

General Terms and Conditions

In accordance with the provisions of the Real Estate Mediation Act (Official Gazette; 107/07, 144/12, 14/14, 32/19), the company ALPE ADRIA Consulting d.o.o., headquartered in Zadar, S.S. Kranjčevića 2B, OIB: 64698905269, represented by the company's director Ninoslava Dumbović, OIB: 52548915961 (hereinafter referred to as the "mediator"),

In Zadar, on October 9, 2023, hereby establishes the following General Terms and Conditions of Business:

GENERAL TERMS AND CONDITIONS

General Provisions

Article 1. (first)

These General Terms and Conditions (hereinafter referred to as the "General Terms") regulate the business relationship between the mediator and a natural/legal person (hereinafter referred to as the "principal") who enters into a Mediation Agreement in Real Estate Transactions with the mediator.

The General Terms are an integral part of the Mediation Agreement in Real Estate Transactions concluded between the mediator and the principal.

By entering into the Mediation Agreement, the principal confirms that they are familiar with and agree to all the provisions of the mediator's General Terms, as well as in the case of engaging the mediator's agents.

By accessing any part of the website alpeadria.hr (LINK), you agree to all the provisions and conditions set forth in the General Terms. If you do not agree with all the General Terms, please do not use this website.

Meaning of Terms Contained in the General Terms of Business

Article 2. (second)

Certain terms in the sense of the Real Estate Mediation Act and the General Terms have the following meanings:

- **A real estate intermediary** is a business entity, sole trader, or craftsman registered to engage in real estate brokerage activities with its registered office within the territory of the Republic of Croatia. A real estate intermediary can also be a business entity, sole trader, or craftsman registered to engage in real estate brokerage activities within the territory of a contracting state of the European Economic Area Agreement.

- **An agent** in real estate brokerage is an individual person registered in the Register of Real Estate Brokerage Agents (hereinafter referred to as "Agent").
- **Real estate brokerage** involves actions of real estate intermediaries that relate to connecting the principal and a third party, as well as negotiating and preparing for the conclusion of legal transactions related to a specific real estate, especially in cases of buying, selling, exchanging, leasing, renting, and others.
- **Real estate** comprises land parcels, along with everything permanently attached to or below the surface of the land in accordance with the provisions of general property and other real rights regulations.
- **The principal** is a natural or legal person who enters into a written Mediation Agreement in Real Estate Transactions with a real estate intermediary (seller, buyer, lessee, lessor, landlord, tenant, and other potential participants in real estate transactions).
- **A third party** is a person whom the real estate intermediary seeks to connect with the principal for the purpose of negotiating and concluding specific legal transactions related to a certain real estate.
- **The Mediation Agreement** in Real Estate Transactions is a written document in which the real estate intermediary commits to making efforts to find and connect a person with the principal for the purpose of negotiating and concluding a specific legal transaction regarding the transfer or establishment of a specific right in real estate. The principal, in turn, commits to paying a specified brokerage fee if that legal transaction is concluded.
- **Exclusive Mediation Agreement** in Real Estate Transactions is a written document in which the principal commits not to engage any other intermediary for the mediated transaction. If, during the duration of the Exclusive Mediation Agreement in Real Estate Transactions, the principal enters into a legal transaction through another intermediary, for which the exclusive intermediary had received an agency order, the principal is obligated to pay the exclusive intermediary the agreed-upon brokerage fee and any additional actual costs incurred during the mediation for that specific transaction. When concluding an Exclusive Mediation Agreement in Real Estate Transactions, the intermediary is obliged to particularly inform the principal of the meaning and legal consequences of this clause.

Brokerage fee is the amount that the principal has committed to pay the intermediary for the services rendered in mediation.

Property Listings

Article 3

The real estate listings of the intermediary are based on the information received through written or oral means and are conditional upon confirmation.

- The intermediary disclaims responsibility for possible errors in real estate listings in the event of the principal not promptly informing them of price reductions, withdrawal from sale/lease/rental, completed sale/lease/rental, as well as in the case of withholding relevant information about the properties from the principal.
- The principal must keep the real estate listings from the intermediary and/or any information in confidence and may only transfer them to another natural or legal person with written approval from the intermediary.
- If the principal is already familiar with the real estate subject to the Mediation Agreement in Real Estate Transactions, they are obliged to promptly inform the intermediary in writing, by email, or by registered mail.

