

# **General Business Terms and Conditions 2019 of InternationalConsult j.d.o.o., HR-51000 Rijeka**

## **1. General Terms and Conditions / Scope**

1.1 All legal transactions between the Principal and the Agent (InternationalConsult) shall be subject to these General Terms and Conditions exclusively. The version valid at the time the Contract is concluded shall be applicable.

1.2 These General Terms and Conditions shall also apply to any future contractual relationships even if these General Terms and Conditions are not expressly referred to in collateral contracts.

1.3 Any conflicting General Terms and Conditions on the part of the Principal shall be invalid unless they have been explicitly accepted in writing by the Agent (InternationalConsult).

1.4 If any provision of these General Terms and Conditions is or becomes invalid, the other provisions and any contracts concluded pursuant to these provisions shall not be affected thereby. The invalid provision shall be replaced by a provision which best corresponds to the intention and economic purpose of the invalid provision.

## **2. Scope of Consulting Assignments / Representation**

2.1 The scope of each particular consulting assignment shall be individually agreed by contract.

2.2 The Agent (InternationalConsult) shall be entitled to subcontract, in whole or in part, the services for which the Agent is responsible to third parties. Payment of said third parties shall be effected exclusively by the Agent (InternationalConsult). No contractual relationship of any kind shall exist between the Principal and said third party.

2.3 During the validity of this Contract and for a period of three years after termination thereof, the Principal shall agree not to enter into any kind of business transactions with persons or organisations the Agent (InternationalConsult) employs to perform the Agent's contractual duties. In particular, the Principal shall not employ said persons or organisations to render consulting services the same or similar to those offered by the Agent (InternationalConsult).

## **3. Principal's Obligation to Provide Information / Declaration of Completeness**

3.1 The Principal shall also inform the Agent (InternationalConsult) in detail about previously conducted and/or currently active consulting projects, including those in other areas of competency.

3.2 The Principal shall, in a timely manner and without special request on the part of the Agent, provide the Agent (InternationalConsult) with all documents necessary to fulfil and perform the consulting assignment and shall inform the Agent of all activities and conditions pertinent to the performance of the consulting assignment. This includes all documents, activities and conditions that become known or available during the performance of the consulting assignment.

3.3 The Principal shall ensure that all employees as well as any employee representation (works council) provided by law, if established, are informed of the Agent's consulting activities prior to the commencement of the assignment.

## **4. Maintenance of Independence**

4.1 The contracting parties shall be committed to mutual loyalty.

4.2 The contracting parties shall be obligated to take all necessary measures to ensure that the independence of all persons working for the Agent (InternationalConsult) and/or of any third parties employed by the Agent is not jeopardized. This applies particularly to any employment offers made by the Principal or the acceptance of

assignments on their own account.

## **5. Reporting**

5.1 The Agent (InternationalConsult) shall be obligated to report to the Principal on the progress of services performed by persons working for the Agent and/or any third parties employed by the Agent.

## **6. Protection of Intellectual Property**

6.1 The Agent (InternationalConsult) shall retain all copyrights to any work done by the Agent and/or by persons working for the Agent and/or by third parties employed by the Agent (including but not limited to tenders, reports, analyses, expert opinions, organization charts, programmes, performance descriptions, drafts, calculations, drawings, data media, etc.). During the contract period and after termination thereof, the Principal may use these materials exclusively for the purposes described under the Contract. Therefore, the Principal shall not be entitled to copy or distribute these materials without the explicit consent of the Agent (InternationalConsult).

6.2 Any violation of this provision by the Principal shall entitle the Agent (Management Consultant) to prematurely terminate the Contract and to enforce other legal claims, in particular for restraint and/or damages.

## **7. Warranties**

7.1 The Agent (InternationalConsult) shall be entitled and obligated, regardless of fault, to correct any errors and/or inaccuracies in the Agent's work which have become known subsequently. The Agent shall immediately inform the Principal thereof.

7.2 This right of the Principal expires six months after completion of the respective service.

## **8. Liability / Damages**

8.1 The Agent (InternationalConsult) shall be liable to the Principal for damages - with the exception of personal injury – only to the extent that these are the result of serious fault (intention or gross negligence). Correspondingly, this also applies to damages resulting from third parties employed by the Agent.

