



TAX, ACCOUNTING, FINANCIAL AND LEGAL ADVISORY

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GENERAL TERMS AND CONDITIONS as of 1.10.2020

1. Definitions

Unless explicitly provided otherwise, the words and terms listed in general terms and conditions of Cautela Pros and all concluded contracts will have the meanings described below:

Cautela Pros or the company - legal entity carrying out business activities under the name Cautela Pros d.o.o., its employees and subcontractors. The company has its registered office at Verovškova ulica 55a, 1000 Ljubljana, Slovenia and is a member of Nexia International.

Client - the party or parties with whom Cautela Pros enters into a contractual relationship, as stipulated in the tax consulting contract, and all related persons, employees or representatives.

Tax consulting contract or contract - the tax consulting contract is formed by the contract or engagement letter together with the corresponding annexes as well as these general terms and conditions. The contract defines scope of Cautela Pros' services and refers to these general terms and conditions. If this is explicitly agreed with the client, the tax consulting contract or an annex to this contract may also be replaced by an service order or inquiry in paper or electronic form. In this case, the provisions of these general terms and conditions apply as if a contract had been concluded.

Third parties - any other legal entity or individual other than the client or Cautela Pros.

All terms referred to or defined in the tax consulting contract have the same meaning in these general terms and conditions and vice versa.

2. Introduction

General terms and conditions represent an integral part of the tax consulting contract, which they are enclosed to, and cover all services of preparation and filing of tax returns, declarations and reports, consulting and other related business services provided to the client by Cautela Pros.

3. Scope of services

The work of Cautela Pros will include tax, accounting, financial and legal counselling. Cautela Pros will perform the work on basis of the client's explicit orders, using the information and documents provided by the client, and with all the necessary professional diligence.

In providing services, Cautela Pros will include employees, who are suitably experienced consultants, in order to be able to provide a team of consultants that will enable the proper execution of the ordered services and effectively represent the client in front of tax and other relevant authorities.

Slovenian tax legislation and its interpretation are changing quite rapidly. Legislation sometimes does not define certain transactions precisely and unambiguously, at the same time there is no appropriate authority or precedence to help interpret it, so Cautela Pros' advice will be based on our understanding of the correct interpretation of legislation and practice at the time of preparation. When Cautela Pros finds that the tax authorities are applying the statutory provisions in a way that is inconsistent with its understanding of those provisions, Cautela Pros will notify the client. Cautela Pros is not obliged to provide advice on changes in tax legislation or its interpretation that would occur after the advice has already been provided to the client. Unless otherwise expressly agreed in writing, Cautela Pros take not over any obligation in connection with any action regarding the legal and practical consequences of the advice or the subsequent supervision or modification of the advice. The client is fully responsible for any decision on the use or other use of the advice.

From time to time, Cautela Pros will provide clients with material from the tax field that will address current tax issues that we think might be of interest. As the business of each of Cautela Pros's clients has its own specifics, this type of service is not intended to provide information that would be directly useful to any individual client. Therefore, this service does not constitute a substitute for professional consulting services.

Cautela Pros' counselling often also includes answering questions asked in meetings, over the phone or in another informal way. It is Cautela Pros' policy to confirm any advice to a client in writing after carefully examining it. If a client does not provide such confirmation, Cautela Pros cannot take responsibility for the correctness of the informal advice. Only final written advice will express a final opinion or conclusion.

The client agrees to treat all documents (whether in paper or electronic form, drafts or final versions) as well as the verbal opinions provided by Cautela Pros (hereinafter collectively referred to as "opinions") as confidential except to the extent set forth below or in accordance with the requirements of laws or regulations, the client will not enable third parties to achieve the benefits arising from the services provided by Cautela Pros.

Copies of the opinions may be made available: to client's directors and employees, to those staff involved in the management of matters which are subject of the consultations, and to financial and legal advisers,

provided that the client takes all necessary actions in each case to ensure that these persons understand that:

- The opinions are confidential and may not be disclosed to any other person without the prior consent of Cautela Pros or unless otherwise provided in the tax consulting contract;
- They must comply with the regulations in the field of personal data protection regarding any personal data;
- They may use opinions only for purposes specifically agreed in writing between Cautela Pros and the client;
- Cautela Pros does not take over any obligation or diligence in connection with any use of opinions.

4. Transmission of information

In order for Cautela Pros to be able to properly answer the client's questions, the client will be required to provide all necessary relevant information and materials within a reasonable time. The client also agrees to notify Cautela Pros immediately of any changes in the information or materials previously provided. Cautela Pros will not be liable for any loss or damage arising from the client's reliance on the correctness or completeness of the information and materials provided, or from any other errors in the information and materials provided. If the client considers that Cautela Pros did not take into account or misunderstood any important facts or circumstances when preparing the advice, the client should immediately inform Cautela Pros.

