

## General Terms and Conditions

The Real Estate Company **PROSPERA NEPREMIČNINE, d.o.o., Tržaška cesta 134, 1000 Ljubljana** (hereafter referred to as the 'RE Company' or 'Broker'), stipulates the General Terms and Conditions in accordance with Art.15 of the Real Estate Business Act, regulating the provision of brokerage services in real estate transactions, as follows:

### Article 1

These General Terms and Conditions stipulate the scope of activities of the Broker for safe operation, subject to due care and diligence in its brokerage businesses that are binding on the Broker.

For the purpose of these General Terms & Conditions, the following terms shall bear the following meanings:

1. The Ordering Party (or Client) is any natural or legal person concluding a brokerage contract with the Broker.
2. Third Party is a party that the Broker endeavours to put in contact with the Ordering Party, aiming to negotiate and establish a contact for the property.
3. The Broker is a commercial company or a sole proprietor resp. who provides the brokerage services in real estate business as an economic (gainful) activity under this Act.
4. The broker (male or female) is a natural person who pursues the brokerage activities/ dealings for the Broker under a Contract of employment or on other legal basis, holding a licence for providing brokerage services issued by the competent Ministry, and entered in the Register of Real Estate Brokers kept by the competent Ministry.
5. Property Brokerage shall mean the pursuit of a registered gainful activity of brokerage in property business, whereby individual transactions comprise all the activities from establishing the contact with the Client and Third Party, and in negotiations for concluding the business 'legal transaction' and the related preparatory work for the resp. property, such as the sales, purchase, lease (tenancy) contracts or any other contract that may be necessary for the property referred to.
6. The members of the Client's family include his/her spouse or partner living with the Client in cohabitation, as stipulated in the Matrimony and Family Relations Act and regulations, their children or adoptees, parents and adoptive parents and persons dependent on the Client for subsistence (maintenance) under the law.

### Article 2

The Broker performs the following brokerage activities in property-related dealings and transactions:

- a. Interviews the Client and receives all the documentation on the property involved;
- b. Concludes a brokerage Contract for the property referred to;
- c. Informs the Client and the Third Parties about: market conditions relevant to the property price determination; contents of regulations relevant to entering the brokerage Contract; amount of taxes obligatory for the Client and amount of notary expenses;
- d. Proves the legal status of the title to property and checks for any rights by third parties, and procures the missing documents if required (a copy from the land register), contracts (if the property has not yet been registered in the land register). Eventual expenses related to that shall be borne by the Client);
- e. Assesses the property actual condition;
- f. Verifies the actual condition of property and advises clearly and in an understandable way, in writing, on any factual and legal defects (visit to inspect the property);
- g. Informs and warns the Client in writing;
- h. Organizes and conducts inspection to the site after the signing of the Contract on brokerage;
- i. Advertises the renting (or other legal business) of the property in media or by other means;
- j. Informs the Client about the property and establishes contacts with the Third Party;
- k. Is present at the property visits arranged by the Client;
- l. Makes telephone contacts with clients;
- m. Conducts the negotiations between the Client and Third Party;
- n. Prepares the contracts required for entering into legal transactions concerning the resp. property;
- o. Keeps the originals of documents until the realization of the resp. legal transaction;
- p. Performs the hand-over of the property;
- q. Draws up documents containing written records of the Contract the closing of which was the subject of the brokerage by the Real Estate Company, or any other documents referring to other legal business referring to brokerage. In case of closing any legal business in which the Real Estate Company performs the brokerage the expenses of drawing up necessary documents are included in the brokerage commission as defined in Article 6 of these General Terms and Conditions;

- r. In case the legal business in which the Real Estate Company performed brokerage is not closed, the Client is charged the expenses of drawing up any necessary documents on the legal business according to current tariffs of the Real Estate Company;
- s. Performs other services relating to the resp. brokerage transaction, on the basis of a specific written Client's order, e.g. arranges an assessment of the property, entry into the Land Register, reporting the contract for the assessment of property transfer tax and collecting the approved contract from the Tax Administration, monitors the implementation of the sales contract – primarily the payment of instalments, etc. Expenses for services from this paragraph shall be borne by the Client according to current tariffs of the Real Estate Company. A list of Current Tariffs is a supplement to these General Terms and Conditions.