8.2 Any claim for damages on the part of the Principal may only be enforced by law within six months after those entitled to assert a claim have gained knowledge of the damage and the liable party, but not later than three years after the incident upon which the claim is based.

8.3 The Principal shall furnish evidence of the Agent's fault.

8.4 If the Agent (InternationalConsult) performs the required services with the help of third parties, any warranty claims and claims for damages which arise against the third party shall be passed on to the Principal. In this case, the Principal shall primarily refer to the third party.

## **9. Confidentiality / Data Protection**

9.1 The Agent (InternationalConsult) shall be obligated to maintain complete confidentiality concerning all business matters made known to the Agent in the course of services performed, especially trade and company secrets and any other information concerning type and/or scope of business and/or practical activities of the Principal.

9.2 Furthermore, the Agent (InternationalConsult) shall be obligated to maintain complete confidentiality towards third parties concerning the content of the work completed, as well as any information and conditions that contributed to the completion of the work, particularly concerning data on the Principal's clients.

9.3 The Agent (InternationalConsult) shall not be obligated to maintain confidentiality towards any person working for the Agent or representatives of the Agent. The Agent is required to obligate such persons to maintain complete confidentiality and shall be liable for any violation of confidentiality on their part in the same way as if the Agent had breached confidentiality.

9.4 The obligation to maintain confidentiality shall persist indefinitely even after termination of this Contract.

9.5 The Agent (InternationalConsult) shall be entitled to use any personal data entrusted to the Agent for the purposes of the services performed. The Agent (InternationalConsult) shall guarantee the Principal that all necessary measures will be taken, especially those regarding data protection laws, e.g. that declarations of consent are obtained from the persons involved.

## **10. Remuneration**

10.1 After completion of the services agreed upon, the Agent (InternationalConsult) shall receive remuneration agreed upon in advance between the Agent (Management Consultant) and the Principal. The Agent (InternationalConsult) shall be entitled to render intermediate accounts and to demand payment on account as required by the progress of the work. Remuneration shall be due and payable immediately after rendering accounts by the Agent.

10.2 The Agent (InternationalConsult) shall render accounts which entitle to deduct input tax and contain all elements required by law.

10.3 Any cash expenditures, expenses, travel expenses, etc. shall be reimbursed to the Agent (InternationalConsult) by the Principal separately, upon submission of the appropriate receipts.

10.4 In the event that the work agreed upon is not completed due to reasons on the part of the Principal, or due to a premature termination of contract by the Agent (Management Consultant) for cause, the Agent (InternationalConsult) shall be entitled to claim payment in full of the remuneration agreed upon in advance, less expenses not incurred. In the event that an hourly fee had been agreed upon, the Principal shall pay for the number of hours expected to be required for the entire contracted assignment, less expenses not incurred. Expenses not incurred shall be calculated as a lump sum consisting of 30% of the fee required for those services that the Agent did not perform by the date of termination of the agreement.

10.5 In the event that intermediate invoices are not paid, the Agent (Management Consultant) shall be released from the Agent's commitment to provide further services. This shall not apply to any further claims resulting from default of payment.

## **11. Electronic Invoicing**

11.1 The Agent (InternationalConsult) shall be entitled to transmit invoices electronically. The Principal agrees explicitly to accept invoices transmitted electronically by the Agent (InternationalConsult).

## **12. Duration of the Agreement**

12.1 This Contract terminates with the completion of the project.

12.2 Apart from this, this Contract may be terminated for good cause by either party at any time without notice. Grounds for premature termination include the following:

- one party breaches major provisions of the Contract
- one party opens insolvency proceedings or the petition for bankruptcy is denied because of insufficient assets to cover expenses.

### **13. Final Provisions**

13.1 The contracting parties declare that all information contained herein is accurate and made in good conscience. They shall be mutually obligated to immediately inform the other party of any changes.

13.2 Modifications of and amendments to this Contract or these General Terms and Conditions shall be made in writing. This shall also apply to a waiver of this requirement in written form.