The client will ensure that its employees provide the necessary information and explanations that Cautela Pros needs to provide its services. Cautela Pros and the client will also agree accordingly if the work will require the assistance of specific individuals among the client's staff.

5. Protection of confidentiality

Cautela Pros will keep confidential all information obtained in the course of providing services to the client, but the client may in certain circumstances release Cautela Pros from the responsibility to protect confidentiality of certain information.

In cases where the client provides Cautela Pros with e-mail addresses to which the material is supposed to be sent, Cautela Pros will understand (unless otherwise instructed by the client) that the transmission of materials through these media is sufficiently secure and confidential and thus the client's interests will be adequately protected.

Taking into account Cautela Pros's obligation to keep confidential all information obtained in the course of providing services, the client agrees that Cautela Pros will be able to disclose the fact that it has provided services to the client to third parties and potential clients in presenting experiences and recommendations.

However, Cautela Pros may disclose confidential information:

- To its policyholders or legal advisers, provided that confidential information remains confidential, and
- To other persons if Cautela Pros is obliged to disclose the information on the basis of legal or professional regulations.

"Confidential information": means information or documents received or prepared by Cautela Pros for the purpose of providing services and which are marked as confidential or manifestly confidential due to their nature. Confidential information does not include any information which:

- are or will be publicly accessible if this is not a consequence of breach of confidentiality obligations; or
- were known to Cautela Pros before the company started providing the services and which the client did not provide as confidential under another engagement; or
- Cautela Pros receives from a third party who has no obligation to protect the confidentiality of this information.

6. Third parties

Cautela Pros may, in the context of the provision of services, at its sole discretion, use the services of subcontractors. Nevertheless, Cautela Pros is remaining solely responsible for the performance of their service.

The client agrees not to file any claims (neither civil claim, compensation claim (including because of negligence) or other claims) against any subcontractor or their employees in connection with the Cautela Pros performance of services. Any subcontractor or subcontractor's employees who work with the client in connection with performance of service act solely on behalf of Cautela Pros.

In cases where the client will use services of third parties and the work may affect the ability to provide Cautela Pros services, the client must ensure that it enters into appropriate arrangements with these third parties to enable timely and correct transmission of information. In no event Cautela Pros will be responsible for to the quality, adequacy or relevance of services provided by a third party in which Cautela Pros will have to rely.

Any opinions prepared by Cautela Pros are intended solely for the client and for a specific purpose. The opinions are not intended to be used in a different context or later than agreed. If the client nevertheless wishes to do so, it agrees to contact Cautela Pros so that Cautela Pros can confirm that the opinion is still useful for the desired purpose.

Unless otherwise agreed in writing, Cautela Pros's opinions are intended only for the needs of the client or the person to whom they are addressed and cannot be relied on by third parties. In no event shall Cautela Pros accept any obligation or liability to any third party who may have access to the opinions. Such a limitation of liability may also be specifically set out in the opinions themselves.

8. Price of services

The client agrees to reimburse all costs and release Cautela Pros and its employees, in the event of claims and proceedings made or initiated by third parties, and all related compensations, settlements, losses, liabilities, costs and expenses, including but not limited to the reasonable costs of legal proceedings arising out of or relating to services or products performed under a tax consulting contract, except for legally established compensations for gross negligence or other intentional conduct of Cautela Pros in connection with such services or products.

The client will notify Cautela Pros in writing of any restrictions that the client wishes Cautela Pros to comply with when exchanging information, either with persons within the client's organization or with authorized third parties (such as tax authorities). Without such written restrictions, Cautela Pros will carry out its professional work on the assumption that it may pass on information provided or created by itself to third parties, provided that it does so in good faith and deems it necessary or useful to assert the interests of the client.

Cautela Pros will assume that it may act in accordance with the verbal, written or electronic instructions of any employee of the client, unless it expressly receives different instructions.

7. Ownership of documents and right to use knowledge

All intellectual property rights in all systems, techniques, methodologies, ideas, concepts, information and know-how developed during the provision of services under the tax consulting contract remain the property of Cautela Pros. Cautela Pros also owns all intellectual property rights in the opinions, including, but not limited to, copyright.

Cautela Pros may develop or use any such system, technique, methodology, idea, concept, information or know-how in providing services to third parties, whether or not this is reflected in the opinion provided, insofar as Cautela Pros in doing so, does not violate the obligation of confidentiality as set out in point five of these general terms and conditions.

