

SALES AGREEMENT
no. PP-_-2020-51

concluded by and between

the Seller: **Družba za upravljanje terjatev bank, d.d. (Bank Asset Management Company),**
Davčna ulica 1, 1000 Ljubljana, Slovenia
represented by Chief Executive Officer Matej Pirc,
registration no.: 6339620000, VAT ID no.: SI 41251482,

and

the Buyer: *natural person:*

_____,
_____, _____,
personal document (personal identification card or passport):
Personal identification no.: _____,
tax no.: _____,
current account no.: _____, open at
(approved bank account).

legal entity:

_____,
_____, _____,
represented by _____
registration no.: _____, tax no./VAT ID no.: _____,
current account no.: _____, open at _____ (approved bank
account).

as follows:

Article 1
(Recitals)

The contracting parties hereby establish the following as indisputable:

1. that the Seller is the owner of the following real estate with ID codes:

- parcel 2626 116/1 (ID 3915399), measuring 4,959 m²,
- parcel 2626 116/5 (ID 388158), measuring 3,514 m²,
- parcel 2626 116/6 (ID 3579338), measuring 2,977 m²,
- parcel 2626 116/7 (ID 2066738), measuring 810 m²,
- parcel 2626 116/8 (ID 2572021), measuring 468 m²,
- parcel 2626 116/9 (ID 1253630), measuring 146 m²,
- parcel 2626 116/10 (ID 1421572), measuring 1,482 m²,
- parcel 2626 116/11 (ID 1395575), measuring 822 m²,
- parcel 2626 117 (ID 351160), measuring 1,300 m²,
- parcel 2626 118/1 (ID 358107), measuring 1,874 m²,
- parcel 2626 118/2 (ID 1030013), measuring 723 m²,
- parcel 2626 119 (ID 4586209), measuring 163 m²,
- parcel 2626 120 (ID 262439), measuring 1,454 m²,
- parcel 2626 121/1 (ID 1022782), measuring 419 m²,
- parcel 2626 121/2 (ID 2366610), measuring 208 m²,
- parcel 2626 123/1 (ID 624876), measuring 305 m²,
- parcel 2626 123/2 (ID 121803), measuring 57 m²,
- parcel 2626 124/3 (ID 5158189), measuring 2,249 m²,

- parcel 2626 124/4 (ID 3815077), measuring 1,509 m²,
- parcel 2626 124/5 (ID 5163657), measuring 4,809 m²,
- parcel 2626 124/7 (ID 2645103), measuring 5,004 m²,
- parcel 2626 124/13 (ID 3171659), measuring 3,719 m²,
- parcel 2626 124/20 (ID 2714414), measuring 2,481 m²,
- parcel 2626 124/21 (ID 5064894), measuring 50 m²,
- parcel 2626 124/22 (ID 3553839), measuring 437 m²,
- parcel 2626 124/23 (ID 3049548), measuring 116 m²,

(hereinafter: the subject of this Agreement);

2. that by its nature, the subject of this Agreement comprises land equipped with utilities, measuring a total of 42,055 m², on which old shipbuilding and industrial buildings suitable for demolition stand, located at Cankarjev drevored 23, 6310 Izola;
3. that on the day this Agreement was concluded, there were no notices of pending action entered in the land register with regard to the subject of this Agreement and that the subject of this Agreement was not subject to any pending land registry claim not yet resolved by a final resolution;
4. that the Buyer shall buy the subject of this Agreement as the final buyer;
5. that for certain parts of the subject of this Agreement a quasi-easement has been entered in favour of the Municipality of Izola (ID of right/note 11194988, 11075705), as well as a note of dispute on the acquisition of a derived right (excluding easement) in favour of LADJEDELNICA IZOLA d.d. (ID of right/note 19334989, 19319146);
6. that the subject of this Agreement is free from all encumbrances, except as described in point 5 of this article;
7. that the Seller does not have at its disposal a construction and use permit for the subject of this Agreement, with which the Buyer is familiar and explicitly agrees;
8. that an energy performance certificate with reference nos. 2017-41-8-50368 and 2017-41-8-50369, valid until 18 June 2027, has been acquired for the subject of this Agreement;
9. that on 7 December 2020, the Municipality of Izola issued confirmation no. 3501-680/2020-2 regarding the purpose of land use for a portion of the subject of this Agreement, from which it is evident that the land in question relates to a settlement area on which the Municipality of Izola holds a pre-emptive right in accordance with the decree on the pre-emptive right of the Municipality of Izola and the pre-emptive right of the Municipality of Izola under Article 62 of the Cultural Heritage Protection Act (ZVKD-1), and on which the State holds a pre-emptive right in accordance with Article 22 of the Water Act (ZV-1);
10. that on 9 December 2020, the Municipality of Izola issued confirmation no. 3501-681/2020-2 regarding the purpose of land use for a portion of the subject of this Agreement, from which it is evident that the land in question relates to a settlement area on which the Municipality of Izola holds a pre-emptive right in accordance with the decree on the pre-emptive right of the Municipality of Izola and the pre-emptive right of the Municipality of Izola under Article 62 of the Cultural Heritage Protection Act (ZVKD-1), and on which the State holds a pre-emptive right in accordance with Article 22 of the Water Act (ZV-1);
11. that on 9 December 2020, the Municipality of Izola issued confirmation no. 3501-681/2020-3 regarding the purpose of land use for a portion of the subject of this Agreement, from which it is evident that the land in question relates to a settlement area on which the Municipality of Izola holds a pre-emptive right in accordance with the decree on the pre-emptive right of the Municipality of Izola and the pre-emptive right of the Municipality of Izola under Article 62 of the Cultural Heritage Protection Act (ZVKD-1), and on which the State holds a pre-emptive right in accordance with Article 22 of the Water Act (ZV-1);