### **Article 3**

When the brokerage services performed by the Broker include also drawing up the documents containing written record of the Contract the closing of which was the subject of the brokerage by the Real Estate Company, or any other documents referring to legal business, the Real Estate Company must assure all documents are prepared and written by a lawyer with University degree which the lawyer confirms with his/her full name and signature on the documents prepared.

When the brokerage services performed by the Real Estate Company include also the drawing up the documents referring to legal business, the Real Estate Company is responsible for damages that the Client or the third party may suffer in case of incorrectly drawn up legal documents.

### **Article 4**

When the Broker performs the brokerage services for the Client who wishes to remain anonymous, the broker shall not disclose the Client's identity to the interested third party until the legal transaction is concluded.

### **Article 5**

The Brokerage Contract is concluded for a fixed term of time of nine months; any Party may cancel the Contract, unless contrary to the good faith principle and fair practices in business relations. The Parties may also agree to extend the Contract for several times, without limitation to the brokerage period.

### **Article 6**

The fee for brokerage services provided by the Broker and relating to the purchase/ sale of property, as specified in Art. 2 under sections a) to r) hereof, shall not exceed 4% on the Contract Price + VAT. The restriction from this paragraph shall not apply if the Contract value of the property is lower than EUR 10.000,00.

The fee for brokerage services relating to the lease of property may not exceed the amount of 4% of the contract value, but not more than the amount of one-month rents and not less than 150 euros. The contract value is the product of the amount of monthly rents and the number of months for which the property is rented out.

The Client and Broker shall agree on the type and amount of costs involved in concluding lease or other Contracts beyond the scope of this Article, in the Brokerage Contract.

The Broker charges for the brokerage services to the Parties of a Sales, Tenancy or Lease (or any other) Contract concerning the resp. Property. The amount referred to in the preceding Article has to be divided.

### **Article 7**

The Broker acquires the title to receive payment of the brokerage fee upon concluding the Contract in which the Broker was involved.

The Broker may not claim partial payment for the brokerage before concluding the resp. legal transaction, for which the brokerage has been undertaken. The Broker is entitled to receive payment for additional services to cover the costs that were actually incurred, however not exceeding the rate or extent specified in the General Terms and Conditions and in the Brokerage Contract for the property concluded between the Broker and the Client, and further provided that the payment of additional costs has been agreed between the Parties in writing.

Furthermore, the Broker is also entitled to receive payment for the brokerage if the Parties at a later time withdraw from the Contract concluded between them.

The Broker is entitled to brokerage fee if the Client or his/her family member concludes the Contract for the property under the brokerage assigned with a third party who was brought in contact with the Client by the Broker, provided that such Contract was entered into within six months after the termination of the (original) brokerage contract.

Notwithstanding the first paragraph of this Article, the Broker and the Client may agree that the RE Company is entitled to receive the brokerage fee also if the Client has by itself found the third party and entered into a contract with such third party. The brokerage fee referred to in the preceding sentence shall be based on the services already rendered at an earlier time and

shall not exceed one fourth of the agreed payment for brokerage. In case such a third party is a family member of the Client, the latter shall pay the agreed fee for brokerage in full amount.

Notwithstanding the first paragraph of this Article, the Broker shall have no aspiration for brokerage fee if it has concluded the contract with the Client acting as a Party to the Contract, under the brokerage contract, or if such a Contract be concluded by a broker who was performing the brokerage services for the Broker.

#### **Article 8**

The Broker shall perform its business activity with the due care and diligence of a responsible professional and shall protect the interest of all the Parties.

On the account of insurance for civil liability for damages caused to the Client or any third party on purpose, by breaching the brokerage contract, the Broker has got an insurance contract for 167.000,00 EUR, or an aggregate amount of 350.000,00 EUR per year, with the Insurance Co. ZAVAROVANICA SAVA, d.d., policy no. 511-0261007, in accordance with the Real Estate Brokerage Act. The insurance covers the civil liability of the Broker for all the acts by all the real estate brokers and other persons who are acting on behalf of the Broker as employees or performing the brokerage dealings for the Company under any other legal basis.

#### **Article 9**

These General Terms and Conditions shall be delivered to the Client before concluding the brokerage or any other contract; the Client shall declare being informed with these General Terms and Conditions.

#### **Article 10**

These General Terms and Conditions were adopted by the Broker on 1 January 2021 and shall be published in a well visible and accessible place in the premises of the Broker.

PROSPERA NEPREMIČNINE, d.o.o.

represented by the Director Elizabeta Gruden