

GENERAL TERMS & CONDITIONS OF SALE

1. GENERAL PROVISIONS AND SCOPE OF APPLICATION

These **General Terms & Conditions of Sale** (hereinafter referred to as the "*Terms & Conditions*") shall apply to all Offers, Sales and Deliveries of any Products manufactured or sold by Valhalla Turrets d.o.o. (hereinafter referred to as "VALHALLA").

Upon acceptance of the Offer issued by VALHALLA, the Counterparty shall be deemed to have accepted these *Terms & Conditions* in full and shall comply with all requirements and conditions set out herein.

No other terms and conditions, including, without limitation, any terms and conditions contained in the Counterparty's Purchase Order, Order Confirmation, correspondence, or any other document, shall apply unless expressly accepted in writing by VALHALLA. In such case, the agreed provision shall take precedence over the corresponding term of these *Terms & Conditions*.

2. PRICES

The prices of VALHALLA are set forth in the Offer and subsequently, in the Order Confirmation pursuant to the applicable clause and are EXW. All price indications are net of applicable statutory VAT.

Costs for packaging, loading and shipment, including insurance costs, shall be **charged separately**, with packaging costs borne by VALHALLA. Unless otherwise agreed, the Counterparty shall, in addition to the agreed remuneration, bear all incidental costs, including but not limited to travel and subsistence expenses incurred by VALHALLA's team or employees.

Unless otherwise agreed, these provisions shall also apply in relation to **international deliveries**. Any charges incurred for unloading, lighterage, landing, port dues and wharfage shall be borne by the Counterparty. Tariffs, consular fees, and other taxes, duties, or charges imposed under foreign regulations, as well as any costs arising in connection therewith, shall also be borne by Counterparty.

VALHALLA shall ensure compliance with foreign regulations on packaging, weighing and tariffs, provided that the Counterparty furnishes complete and accurate written information in this regard without undue delay. Any additional costs that accrue due to delayed information shall be borne by the Counterparty.

All prices are based on the economic conditions prevailing at the time of preparation of the relevant Offer. If the schedule or other conditions change, the price is subject to a **Price Escalation Formula** which considers the material-related inflation and changes in the labour costs, using the date of submission of the Order Confirmation as the reference date.

Price Escalation Formula shall apply to general fluctuations in material and labor costs. The Price Escalation Formula shall not cover critical long lead items, such as electro-optical systems (EOs), and electro-mechanical drives. The price for such items shall be determined based on the market prices at the time of placing subsequent order.

3. TERMS OF PAYMENT

All payments are to be made by the Counterparty in accordance with the individually agreed payment terms in **Euros without any deductions**.

All correspondence relating to invoicing, payments, payment confirmations, or any other payment related matters shall be addressed to the following email address: **finance@valhalla-turrets.com**.

Unless otherwise agreed, all payments are due as follows:

- At *t₀* (*Order Confirmation*), the Counterparty shall make an advance payment in the **amount agreed between the Parties**, by wire transfer, within thirty **(30) days** upon receipt of the corresponding invoice.
- Payments for deliverables shall be made according to the schedule, as set forth between the Parties.

Payment terms are deemed met if the agreed price has been received by VALHALLA within the agreed time period into the account designated by VALHALLA in the respective invoice.

If the Counterparty is in default of payment, VALHALLA is entitled to claim default interest at a rate of 9 % p.a. above the base interest rate as amended from time to time. In addition, VALHALLA is entitled to claim higher interest payments on a different legal basis and/or to make a claim for any other loss.

The Counterparty shall not be entitled to declare any setoffs with counterclaims, unless such counterclaims are undisputed or have been upheld and declared unappealable by a court of law.

If, following issuance of the Order Confirmation, the economic status of the Counterparty significantly deteriorates or circumstances become known to VALHALLA as a result of which VALHALLA has valid reason to believe that the claim for remuneration is endangered, VALHALLA is entitled to reject the performance of its own contractual obligations until such time as the Counterparty has either fulfilled its obligations under such contract or has provided appropriate security for such obligations.

