

## 1. General Terms and Conditions

1.1. These General Terms and Conditions of financial leasing of vehicles, equipment and other movable properties (hereinafter: General Terms and Conditions) shall additionally govern the contractual relation subject to Agreement on Financial Leasing of vehicles, equipment, machinery and other movable properties concluded by and between the Lessor and the Lessee (hereinafter: Agreement or Leasing Agreement). Terms used herein shall have the same meaning as in the Agreement.

1.2. The General Terms and Conditions are binding for the parties in the same way as the Agreement. In case of any inconsistencies between these General Terms and Conditions and the Agreement, the Agreement shall prevail. The Lessor may change the Agreement as set out in these General Terms and Conditions. The Agreement and the General Terms and Conditions shall prevail over legal provisions governing the subject contractual relation hereof between the Lessor and the Lessee.

1.3. The Lessor may unilaterally change and amend these General Terms and Conditions. Any amendment hereof shall be published on the Lessor webpage. It shall be deemed that Lessee has accepted subject amendments hereof if within 30 (thirty) days as of the day amendment has been published; he would make no objection or fail to contest such amendments.

1.4. The Lessor freely adopts and amends its internal bylaws to which the General Terms and Conditions refer.

## 2. Leasing Transaction

2.1. A leasing transaction is a complex time-limited legal relation where the Lessor finances the acquisition of an item of property which is to be used, and after expiry of such usage acquired by the Lessee; the Lessee shall refund to the Lessor the amount used for financing the acquisition of the item of property, pay interests on that amount, and refund any and all costs, expenses and any damage incurred to the Lessor in relation to the leasing transaction. The leasing transaction includes a leasing agreement and a purchase and sale agreement.

2.2. The Leasing Agreement concluded by and between the Lessor and the Lessee, governs the leasing of the leased object (vehicles, equipment, machinery or other movable properties) for a limited period as well as a payment of leasing fee, the right to acquire title thereto, and any other relation related to the leasing and right to acquire a title of the leased object.

2.3. By a purchase and sale agreement, the Lessor acquires the leased object from a third party (hereinafter: Supplier); the Supplier shall supply the leased object. Exceptionally, both the Lessor and the Lessee may act as a supplier. Where the Lessee is the Supplier, those provisions of the agreement, General Terms and Conditions and legal provisions which assume that the Supplier is a third party, shall not apply.

2.4. Agreement on financial leasing is a legal affaire where the Lessee is entitled to use the leased object by the payment of the leasing fee and is entitled to acquire the title of the leasing object thereto upon expiry of the lease and/or upon fulfillment of all its contractual obligations, including the option for purchase. Prior to the conclusion of the Leasing Agreement, the Lessee shall inform the Lessor in writing about its intention to use the leasing object as an "advertisement carrier".

## 3. Acquisition of leased object

3.1. The Lessor shall acquire the leased object under the conditions previously agreed between the Lessee and the Supplier. The Lessee will select the object of lease, determine all its features and characteristics, as well as a price, term and method of delivery of the leased object from the Supplier, and establish that the leased object fully complies with his needs or requirements of his activities. The Lessee will determine all other conditions under which the leased object can be acquired from the Supplier and will establish that there are no impediments to acquire and use the leased object and the right to acquire title thereto.

3.2. The Lessee determines that the leased object complies with respect the terms of its acquisition and use, with the applicable Croatian and EU regulations, in particular such as regulations regarding safety, industrial hygiene, health and environment protection, and protection of public interests. The Lessee will determine whether the leased object is accompanied with appropriate technical documents required for its acquisition and use as well as which services related to the usage of the leased object are provided by the Supplier or third party and will establish no impediments to acquire and use the leased object.

3.3. The Lessee shall obtain any and all legal and other authorizations, permits, licenses and consents and fulfill any other conditions for acquisition and use of the leased object, and acquiring the title of leased object thereto.

3.4. The Lessee will establish that the Supplier is a person able to duly fulfill the obligation of selling and delivering of leased object, and that Supplier has legal and actual capacity to enter into the purchase and sale agreement based on which the title of the leased object can be transferred to the Lessor and the leased object delivered to the Lessee providing that Lessee asks to obtain the leased object from that Supplier exactly. The Lessor will not participate in the selection of the leased object or of the Supplier or in any other way influence the selection of the leased object or of the Supplier.

3.5 The Lessee accepts any and all responsibility for the selection and acquisition of the leased object as well as for the selection of Supplier. The Lessee, solidary with the Supplier, shall be responsible for any damage incurred to the Lessor due to the failure of entering into the purchase and sale agreement or for failure to perform or timely perform the delivery of the leased object, and in that respect Lessee accepts the risks of non acquiring title of the leased object.

3.6. If prior to the delivery and following the offer/pro-forma invoice/purchase and sale agreement of the Supplier, the Lessor would make advance payment of either total or partial amount of financing, but delivery of the leasing object would not take place in accordance to the item 4.1 and 4.2 of this General Terms, the Lessee explicitly agree that Lessor is entitled to execute the collection of the paid down-payment as well as to request the payment of damages from the Lessee due to the Lessee' explicit selection of the Supplier as it is stipulated herein by item 3.7, and to withdraw the subject amounts hereof from its accounts following the activation of the securities, including the enforcement of the payment on other Lessee's properties if the current state of the account would not be sufficient for the payment of subject amount. In such a case, Lessor has, toward the Supplier, all the rights as the Leasing Act stipulates it.

3.7. The lessee is responsible for any and all damages incurred to the Lessor due to the conclusion of purchase and sale agreement, i.e. due to the obtaining the title of the leased object, or due to the purchasing of the leased object in a case where the delivery of such an object would no take a place, or if the Lessee would refuse the delivery of leasing object. Lessee is furtheron agree that subject damages hereof shall be determined in the amount equal to the amount paid by the Lessor to the Supplier of the leasing object, increased for the default interest calculating as of the payment date to the Supplier until the date of compensations i.e. of returning the paid amount; Lessee hereby explicitly agree that Lessor is entitled to make compensation of all its claims for damages, either in total or partial amount, with the amounts of paid participation in accordance to the Leasing Agreement (if such participates has been paid by the Lessee), and for which participation the Lessee is entitled to request the payment in accordance with the Leasing Act.

3.8. The Lessee determines that there is no encumbrance related to the object of the leasing which would exclude, diminish or restrict any Lessee's right with respect to usage of leasing object, i.e. fulfillment of any right related to acquiring of the title of the leased object.

3.9. Purchase and sale agreement shall be concluded either in a same time or following the conclusion and signing of the Leasing Agreement, payment of the application processing fee, delivery of the agreed collaterals, payment of the down-payment, as well as following the completion of all other Lessee's obligation designated by the Lessor.

3.10. The Lessor shall pay the purchase price for the leased object while the Lessee shall pay any and all other purchaser's obligations under the purchase and sale agreement. The Lessor shall hold all the rights under the purchase and sale agreement, and where the Lessee based on legal authorities exercises such rights thereof, the Lessee shall transfer to the Lessor any and all benefits acquired on that basis.

3.11. The Lessor may agree with the Supplier on the method of payment of purchase price differing from that as agreed between the Supplier and the Lessee. The Lessee is not authorized to request a change of amount and/or payment method of the leasing fee due to such an agreement between the Lessor and the Supplier.