12. that on 9 December 2020, the Municipality of Izola issued confirmation no. 3501-682/2020-2 regarding the purpose of land use for a portion of the subject of this Agreement, from which it is evident that the land in question relates to a settlement area on which the Municipality of Izola holds a pre-emptive right in accordance with the decree on the pre-emptive right of the Municipality of Izola and the pre-emptive right of the Municipality of Izola under Article 62 of the Cultural Heritage Protection Act (ZVKD-1), and on which the State holds a pre-emptive right in accordance with Article 22 of the Water Act (ZV-1);
13. that on 9 December 2020, the Municipality of Izola issued confirmation no. 3501-682/2020-3 regarding the purpose of land use for a portion of the subject of this Agreement, from which it is evident that the land in question relates to a settlement area on which the Municipality of Izola holds a pre-emptive right in accordance with the decree on the pre-emptive right of the Municipality of Izola and the pre-emptive right of the Municipality of Izola under Article 62 of the Cultural Heritage Protection Act (ZVKD-1), and on which the State holds a pre-emptive right in accordance with Article 22 of the Water Act (ZV-1);
14. **VARIANT:** that on _____ the Seller sent a written offer for the purchase of the subject of this Agreement to the Municipality of Izola, which issued a statement on _____ under reference no. _____ that it did not accept the offer for the purchase of the subject of this Agreement at a price of EUR _____.00 (**VARIANT:** in which it failed to issue a statement regarding the offer within fifteen (15) days of the receipt thereof);
15. **VARIANT (cultural monument):** that the Municipality of Izola also issued confirmation no. _____ dated _____, from which it is evident that the Municipality of Izola has not exercised its legal pre-emptive right in connection with the subject of this Agreement in accordance with Article 62 of the Cultural Heritage Protection Act (ZVKD-1);
16. **VARIANT (aquatic land):** that on _____ the Seller sent a written offer for the purchase of the subject of this Agreement to the Slovenian Water Agency, which on _____ issued confirmation no. _____ in which it confirmed that the State will not exercise its pre-emptive right on the subject of this Agreement.;
17. that the Buyer was selected as the most favourable bidder in the scope of the e-auction for the purchase of real estate (Izola shipyard complex, BAMC ID 51) held on _____ (hereinafter: the e-auction);
18. **VARIANT (loan):** that on _____ the Buyer's commercial bank, _____, established in Slovenia or the EU (hereinafter: approved commercial bank in Slovenia or the EU), issued a statement in which it confirmed that it had approved (**VARIANT:** by resolution ___ / ___ of _____) a specific-purpose long-term loan to the person _____ / company _____ for the purchase of the subject of this Agreement, and that following the signing of an agreement securing the pecuniary claim before the selected notary public, it will, within one (1) working day of conclusion of the mortgage hearing, transfer the amount of EUR _____.00 in accordance with this Agreement.
19. that the Buyer inspected the subject of this Agreement in the presence of a representative of the Seller before concluding this sales agreement; and
20. that the Seller is in indirect possession of the subject of this Agreement, as the latter is in the direct possession of Ladjedelnica Izola d.d., which is involved in a dispute regarding the vacating of the subject of this Agreement.

Article 2
(Subject of this Agreement)

The Seller shall sell and the Buyer shall buy the subject of this Agreement as defined in points 1 and 2 of Article 1 of this Agreement on an "as-is" basis.

Any discrepancy between the surface area set out/agreed upon in this Agreement and the actual surface area of the subject of this Agreement shall not constitute a change to the subject of this Agreement, and this Agreement cannot be voided nor any claim made on these grounds.

The Buyer hereby declares:

- that it has inspected the subject of this Agreement in detail, and studied all documentation relating to the subject of this Agreement and relevant facts (including, expressly, the parcel boundaries and characteristics of the subject of this Agreement, and all other circumstances relating to the subject of this Agreement and/or the construction thereof);
- that it is fully aware of the legal status and actual condition of the subject of this Agreement. In this regard, particularly concerning the findings referred to in Article 1 of this Agreement and the legal implications of purchasing the subject of this Agreement, it has obtained advice from an expert it hired for that purpose;
- that the subject of this Agreement possesses all the required and agreed characteristics and complies with the intended use and purpose pursued by the Buyer with this purchase; and
- that in light of the above, the Buyer hereby waives all claims against the Seller, specifically including those under the title of warranties for any evident or concealed legal and material defects in the subject of this Agreement, and the contracting parties agree that these warranties of the Seller shall be excluded.

Article 3 (Consideration)

The contracting parties hereby declare that they are familiar with the market conditions relating to real estate prices. In light of the above, the contracting parties shall set the consideration for the subject of this Agreement in the amount of **EUR ____.** (in words: _____ /100 euros).

Article 4 (Taxation)

The contracting parties hereby establish that the subject of this Agreement comprises a building or a part thereof and the land on which it stands, and that the two-year period from the commencement of use or initial occupation of the premises has already expired. As a result, the real estate transaction under this Agreement is exempt from the payment of value added tax in accordance with point 7 of Article 44 of the ZDDV-1 ([VARIANT \[no agreement on the calculation of VAT under Article 45 of the ZDDV-1\]:](#)) and is thus subject to the payment of tax under the Real Estate Transaction Tax Act (ZDPN-2), which the Buyer is obliged to pay in accordance with Article 6 of the ZDPN-2.

[VARIANT \(agreement on the calculation of VAT under Article 45 of the ZDDV-1\):](#) In accordance with and based on the provisions of Article 45 of the ZDDV-1 regarding the right to choose the type of taxation in connection with real estate transactions, the contracting parties hereby agree that VAT shall be charged on the sale of the real estate stated in point 1 of Article 1 at the prescribed rate of 22%.

In light of preceding paragraph, the Buyer hereby guarantees the Seller that it is a taxpayer who is entitled to deduct the full amount of input VAT. The contracting parties therefore establish that each party shall, in connection with the conclusion of this Agreement, submit evidence of the existence of a written agreement on the taxation of the real estate transaction in question at the request of the tax authorities in accordance with Article 45 of the ZDDV-1. That agreement shall have been concluded prior to the delivery of real estate for the purposes of the first paragraph of Article 45 of the ZDDV-1. The contracting parties hereby agree that this is a delivery to which the mechanism of the tax obligation waived under Article 76a of the ZDDV-1 shall apply.