Without prejudice to any clauses regarding interests, a delay or failure to pay shall entitle VALHALLA to all rights and

actions reserved herein. VALHALLA shall set a reasonable grace period within which the Counterparty must, reciprocally and simultaneously in exchange for performance by VALHALLA, either fulfil its obligations under the contract or provide security. Following an unsuccessful expiry of such grace period VALHALLA may withdraw from the agreement.

4. DELIVERY TERMS AND INSURANCE

The scope, quantities, specifications, delivery period and price of the Deliveries are set forth in VALHALLA's Offer and later in Order Confirmation. In absence of any specific requirement, the Deliveries shall adhere to the specifications generally applicable to similar goods or services provided by VALHALLA.

Unless provided otherwise, **INCOTERMS 2020** - including any amendments that are effective at the time of the formation of Purchase Order - shall apply with regard to the interpretation of customary trade terms. The Counterparty knows and is in possession of the current valid version of INCOTERMS 2020 and therefore the Parties do not consider it necessary to attach INCOTERMS 2020 to these *Terms & Conditions*.

Time limits and dates for the supply of Deliveries (hereinafter referred to as the "Delivery Times") are set out in the Offer and later Order confirmation. Delivery Times are deemed complied with if, within the agreed delivery period or the agreed time, the Products are ready for shipment, if the work to be accepted is ready for acceptance or if the service is ready to be performed and a **notice to that effect** has been issued to the Counterparty.

Unless otherwise contractually agreed, all deliveries are made **EXW**.

In the event of delay in supplies to VALHALLA, VALHALLA shall immediately notify the Counterparty. Parties together will adjust the already set delivery times so that they correspond to any delivery delays.

VALHALLA's obligation to comply with the agreed Delivery Times requires the timely and proper performance of all contractual obligations by the Counterparty at the Counterparty's expense, i.e. in particular the provision of all required documentation, permits, authorizations, licenses and clearances in relation to the Deliveries (and their installation) as well as the provision of the facilities, ancillary materials, tools, skilled staff and support staff, other connections as well as protective garments and protective devices required for supplying the Deliveries.

In the event that there is a delay in the performance by the Counterparty of its obligations to cooperate, the Delivery Times for VALHALLA are deferred by a reasonable period of time which shall not be less than the duration of the delay. The Counterparty shall reimburse VALHALLA for any damages, costs and expenses that VALHALLA incurred due to

the Counterparty's delayed or improper performance of its contractual obligations.

If the Counterparty is in default with accepting Deliveries or if the Counterparty returns the items delivered without being entitled to do so, VALHALLA may claim damages.

If, upon request by the Counterparty, the Delivery Time is deferred beyond the agreed delivery date, VALHALLA can charge the Counterparty for the **storage costs** incurred beginning with the expiry of the original Delivery Time; in the event of storage in VALHALLA's facility, this shall be an amount equal to **0.5 %** of the total invoice amount for each week of storage or part thereof.

In the event of a delay in delivery on the part of VALHALLA, VALHALLA shall be granted a **grace period** of up to 30 days from the agreed delivery deadline. During this period, VALHALLA shall notify the Counterparty in writing of the reasons for the delay and propose a revised delivery date.

VALHALLA reserves the right to modify the technical concept on which the Deliveries are based even after issuance of the Order Confirmation, provided that the contractually agreed quality and specification of the Deliveries are not adversely affected, there is a valid reason for such modification, and the change is not material.

5. WARRANTY

VALHALLA warrants that the Products are free from defects in material and workmanship and conform to the agreed specifications.

Any warranty claims of the Counterparty for defects in the Deliveries shall be time-barred **one (1) year after the Factory Acceptance Test**.

During the warranty period, if the Products/Deliveries are found to have a defect in materials or workmanship, VALHALLA shall, at its option and at its own expense, repair the defective Deliveries or replace them with conforming items, provided that the Counterparty has complied with the inspection and notice obligations set out below.