Article 4

When entering into a Mediation Agreement in Real Estate Transactions with the principal, the intermediary commits to carry out the following with the diligence of a prudent and conscientious businessperson, particularly:

- Endeavor to find and connect a person with the principal for the purpose of concluding the mediated transaction.
- Inform the principal about the average market price of a similar property.
- Obtain and examine the documents proving ownership or other real rights in the subject property.
- Perform the necessary actions to present (market) the property, advertise the property appropriately, and carry out all other actions agreed upon in the Mediation Agreement in Real Estate Transactions that exceed the standard presentation, for which the intermediary has the right to special, previously stated costs.
- Allow inspections of the property.
- Mediate in negotiations and strive to reach a preliminary agreement/contract if specifically committed to do so.
- Safeguard the personal data of the principal and, at the written request of the principal, keep information about the property for which they are mediating, or related to that property, or related to the business for which they are mediating, as a business secret.
- If the subject of the contract is land, verify the purpose of the respective land in accordance with spatial planning regulations relevant to that land.
- Inform the principal of all circumstances relevant to the intended transaction that are known to the intermediary or should be known to them.

- Conduct other necessary negotiations and preparatory actions for concluding a legal transaction related to real estate mediation.

If the intermediary, in agreement with the principal, performs additional actions related to the transaction that is the subject of mediation, and these actions are separately stipulated, the type and amount of expenses will also be specified.

The intermediary is not responsible for the non-fulfillment of obligations by the principal and third parties, which obligations arise from a legal transaction concluded between the principal and a third party, and the subject of which legal transaction is the real estate for which the intermediary acted as a mediator.

Bringing into Contact with a Third Party/Subject Property

Article 5

The intermediary is considered to have enabled the principal to establish contact with a third party (natural or legal) with whom they have negotiated to conclude a legal transaction, especially if the intermediary has:

- Directly taken or directed the principal to view the subject property.
- Organized a meeting between the principal and a third party for negotiation regarding the conclusion of a legal transaction.
- Informed the principal of the name/title, phone number, email, or fax of the third party authorized to conclude a legal transaction or provided the exact location of the sought property.
- When the principal received an offer from the intermediary or an email with information about the subject property and/or its owner or the third party, or their affiliated company/other company or person authorized to conclude a legal transaction expressing interest in the mediation of the subject property.
- Enabled the principal to contact the third party in any other way that leaves no doubt about the identification of the authorized person for negotiation and/or the conclusion of a legal transaction.

If the principal is already familiar with the properties offered to them or has already established contact with a third party, they are obliged to promptly inform the intermediary in writing, by email, or by registered mail. Otherwise, it will be considered that the intermediary has connected them with the subject property or the third party.

Principal's Obligation

Article 6

In the Mediation Agreement in Real Estate Transactions, the principal commits to undertake the following, in particular:

- Inform the intermediary of all circumstances relevant to the mediation and provide accurate information about the property. If in possession, the principal must show the location, construction, or usage permit for the property that is the subject of the Mediation Agreement in Real Estate Transactions and provide evidence to the intermediary regarding the fulfillment of obligations towards a third party.
- Provide the intermediary with documents proving their ownership of the property, or any other real right to the property that is the subject of the Mediation Agreement in Real Estate Transactions. Additionally, they must inform the intermediary of all registered and unregistered encumbrances on the property.
- Ensure that the intermediary and a third party interested in concluding the mediated transaction can inspect the property.
- Inform the intermediary about all essential details regarding the desired property, including a property description and price.

After concluding the mediated legal transaction or a preliminary agreement by which they have committed to concluding the mediated legal transaction, if the intermediary and the principal have agreed that the right to pay the intermediary's fee is acquired at the time of concluding the preliminary agreement, they must pay the intermediary the intermediary's fee unless otherwise agreed.

- If expressly agreed, compensate the intermediary for expenses incurred during mediation that exceed standard mediation costs.
- Notify the intermediary in writing of all changes related to the business for which they have authorized the intermediary, particularly changes related to property ownership.
- The principal is not obliged to engage in negotiations for the conclusion of the mediated transaction with a third party found by the intermediary, nor to conclude a legal transaction.
- The principal will be liable to the intermediary for damages if they did not act in good faith and must reimburse all expenses incurred during mediation, which cannot be less than 1/3 or greater than the agreed intermediary fee for the mediated transaction.
- When signing the Mediation Agreement in Real Estate Transactions with the intermediary, the principal, under material and criminal liability, guarantees and confirms that they are the person they represent. Otherwise, they are liable for all damages caused to the intermediary and/or any other person in the legal transaction mediated by the Mediation Agreement.