3.12. The Lessor shall inform the Supplier that the leased object is acquired based on the Lessee's request, in order to perform the obligation under the Leasing Agreement.

## 4. Acceptance and control of leased object

4.1. As a rule, the Supplier shall define the term and method of delivering of the leased object. The Lessee shall accept the leased object when invited by the Supplier in the way defined by the Supplier, but only after fulfilling all the contractual obligations towards the Lessor as due until the

delivery; the Lessor may also ask the Lessee to accept the leased object from the Supplier.

4.2. The Lessee shall, in the shortest possible term, inform the Lessor that the Supplier has failed to deliver the leased object, or that the Supplier is late with such a delivery and provide the Supplier with a new reasonable term for the delivery not longer than 15 (fifteen) days. The Lessee shall inform the Lessor that the Supplier has failed to make the delivery within the new term.

4.3. The Lessee may not refer to the Supplier's failure to deliver the leased object or being late with such a delivery, or use its legal rights related thereto where the Lessee has failed to act in accordance with the preceding paragraph or before expiry of the new term provided to the Supplier to deliver the leased object.

4.4. The Lessee shall within the shortest term inform the Lessor that the leased object has a substantial deficiency due to which the Lessee shall not accept it and provide the Supplier a new reasonable term to deliver the leased object without substantial deficiencies. The Lessee shall inform the Lessor that the Supplier has failed to deliver the leased object within a reasonable term without deficiencies.

4.5. The Lessee may not refer to the existence of the substantial deficiency on the leased object or use its legal rights related thereto where the Lessee has failed to act in accordance with the preceding paragraph, or before expiry of a reasonable term provided to the Supplier to deliver the leased object without substantial deficiencies.

4.6. Where the Supplier fails to deliver the leased object within the new term or fails to deliver it within a reasonable term without substantial deficiency, the Lessee shall, at request of the Lessor and prior of usage of its legal rights related thereto, independently or jointly with the Lessor, request the delivery of the leased object without substantial deficiency, in out-of-court or court procedure.

4.7. Prior to the exercising of such right, the Lessee shall inform the Lessor about the legal right that he is going to exercise toward Supplier if Supplier fails to deliver the leased object or deliver the object in delay or with a substantial deficiency.

4.8. If the Lessee fails to act in accordance with the proceedings paragraphs (4.2 to 4.7 above), the Lessee shall pay the contractual penalty in the amount stipulated by the Lessor in accordance to the Lessor' Decision on Fees and Expenses.

4.9. Where the Lessee would exercise its legal rights with respect to rejection of the delivery of the leased object or termination of the leasing agreement due to the failure of delivery of the leased object, delayed delivery, or due to substantial deficiencies of the leased object, the Lessee may request damages exclusively from the Supplier.

4.10. Following the acceptance of the delivery of the leased object, the Lessee shall examine the leased object and determine whether it has any substantial and/or legal deficiency, whether its acquisition and use is in compliance with the applicable Croatian and EU laws, in particular those on safety, industrial hygiene and health and environment safety as well as protection of public interests, whether it is accompanied with adequate equipment and technical documents required for its acquisition and use, and whether it is assured that the Supplier or third party will provide all the agreed services related to the leased object.

4.11. Following the acceptance of the delivery of the leased object, the Lessee shall conclude with the Supplier a protocol on delivery of the leased object in a form defined by the Lessor for that purpose, and deliver it to the Lessor without delay. The Lessor may obtain the protocol also from the Supplier.

4.12. Any and all costs related to the acceptance of the delivery of the leased object, including shipment of the leased object, shipment insurance fees and costs as well as all other subordinate costs of such a delivery, should be borne by the Lessee, unless paid by third parties.

4.13. If the Lessee would not refuse the delivery of leased object in spite of the fact that substantial deficiencies of the leased object is established, the Lessee shall, at its own expense, eliminate such deficiencies and inform the Lessor without delay.

4.14. By signing the Delivery Protocol and following the inspection of the delivered leased object, the Lessee confirms that the leased object is delivered in proper condition with total standard and additional accessories, appliances, keys, as well as with all the deeds and documents requested for the registration, applying and usage of the leased object; subject delivery hereof shall be deemed accurate and all the agreed rights and obligation will incur.

4.15. If the Lessee shall exercise its legal rights with respect to substantial deficiencies of the leased object, following which the Supplier

would deliver other property without deficiency, it shall be deemed that the subject property hereof is a leasing object from the Leasing Agreement (instead of the primer leasing object), and on that property the Leasing Agreement shall be fully applicable at the same way as the Agreement shall be applicable on the primer leasing object, unless parties agree otherwise.

4.16. At the moment of acceptance of the delivery of the leased object, all the risks related to the leased object shall be transferred to the Lessee, including risks related to destruction or damage, loss or loss of function, risks arising from protection of patent rights, intellectual property rights and/or other third parties' rights on the leased object, as well as risks related to infringements of the regulations on industrial safety, environment protection and protection of public interests.

#### **5. Commencement and term of lease**

5.1. Leasing shall start on the day of delivery and acceptance of the leased object. The lease term is set forth in the Leasing Agreement. Leasing shall end with the expiry of the agreed lease term, by acquisition of title of the leased object or by exercising option for purchase before the expiry of the agreed lease term or by termination of the Leasing Agreement.

5.2. Any silent extension of the lease term is explicitly excluded.

#### **6. Leasing fee and other payments**

6.1. The Lessee shall pay to the Lessor total leasing fee in due time, at the way and in installments as set out in the Leasing Agreement and Repayment Schedule, including participation i.e. special leasing fee if it is agreed. Participation is part of the leasing fee and is payable prior to the maturity of leasing fee' first installment.

6.2. The Lessee shall pay the leasing fee in accordance with the Leasing Agreement and the leasing fee adjustments according to the Article 7 of the General Terms. The Lessor shall issue invoices for the payment of leasing fees by the Lessee for accounting and tax purposes; however, the Lessee shall pay the leasing fee in accordance to the agreement regardless of the date of the receipt of the invoice or if subject invoice hereof would not be received.

6.3. The leasing fee shall be defined by the Lessor in accordance to the purchase price of the leased object (minus participation), any and all costs, expenses and special fees paid by the Lessor in respect of the leasing transaction, forming part of the leasing fee, leasing term, value of additional services included in the leasing financed by the Lessor, residual value of the leased object, and other financial elements. Financial elements are: interest rate, exchange gains or losses arising from payments in currencies differing from the agreed currency, if paid through the leasing fee and other financial elements as set out by the Lessor. Under the term interest rate in articles 6 and 7 of the General Terms, nominal interest rate is implied. The Lessor shall also determine which expenses, special fees and costs, forming part of the leasing fee. Interest rate can be agreed as either fixed or variable. In cases where a fixed interest rate has been agreed, it is fixed for the entire duration of the Leasing Agreement except in cases where the Leasing Agreement defines periods in which fixed interest rate is applied and periods in which variable interest rate is applied. The variable interest rate consists of the reference interest rate (index) and the interest margin. The reference interest rate (Index) is variable in accordance with Article 7 of these General Terms and Conditions, while the margin is fixed. The initial reference interest rate (index) in the Leasing Agreement is determined on the date of making an informative offer based on which the Leasing Agreement is concluded.