Should either of the contracting parties fail to fulfil their obligations under this article and that failure results in the failure to charge VAT on the sale of the subject of this Agreement and/or the obligation to pay another tax (e.g. real estate tax) due to the sale of the subject of this Agreement, the contracting

party that failed to fulfil its obligations shall pay such other tax and reimburse the other contracting party for all damages and/or costs that the latter might incur as a result.

Article 5 (Down payment)

Within **three (3) days** following the signing of this Agreement by both contracting parties, as an indication that this Agreement has been concluded, the Buyer shall pay the Seller a down payment in the amount of 10% of the consideration, i.e. **EUR _____** to the Seller's current account no. SI56 2900 0005 1319 162, open at UniCredit Banka Slovenija d.d., reference no.: SI00 __-2020-51, purpose of transfer: "Down payment under Agreement no. PP-__-2020-51". This Agreement shall thus be deemed to have been concluded when the down payment has been paid, otherwise this Agreement shall be deemed void.

The down payment shall not be subject to interest.

The down payment shall count towards the fulfilment of obligations, i.e. it shall count towards the payment of the consideration referred to in Article 3 of this Agreement.

The security deposit in the amount of EUR 50,000.00, which was paid upon the submission of the Buyer's offer in the e-auction procedure, shall be counted towards the down payment, meaning that, pursuant to the first paragraph of this article, the Buyer shall be obliged to pay the additional amount of EUR ____.

Article 6 (Payment of consideration)

VARIANT 1 (down payment, without loan):

The Buyer undertakes to pay the remainder of the consideration in the amount of **EUR _____** to the Seller's current account no. SI56 2900 0005 1319 162, open at UniCredit Banka Slovenija d.d., reference no.: SI00 __-2020-51, purpose of transfer "Payment of consideration under Agreement PP-__-2020-51", no later than **sixty (60) days** after the signing of this Agreement (**OPTION**: by ____).

Payment of the remainder of the consideration can only be effectively completed by:

- the Buyer by transferring funds from the Confirmed Bank Account;
- the Buyer by transferring funds from its bank account not held at a bank with registered office in countries in connection with which there is a high or increased risk of money laundering or terrorist financing, the list of which can be found on the website of the Slovenian Office for Money Laundering Prevention.

In the event of the Buyer failing to fulfil the obligations as set out in the preceding paragraph, the Seller shall have the right to notify the Buyer within ten (10) days of receipt of the consideration, that fulfilment is deemed to be valid.

If the Seller rejects a payment of the consideration that does not comply with the previous paragraph, it shall return the consideration to the payer within an additional deadline of three (3) days, and shall notify the Buyer thereof.

Payment of the consideration within the agreed deadline shall constitute an essential component of this Agreement. This Agreement shall, therefore, be automatically cancelled *ex lege*, with no obligation to request payment of the consideration, if the Buyer **fails to pay** the consideration within the agreed deadline and if after the expiry of the deadline the Seller does not immediately notify the Buyer that it requires its fulfilment. If the consideration is not paid within the agreed deadlines but the Seller chooses to retain the Agreement in force in accordance with paragraph 2 of Article 104 of the Code of Obligations and demand its performance, the Seller shall be entitled to charge the Buyer the applicable statutory default interest.

Payment of the full consideration is a prerequisite for the submission of the notarised original of this Agreement to the Buyer.

VARIANT 2 (down payment, loan):

The Buyer undertakes to pay the remainder of the consideration in the amount of EUR ____ to the Seller's current account no. SI56 2900 0005 1319 162, open at UniCredit Banka Slovenija d.d., reference no.: SI00 __-2020-51, purpose of transfer "Payment of consideration under Agreement PP-__-2020-51", no later than **sixty (60) days** after the signing of this Agreement (**OPTION**: by ____).

Payment of the remainder of the consideration can only be effectively completed by:

- the Buyer by transferring funds from the Confirmed Bank Account;
- the Buyer by transferring funds from its bank account not held at a bank with registered office in countries in connection with which there is a high or increased risk of money laundering or terrorist financing, the list of which can be found on the website of the Slovenian Office for Money Laundering Prevention;
- **VARIANT (bank loan)**: the Buyer's commercial bank which is not established in a country in connection with which there is a high or increased risk of money laundering or terrorist financing, as per the list of countries on the website of the Office of the Republic of Slovenia for the Prevention of Money Laundering, where the Buyer has obtained a loan from this bank for the purpose of funding payment of the consideration.

In the event of the Buyer failing to fulfil the obligations as set out in the preceding paragraph, the Seller shall have the right to notify the Buyer within ten (10) days of receipt of the consideration, that fulfilment is deemed to be valid.

If the Seller rejects a payment of the consideration that does not comply with the previous paragraph, it shall return the consideration to the payer within an additional deadline of three (3) days, and shall notify the Buyer thereof.

Since under the sales agreement the consideration will partly be paid by a mortgage loan from the Bank, the Seller undertakes to deposit, at the request of the Buyer or the mortgage creditor, a notarised original of the Agreement with the notary public before whom the agreement securing the claim will be concluded, by no later than one (1) day before the mortgage hearing.

The notary public will propose entry of title on behalf of the Buyer as proposer before payment of the last part of the consideration that will be paid from the loan, immediately after:

- a loan agreement is submitted to the notary public showing that the Buyer has been approved a loan at least in the amount of the outstanding part of the consideration and specifying that the final outstanding part of the consideration will be transferred directly to the Seller's current account No. SI56 2900 0005 1319 162 held at UniCredit Banka Slovenija d.d., Ref. SI00 __-2020-51, within **one (1) working day** of completion of the mortgage hearing;
- an agreement securing the pecuniary claim is concluded between the Buyer and the Bank under Article 142 SPZ in order to secure the loan.

In the event that the Buyer intends to pay part of the consideration with its own funds and part with a loan, it shall undertake to inform the Seller of the amount of its own funds by no later than five (5) working days before the mortgage hearing and to pay these own funds by no later than three (3) working days before the mortgage hearing.