13.3 Depending on the place of jurisdiction, German law, Austrian law or Croatian law shall apply to this contract excluding the conflict-of-law rules of international private law. Place of performance is the place of business of the Agent (InternationalConsult) or of the client. For disputes, the court at the place of business of the client or Agent (InternationalConsult) is responsible.

### **14. Mediation clause**

14.1 In the event of disputes arising from this contract, which can not be settled by mutual agreement, the parties agree by mutual agreement on the out-of-court settlement of the conflict registered mediators (ZivMediatG) with the main focus Economic-Mediation from the list of the Ministry of Justice of Germany, Austria or Croatia. If no agreement can be reached on the selection of economic mediators or content, no legal action will be taken at the earliest one month after the failure of the negotiations.

14.2 All necessary expenses incurred as a result of prior mediation, in particular those for legal advisors, may be asserted as "pre-litigation costs" in a court or arbitration proceeding as agreed.

### **15. Definitions**

Fee within the meaning of these guidelines is the remuneration of services and expenses of InternationalConsult and its vicarious agents. Base rate per man-day (also known as day-work) is the rate that is used for counseling to the extent of 8 consecutive hours in the location community of InternationalConsult. For reasons of simplicity, a corresponding hourly rate can also be used. Ancillary and special charges are not included in this base fee - these are to be charged separately.

### **16. Fee guidelines according to time expenditure (base fee)**

16.1 Normal hourly rate: The hourly rate refers to benefits in the so-called normal working hours between 8:00 am and 6:00 pm and currently amounts to EUR 180.- / hour net excl. VAT (= normal hourly rate) and corresponds to EUR 1.440.- / man-day excl VAT. Another standard hourly rate requires separate agreement. The time registration must be carried out by InternationalConsult.

16.2 InternationalConsult is entitled to charge the following surcharges for its fee, if applicable:

- 60% between 22:00 and 06:00 - 30% between 06:00 and 08:00
- 30% between 18:00 and 22:00 - 60% on Sundays and public holidays

16.3 Preparation of reports and concepts incl. findings for submission to authorities, courts, banks, funding institutions, etc. 100%

16.4 Charging unit: For services, the commenced half hour will be charged.

16.5 Typing: The hourly rate is credited to all consulting services in the consulting firm; Paperwork (writing of dictated letters or dictated reports ...) and similar services (eg copy times, mailing, etc.) are charged at 50% of the normal hourly rate.

16.6 Travel time: When traveling to fulfill the advisory order, the travel time will be charged according to time expenditure with an hourly rate of EUR 100.-. Travel times are also waiting times, as far as the exercise of another activity is prevented or prevented and as far as they

are not responsible for InternationalConsult itself. Travels take place with the verbal consent of the client or the approval results from his conclusive behavior. In urgent cases, the consent can also be obtained later.

16.7 The fee may also be offered and agreed on a flat-rate basis even after the calculated time.

16.8 The fees must be paid no later than two weeks after the date of the invoice. Default interest of 1% per month is agreed.

### **17. Fee Policies after Achievement / Success**

17.1 In addition to the above fee based on time spent (base fee), InternationalConsult is entitled to charge a fee for achieving certain criteria.

17.2 In any event, InternationalConsult will incur commission in the amount of 2% excluding VAT, in the case of financing of companies that conclude loans, in the presence of a bank commitment or the commitment of a granting agency to take over the financing in addition to the base fee loan amount too.

17.3 In any case, InternationalConsult is entitled to commission the amount of 5% net of the debt payable, in addition to the basic fee, in debt relief negotiation (judicial and extrajudicial).

17.4. In addition to success / performance:

Investment advice (excluding real estate): 3% net

Real estate: 1.5% net

Promotions: 7% net

Recruitment: 2 gross monthly salaries net

Investors with capital / benefits in kind: 10% net

Production outsourcing: 5% of the purchase price net

Sales commission: min 5% net, unless otherwise agreed

### **18. Additional charges**

Incidental costs are expenses which InternationalConsult incurs in carrying out the consulting contract and which are to be borne by the client in addition to the fee. The additional costs include in particular travel expenses, diets, cash expenses, copying costs, printing costs, translation costs, telephone costs.