The warranty is valid only if the Products are serviced by personnel authorized by VALHALLA. Any unauthorized opening of, disassembly of, or access to the interior of a Product shall result in immediate and automatic termination of the warranty.

The Counterparty may not refuse acceptance of the Deliveries due to minor defects.

The Counterparty shall have no warranty or claims in respect of defects including, without limitation, (a) caused by fair wear and tear; or (b) caused by improper storage, commissioning, operation, maintenance or excessive use of the Deliveries, the use of unsuitable means of operation,

improper modifications or repair works, or by damage to seals of the Deliveries; (c) caused by the failure to follow VALHALLA's instructions (whether oral or in writing); (d) otherwise caused by any breach of contractual provisions or the product specifications by the Counterparty or by a third party; or (e) where the Deliveries consist of software: caused by non-reproducible software errors.

The Counterparty shall inspect the Deliveries without undue delay after delivery. Any obvious defects shall be notified to VALHALLA in writing **within two weeks after delivery**. Any non-obvious defects in the Deliveries shall be notified to VALHALLA in writing without undue delay after discovery and, in any event, **within two weeks after discovery**. If the Counterparty fails to comply with the above notice periods, the Deliveries shall be deemed accepted, and the Counterparty shall be precluded from asserting any claims in respect of such defects.

VALHALLA may make any repair or replacement conditional upon the Counterparty paying a reasonable portion of the contract price, taking into account the nature and severity of the defect. VALHALLA may refuse repair or replacement if it would be possible only at disproportionate cost.

6. FORCE MAJEURE

VALHALLA shall not be liable for impossibility of delivery or for delays in delivery if these are caused by force majeure or other events which were not foreseeable when the Order Confirmation was issued (e.g. operational disruptions of any kind, difficulties in procuring materials or energy, transport delays, strikes, lawful lock-outs, lack of labour, energy or raw materials, difficulties in obtaining necessary official permits, official measures or the failure of suppliers to deliver, incorrect delivery or delayed delivery) for which VALHALLA is not responsible.

Insofar as such events make it considerably more difficult or impossible for VALHALLA to deliver or perform and the hindrance is not only of a temporary duration, VALHALLA is entitled to withdraw from the agreement. In the event of impediments of temporary duration, the delivery or service deadlines shall be extended, or the delivery or service dates shall be postponed by the period of the impediment plus a reasonable start-up period.

7. RESERVATION OF PERFORMANCE

Performance of this Agreement is conditional upon there being no impediments arising from applicable national, EU, or international export control, sanctions, or embargo regulations.

The Counterparty shall provide all information and documents required for the export, shipment and/or import of the Deliveries.

Furthermore, the Counterparty undertakes not to export, re-export, or otherwise make available any Deliveries, directly

or indirectly, in violation of applicable export control and sanctions laws and regulations, and in particular not without obtaining any licenses or permits required under applicable law. VALHALLA shall be entitled to withdraw from the Agreement if the Counterparty is in violation of applicable rules and regulations.

8. PASSING OF RISK

The risk shall pass to the Counterparty upon handover of the Deliveries to the carrier; this shall apply also when partial deliveries are made (in which case the risk shall pass to the Counterparty for the relevant part upon dispatch) - and irrespective of whether VALHALLA has assumed additional obligations, such as delivery, installation, assembly, or payment of shipping costs.

Where shipment of Deliveries is delayed for reasons for which VALHALLA is not responsible, or where the Counterparty is in default of acceptance for any reason, risk shall pass to the Counterparty at the time the delay begins. VALHALLA shall be entitled to store the Deliveries and to procure insurance against storage risks at the expense of the Counterparty.

The foregoing provisions shall not apply to the extent that the Parties have agreed delivery terms by reference to NCOTERMS 2020, and those provide for a different rule on the passing of risk.

9. DOCUMENTATION, PACKAGING AND EQUIPMENT

The Counterparty shall timely provide VALHALLA with complete and accurate documentation required for the fulfilment of the order and, where applicable, for export, shipment, import, and customs clearance. All such documentation shall contain the information necessary to ensure proper processing, customs clearance (if applicable), and compliance with contractual and regulatory requirements.