6.4. Installments of the leasing fee shall become due on the date defined in the Leasing Agreement, and if not defined by the Leasing Agreement, they are due on the first day in a month; First installment of the leasing fee shall become due after the commencement of the leasing. If, according to the Leasing Agreement, the maturity date of leasing fee (first day in a month or any other date according to the Leasing Agreement) shall commence on non-working day, then the first working day in the same month after that day, shall be considered as a maturity date. Within the scope of the subject stipulation above, the following days shall be considered as non-working days: Saturday, Sunday, public holidays which are prescribed as such according to the Croatian laws and regulations.

6.5. If the currency of payment based on the Leasing Agreement is a currency that is not official currency and means of payment in the Republic of Croatia, the Lessee shall make payments of the leasing fee in the official currency defined as the means of payment in the Republic of Croatia equivalent, in accordance with the agreed currency clause. If the

Lessee fails to make payment in the official currency defined as the means of payment in the Republic of Croatia equivalent on due date, the Lessee shall make the payment equivalent on the actual payment date. Exchange rate difference that would not exceed the amount stipulated by the Lessor's applicable Decision on Fees and Expenses should not be calculated.

6.6. In addition to the leasing fee and the participation, the Lessee shall pay to the Lessor any other due amounts expressly specified by the Leasing Agreement, applicable Decision on Fees and Expenses and these General Terms and Conditions.

6.7. Payments of the leasing fee as well as any other payment shall be made to the Lessor's bank account as set out by the Leasing Agreement or based on a subsequent instruction of the Lessor. Payment shall be deemed executed on the date on which the funds are actually at the Lessor's disposal with the value date acknowledged by the Lessor's bank/institution for payment transactions, except in Leasing Agreements with consumers in which the date on which the consumer actually made the payment through the payment service provider will be considered as the date of payment of the obligation.

6.8. In no case, including any dispute, limited or full impossibility to use the leased object due to its damage, destruction, loss, alienation, legal, technical or economic unsuitability, or loss of function, or in the event of damage (article 18 hereof) or for any other reason, the Lessee is not entitled to suspend and/or delay payments of the leasing fee, or to reduce the leasing fee, and the Lessee does not have such rights with respect to other payment obligations as set out in the Agreement, General Terms and Conditions, and the applicable Decision on Fees and Expenses.

6.9. If several outstanding claims that cannot be fully settled by the amounts paid by the Lessee would exist, the Lessor shall firstly settle the interest, and then fees related to the warning letter(s) as well as all other fees for which the Lessor has issued an invoice, and finally the leasing installment as they are due. The same rule should be applied for settling claims arising from other contractual relationships of Lessor and Lessee.

6.10. Anticipatory payments of the leasing fee shall not be refunded, bear interests, or revaluated, and shall be calculated and used as a rule at the due date of the first subsequent claim of the Lessor, at the rate valid on a due date of the claim.

#### **7. Adjustment of the leasing fee, modification of the reference interest rate (index) and substitute reference interest rate (index)**

7.1. The Lessor has the right to adjust the monthly leasing installment or the total leasing fee in the event of a change in the purchase price (stated in the offer) either by the Supplier or due to a change in the factory price, applicable legal regulations, tax rates, fees and / or customs duties. Furthermore, if during the term of the Agreement, taxes, duties and fees, which are the basis for calculating the amount of monthly installments, are modified or new ones are introduced, the Lessor has the right to adjust accordingly.

If in the period after concluding the Leasing Agreement until the day of handover of the leased object, due to changes in the purchase price of the leased object, the exchange rate of the contract or the date of the document, the maturity of monthly installments and the amount of the installments, the content of the repayment schedule changes regarding the beginning of repayment, maturity of monthly installments and the amount of monthly installments, the Lessor shall notify the Lessee in writing of the said changes and submit a new repayment schedule to the Lessee. An addendum / Annex to the Leasing Agreement will not be made regarding such adjustments.

7.2. If the Leasing Agreement is concluded with a variable interest rate, it consists of a reference interest rate (index) and an interest margin. The interest margin is fixed for the entire duration of the Lease Agreement while the reference interest rate (index) is variable for the entire duration of the Agreement, or in certain period of the Leasing Agreement (if the Leasing Agreement defines periods in which fixed interest rate is applied and periods in which variable interest rate is applied) depending on the changes in the reference interest rate (index) defined in the Lease Agreement

The interest rate changes both upwards and downwards to a full extent of the change in the level of the reference interest rate (index). In the event of an increase in the reference interest rate (index), the interest rate will increase to the full extent of that value. In the event of a fall in the reference interest rate (index), the interest rate will be lowered to the full extent of the fall in that value.

If lease agreement is concluded with the variable interest rate the lessor must inform lessee who, in accordance with the provisions of the Consumer Credit Act, has the status of a consumer in written form or by other durable media at least 15 days prior to the change. Information must include new amount of the lease instalment. In cases where the interest rate increases due to a change in the reference interest rate (index), the Lessee who, in accordance with the provisions of the Consumer Credit Act, has the status of a consumer, is entitled to early repayment under the Leasing Agreement without paying any fees.

Reference interest rate (index) – refers to the offer rate determined on the European interbank market managed by the European Money Markets Institute (or any other person acting as administrator of that rate) for the relevant reference period. Value data is publicly available on the websites <http://www.euribor-ebf.eu/>, <https://www.euribor-rates.eu/en/> and [www.global-rates.com](http://www.global-rates.com). In the event that the site or service ceases to be available, the Lessor may designate another site or information service that publishes the rate after notifying the Lessee.

Depending on the agreed reference interest rate (index), the same can be changed monthly (every last working day of the month for the following month), quarterly (on the last working day in March, June, September and December for the next quarter), or semi-annually (last working day of June and December for the next half-year) and annually (last working day in December for the next year), which is defined by the Leasing Agreement. The Leasing Agreement can define periods in which fixed interest rate is applied and periods in which variable interest rate is applied. In the current month, the reference interest rate (index) valid two working days before the last working day in the previous month is applied (for example, for the change in the reference interest rate made on 31 January, the reference rate valid on 29 January is applied), in the current quarter the reference interest rate (index) valid two working days before the last working day in the previous quarter is applied (for example, for the change of the reference interest rate made on March 31 the reference rate valid on March 29 is applied), in the current half-year the reference interest rate (index) valid two working days before the last working day in the previous half-year is applied (for example, for the change of the reference interest rate made on June 30, the reference rate valid on June 28 is applied), and in the current year the reference interest rate (index) valid two working days before the last working day in the previous year is applied (for example for the change of the reference interest rate made on 31 December, the reference rate valid on 29 December is applied).

If on the day set for applying the reference interest rate (index) for the next period, the value of the reference interest rate on that day is not published, the last value of the reference interest rate, published before that day, will be applied.

By changing the reference interest rate (index), the Lessor has the right to change the amount of the monthly installment and the amount of the invoice for the monthly installment of the lease accordingly.

Notification of the changes to the monthly installments shall be delivered to the Lessee in writing, together with the invoice for the first month of the reference period when the monthly installment is changed.

7.3. In the event of circumstances initiating the introduction of a "substitute reference interest rate (index)", the Lessor shall notify the Lessee of the new substitute reference interest rate (index) in writing 15 (fifteen) days before the intended execution of the change.

Upon receipt of the notification and the agreement reached, an Annex to the contract will be concluded with the Lessee with the corresponding new repayment schedule. Until the agreement is reached and the Annex is concluded, the value of the reference interest rate from the Leasing Agreement valid on the day of sending the notification to the Lessee on the intention to introduce a new reference interest rate (index) will be applied.