- When concluding the Mediation Agreement in Real Estate Transactions with the intermediary, the principal confirms that they have voluntarily provided their personal information, including the OIB, to the intermediary for the purpose of participating in the real estate sale/lease/rental process or any other legal transaction covered by the Mediation Agreement.

The principal undertakes to provide the intermediary with all necessary information and data required by the Money Laundering and Terrorism Financing Prevention Act when concluding a real estate sale transaction with a third party, who is the subject of the Mediation Agreement in Real Estate Transactions.

Anonymous Principal

Article 7

An intermediary who conducts mediation services for a principal wishing to remain anonymous has no obligation to disclose the principal's identity to a third party interested in concluding a legal transaction until the transaction is concluded.

Mediation Fee Article 8 (Eighth) The mediation fee paid by the Principal for the mediation service in the purchase and sale of real estate amounts to 3% of the purchase price unless otherwise agreed in the mediation agreement between the Intermediary and the Principal. Value-added tax (VAT) will be calculated on the aforementioned percentage of the mediation fee.

Right to Mediation Fee

Article 9

The intermediary acquires the right to the mediation fee after the conclusion of the contract for which they mediated unless the intermediary and the principal have agreed that the right to payment of the fee is acquired at the conclusion of the preliminary agreement and/or the first legal act between the principal and the third party.

In case of delayed payment of the mediation fee, statutory interest shall be calculated.

The intermediary cannot demand partial payment of the mediation fee in advance, i.e., before the conclusion of the contract, preliminary agreement, and/or the first legal act.

The costs of additional services related to the transaction that is the subject of real estate mediation may be charged by the intermediary in the amount of actual costs if specifically agreed upon between the intermediary and the principal.

After the termination of the Mediation Agreement in Real Estate Transactions, the intermediary has the right to the agreed mediation fee within a period of up to 12 (twelve) months, unless otherwise stipulated in the Mediation Agreement in Real Estate Transactions. This applies in cases where the principal concludes a legal transaction with a third party related to real estate mediation, and it is a result of the intermediary's actions before the termination of the Mediation Agreement in Real Estate Transactions.

The intermediary is entitled to the mediation fee if a spouse, extramarital partner, descendant, parent, or blood relative in the direct or collateral line, a person related by marriage to the principal, or a person in any way associated with the principal (e.g., blood relationship in any line with the mentioned individuals, an authorized person, employee, employer, collaborator, etc.) concludes a contract/preliminary agreement or any other legal transaction related to real estate transactions with the person whom the intermediary has connected with them.

The provisions of Article 9, paragraph 6, also apply to legal entities established by the principal or any other person from the previous paragraph or if such individuals perform management or other functions within a legal entity.

Article 10

The mediation fee does not include the following costs borne by the principal: translations by a court-authorized interpreter of all documents related to the subject matter of this agreement, court fees for registration, pre-registration, and annotation, notary public fees for the certification of signatures on documents, court fees or state stamps for obtaining a land registry extract, copies of cadastral plans, identification certificates, obtaining building and/or usage permits, as well as the cost of obtaining other documentation from the competent court, the State Geodetic Administration, the bank, administrative departments of local and/or regional self-government units, and all other authorities.

Therefore, the principal is obliged to promptly provide the intermediary with proof of payment of these costs to ensure the timely acquisition of the aforementioned documentation. If the intermediary obtains this documentation for the principal, the principal is required to reimburse the material costs to the intermediary within 8 (eight) days from the date of incurring such costs.

Cooperation with Other Real Estate Intermediaries

Article 11

The intermediary is willing to cooperate with other real estate intermediaries who respect fundamental ethical principles (including refraining from providing false information about their business for the purpose of obtaining clients and transactions, undermining other intermediaries in any way for the purpose of obtaining clients, making unrealistically high property evaluations for the purpose of acquiring brokerage work, and promoting themselves through media outlets at the expense of others).

Real Estate Mediation Contract

Article 12

The mediation contract in real estate transactions commits the intermediary to endeavor to find and connect the principal with a person for negotiations and the conclusion of a specific legal transaction regarding the transfer or establishment of certain rights related to real estate. The principal, in turn, agrees to pay the intermediary a specific mediation fee if that legal transaction is concluded.