The Counterparty shall be solely responsible for the accuracy and completeness of the documentation it provides. Any failure or delay in providing the required documentation may result in delays or refusal of delivery, and the Counterparty shall be liable for any costs or damages incurred by VALHALLA as a result.

VALHALLA shall mark and pack the Products in accordance with the Technical Specifications and/or VALHALLA's instructions and/or in accordance with internationally recognized good industry practice so as to protect the Products during transport until delivery.

10. LIABILITY

To the maximum extent permitted by applicable law, VALHALLA shall **not be liable** for any direct, indirect, consequential, non-material, or moral damages, including, without limitation: loss of profit, loss of revenue, loss of

production, loss of anticipated earnings or savings, loss of use, loss of goodwill, punitive damages, loss of data, damage to reputation, interruption of services, costs of substitute procurement, and removal and reinstallation costs. VALHALLA shall further not be liable for claims or losses asserted by the Counterparty **arising from or relating to damage suffered by third parties**. Any liability for business interruption, production downtime, or any other unforeseeable damages, whether direct or indirect, consequential, or otherwise, is **expressly excluded**.

VALHALLA shall be liable for ordinary negligence – except in the case of injury to life, limb or health – only in the event of a breach of material contractual obligations. In such case, VALHALLA's liability shall be limited to damages that were foreseeable and typical for the contract at the time of performance. Material contractual obligations are those obligations the fulfilment of which is essential for the proper performance of the Agreement and on the fulfilment of which the Counterparty may reasonably rely. VALHALLA's aggregate liability under this clause for all claims and events giving rise to damage arising out of or in connection with the Agreement shall be limited to an amount **not exceeding 20 % of the net price of the affected Deliveries**.

VALHALLA shall be liable without limitation in the event of wilful misconduct and gross negligence.

The Counterparty shall, at its own cost, comply with all applicable laws and regulations in the country where the Product is delivered and/or used. VALHALLA shall not be liable for any failure or delay in performance caused by force majeure events (as defined in these *Terms & Conditions*).

Any further liability beyond that set out in these *Terms & Conditions* is **excluded to the maximum extent permitted by law**. The limitations and exclusions of liability shall not apply to any liability that cannot be excluded under the mandatory laws of the Republic of Slovenia. The provisions of this clause shall survive termination or expiration of this document and of the Agreement.

Where the liability of VALHALLA is excluded or limited, this shall also apply to the personal liability of VALHALLA's employees, staff members, representatives, or vicarious agents.

11. INSTALLATION AND ASSEMBLY

Unless otherwise expressly agreed in writing, the Counterparty shall be responsible for the installation and assembly of the Product, at its own cost and risk.

In such case VALHALLA's obligations shall be limited to delivering the Products in accordance with the agreed specifications and delivery terms. Any assistance, supervision, or on-site support provided by VALHALLA shall be subject to a **separate written agreement and shall be charged additionally**.

Where VALHALLA performs installation or commissioning, acceptance of the Products shall take place upon **signature by Parties of an acceptance protocol**.

12. RETENTION OF TITLE

Unless otherwise agreed in writing, the Deliveries shall remain **in full the property of VALHALLA until the Counterparty has fully satisfied all payment obligations** owed to VALHALLA under the Agreement. In addition, VALHALLA shall retain title to the Deliveries until all claims to which VALHALLA is entitled arising out of the entire business relationship have been fully settled.

The Counterparty shall not pledge the Deliveries or transfer title thereto by way of security. If any third party asserts or acquires any rights in the Deliveries (in particular by way of pledge, attachment, seizure or other disposition), the Counterparty shall immediately notify VALHALLA in writing and shall take all reasonable steps to protect VALHALLA's title. To the extent any claims arise in connection with such third-party interference, the Counterparty hereby assigns such claims to VALHALLA in advance, and VALHALLA hereby accepts such assignment.