The introduction of a substitute interest rate (index) is possible in the event that:

1. The methodology, formula or other method of determining the reference interest rate (index) is significantly changed;
2. The reference interest rate (index) Administrator or his supervisory body shall announce that:
  - a. The Administrator is insolvent or information has been published of a report being issued to a court or other competent authority, stock exchange or other similar judicial, governing or supervisory body that reasonably confirms that the administrator is insolvent,
  - b. The Administrator has permanently ceased or will cease to provide the Reference Interest Rate (index) and that, at that time, there is no

successor to the Administrator who will continue to provide the reference interest rate (index),

c. The reference interest rate (index) has permanently ceased or will cease to be in use, or

d. The reference interest rate (index) may no longer be used; or

3. The reference interest rate (index) Administrator shall determine that the reference interest rate (Index) should be calculated in accordance with reduced contributions or plans or other arrangements for recovery or continued provision thereof or should the reference interest rate (index) be calculated in accordance with either by such a plan or agreement for a period of no less than 60 days,

Or

4. The reference interest rate shall cease to exist or may not be determined in an agreed manner:

The Lessor shall notify the Lessee and propose a new reference interest rate ("substitute reference interest rate") according to the following rules:

A. As a substitute reference interest rate, a reference interest rate shall be proposed which will be determined by the competent authority, in accordance with public, applicable rules, regardless of the intention of the Contracting Parties, as a substitute for the reference interest rate;

B. If the competent authority does not determine a substitute reference interest rate

The Lessor shall, if possible, propose as a substitute reference interest rate, a reference interest rate that is most similar to the reference interest rate in terms of methodology, formula and method of determination;

C. If the substitute reference interest rate cannot be determined in any of the ways specified in points A and B, The Lessor shall propose a substitute reference interest rate which it shall determine as the arithmetic mean of the rates offered for those deposits in the appropriate currency of the lease agreement for a period corresponding to the Reference Period, using the price received from OTP Banka d. d. in the Republic of Croatia (hereinafter: OBH), which was offered to OBH by three leading commercial banks active on the reference interbank market; If the substitute reference interest rate cannot be determined in any of the ways specified in points A, B and C, The Lessor shall propose as the substitute reference interest rate, the rate it will receive from OBH, according to which OBH normally obtains funds.

The substitute reference interest rate will preserve the economic value of the transaction financed on the basis of these General Terms and Conditions, i.e. the Leasing Agreement, considering the valid market practice at the time.

## 8. Participation and contractual penalty

8.1. Participation is the amount by which the Lessee participates in the purchase of the leased object; the Lessee shall pay the participation prior to the maturity of the first leasing fee installment, at the Lessor's demand. Participation shall become due immediately after the receipt of the invitation for such a payment.

8.2. The Lessor shall transfer the participation fully to the Supplier as purchase price for the leased object. If the Lessor has previously paid the purchase price in full amount, the Lessor shall set off part of the purchase price up to the full amount of the participation and keep that full amount in case of termination of the leasing Agreement for any reason.

8.3. The Lessee accepts that any and all claims related to the participation shall be raised exclusively toward the Supplier.

8.4. In case of failure to settle any non-financial claim as set out by the Agreement or by General Terms and Conditions, the Lessee shall pay contractual penalty in the amount as set out in the Lessor's internal bylaws, immediately upon the Lessor's invitation.

## 9. Special fees and other payables

9.1. The Lessee shall pay to the Lessor special fees and other payables as set out in the Lessor's internal bylaws (Tariff on fees and expenses) valid at the moment of calculation of the subject fees and costs thereof.

9.2. Special fees are e.g. fee for amendment of the Leasing Agreement, issuance of copies of documents, certifications or powers of attorneys, re-invoicing fees, remainders, activities related to amendments of the documents related to the leased object, termination fee, fee for exercising the rights under article 14.18 hereof, etc.

9.3. Other payables are e.g. currency differences and expenses of other factual activities carried out by the Lessor for the Lessee's (for the insurance services, registration, and a like).

## 10. Expenses

10.1. Expenses are any and all payments made in respect of the leasing transactions in favor of third parties, other than payment of the purchase

price. These are e.g. insurance premiums, taxes, customs, duties (such as e.g. RTV fee), fees, remunerations, premiums, damages, penalties, etc. including court and administration procedural fees, fees of public notaries, attorneys, consultants, assessors, experts, agents for settlement of claims and costs of other experts hired by the Lessor. Expenses shall be deemed to include any fine, remuneration or other liability on part of the Lessor incurred as a consequence of a civil, criminal, magistrate court's or another procedure against the Lessor or an employee thereof related to the leasing transaction.

10.2. Any and all expenses shall exclusively burden the Lessee and shall be settled by the Lessee. If the Lessor would settle the expenses, the Lessee shall reimburse such expenses hereof to the Lessor, increased for the fee stipulated by the Lessor' internal acts (Decision on fees and expenses). The Lessor shall determine how subject expenses hereof are going to be paid; Lessor is entitled to include such expenses into the leasing fee and request the payment of such a fee, or request the payment following the issued invoice.

10.3. In cases when final calculations mentioned in the points 21-25 of this General condition have already been made, and new expenses incurs for lessor, which are related with the use of the leased object by the lessee during leasing agreement, lessee is obliged to compensate lessor for such expenses following the issued invoice.

## 11. Intercalary interests

11.1. The Lessor is entitled to calculate, based on the subject purchase price hereof that has been paid before the commencement of the leasing, decreased for paid participation, the intercalary interest at the rate as set out in the Leasing Agreement, starting from the purchase price payment date until the due date of the first installment of the leasing fee. The Lessee shall pay the intercalary interest on the basis of an invoice issued by the Lessor.

## 12. Default interest

12.1. In case of delay with the payment of any claim, as well as in case of compensation of expenses, the Lessee shall pay to the Lessor the legal default interest. If the legal default interest rate is lower than the agreed interest rate, the agreed interest rate shall apply.

## 13. Collaterals

13.1. If a Guarantor is liable as Lessee; the Guarantor shall be jointly liable for all Lessees' obligations. The Guarantor's liability shall end when the Lessee would settle all the Lessor's claims under the Leasing Agreement, including damages.

13.2. The Lessee and the Guarantor shall deliver to the Lessor the agreed collaterals at the moment of the conclusion of the Leasing Agreement. The Lessor is authorized to use the collaterals if any claim would become due under this or any other Agreement concluded by and between the Lessor and the Lessee or the Guarantor.

13.3. When required by the use of the collaterals, in particular bills of exchange, the Lessor is authorized to fill out subject bills of exchange hereof with the amounts of the due claims, due dates, and any other missing data, and also to domicile the bills of exchange at its will, and submit subject collaterals hereof for the enforcement of the payment, and to conduct any other activities related to the bills of exchange for settlement of the related claims. This provision has the significance of a notification on bill of exchange. The Lessor may use collaterals to enforce collection of its claims on the entire property of the Lessee and/or Guarantor. If the collateral is movable or non-movable property, such property should be insured in accordance to the Lessor's request and instructions. If Lessee does not voluntarily pay or does not regularly pay the subject property insurance, or if he would not conclude the new property insurance policies if the existing policy expired, and/or if such property insurance policies are not restricted on transferability in favor of the Lessor – the Lessor is entitled to conclude the new property insurance policy or to extend the existing one, all on the Lessee's expense, as well as to restrict the transferability of such insurance policy in its favor, only if the Lessor already fulfils, either partially or in total, its contractual obligations from Leasing Agreement,

13.4. Lessee and Guarantor(s) approve the Lessor to transfer the received collaterals on third party without any further approval of a person who issued such collateral.