Payment of the consideration within the agreed deadline shall constitute an essential component of this Agreement. This Agreement shall, therefore, be automatically cancelled *ex lege*, with no obligation to request payment of the consideration, if the Buyer fails to pay the consideration within the agreed deadline and if after the expiry of the deadline the Seller does not immediately notify the Buyer that it requires its fulfilment. If the consideration is not paid within the agreed deadlines but the Seller chooses to retain the Agreement in force in accordance with paragraph 2 of Article 104 of the Code of Obligations and demand its performance, the Seller shall be entitled to charge the Buyer the applicable statutory default interest.

The deposit must be made in such a way that in the event that the notary public does not receive the aforementioned documents before the deposit deadline, the notarised original of this Agreement held by the notary public shall be returned to the depositor (the Seller).

VARIANT 3 (custodial account held by notary):

The Buyer undertakes to pay the remainder of the consideration in the amount of **EUR** ____ to the Seller's current account no. SI56 2900 0005 1319 162, open at UniCredit Banka Slovenija d.d., reference no.: SI00 __-2020-51, purpose of transfer "Payment of consideration under Agreement PP-__-2020-51", no later than **sixty (60) days** after the signing of this Agreement (**OPTION**: by __.__.____).

Payment of the remainder of the consideration can only be effectively completed by:

- the Buyer by transferring funds from the Confirmed Bank Account;
- the Buyer by transferring funds from its bank account not held at a bank with registered office in countries in connection with which there is a high or increased risk of money laundering or terrorist financing, the list of which can be found on the website of the Slovenian Office for Money Laundering Prevention;
- **VARIANT 3 (bank loan)**: the Buyer's commercial bank which is not established in a country in connection with which there is a high or increased risk of money laundering or terrorist financing, as per the list of countries on the website of the Office of the Republic of Slovenia for the Prevention of Money Laundering, where the Buyer has obtained a loan from this bank for the purpose of funding payment of the consideration.

If the Buyer fails to fulfil the obligation in the manner set out in the preceding paragraph, the Seller shall have the right to notify the Buyer within **ten (10) days** of the receipt of the consideration that it considers it to be effectively fulfilled.

If the Seller rejects a payment of the consideration that does not comply with the previous paragraph, it shall return the consideration to the payer within an additional deadline of **three (3) days**, and shall notify the Buyer thereof.

The Buyer has notified the Seller at its own behest and at its own expense that it will deposit the consideration on a custodian account held by a notary public. In such case the Seller shall submit this sales agreement together with its appendices to the notary in question. The effective payment of the consideration in the manner set out in paragraph 2 of this article shall be a prerequisite for the handover of the submitted Agreement with appendices to the Buyer.

Payment of the consideration within the agreed deadline shall constitute an essential component of this Agreement. This Agreement shall, therefore, be automatically cancelled *ex lege*, with no obligation to request payment of the consideration, if the Buyer **fails to pay** the consideration within the agreed deadline and if after the expiry of the deadline the Seller does not immediately notify the Buyer that it requires its fulfilment. If the consideration is not paid within the agreed deadlines but the Seller chooses to retain the Agreement in force in accordance with paragraph 2 of Article 104 of the Code of Obligations and demand its performance, the Seller shall be entitled to charge the Buyer the applicable statutory default interest.

Payment of the full consideration is a prerequisite for the handover of the submitted notarised original of this Agreement to the Buyer.

VARIANT 4 (deposit with notary):

The Buyer undertakes to pay the remainder of the consideration in the amount of **EUR** ____ to the Seller's current account no. SI56 2900 0005 1319 162, open at UniCredit Banka Slovenija d.d., reference no.: SI00 __-2020-51, purpose of transfer "Payment of consideration under Agreement PP-__-2020-51", no later than **sixty (60) days** after the signing of this Agreement (**OPTION**: by __.__.____).

Payment of the remainder of the consideration can only be effectively completed by:

- the Buyer by transferring funds from the Confirmed Bank Account;
- the Buyer by transferring funds from its bank account not held at a bank with registered office in countries in connection with which there is a high or increased risk of money laundering or

terrorist financing, the list of which can be found on the website of the Slovenian Office for Money Laundering Prevention;

- **VARIANT 3 (bank loan):** the Buyer's commercial bank which is not established in a country in connection with which there is a high or increased risk of money laundering or terrorist financing, as per the list of countries on the website of the Office of the Republic of Slovenia for the Prevention of Money Laundering, where the Buyer has obtained a loan from this bank for the purpose of funding payment of the consideration.

In the event of the Buyer failing to fulfil the obligations as set out in the preceding paragraph, the Seller shall have the right to notify the Buyer within ten (10) days of receipt of the consideration, that fulfilment is deemed to be valid.

If the Seller rejects a payment of the consideration that does not comply with the previous paragraph, it shall return the consideration to the payer within an additional deadline of three (3) days, and shall notify the Buyer thereof.

The Seller shall hand over, at the Buyer's request and cost, the notarised original of this Agreement for safe-keeping (lodging) with the notary public _____ from _____ within **three (3) working days** of the date on which this Agreement is signed by both parties, together with an order to the same notary public to submit to the Buyer the document that is kept by the notary public without any additional condition immediately after:

- the Buyer has presented to the notary public the original of the receipts from the Buyer's bank proving that the full consideration hereunder has been deposited on the Seller's bank account within the deadline agreed under this article of the sales agreement or any addendum thereto and
- the Seller has presented to the notary public a receipt proving that the full consideration hereunder in the amount of EUR ____ has been transferred to the aforementioned bank account of the Seller.

The Seller shall be obliged to present to the above-mentioned notary public a receipt proving that the full consideration hereunder has been paid within **three (3) working days** of the date of receipt of the consideration under this Agreement.

The deposition must be carried out in such a way that in the event that the notary does not receive the aforementioned receipts before the deadline set for their depositing, the notarised original of this Agreement held by the notary shall be returned to the deponent (the Seller).