So long as any amounts are outstanding and/or the Deliveries are subject to retention of title, the Counterparty shall insure the Deliveries at its own expense against fire, water damage, theft and destruction (and other customary risks) for an amount equal to their replacement value. The Counterparty hereby assigns in advance any and all claims under such insurance policies to VALHALLA, and VALHALLA hereby accepts such assignments. VALHALLA may request evidence of insurance coverage at any time.

In the event that the Counterparty is in default with all or part of its payment obligations for more than thirty (30) days following written notice of default and notice of VALHALLA's right to withdraw, or if insolvency proceedings are applied for, opened, or should be applied for, VALHALLA shall be entitled to withdraw from the Agreement and to require the return of all Deliveries still subject to retention of title and to take immediate possession of such Deliveries. VALHALLA may also, without undue delay, assert its further rights under the retention of title; the same shall apply in the event of any other material deterioration of the Counterparty's financial circumstances. VALHALLA shall be entitled to remove the Deliveries from the Counterparty's premises at its discretion.

If the Counterparty assembles, incorporates, mixes, or otherwise integrates the Deliveries into other products or systems, such processing shall be carried out for the benefit of VALHALLA. VALHALLA shall acquire co-ownership of the resulting product or system in proportion to the invoice value of the Deliveries relative to the total value of the resulting product or system at the time of processing.

The Counterparty shall store and handle any resulting product or system in which VALHALLA holds rights with the care of a prudent businessperson.

If the Counterparty resells the Deliveries and/or any resulting product or system (including after incorporation), the Counterparty hereby assigns to VALHALLA, by way of security, all present and future receivables and claims against its customers or other third parties arising from such resale, up to the amount of all outstanding claims of VALHALLA against the Counterparty. VALHALLA hereby accepts such assignment. The Counterparty shall remain authorized to collect such receivables in the ordinary course until VALHALLA revokes such authorization due to the Counterparty's default, in particular if the Counterparty is in arrears with payment, insolvency proceedings are applied for or opened, or there is any other material deterioration of the Counterparty's financial circumstances. Upon request, the Counterparty shall disclose the assigned receivables to VALHALLA and provide all information and documents necessary for collection and shall notify its customers of the assignment at VALHALLA's request.

If, under applicable law, co-ownership cannot be validly created, the Parties agree that VALHALLA shall obtain an equivalent legal interest in the resulting product.

If the establishment of co-ownership or an equivalent legal interest is not recognized under the law applicable in the country of destination, the Counterparty shall cooperate to ensure the creation of a comparable security interest in favour of VALHALLA in accordance with the applicable local provisions.

13. INTELLECTUAL PROPERTY

All rights, titles, and interests in and to all Intellectual Property Rights (including, without limitation, (a) patents, utility models and industrial designs, and all applications and registrations thereof, (b) copyrights including software in object and source code, and (c) all trade secrets, inventions, know-how and technical data) supplied by VALHALLA, as well as any improvements, modifications or derivative works thereof created by or on behalf of VALHALLA, shall remain the sole and exclusive property of VALHALLA and/or its third-party licensors, whether or not such rights are recognized, registered, or finalized under applicable law.

VALHALLA grants the Counterparty a limited, non-exclusive, non-transferable, royalty-free license to use such Intellectual Property Rights solely for the Counterparty's internal use of the Deliveries for their intended purpose and for maintenance of the Deliveries. Except to the extent permitted by mandatory law, the Counterparty shall not (and shall not permit any third party to) copy, reproduce, translate, modify, adapt or create derivative works from the Deliveries, nor decompile, disassemble or reverse engineer the Deliveries or any software contained therein. The Counterparty may, however, make a reasonable number of

backup copies of the software (including any updates or revisions) solely for archival and replacement purposes, provided that all proprietary notices are retained.

14. TRADEMARKS

The Counterparty shall not use any trademarks, trade names or logos of VALHALLA except as necessary to identify the Products as originating from VALHALLA. The Counterparty shall not alter or remove any Trademark or other markings affixed to the Products.