13.5. If Lessor deems, for any reason, that the agreed and delivered collaterals are for any reason insufficient to secure the Lessor's claims (particularly if the value of subject collaterals is decreased in relation to the main claim and the proportion existed at the conclusion of the agreement, or if the Lessee's general economic situation is obviously impaired), the Lessor may request of the Lessee and the Guarantor the

issuance of additional collaterals which collaterals should be delivered by them immediately upon the receipt of such a Lessor's written request. Moreover, if any collateral is used and cannot be used furtheron, Lessee and Guarantors will deliver the new collateral according to the Lessor request.

13.6. If following the circumstances, it could be anticipated that additional expenses, fees or charges would arise after the expiration of contractual relationship i.e. after the expiration of the expected term of the leasing, or after the early leasing repayment and usage of purchase option to acquire the title of the object of the leasing, the Lessor is authorized to restrain the collaterals in order to secure its claims related to such expenses. In any case the Lessor will return the issued collaterals to the Lessee and Guarantor(s) following the payment of all claims from Leasing Agreement but no longer than 60 days as of the date until which all the claims are paid and all contractual obligations are fulfilled by the Lessee.

13.7. If early termination of the Leasing Agreement would take place without payment and usage of the purchase option by the Lessee, the Lessor is entitled to restrain the collaterals until the full payment of all its claims based on the Leasing Agreement. Following the payment of all claims from Leasing Agreement, the Lessor will return all collaterals back to the Lessee within 120 days as of the date on which all its claims and Lessee's obligations are duly executed.

13.8. If Lessor cannot return collaterals due to the fact that Financial Agency, or any other body authorized for the enforcement, would not deliver such collaterals within the above described term, then the return of such collateral would take place within 60 days as of the date of which the authorized body has delivered such collateral to the Lessor.

#### **14. Title to and use of leased object; residual value of the agreement**

14.1. The leased object shall be owned by the Lessor until the Lessee has exercised the option to purchase i.e. to acquire the title thereto; by acquiring the title of the leased object, the Lessee shall no longer be deemed as Lessee. During the leasing term the Lessee is entitled to exercise the rights with respect to the leased object only if such rights derive from the Agreement, General Terms and law. By entering into the Leasing Agreement with the Lessor and following the delivery of the leased object to the Lessee for the usage, Lessee is neither authorized nor entitled to exercise any legal deed with the third party(is) in the name and for the account of the Lessor; Leasing Agreement does not constitute the general authorization for the Lessee following which the Lessee would be authorize to conclude such legal affairs with the third party(is) in the name and for the account of the Lessor.

14.2. The Lessee shall use the leased object in accordance with its intended purpose. The use (leasing) of the leased object is irrevocable and the Lessee may not cease to use the leased object or cancel the Agreement during the agreed leasing term, unless the Lessee is using the option to acquire the title of the leased object. During the lease term, the Lessee shall be direct and non-independent possessor of the leased object. The Lessee may not alienate or encumber the leased object or in any other way endanger or violate the Lessor's title and indirect possession of the leased object. The Lessee shall not have the right of retention on the leased object regardless of the legal ground of the Lessee's claim towards the Lessor. The Lessee waives the right to take legal action against the Lessor for disturbance of possession, or to exercise the right of self-assistance.

14.3. The Lessee shall at its own expense undertake any necessary and required measures and activities for the protection of the Lessor's title and right of possession of the leased object.

14.4. The Lessee shall bear any and all costs related to the use and possession of the leased object, and shall use, possess and keep the leased object with due entrepreneurial diligence, in accordance with its intended purpose and written instructions and technical documentation related to the leased object. The Lessee may refer any and all objections or claims due to substantial deficiencies of the leased object exclusively to the Supplier.

14.5. The Lessee shall at its own expense make any and all required reports, subject the leased object to any and all audits, checks, inspections and controls set out in any law or other regulations, and control compliance of the leased object with the regulations governing technical compliances.

14.6. If the leased object is equipped with the radio transmitter, The Lessee shall pay monthly fee based on the Act on Croatian Television unless the exemption of such a payment exist, or will de-register such a radio. Lessee shall perform all the activities related to the reporting of

such a radio transmitter according to the article 14.6 herein, and shall submit to the Lessor a proof that subject reporting thereof shall take place, or that such a transmitter is duly de-registered, all within 30 days as of the date of delivering of the lease object.

14.7. The Lessee shall at its own expense perform all regular maintenances according to the supplier or manufacturer's instructions, exclusively at authorized spare parts dealers', and shall replace all mail-functional parts of the leased object by the original spare parts that shall be confirmed in appropriate service book record. The Lessee shall at its own expense perform extraordinary maintenance of the leased object if recommended or necessary due to the technical instructions and documentation delivered by the supplier of producer. However, the Lessee shall ensure that the leased object is in a good condition and in excellent function throughout the lease term. The Lessee shall comply with all obligations and exercise all rights in connection with warranties and guarantees provided by the producer or supplier of the leased object.

14.8. The Lessee shall be liable for any infringements of the laws and other applicable regulations governing the use of the leased object (unless it falls within the responsibility of third parties) and shall be liable for any sanctions and other damaging consequences arising from infringements of laws and other applicable regulations.

14.8. The Lessee shall provide that only qualified person(s) having the appropriate license will handle and manage the leased object.

14.9. The Lessee shall be liable for all violation of legal any other regulations related to the leased object (unless the third party is responsible for such violation), and accepts responsibility for all fines and damages that might occur due to such violation hereof.

14.10. Besides the producer, the Lessee shall be liable for any damage incurred to third party based on possession of dangerous instrumentality or based on possession of mail-functioning product, and shall accept and renounce from the Lessor any third parties' claims related thereto.

14.11. The Lessee is responsible for any damage incurred to third party that is in relation with the usage of the lease object; Lessee shall renounce from the Lessor any third parties' claim related thereto.

14.12. Authorized persons of the Lessor shall be entitled at any moment to determine the existence and condition of the leased object. If the leased object is found not in proper condition, the Lessor shall be entitled to request from the Lessee the adjustment of the leasing fee with the current market value of the leased object. Such adjustment hereof shall be performed throughout the reprogram of the Agreement and payment of a one-time leasing fee for the reprogram, and by decreasing the residual amount of leasing fee through the remaining installments. It shall be deemed that the leased object is in proper condition if the condition of the object complies with the ordinary and regular usage of the leased object; if the leased object is damaged, if it has over miles and if the object is used above regular way of usage – it shall be considered that the leased object is not in correct condition.

14.13. The Lessee shall not, except following a special written approval by the Lessor:

- lease, sub-lease, rent, sub-rent or in any other way allow third parties to use the leased object,
- enter a partnership, cooperation or a similar business relation that would make possible the use of the leased object by a third party,
- if the Lessee is a legal entity, to give the leased object to be handled by the persons that are not employed by the Lessee;
- would not use the vehicle, as a leased object, for the performance of rent-a-car activities, driving school activity, or for any other activity causing increased wear and tear of the leased object;
- would not use the vehicle, as a leased object, for the participation on contests and races.