Letters and documents (including working versions) created during the performance of services belong to Cautela Pros. Cautela Pros will not disclose or provide access to these documents, except as part of a due diligence, where Cautela Pros will obtain a certificate relieving the company of these responsibilities.

Documents that Cautela Pros acquires or creates when acting as the client's representative belong to the client, and Cautela Pros will return them to him upon request. Cautela Pros reserves the right to keep copies of all documents that will be assigned to the client. With any personal data, Cautela Pros will act in accordance with the internal policy of personal data protection.

Cautela Pros will charge the client all costs for services performed or agreed work in accordance with the tax consulting contract and the general terms and conditions (including any work of external consultants). The client agrees to pay for the services ordered. Any material costs and respective value added tax will be additionally charged accordingly. Details of the prices of services will be determined in writing and with the consent of the client.

Prices will be calculated normally, but not exclusively, according to the time spent, on items that express factors such as complexity, employee experience, monetary value and specialist knowledge. Prices will also be set in accordance with the urgency of the matter and the techniques, expertise, research and know-how developed by Cautela Pros.

Unless expressly agreed otherwise, Cautela Pros will charge for all consultations, meetings, advices, assistance and preparation of documentation of actions taken.

For certain orders, Cautela Pros, in agreement with the client, can set fixed prices if it can easily estimate the time it will take to complete the task. Any cost estimation provided by Cautela Pros for planning or any other purposes will be provided in good faith, but will not be binding unless specifically agreed with the client. Cautela Pros will notify the client if it reaches the previously estimated cost before the end of the project and will expect to significantly exceed it.

In the event of a tax supervision procedure or tax inspection, Cautela Pros will be available to assist the client in the identification process itself in connection with any matter on which Cautela Pros has previously provided an opinion to the client, but Cautela Pros will charge extra for such services.

Cautela Pros reserves the right to charge late interest if it does not receive payment by due date as shown on the invoices issued.

If the invoice is issued in a currency other than the euro, Cautela Pros will convert the prices of the services into that other currency at the exchange rate applicable on the date of issue of the invoice.

In accordance with the usual practice, Cautela Pros will issue an invoice every month, which also includes interim payments for work performed on projects that have not yet been completed (for example, the preparation of tax returns). Cautela Pros may also require an advance payment to perform certain services and cover related costs.

For the purposes of invoicing, Cautela Pros will treat its services as performed on the last day of the calendar month in which it performed them. Nevertheless, Cautela Pros reserves the right to change the method of issuing invoices insofar as this would be necessary due to changes in the applicable Value Added Tax Act or other regulations.

If Cautela Pros and the client explicitly agree, Cautela Pros will also provide the client with a specification of the services completed when issuing the invoice. Unless expressly agreed, the prices will include the reasonable costs of transport, accommodation and meals incurred by employees or subcontractors of Cautela Pros in performing work for the client. Cautela Pros will also charge for the processing of documents (such as secretarial work, photocopying, printing, courier services or special postal services) and other appropriate material costs required to provide the services.

9. Review of the work performed

The client is obliged to review the work performed as soon as possible after the normal course of events and to immediately inform Cautela Pros of any errors found. If the client does not do so at the request of Cautela Pros to review and take over the work performed without a valid reason, it is considered that the client has taken over and reviewed the work within 15 days of such a request. After the review and acceptance of the work performed, Cautela Pros is no longer responsible for errors that could be found during the ordinary review.

After two years from taking over the completed services, the client can no longer refer to errors.

10. Limitation of Liability

If the client suffers loss or damage as a direct result of breach of contractual obligations or negligence of Cautela Pros, it will accept responsibility for the payment of appropriate compensation. In no event will Cautela Pros's joint liability (arising out of the contract, negligence or any other action) exceed the lower of (a) twice the price of the opinion given in the case in question or (b) the amount of actual damage (including any legal and other costs).

Actual damage excludes any consequential loss, loss of profit and any other economic damage. In no event shall Cautela Pros be liable for any loss, damage, cost or expense arising in any form from or in connection with negligence, wilful misconduct, fraudulent acts or omissions, deception or insidiousness on the part of the client, its management or any other related person.

The client is responsible for ensuring that the information provided for the purposes of preparing or reviewing of tax return or declarations is accurate, that the tax return or declaration is filed and the tax liability is paid within the legal deadlines. Filing or payment by delay may result in a fine and / or late interest, which is the responsibility of the client and not of Cautela Pros.