Payment of the consideration within the agreed deadline shall constitute an essential component of this Agreement. This Agreement shall, therefore, be automatically cancelled *ex lege*, with no obligation to request payment of the consideration, if the Buyer **fails to pay** the consideration within the agreed deadline and if after the expiry of the deadline the Seller does not immediately notify the Buyer that it requires its fulfilment. If the consideration is not paid within the agreed deadlines but the Seller chooses to retain the Agreement in force in accordance with paragraph 2 of Article 104 of the Code of Obligations and demand its performance, the Seller shall be entitled to charge the Buyer the applicable statutory default interest.

Payment of the down payment under this Agreement is a prerequisite for the notarisation of this Agreement and the delivery of the notarised original of this Agreement for safe-keeping with the notary public.

Article 7 (Land register consent)

Družba za upravljanje terjatev bank, d.d., Davčna ulica 1, 1000 Ljubljana, registration number: 6339620000, expressly and unconditionally consents, for the land with the following ID numbers:

- parcel 2626 116/1 (ID 3915399),
- parcel 2626 116/5 (ID 388158),
- parcel 2626 116/6 (ID 3579338),

- parcel 2626 116/7 (ID 2066738),
- parcel 2626 116/8 (ID 2572021),
- parcel 2626 116/9 (ID 1253630),
- parcel 2626 116/10 (ID 1421572),
- parcel 2626 116/11 (ID 1395575),
- parcel 2626 117 (ID 351160),
- parcel 2626 118/1 (ID 358107),
- parcel 2626 118/2 (ID 1030013),
- parcel 2626 119 (ID 4586209),
- parcel 2626 120 (ID 262439),
- parcel 2626 121/1 (ID 1022782),
- parcel 2626 121/2 (ID 2366610),
- parcel 2626 123/1 (ID 624876),
- parcel 2626 123/2 (ID 121803),
- parcel 2626 124/3 (ID 5158189),
- parcel 2626 124/4 (ID 3815077),
- parcel 2626 124/5 (ID 5163657),
- parcel 2626 124/7 (ID 2645103),
- parcel 2626 124/13 (ID 3171659),
- parcel 2626 124/20 (ID 2714414),
- parcel 2626 124/21 (ID 5064894),
- parcel 2626 124/22 (ID 3553839),
- parcel 2626 124/23 (ID 3049548),

the entry of title to the benefit of the holder:

_____,
 _____, _____,
registration number / personal registration number (EMŠO) _____,
in its entirety (1/1).

**Article 8
 (Possession)**

a. VARIANT (possessor is neither the Seller nor the Buyer): The contracting parties agree that the Seller shall hand over all keys to the subject of the Agreement and the appurtenant facilities, including all duplicates and documentation at its disposal, into the possession of the Buyer within **fifteen (15) days** of effective payment of the full consideration.

With regard to the action referred to in the previous paragraph, the contracting parties agree that the handover of the subject of the Agreement was conducted in a valid manner, whereby representatives of the contracting parties shall sign a handover record in which they shall also list the readings on meters and other measurement devices for operating costs, and if this is not possible due to possession of the subject of the Agreement by the third party and for all other operating costs whose amounts are not determined on the basis of a meter or other measuring device, the contracting parties shall carry out any subsequent division of the costs with respect to the time of use of the subject of the Agreement during the period for which the operating costs were charged.

By signing this Agreement, the Buyer also undertakes and agrees that following the effective payment of the full consideration, it will enter into the existing relationship between the Seller and the third party in all administrative and legal proceedings, on the part of the Seller.

The Buyer undertakes, from the day of handover of possession of the subject of the Agreement onwards:

- to bear all operating costs for the subject of the Agreement (including but not limited to costs of electricity, heating, gas, telephone, utilities, municipal taxes, building land use fee, and all other operating costs),
- to bear all public taxes and duties and other encumbrances in connection with the subject of the Agreement, and

- to bear all risks deriving from title to the subject of the Agreement.

The Buyer shall bear all costs incurred in connection with the change of name in the case of legal entities or natural persons that issue invoices for operating costs related to the subject of the Agreement.

The Buyer undertakes to carry out the following within **thirty (30) days** of the handover of the subject of the Agreement and the signing of the handover record referred to in paragraph one of this article:

- to report the change to the title to the subject of the Agreement, which affects the calculation of the fee for the use of the building land, to the relevant municipality,
- to report the change to the title to the subject of the Agreement, which affects the measurement of the operating costs, to suppliers (electricity, telecommunications, municipal services, etc.).

b. VARIANT (Buyer is also the user): The contracting parties agree that as at the date of the signing of this Agreement, the subject of the Agreement was already in the possession of the Buyer, such that the handover of the subject of the Agreement is deemed to have already been conducted as at the date of the signing of this Agreement. Nevertheless, the contracting parties undertake to draft and sign a handover record immediately after payment of the full consideration, in which they shall list the readings on meters and other measurement devices for operating costs, and for all other operating costs whose amounts are not determined on the basis of a meter or other measuring device, the contracting parties shall carry out any subsequent division of the costs with respect to the time of use of the subject of the Agreement during the period for which the operating costs were charged.

At the handover, the Seller shall hand over all keys to the subject of the Agreement and the appurtenant facilities, including all duplicates.

The Buyer undertakes, from the day of handover of possession of the subject of the Agreement onwards:

- to bear all operating costs for the subject of the Agreement (including but not limited to costs of electricity, heating, gas, telephone, utilities, municipal taxes, building land use fee, and all other operating costs),
- to bear all public taxes and duties and other encumbrances in connection with the subject of the Agreement, and
- to bear all risks deriving from title to the subject of the Agreement.

The Buyer shall bear all costs incurred in connection with the change of name in the case of legal entities or natural persons that issue invoices for operating costs related to the subject of the Agreement.

The Buyer undertakes to carry out the following within **thirty (30) days** of the handover of the subject of the Agreement and the signing of the handover record referred to in paragraph one of this article:

- to report the change to the title to the subject of the Agreement, which affects the calculation of the fee for the use of the building land, to the relevant municipality,
- to report the change to the title to the subject of the Agreement, which affects the measurement of the operating costs, to suppliers (electricity, telecommunications, municipal services, etc.).