The mediation contract in real estate transactions is concluded in writing and for a specific period. The contract between the intermediary and the principal must contain specific information about the intermediary, the principal, the type and essential content of the transaction for which the intermediary is providing services, the amount of the mediation fee, and any potential additional costs incurred when the intermediary, in agreement with the principal, provides other services related to the mediated transaction.

The mediation contract in real estate transactions can also include other information related to the transaction (e.g., terms and conditions of fee payment, information about liability insurance, conditions of fee payment insurance, etc.).

Exclusive Mediation

Article 13

In the mediation contract in real estate transactions, the principal may commit not to engage any other intermediary for the mediated transaction (exclusive mediation). This obligation must be explicitly agreed upon.

If, during the duration of the exclusive mediation contract, the principal concludes a legal transaction through another intermediary, for which the exclusive intermediary was given a mediation order, the principal is obligated to pay the agreed mediation fee to the exclusive intermediary, along with any possible additional actual costs incurred during the mediation of the said transaction.

When concluding an exclusive mediation contract in real estate transactions, the intermediary is obliged to specifically inform the principal about the meaning and legal consequences of this clause.

Article 14

The intermediary may transfer the real estate mediation contract to other intermediaries if the intermediary and the principal agree to do so. In this case, the principal remains in a contractual relationship only with the intermediary with whom the contract was signed, and the intermediary

Termination of the Mediation Contract

Article 15

The real estate mediation contract concluded for a specified period expires upon the expiration of the agreed-upon term if no contract has been concluded within that period or by mutual termination of either of the contracting parties if such a possibility is provided for in the Real Estate Mediation Contract.

In the case of an agreed-upon unilateral termination option of the Real Estate Mediation Contract, and if the termination period is not explicitly determined by the contract itself, the termination period is 30 (thirty) days from the receipt of the termination notice sent by registered mail with a return receipt requested.

The termination of the Real Estate Mediation Contract cannot be done with the intention of depriving the intermediary of the right to a mediation fee or intentionally causing damage to the intermediary.

If, within 12 (twelve) months after the termination of the Real Estate Mediation Contract, the principal concludes a legal transaction that is a result of the intermediary's actions before the termination of the Real Estate Mediation Contract, the principal is obliged to pay the intermediary the full mediation fee.

The principal is obliged to reimburse the intermediary for any incurred costs that were explicitly agreed to be paid separately by the principal.

Due Diligence in Legal Transactions

Article 16

In performing mediation activities or other actions related to the matter of mediation, the agent must exercise increased care, in accordance with professional rules and customs (the care of a good professional).

Advertisement of Real Estate

Article 17

When advertising real estate in public media or other written and electronic media, in the agent's premises, or in other places where advertising related to the property in question is allowed, the agent is obliged to publish their company name.

Liability Insurance

Article 18

An agent in real estate transactions is obligated to obtain and renew liability insurance for any potential harm they may cause to the principal or third parties while carrying out mediation.

The minimum insured amount for the harm that the agent may cause during mediation cannot be less than HRK 200,000.00 (two hundred thousand kuna) per single damaging event or HRK 600,000.00 (six hundred thousand kuna) for all damage claims in one insurance year.

The agent may also be insured with insurers in a European Union or European Economic Area member state.

Safeguarding Business Secrets

Article 19

The agent is obliged to keep as a trade secret all the data they learn while performing mediation tasks, which pertain to the principal, the property they are brokering, or are related to that property or to the transaction they are brokering or concluding based on a special authorization.

If the agent breaches their obligation to keep a trade secret, they are obliged to compensate the damaged parties for the damage they suffered due to disclosing or not keeping the trade secret.

The duty to keep a trade secret is not considered to be violated if, for the protection of the agent, the agent discloses the data to persons with whom they are trying to connect the principal, and it was necessary for the agent to fulfill their obligation from the Agreement on Real Estate Brokerage concluded with the principal.

Final Provisions and Dispute Resolution

Article 20

For relationships between the agent and the principal arising from the Agreement on Real Estate Brokerage that are not regulated by these General Business Terms or the Agreement on Real Estate Brokerage, the provisions of the Real Estate Brokerage Act and the general provisions of the Obligations Act apply.

These General Business Terms come into force on the day of adoption and remain in force until new/amended General Business Terms are adopted.

Any disputes between the agent and the principal will be attempted to be resolved amicably, and otherwise, the competent court in Zadar has jurisdiction.