The Counterparty shall not register, in its own name or through any third party, any of VALHALLA's trademarks, any distinctive signs belonging to VALHALLA, or any confusingly similar marks.

15. CONFIDENTIALITY

Each Party shall keep in confidence all material and information received from the other Party, marked as confidential or which should reasonably be understood to be confidential, and shall not disclose it to any third party or use it for any purposes other than those set out in the Offer or later in the Purchase Order, without the prior written permission of the Disclosing Party.

The foregoing confidentiality obligation shall not apply to confidential information which: (i) is, or subsequently becomes, legally and publicly available without any breach by the Receiving Party of the Agreement; or (ii) was rightfully in possession of, or known to, the Receiving Party, which can be demonstrated by the Receiving Party's internal documents; or (iii) is rightfully obtained by the Receiving Party from a third party, without any obligation of confidentiality; or (iv) is independently developed by the Receiving Party without access to or use of the confidential information; or (v) is required to be disclosed pursuant to applicable law or the decision of a competent court or government agency, whereupon the Receiving Party shall promptly inform the Disclosing Party of this requirement in any case before any confidential information is disclosed, so that a protective order or other appropriate remedy may be sought. Any disclosure needs to be limited to such confidential information to which the mandatory disclosure requirement applies.

Each Party shall limit disclosure of confidential information to individuals within its own organization, including its Affiliates, to external counsels, service providers or to advisors on a "need to know" basis only and provided that such recipient has taken any necessary measures to ensure compliance with the obligations under the Agreement/these *Terms & Conditions*. The Receiving Party shall be responsible for any breach by its Affiliates, employees, or representatives. Disclosure to external service providers shall be limited to the extent necessary to enable them to provide their services. The Receiving Party shall in no event use a lower degree of care in safeguarding the Disclosing Party's information than it uses for its own information of like

sensitivity and importance and in any case not less than reasonable care.

The obligations set forth in this Clause shall bind the Parties for the duration of the contractual relationship between them and shall survive the termination or expiration of the *Terms & Conditions* or any ensuing contract with respect to the confidential information disclosed during such period. To the extent that the Parties have executed a separate Non-Disclosure Agreement (NDA), the terms of such NDA shall apply and take precedence with respect to the definition and protection of confidential information.

16. APPLICABLE LAW AND DISPUTE RESOLUTION

Unless expressly agreed otherwise in writing, these *Terms & Conditions* and any contractual relationship arising out of or in connection therewith shall be governed by and construed in accordance with the **laws of the Republic of Slovenia**, excluding its conflict of law rules. The United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply.

The Parties shall use their best efforts to **settle amicably** any dispute, controversy, or claim arising out of or in connection with these *Terms & Conditions*, or any contractual or non-contractual relationship between them, including by means of alternative dispute resolution (ADR) procedures.

If the Parties are unable to resolve any dispute amicably or through ADR mechanisms, such dispute shall be submitted to

Komenda, 01.01.2026

the **exclusive jurisdiction** of the competent courts in Ljubljana, Slovenia.

17. MISCELLANEOUS

Any amendments to or modifications of the *Terms & Conditions* must be made in writing and signed by duly authorized representatives of VALHALLA in order to be legally effective. The same shall apply to any waiver of this written form requirement.

Should any of the above provisions be or become invalid or unenforceable, the validity of the remaining provisions shall not be affected. In place of the invalid or unenforceable provision, a valid and enforceable provision shall apply which comes closest to the economic intent of the Parties, to the extent permitted by applicable law.

All Offers and Deliveries shall be made exclusively on the basis of VALHALLA's General Terms & Conditions of Sale, available at <https://www.valhalla-turrets.com/terms>. Any General Terms & Conditions of the Counterparty or third parties shall not apply, even if VALHALLA does not expressly object to them in individual cases.

18. VALIDITY

These *Terms & Conditions* shall take effect on **January 1, 2026** and shall remain in force until replaced by a new version of VALHALLA's General Terms & Conditions of Sale.

Miloš Milosavljević, CEO