Subject consent hereof shall not exempt the Lessee from the liabilities set out in the Leasing Agreement and these General Terms and Conditions

14.14. The Lessor retains the right to perform the actual activities or procedures which are prerequisites for the usage of the leased object where the Lessee fails to perform them; the same applies in order to protect the Lessor's rights or eliminate damages on the leased object, and the Lessee shall make that possible to the Lessor.

14.15. During the usage of the leased object, the Lessee shall inform the Lessor which legal right he would exercise toward the Supplier if substantial deficiencies on the leased object would exist, prior to the exercising such right. If Lessee fails to act in that way, the Lessee shall pay the contractual penalty under article 8 above.

14.16. The Lessee shall record the leased object in his corporate bookkeeping records separated from his own assets.

14.17. Upon expiry of the lease term, provided the Lessee has fulfilled all his contractual obligations and exercised the option to purchase in accordance to the Leasing Agreement, the Lessee shall acquire the title of the leased object.

14.18. If the Lessee fulfills all his contractual obligations, the Lessee shall have the option to (purchase) acquire the title of the leased object even before expiry of the agreed lease term provided the Lessee has paid the remaining value of the lease as well as the fee for the anticipatory payment in accordance to the Lessor's Decision on Fees and Expenses, and, where set out in the Leasing Agreement, a special fee for the purchase option. The Lessee shall freely decide whether and when to exercise the option to acquire the title of the leased object by payment of its remaining value as well as of the fee for the anticipatory payment in accordance to the Lessor's Decision on Fees and expenses, including a special fee for the purchase option. The Lessee shall inform the Lessor that he will use that option as well as when he will fulfil above described payment obligations. Upon the fulfillment of the payment obligations thereunder, the Leasing Agreement shall cease to be valid.

14.19. Remaining value of the agreement is the amount of all not invoiced discounting claims which does not include the purchase option defined by Leasing Agreement on the date of calculation. In the same way, the remaining value of the agreement shall be calculated if the Leasing Agreement is terminated.

14.20. The Lessee shall acquire title of the leased object at the moment when the Lessee has fulfilled all the contractual obligations and made the payments under articles 14.17 and 14.18 above.

14.21. Regardless of how Lessee would acquire the title of the leased object, the Lessor shall deliver to the Lessee a certificate on fulfillment of obligations under the Leasing Agreement and, if required and at the Lessee's expense, undertake other activities required for transfer of title of the leased object to the Lessee. After the acquisition of the ownership on the leased object, the Lessee is obliged to register the leased object on its name or to cancel the registration and deliver the proof for mentioned in this sentence to the Lessor.

14.22. Following the Lessee's acquisition of the title of the leased object, the Lessee waives his right to object to the Lessor for any substantial or legal deficiencies of the leased object and to claim damages from the Lessor due to the condition of the leased object.

#### 15. Registration of the leased object

15.1. If the registration of the leased objects is prescribed as an obligatory in order to use the leased object, Lessee shall undertake to complete all required actions related to first and all other subsequent registrations of the leased object within the prescribed terms; following the completion of subject registration hereof Lessee shall deliver to the Lessor the Vehicle Registration Book as well as a copy of Vehicle License Book where the vehicle is a leased object, and shall deliver other documentation as per Lessor's request where the leased object is of different kind. Following the Lessor's request, the Lessee shall deliver to the Lessor the keys of the leased object, i.e. other items which would enable the possession and governance of the leased object.

#### 16. Modifications and improvements of leased object and combination with other objects

16.1. The Lessee may, exclusively following the Lessor's prior written approval, modify or improve the leased object, or interconnect the other object with the leased object.

16.2. Where the vehicle is a leased object, the Lessee is authorized, exclusively following the Lessor's prior written approval and if the Supplier or producer allows such installation, to install additional alarm and/or anti-theft equipment into the vehicle, provided that it would not decrease the value of the vehicle and would not prevent the proper and regular usage of such vehicle. If the Lessor would approve subject installation of the alarm and/or anti-theft equipment, the Lessee shall provide the Lessor with the adequate de-activation appliances

16.3. If the Lessee would make modifications and/or improvements of the leased object or interconnected it with another object, the Lessee would not be entitled to request refunding of the related investment, even in case of termination of the Agreement, and the objects interconnected with the leased object shall become property of the Lessor, unless they can be separated without damaging the leased object.

16.4. The Lessor is entitled at any moment to request that the leased object is restored to the prior condition, i.e. that the modifications and improvements are removed or that other objects are pulled down or separated from the leased object, all at the Lessee's expense.

#### 17. Insurance

17.1. During the lease term, the leased object shall be insured for all risks as determined by the Lessor, with an insurer whose operations guarantee due performance of obligations under the insurance agreement. Throughout the lease term, the Lessor may determine additional risks for which the leased object will be insured or request for an amendment to the agreed insurance terms or request for an insurance agreement to be concluded with another insurer. The occurrence of damage on the leased object which is covered by the insurance would not serve as a ground for the Lessee to cease the fulfillment of the contractual obligations. All insurance costs shall be deemed as expenses and shall be borne by the Lessee.

17.2. The Lessee shall insure the leased object unless the Lessor, about which the Lessor shall notify the Lessee, insures it. If Lessor would insure the leased object and would cover such insurance costs, the Lessee shall compensate such costs in accordance with the relevant provisions hereof governing expenses.

17.3. If the Lessee would insure the leased object, the Lessee shall act in accordance with the Lessor's instructions with regard to the insurer, insurance term, covered risks, change of insurance terms and change of insurer. In such a case, the Lessor shall be designated as an insurance policy holder by the insurance agreement. The Lessee shall provide the insurance policies without delay to the Lessor. The Lessee shall not change insurance terms without Lessor's prior written approval for such a change.

17.4. If the Lessee would fail to insure the leased object in accordance with the Lessor's instructions or fail to perform any obligation under the insurance agreement, the Lessor will fulfill such obligations instead of Lessee in which case the Lessor is entitled to request reimbursement of subject expenses thereof.

17.5. The Lessee may conclude additional insurance agreements, as well as agree to cover other risks or agree to additional coverage throughout the lease term, without the Lessor's additional approval.

17.6. If following the insurance Agreement, the insurer would pay damages, loss of bonus, i.e. malus, such payment would be considered as Lessee's expense.

17.7. Comprehensive motor insurance for vehicles and comprehensive property insurance for all other leased objects shall be agreed for a period exceeding the lease term by one month. Driving of vehicles out of the territories covered by the insured risks in accordance to the insurance agreement, is allowed only following the Lessor's special approval providing that Lessee shall deliver additional guarantees to the Lessor.

17.8. If the damage incurred is not fully or partially compensated by the insurer for any reason, the Lessee shall compensate the damage in full amount. If the damage would not be compensated due to the insurer's failure to fulfill its contractual obligations, the Lessor shall transfer to the Lessee the rights under the insurance agreement to the extent as required to compensate the Lessee's by the insurer.

#### 18. Event of damage

18.1. Event of damage is any event threatening to damage or damaging the leased object. The Lessee shall, immediately upon becoming aware thereof, and at latest within 48 hours, notify the Lessor about the event of damage and provide the Lessor with all the documents about such an event that are in the Lessee's possession; if such an incidence is covered by insurance, the Lessee shall inform the insurer about it as well, all in compliance with the terms for reporting an event of damage under the insurance agreement. Notices shall be provided by telegram or by fax or by email. Following the Lessor's request, the Lessee shall provide a written description of the incidence with the notice of its cause and consequences, including information about affected persons and witnesses, if any.