Cautela Pros is not liable and cannot be held accountable for any damage resulting from the facts brought to its attention after four years from the date of the provided opinion.

In the event of a dispute or claim arising out of the services provided, any action for claiming of damages

or other actions will be directed only against Cautela Pros and not against its employees or subcontractors.

11. Force majeure

Neither party will be liable to the other party for any delay or error in fulfilling any obligation under these general terms and conditions or under a tax consulting contract (excluding non-payment) resulting from fire, flood, war, riots, terrorism, popular uprising, strikes, labour disputes or similar events, to the extent caused in whole or in part, directly or indirectly, by circumstances beyond the reasonable control of the parties, provided that the party has notified the other party in writing.

12. Conflict of interest

Because Cautela Pros provides a range of services to a multitude of clients, a case may arise where it will provide services to companies and organizations that the client will consider to cause a conflict of interest. If there are certain companies that the client considers to fall within this framework, the client agrees to notify Cautela Pros in writing.

When such a conflict is identified and Cautela Pros is satisfied that it can adequately protect the client's interests through appropriate procedures, Cautela Pros will arrange with the client agreement to protect confidentiality and ensure that opinions are objective throughout the duration of the contractual relationship.

In the event that Cautela Pros is unable to introduce conflict control safeguards, Cautela Pros and the client may agree to suspend the performance of services.

13. Appeal procedure

Cautela Pros wants to provide its clients with a high level of service on a lasting basis.

If the client believes that Cautela Pros could improve its services, it can at any time talk to a Cautela Pros employee who is responsible for the relationship with the client or the director of Cautela Pros.

14. E-mail (e-mail correspondence)

Electronic transmission of information cannot be completely secure, free of viruses or errors. Some information may be intercepted, damaged, lost, destroyed, delayed or incomplete, or otherwise adversely affected or unusable. Electronic systems and procedures cannot guarantee that the information provided will not be affected by such hazards.

Cautela Pros and the client agree to use commercially reasonable virus protection procedures commonly known in the period prior to the transmission of information by electronic means. Everyone will be responsible for protecting their own system and interests in connection with electronic communication.

Neither Cautela Pros nor the client (in any case, including employees, subcontractors or representatives) will have any liability to the other on any basis, whether contractual, indemnity (including negligence) or otherwise, for any defect, damage, loss or omissions arising out of or in connection with the mutual electronic transmission of information or reliance on such information.

When messages are sent by e-mail, the following procedures are required:

- If the matter is urgent, the sender will make a telephone call in addition to the e-mail, which will confirm the receipt of the e-mail.
- Unless the subscriber clearly states in the e-mail that he does not want a response in electronic form, Cautela Pros will respond by e-mail.
- Both parties will implement procedures to protect the completeness of the data. In particular, the recipient is obliged to check all anti-virus attachments before opening any document, regardless of how it was received.

15. Applicable law

With regard to the tax consulting contract, the law of the Republic of Slovenia applies, in accordance with which the contract will also be interpreted.

The relevant provisions of Slovenian legislation and regulation regulate all rights and obligations of the contracting parties, which are not explicitly defined in the tax consulting contract.

Should any dispute arise, Cautela Pros and the client will try to resolve it in good faith by negotiating at higher levels. In the event that the dispute is not resolved through negotiations, each party agrees that the competent court in Ljubljana, Slovenia, will have exclusive jurisdiction in connection with the resolution of the dispute.

16. Final provisions

The general terms and conditions apply regardless of the content of the offers or similar documents. They may be updated from time to time or may be supplemented by additional conditions, which will be specially adapted to the individual consulting project.

The provisions of the general terms and conditions, which are explicitly or consequently intended to apply even after their termination or expiration, will be permanently valid and will continue to be binding on both parties.

Cautela Pros reserves the right to withdraw from the contractual relationship without notice if the client refuses to comply with applicable law or is unable to provide complete and correct information that Cautela Pros needs to perform the services.

If the contractual relationship is terminated, the Client will pay Cautela Pros all contractual obligations arising from the services provided up to the date of termination. The client will also bear any costs that may

be incurred as a result of the termination of the contractual relationship.

Each contracting party may request a change in the services. The changes must be mutually agreed and will be subject to reasonable adjustments in terms of price and implementation time.

In the event of any discrepancy between the tax consulting contract and the general terms and conditions or any other document forming a component of the contract, the provisions of these general terms and conditions shall prevail, except to the extent agreed in the tax consulting contract. In the event of any inconsistency between the tax consulting contract and any other document that forms a component of the contract, other than the general terms and conditions, the provisions of the tax consulting contract will prevail.

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