 and 9.3 of the GBTC, the client is obliged to pay the transferee for the work carried out before the moment of withdrawal.

9.5 In the event of the transferee's withdrawal from the contractual relationship caused by reasons which are not attributable to the transferee, the costs of the services actually rendered until that time will be recalculated. In such circumstances, the client is also obliged to pay an additional sum to the transferee equal to 10% of the total net value of the contract.

9.6 Withdrawal from the offer or the contract, as applicable, by either party must be given in writing (via mail or electronic data transmission).

10 SUSPENSION OF WORK

- 10.1 Suspension of work is deemed to be a unilateral temporary suspension of work by the client without the fault of the transferee. An actual suspension is deemed to be a suspension about which the transferee has been notified in writing (via mail or electronic data transmission). An actual suspension is also deemed to have occurred if the client is late with payment of any of the monthly instalments due to the transferee by more than thirty (30) days.
- 10.2 In the event of a suspension as per point 10.1 of the GBTC, the transferee is entitled to payment for all the work which was properly carried out until the day of the suspension, plus the actual cost of the suspension incurred by the transferee but no more than 10% of the remainder of the offer or contract value, respectively, for which minutes will be drawn up. The remainder of the contract or offer value that is taken into account in the case of a suspension of work is the part of the contract value which, at the time of the actual suspension, had not yet been charged to the client.
- 10.3 In the event of a resumption of work within a period of less than three (3) months from the date of the actual suspension, the work shall continue in accordance with the terms of the offer or contract.
- 10.4 In the event of recommencement of work, the transferee's deadlines shall be adjusted accordingly in line with the duration of the actual suspension of work, as per point 10.3 of the GBTC.
- 10.5 In the event of recommencement of the work after a period of more than three (3) months from the day of the actual suspension, the transferee and the client shall conclude an addendum to the contract before the recommencement of work, or the client shall confirm a new offer from the transferee, as applicable, with which services rendered are recalculated to reflect cut-off date situation on the day of the actual suspension of work (if the recalculation is not agreed with the minutes from item 10.2), they harmonize the scope and value of services and harmonize the new schedule.

11 CONFIDENTIALITY

- 11.1 The transferee and the client undertake to protect all the information in direct or indirect connection with the subject of the offer or the contract, as well as keeping its execution confidential and at the same time undertake not to release such information or transfer it to third parties in any way whatsoever without the prior written consent of the other party.

12 SEVERABILITY CLAUSE

- 12.1 Any provision which is invalid or which cannot be enforced, as well as the lack of regulations for an individual issue in the offer or the contract, as applicable, does not affect the validity of the other provisions or the validity of the offer or the contract in their entirety. In case of the invalidity or the inability to enforce such a provision, or lack of regulations for an individual issue in the offer or the contract, as applicable, such a provision will be replaced by the explanation nearest to the purpose of the transferee and the client upon the confirmation of the offer or the signing of the contract, as applicable, unless the transferee and the client do not agree otherwise and the purpose is not in opposition to applicable regulations.

13 AUTHORSHIP

- 13.1 All of the project or other documentation, as applicable, which is delivered by the transferee to the client on the basis of the offer or the contract, as applicable, becomes the property of the client on the day on which the transferee receives full payment according to the offer or contract. In the event that the client does not settle its due obligations towards the transferee by the deadline, the transferee can request the return of the delivered project or other documentation, as applicable. Regardless of whether the author's work is copyright-protected or not, the client does not have the right to use the project or other documentation, as applicable, until it fulfils its payment obligations in full according to the offer or the contract, as applicable.
- 13.2 All matrices or computer databases remain the property of the transferee and are available to the client in accordance with the Law on copyright and related rights (Slovenian: Zakon o avtorskih in sorodnih pravicah).
- 13.3 Moral author's rights are retained by the author.
- 13.4 Material author's rights during the creation of the conceptual design (IDZ), including the right of re-production and distribution of the author's work, are transferred to the client when ordering other phases of the project documentation, regardless of the provisions contained in point 13.1 of the GBTC.
- 13.5 The client, to whom the material author's rights have been transferred to for the individual created work, cannot transfer those rights further to a third party without the consent of the transferee, unless otherwise specified with the offer or the contract, as applicable.
- 13.6 The transferee guarantees exclusivity of the executed service to the client.
- 13.7 With regards to project design services, the client is obligated to consult with the transferee for any future refurbishment of the facilities, which will be constructed on the basis of the project documentation drawn up by the transferee for the client.

14 COMPLIANCE WITH LEGAL REGULATIONS

- 14.1 For the interpretation of the GBTC, the offer or the contract, as well as for regulation of the business relationship between the transferee and the client, the law of the Republic of Slovenia is generally used.
- 14.2 The contractual parties undertake to resolve any disputes amicably. If this proves to be impossible, the court with substantive jurisdiction according to the location of headquarters of the transferee shall be competent for resolving the dispute, unless it is stipulated differently in the offer or the contract, as applicable.

15 NOTIFICATION OF CHANGES

- 15.1 The client is obligated to notify the transferee in writing (via mail or electronic data transmission) of any changes to its business address or other information required to fulfil the offer or the contract, as applicable. If the client does not inform the transferee in the previously specified manner, all correspondence sent by the transferee to the client at the known addresses, shall be deemed to have been received by the client.

16 PUBLICATION

- 16.1 The GBTC and the price list are published on transferee's website www.protim.si.

Šenčur, April 2021

PROTIM Ržišnik Perc
arhitekti in inženirji d.o.o.
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Andrej Ržišnik


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