18.2. If fire, theft, burglary, robbery or other events which could be assumed to have occurred as a consequence of criminal acts, would take place, the Lessee shall immediately report such act to the relevant government authorities and send a copy of the report to the Lessor or another person designated by the Lessor within 48 hours as of the date of occurrence of subject incident hereof.

18.3. If damage would incur, the Lessee should undertake any and all required activities in order to minimize the damage on the leased object.

18.4. If damage would incurred on a leased object, the Lessee should repair the leased object engaging an authorized person and shall bear repair costs, unless such a damage is covered by the insurance. In that case, the Lessor shall pay the repair service for the leased object to the repair provider only upon receipt of the insurance coverage, exclusively up to the amount of the received insurance coverage. If the authorized

person for the repair of the leased object would request the payment of its services prior the payment of the insurance coverage, or if the insurance coverage does not cover the total request of such a person, the Lessee shall bear the expense of subject repair hereto including any legal default interest. If the Lessee, however, has repaired the leased object at his own expense, the Lessor shall forward to him the insurance coverage reduced for the amount of Lessor's outstanding claims.

18.5. Lessee shall enforce the full procedure of partial damages' collection and shall request of the authorized person a proper invoice issued on the name of the Lessee. If the procedure for collection of partial damages would be governed by the Lessor, the Lessor is entitled to charge a fee for such a services payable by the Lessee in accordance to the valid Decision on Fees and Expenses.

18.6. Lessee explicitly accepts that his contractual obligations would not be considered fulfilled until insurance company's claim is not paid.

#### 19. Termination and damages

19.1. The Lessor is entitled to terminate the Leasing Agreement by written notice for the following reasons:

- if the Lessee would not pay two leasing fee's instalments according to the Leasing Act;
- if the Lessee would not pay the agreed participation within 7 (seven) days as of the maturity date of the subject payment hereof;
- if the Lessee would violate laws and regulations by which his ability to fulfill the obligations under the Leasing Agreement and the General Terms and Conditions hereof, would be affected;
- if supplier would not deliver the leased object within the agreed term and in accordance to the agreed manner or if the Lessor would suffer damages or such damage is threatening due to the conclusion of the purchase agreement, acquiring a title of the leased object or due to the obtaining the leased object from the supplier;
- if the Lessee, in any way, jeopardize the Lessor's title and indirect and independent possession of the leased object;
- if the Lessee or the guarantor fail to deliver the collaterals as agreed or determined by the Lessor;
- if the Lessee would fail to conclude an insurance agreement in accordance to Lessor's instructions as well as if Lessor would also fail to insure the subject property in accordance to the article 13.3 of this Regulation;
- if the Lessee would additionally burden the object which serves as a collateral or is under mortgage or is Lessor's fiduciary ownership and the Lessee does not issue an additional collateral as per article 13.5 of these General Terms and Conditions;
- if the Lessee's property is subject to a distraint, bankruptcy, restructuring, pre-bankruptcy settlement or liquidation or where the Lessee, for any reason, becomes insolvent (including where it is not determined by a court) and in case of reduced characteristics of creditworthiness based on which the Lessor has entered into the Leasing Agreement;
- if another agreement concluded by and between the Lessor and the Lessee would be terminated due to Lessee's failure to comply with its provisions;
- if the Lessee would provide inaccurate information about itself and/or Guarantor or fails to report any change in such information or where it is subsequently determined that an unauthorized person has represented the Lessee or Guarantor;
- if the Lessee would not deliver to the Lessor either yearly of following the Lessor's request, the reports, opinions and other documents listed by the article 26.3 of this Regulations;
- if the Lessee or its representatives are subject to a judicial proceeding that could affect their capacity to fulfill the obligations hereunder the Leasing Agreement;
- if the Lessee or Guarantor is incapable of work or in case of termination of any possibility or authority for performance of its activities;
- if the leased object or its accessories are subject to total damage, or where it is destroyed, stolen or lost;
- if the Lessee would notify the Lessor that the Lessee will exercise its rights towards the Supplier under 14.14 above;
- if the Lessee fails to inform the Lessor that the Lessee intends to use the leased object as an 'advertisement holder' as it is described by the article 2.4 herein.

19.2. The Lessor shall send to the Lessee a written notice of termination in accordance with the provisions of the article 21 of the General Terms and Conditions hereof, which stipulates notification and personal data protection. The Lessee agrees that termination of the Agreement would

become valid on the day when the termination notification was filed to the post for its delivery to the Lessee's address i.e. to the Lessee's address which has been communicated by the Lessee to the Lessor in written.

19.3. In case of termination, the Lessor shall be entitled to all amounts paid for outstanding obligations in full extent. The Lessee shall immediately upon the termination pay any and all outstanding installments of the leasing fee and any other outstanding claims.

19.4. In case of termination, the Lessee shall pay the remaining value of the leased object and a special fee for purchase option thereto, which both becomes due by termination of the Agreement. If Lessee would like to use the purchase option or to acquire the title of the leased object, he should pay the special fee for purchase option (if such a fee is stipulated by the Leasing Agreement).

19.5. The Lessor is entitled to terminate the Leasing Agreement comprising more than one leased object, only with respect to one particular leased object in which case such Leasing Agreement shall be valid with respect to other leased objects. In that case the articles 19.3 and 19.4 of the General Terms are applicable accordingly.

19.6. The Lessor is entitled to terminate the Leasing Agreement only if the law sets out such termination.

19.7. The Lessee shall reimburse the Lessor for any and all damages incurred to the Lessor in respect of the leasing transaction, immediately upon the Lessor's request. The Lessee agrees that the Lessor will determine the amount of damages by hiring an appraiser or an expert witness, or by calculating such an amount hereof by himself. The Lessor may claim damages in accordance with the general rules. For the purpose of the payment of any damage, the Lessor is entitled to use any collateral provided by the Lessee and the Guarantor.

#### 20. Return of leased object

20.1. If termination of the Leasing Agreement would take place, the Lessor is entitled to request the return of the leased object as well as delivery of the possession over the leased object from the Lessee, either to the Lessor or to a third person designated by the Lessor, at the expense of the Lessee, at the time, place and in the manner as invited by the Lessor. Along with the leased object, the Lessee shall return the entire standard and optional equipment, accessories, keys, and any and all documents required for the usage and operation of the leased object. At the return, a protocol of returning of the leased object shall be made. If, following the return of the leased object, the Lessor would not cover all its claims arising of the Leasing Agreement by selling, lease or by renting the leased object to a third party, the Lessee shall pay the residual claims in the amount established by final calculation of the Leasing Agreement. If the Lessor would cover all its claim (residual value, due claims and invoiced fees) as well as purchase option by selling the leased object, the positive balance in such a case will be returned to the Lessee.

20.2. The Lessor is entitled to have the leased object returned under article 20.1 hereof, also if the Lessee fails to pay the special fee for purchase option, as it is set out by the Leasing Agreement.

20.3. The Lessor is entitled, by itself or by hiring third parties, to return the leased object without the Lessee's knowledge, i.e. takes the leased object from the Lessee if the Lessee has failed to act in accordance with articles 20.1 and 20.2 described above. In that case, the Lessee shall compensate the Lessor for any and all expenses incurred by the Lessor in that respect and shall pay a special fee and costs in accordance with the Lessor's Decision on Fees and Expenses.