Article 9 (Costs)

The Seller shall pay the following costs in connection with this Agreement:

- costs of notarisation of this Agreement.

The Buyer shall pay the following costs in connection with this Agreement:

- **VARIANT (RETT):** real estate transaction tax pursuant to Article 6 of the ZDPN-2 and the difference between the RETT and the input VAT that would be charged in the event of the failure to execute the tax-exempt sale pursuant to the ZDDV (waiver of tax obligation pursuant to Article 76a of the ZDDV-1),
- **VARIANT (entry of encumbrances):** cost of entry of the deletion of liens and other encumbrances,

- **VARIANT (deposition of Agreement with a notary at the Buyer's request):** cost of depositing this Agreement with a notary,
- **VARIANT (deposition of consideration):** cost of deposition of consideration on custodial account held by a notary,
- cost of entry of title under this Agreement,
- any other costs incurred in connection with this Agreement not specifically defined in this article (including but not limited to the costs of completion and legalisation of the subject of the Agreement, connection to infrastructure, division into parcels, clearing, removal of rubble and site preparation).

VARIANT (assessment of RETT):

The Seller undertakes to submit a request for assessment of real estate transaction tax to the competent financial authority within the statutory deadline of **fifteen (15) days** from the conclusion of this Agreement, and to receive a tax assessment decision within the statutory deadline. The Buyer undertakes to pay the assessed tax within the statutory deadline. The Seller additionally undertakes to obtain proof of payment of the assessed tax on one copy of the Agreement.

**Article 10
(Responsibility for performance of contract)**

If this Agreement is not performed, all costs incurred in connection with this Agreement and the costs of any transactions made hereunder shall be borne by the contracting party responsible for the default or, in the event of shared responsibility, in an amount determined according to the extent of the responsibility for the default of either party.

Notwithstanding the previous paragraph of this article, the parties agree that if the Seller is responsible for non-fulfilment of the Agreement before the expiry of the contractual period for the handover of the subject of the Agreement, the Buyer shall be entitled to reimbursement of all payments already made to the Seller under this Agreement.

Notwithstanding the first paragraph of this article, the parties agree that if the Buyer is responsible for non-fulfilment of the Agreement before the expiry of the contractual period for the handover of the subject of the Agreement, the Buyer shall be entitled to reimbursement of all payments already made to the Seller under this Agreement, less the amount of the lump-sum down payment.

Furthermore, the contracting parties agree that, in accordance with the provisions of this Agreement and all independent actions (interventions, changes), the Buyer shall have no right to any claims or reimbursement of investment costs or potential costs relating to the completion or legalisation of the subject of the Agreement for all past or future investments in the event of termination or invalidity of this Agreement and all associated appendices.

**Article 11
(Representations and warranties)**

The Seller guarantees the Buyer, on the day of signing and on the day of entry into force (unless a different date is stated in a guarantee):

- (a) that it is a legally established company in existence pursuant to the law under which it was established;
- (b) that it has appropriate contractual capacity to conclude this Agreement and exercise the rights and fulfil the obligations hereunder;
- (c) that all required corporate activities have been carried out and all internal consents given so that the Seller can conclude this Agreement and fulfil the obligations hereunder;
- (d) that it is the actual and legal owner of the subject of the Agreement;
- (e) that the subject of the Agreement has not been pledged, assigned or transferred in any other way, in full or in part, by the Seller or its legal predecessor and that it is free of all encumbrances other than those explicitly stated herein.

The Buyer guarantees the Seller, on the day of signing and on the day of entry into force:

- (a) **VARIANT legal entity:** that it is a legally established company in existence pursuant to the law under which it was established;

- (b) that it has appropriate contractual capacity to conclude this Agreement and exercise the rights and fulfil the obligations hereunder;
- (c) that all required corporate activities have been carried out and all internal consents given so that the Buyer can conclude this Agreement and fulfil the obligations hereunder;
- (d) that the Buyer is not over-indebted, illiquid or in any other way unable to settle its liabilities or insolvent under the law in any jurisdiction;
- (e) that all consents, approvals, notifications or other actions of any person or competent authority which are or were required pursuant to the execution of this Agreement on the part of the Buyer and/or to the carrying out of a transaction hereunder have been obtained or carried out;
- (f) that no proceeding or investigation has been initiated (and that to the best of the Buyer's knowledge it does not face the risk of such a proceeding or investigation) before any court, administrative authority, tribunal, or other body or agency in which this Agreement would be alleged to be null and void or an attempt would be made to prevent the conclusion of this Agreement;
- (g) that the execution of this Agreement and the exercising of rights and fulfilment of the obligations of the Buyer hereunder will not result in any breach of the Buyer's internal acts or other laws or regulations governing the Buyer's operations;
- (h) that it has the funds (**VARIANT: loan: guaranteed source of funding**) required for the fulfilment of its obligations hereunder;
- (i) that it is the final buyer of the subject of the Agreement.

The Buyer hereby warrants to the Seller that the Buyer (**VARIANT: the final buyer referred to in indent (i) of the second paragraph of this article of the Agreement**) is not categorised as any of the legal entities or natural persons listed below:

- a person deemed to be associated with KRAŠKI ZIDAR d.d. – in bankruptcy / KONSTRUKTOR INVEST d.o.o. – in bankruptcy (hereinafter: the obligor) in accordance with the law governing companies;
- a partner of the obligor whose participating interest in the obligor exceeds 5%, unless the acquirer of the subject of the Agreement is the Republic of Slovenia, Slovenski državni holding d.d. or Kapitalska družba d.d.;
- a legal entity in which an entity or person from the previous indents holds a participating interest, or a member of whose management or whose signing officer is a person who was a member of the obligor's management or the obligor's signing officer in the three years before the secured claim against the obligor (hereinafter: "the Claim") arose, unless it is a person affiliated with one of the persons referred to in the first or second indent of this paragraph such that the Republic of Slovenia is the controlling company in accordance with the law governing acquisitions;
- a natural person who is closely affiliated with the obligor's partner, as defined in the law governing insolvency proceedings, and that partner holds a majority interest in the obligor or a majority of the voting rights;
- a natural person who was a member of the obligor's senior management or the obligor's signing officer in the three years before the Claim arose;
- a natural person who is closely affiliated with a natural person referred to in the preceding indent, as defined by the law governing insolvency proceedings;
- a person who is irrefutably presumed, in accordance with the law governing acquisitions, to function in concert with one of the persons referred to in the fifth or sixth indent of this paragraph, unless it is a person affiliated with one of the persons referred to in the fifth or sixth indent of this paragraph such that the Republic of Slovenia is the controlling company in accordance with the law governing acquisitions;
- a legal entity which performed an asset quality review and stress tests for the banking system in 2013;
- a legal person with capital ties to a legal person that performed an asset quality review and stress tests for the banking system in 2013;
- a legal entity which receives business advice from a legal entity that performed an asset quality review and stress tests for the banking system in 2013, or which receives business advice from an individual who participated in an asset quality review and stress tests for the banking system in 2013 as an employee of those legal entities or a subcontractor of those companies.

In the event of infringement of any of the indents of the preceding paragraph, this Agreement shall be null and void.

Article 12
“Top-up” provision

If, within **six (6) months** of the date of signature, the Buyer concludes a purchase and sale agreement for the subject of the Agreement or part thereof at a higher price than the price determined for the subject of the agreement under this Agreement, the Buyer shall undertake to pay the Seller the difference in price between the price of the subject of the agreement under this Agreement and the higher price for the subject of the agreement from the subsequently concluded purchase and sale agreement (hereinafter: top-up payment) within 15 days of concluding said purchase and sale agreement in accordance with the table below:

Period elapsed from signing date until the conclusion of a purchase and sale agreement for the subject of the Agreement or part thereof at a price higher than that determined for the subject of the agreement under the Agreement between BAMC and the Buyer	Amount of top-up payment of the difference in the price of the subject of the Agreement concluded between BAMC and the Buyer
1 month	100%
2-3 months	50%
4-6 months	25%

Costs incurred by the Buyer shall not be taken into account in the calculation of the difference in price.

The Buyer also undertakes to include in every purchase and sale agreement it concludes within **six (6) months** of the date of signing this Agreement and under which it undertakes to sell the subject of the Agreement in part or in full to a new buyer (regardless of whether the price defined in the subsequent purchase and sale agreement is the same, higher or lower than the price under this Agreement) a provision that will assure the Seller that the subsequent buyer of the subject of the Agreement will also undertake to pay the Seller the difference between the price of the subject of the agreement under this Agreement and a higher price for the subject of the agreement from a subsequently concluded purchase and sale agreement, as indicated in the table above, in the event that the buyer itself, its buyers or the buyers of these buyers carry out any of the actions referred to in the first paragraph of this article in relation to the subject of the Agreement within six months of the date of signature of this Agreement.

If the Buyer fails to meet the obligation set out in the previous paragraph of this article, it shall be liable to pay the Seller the difference in price between the higher price for the subject of the agreement from the subsequently concluded purchase and sale agreement and the price under this Agreement, in the percentage defined in the above table.

The provisions of this article shall also apply, *mutatis mutandis*, in the event of multiple subsequent sales at higher prices within six months of the date of signing of this Agreement.

Within **fifteen (15) days** of the end of the six-month period following the date of signature of this Agreement, the Buyer must inform the Seller whether it has concluded a purchase and sale agreement with a new buyer for the subject of the Agreement in the period of six months from the date of signature and, in the event that it has done so, inform the Seller of the date of conclusion of the purchase and sale agreement and the amount of the consideration.

In the event of infringement of the obligation referred to in the previous paragraph of this article, the Buyer shall be obliged to pay the Seller a contractual penalty in the amount of 10% of the total consideration. The contractual penalty shall fall due within 15 days of the day the Buyer receives a reasoned request from the Seller.

All provisions of this article relating to the sales agreement shall also apply, *mutatis mutandis*, to any other contract with similar effect.

**Article 13
(Anti-corruption clause)**

The contracting parties hereby declare that at no time during any phase of the conclusion or execution of this Agreement did either of the contracting parties offer, provide or promise or shall offer, provide or promise any undue advantage (e.g. money, gifts, incentives or rewards) to any employee or member of the management or supervisory bodies of the other contracting party in order to:

- secure business,
- conclude a transaction under more favourable terms, or
- omit due oversight of the fulfilment of contractual obligations or commit any other act or omission through which the other contracting party incurred or could incur damage, or facilitate the acquisition of any unlawful benefit for any employee or member of a management or supervisory body of the other contracting party.

Any infringement or attempted infringement of this provision shall render the concluded agreement null and void. If this Agreement has not yet entered into force, it shall be deemed not to have been concluded.

A contracting party may withdraw from this Agreement if a reasonable suspicion arises that, before or during the concluding or execution of this Agreement or in connection therewith, an act of corruption or any other unlawful act was attempted or committed either by persons acting on behalf of the Seller or persons affiliated therewith, by persons on behalf of the Buyer or persons affiliated therewith, or by persons who were or are in any way associated with this transaction, even if they are not signatories to this Agreement.

The contracting parties agree to act in accordance with the valid version of the ICC (International Chamber of Commerce) rules of conduct and recommendations to combat extortion and bribery during international business transactions during the entire period in which this Agreement is in force and to ensure that their subcontractors, employees and representatives comply with the version of the ICC rules currently in force.

On the basis of its findings on the alleged existence of the factual situation referred to in the first paragraph of this article or a notice provided by other authorities, the contracting party concerned shall, in view of that alleged existence, commence with determining the conditions for the nullity of the agreement referred to in the preceding paragraph or with other measures in accordance with the regulations of the Republic of Slovenia.