20.4. If early termination of the Leasing Agreement would take place, the court expert will evaluate the object of the lease in order to establish its value which will serve as a ground for determination of leasing object selling price, i.e. of the leasing fee or of the rent. If such a selling or new leasing or rent would be established by mutual agreement concluded by Lessor and Lessee, the court expert will not evaluate the leased object.

20.5. Lessor will primarily sell the returned leased object or put the returned leased object in the further leasing or in the rent to the third parties. Lessor will not keep the ownership of the leased property for its own purposes.

#### 21. Final Calculation following the regular expiry of the Leasing Agreement

21.1. Lessor will deliver to the Lessee the Final Calculation within 60 days as of the date of full payment of all Lessors' claims based on the Leasing Agreement including fulfilment of all other contractual obligations.

21.2. Subject Final Calculation hereof will contain itemized list of all claims invoiced to the Lessee and paid by the Lessee as such.

**22. Final Calculation following the early termination of the Leasing Agreement due to the early repayment**

22.1. Following the early termination of the Leasing Agreement from this Article, Lessor will deliver to the Lessee the Final Calculation within 60 days as of the date of early repayment.

22.2. Subject Final Calculation hereof will contain itemized list of all claims invoiced to the Lessee and paid by the Lessee as such.

**23. Final calculation following the mutually agreed early termination of the agreement in a case of agreed selling of the leased object in advance, or its leasing or rent to the third party following the Lessee's request and Lessor's approval**

23.1. Following the early termination of the Leasing Agreement from this Article, Lessor will deliver to the Lessee the Final Calculation within 120 days as of the date of selling, leasing or renting of the leased object as well as of the date of contract transfer to a third party.

23.2. Subject Final Calculation hereof will contain itemized list of all claims invoiced to the Lessee and paid by the Lessee as such.

**24. Final calculation at early unilateral termination of the Leasing Agreement based of the reasons listed by article 19.1 of the Regulations, as well as at the early termination in which the Lessee will not use the purchase option and in which the selling, leasing or renting of the leased object to the third party has not been agreed in advance**

24.1. Following such a termination of the Leasing Agreement from this Article, Lessor will deliver to the Lessee the Final Calculation within 120 days as of the date of selling, leasing or renting of the leased object to a third party, or within 365 (threehundredandsixtyfive) days from the day leased object have been returned to a lessor

24.2. Subject Final Calculation hereof will contain itemized list of unpaid due claims based on the Leasing Agreement as well as fees which are going to be invoiced to the Lessee based on the Final Calculation, all in accordance to leasing agreement, this Regulation and Decision on Fees and Expenses.

Furtheron, the difference between the remaining value of the agreement and net purchase price of the leased object, i.e. net purchase price of the leased object if new leasing agreement would be concluded, or net amount of the estimated value of the leased object which will be defined by the court expert if the leased object would be rented, or in cases where leased object will not be sold or leased within 340 (threehundredandforty) days from the day leased object have been returned to a lessor, – will be calculated by subject Final Calculation.

From amount received from a third party as a net purchase price of the leased object, or as a net amount of the estimated value of the leased object as it is defined in this article, the purchase option will be paid firstly in which case the Lessee is not entitled to be reimbursed for the agreed purchase option.

**25. Final Calculation if total damage or theft i.e. fraud has been committed or caused by third parties**

25.1. Following such a termination of the Leasing Agreement from this Article, Lessor will deliver to the Lessee the Final Calculation within 120 days as of the payment date executed by the insurance company.

25.2. Subject Final Calculation hereof will contain itemized list of unpaid due claims based on the Leasing Agreement as well as fees which are going to be invoiced to the Lessee based on the Final Calculation, all in accordance to leasing agreement, this Regulation and Decision on Fees and Expenses.

If the Lessee would keep the ownership title over the remaining part of the leased object, the difference between the remaining value of the agreement and purchase option (at one side), and damages paid by the insurance company at the other side – will be calculated by subject Final Calculation.

If the remaining parts of the leased object will be sold to a third party following the Lessee's request, the difference between the remaining value of the agreement (at one side) and damages paid by the insurance company as well as net purchase value of the remaining parts of the leased object at the other side – will be calculated by subject Final Calculation (applicable only to total damages when remaining parts of leased object exist).

In a case of theft or fraud, the difference between the remaining value of the agreement and damages paid by the insurance company – will be calculated.

From amount received from a third party as a net purchase price of the leased object, the purchase option will be paid firstly in which case the Lessee is not entitled to be reimbursed for the agreed purchase option

**26. Communication; personal data**

26.1. Mutual communication, unless otherwise set out in these General Terms and Conditions, shall take place in writing, by registered mail. Exceptionally, notices may be sent by fax with the additional notice by registered mail. (Communication does not encompass the sending of invoices and letters/reminders and alike related to the Lessee's performance of financial and other liabilities.) The parties may also agree on mutual communication by e-mail.

26.2. Addresses for notices shall be those as indicated by the Leasing Agreement. The Lessee shall immediately notify the Lessor on any change of address. If the Lessee fails to do so, a notice shall be deemed duly sent if it is sent to an address indicated by the Leasing Agreement or at another address of which the Lessee has informed the Lessor only if the Lessor has an evidence on such a sending thereof at subject address; in such a case, the date of the receipt would be the date on which such a notice is duly sent to the Lessee (this applies to termination notice as well).

26.3. Throughout the lease term, the Lessee shall inform the Lessor about any deed or decision concerning its liquidation, bankruptcy, restructuring, division, and merger or joining, as well as on any intended and actual change of its legal form, status or assets, and on any changes of its authorized representatives. The Lessee shall provide the Lessor with the financial statements as well as auditor's reports at least once per year. Following the Lessor's request, Lessee will deliver and enable Lessor to access and inspect Lessee's business documentation relevant for determination of the Lessee's financial positioning as well as for evaluation of adjustment between financial and business processes with all terms and condition of the agreement.

26.4. The Lessee shall consent to obtaining and processing of his personal data by the Lessor for the purposes related to the Leasing Agreement.

**27. Assignment of rights and transfer of title**

27.1. The Lessor is entitled to assign to third parties part or all of its rights under the Leasing Agreement or transfer its title of the leased object. The Lessor shall inform the Lessee on any such assignment or transfer.

27.2. The Lessee is not entitled to assign the rights hereunder the Leasing Agreement unless the Lessor gives a prior written consent for such an assignment.

**28. Null and void provisions; form of Agreement**

28.1. Any null and void provision of Leasing Agreement or of General Terms and Conditions shall not make the entire Leasing Agreement null and void. In that case, parties shall replace the null and void provision with a valid one or with one which corresponds with intended purpose of the Leasing Agreement.

28.2. Any annex, supplement or amendment to the Leasing Agreement shall be valid only if made in writing.

**29. Change of circumstances**

29.1. The Lessor and the Lessee waive the right to refer to a change in circumstances.

**30. Resolution of disputes**

30.1. The parties shall make efforts to resolve amicably any and all disputes arising from or related to the Leasing Agreement, including those that refer to its interpretation, application or validity; if parties fail to resolve such a dispute amicably, the dispute shall be resolve by the competent court of Zagreb.