**Article 14
(Data confidentiality)**

All information from this Agreement, including all information provided directly or indirectly in writing or orally, all forms of electronically forwarded or stored data and copies or duplicates thereof, and all written and oral, indirect or direct actions, circumstances and facts linked to the conclusion and fulfilment of this Agreement, shall be protected by the contracting parties as strictly confidential and as a trade secret. The contracting parties shall also ensure that without prior written consent such data, actions, circumstances and facts shall not be made available to third parties that are not parties to this Agreement. This shall also apply to any singular and universal legal successors to either of the contracting parties.

Notwithstanding the first paragraph of this article, the contracting parties may disclose data from this Agreement or actions, circumstances and facts linked to the conclusion and fulfilment of this Agreement,

- (a) if they are required to be disclosed in accordance with the applicable legislation, in line with a request from a court or public authorities;
- (b) if they are in the public domain, unless this is the result of a breach of the Agreement;
- (c) where this has been agreed under the Agreement;
- (d) if they are disclosed in court proceedings arising from or relating to the Agreement or the fulfilment of the obligations under the Agreement; and/or

(e) to their auditors, employees, or legal and other professional advisers,

whereby the Buyer shall inform the Seller in writing without delay prior to such disclosure.

VARIANT (loan): The provisions of paragraphs 1 and 2 of this article shall not apply to the bank from which the Buyer obtains loan funds for the payment of the consideration under this Agreement.

Notwithstanding the provisions of this article, the Seller reserves the right to draft a report on the sales procedure – a press release containing relevant information about the sale (e.g. date and place of publication of the sale, number and country of origin of potential investors, name of the buyer, and consideration).

Article 15

VARIANT (natural persons): (Management of personal data)

The Buyer is expressly informed that the Seller, as administrator of the data, will use and process the Buyer's personal data (full name, identity card or passport number, address, personal identification number, tax number, current account number (hereinafter: Personal Data)) obtained on the basis of this Agreement for the purposes of concluding and executing this Agreement, in accordance with this Agreement and relevant legislation.

The Seller will only retain the Buyer's Personal Data for as long as necessary in order to achieve the purpose for which processing of the data is required, although for no more than 20 years after the end of the year to which the documentation relates (pursuant to ZDDV-1). After completion of the required data processing, the Seller will delete, destroy or anonymise the Buyer's Personal Data.

Users of the data on the Seller's side include employees in accordance with their authorisations.

The Buyer shall have the right to request access to its Personal Data and to rectify, supplement, transfer (where technically feasible), restrict processing of or erase its Personal Data under the conditions set out by the General Data Protection Regulation No. 2016/679 of 27 April 2016 and in accordance with relevant legislation. The Buyer shall also have the right to lodge a complaint with the supervisory authority, i.e. Information Commissioner of the Republic of Slovenia, at the address Zaloška 59, 1000 Ljubljana, Slovenia, telephone number: 00 386 (0)1 230 97 30, email: gp.ip@ip-rs.si.

The personal data protection officer at the Seller is Sabina Novak, email: gdpr@dutb.eu.

Article 16 (Notification)

The contracting parties undertake to notify the other party immediately of any changed or new circumstances that are material to the fulfilment of this Agreement. All notifications shall be made in writing and sent by registered post.

Article 17 (Final provisions)

VARIANT (loan): A proposal for the entry of title to the subject of the Agreement in the land register may be compiled and submitted to the court by either contracting party, although the Buyer undertakes to do this at its own expense.

The contracting parties shall endeavour to resolve any dispute amicably. If this is not possible, the dispute shall be resolved by the court in Ljubljana with subject-matter jurisdiction, unless the exclusive competence of another court is prescribed for a specific type of dispute.

The contracting parties shall agree on any amendments to this Agreement by means of a written addendum to this Agreement.

If any of the provisions of this Agreement is or becomes entirely or partly invalid or unenforceable, or if there is any regulatory gap within this Agreement, this shall not affect the remaining provisions. The

contracting parties agree that, where a provision is invalid, unenforceable or non-existent, they shall use a provision that is closest to the purpose and objective of this Agreement and the will of the contracting parties in its stead.

Article 18

This Agreement is concluded when it is signed by both contracting parties and the condition referred to in the first paragraph of Article 5 of this Agreement is fulfilled.

VARIANT 1 (RETT, without loan):

This Agreement shall be signed in four (4) copies, of which the Seller shall receive three (3) copies (one (1) for the Seller and two (2) for tax assessment purposes), and the Buyer one (1) copy. After the conditions agreed to in this Agreement have been satisfied, the Seller (VARIANT deposition with a notary: a notary public) shall deliver to the Buyer a notarised copy of this Agreement containing the land register consent, in accordance with the provisions of Article 6 of this Agreement.

VARIANT 2 (RETT, loan):

This Agreement shall be signed in five (5) copies, of which the Seller shall receive three (3) copies (one (1) for the Seller and two (2) for tax assessment purposes), and the Buyer two (2) copies (one for the Buyer and the other for the bank providing the loan). After the conditions agreed to in this Agreement have been satisfied, the Seller shall deliver to the notary a notarised copy of this Agreement containing the land register consent, in accordance with the provisions of Article 6 of this Agreement.

VARIANT 3 (VAT, without loan):

This Agreement shall be signed in three (3) copies, of which the Seller shall receive two (2) and the Buyer one (1). After the conditions agreed to in this Agreement have been satisfied, the Seller (VARIANT deposition with a notary: a notary public) shall deliver to the Buyer a notarised copy of this Agreement containing the land register consent, in accordance with the provisions of Article 6 of this Agreement.

VARIANT 4 (VAT, loan):

This Agreement shall be signed in four (4) copies, of which the Seller shall receive two (2) and the Buyer two (2) (one (1) for the Buyer and the other for the bank providing the loan). After the conditions agreed to in this Agreement have been satisfied, the Seller shall deliver to the notary a notarised copy of this Agreement containing the land register consent, in accordance with the provisions of Article 6 of this Agreement.

At _____, date _____

Ljubljana, _____

Buyer:

Seller:

Družba za upravljanje terjatev, d.d.
Chief Executive Officer
Matej Pirc