

GENERAL TERMS OF SALE
DD SPECIJALNA VOZILA d.d.

I. GENERAL PROVISIONS

Article 1.

Subject Matter and Scope of Application

1. These General Terms of Sale (hereinafter: the "General Terms") govern the terms under which **DD Specijalna vozila d.d.** (hereinafter: the "Seller") sells products, goods, equipment, vehicles and spare parts and provides related services to its customers (hereinafter: the "Buyer").
2. The General Terms apply to all offers, orders, sales contracts, supply contracts, manufacturing contracts and other contractual relationships between the Seller and the Buyer, unless expressly agreed otherwise in an individual contract or written offer.
3. Special terms may be agreed for each individual transaction. In the event of a conflict between the provisions of an individual contract and these General Terms, the provisions of the individual contract shall prevail.
4. These General Terms form an integral part of the offer or contract if the offer, order, contract or other relevant business documentation of the Seller states that they apply.
5. The Buyer's general terms and conditions do not apply to the contractual relationship unless the Seller expressly accepts them in writing.

II. DEFINITIONS

Article 2.

For the purposes of these General Terms, certain terms have the following meaning:

1. **Seller** – DD Specijalna vozila d.d.
2. **Buyer** – a legal entity or natural person acting within the scope of its registered business or professional activity that orders, purchases or contracts for the Seller's Products or services. These General Terms are not intended for contracts with consumers, except to the extent that their application is permitted by mandatory regulations.
3. **Product** – any product, vehicle, railway equipment, component, assembly, spare part, documentation or other item of delivery that is the subject of an offer or contract.
4. **Contract** – a contract concluded between the Seller and the Buyer, including an accepted offer, an order accepted by the Seller, a framework agreement and the associated annexes.
5. **Offer** – a written proposal of the Seller for the conclusion of a contract.
6. **Order** – a written request of the Buyer for the purchase of a specific product or service.
7. **Technical Documentation** – drawings, specifications, technical conditions, design documentation, certificates, instructions and other documentation relating to the Product.
8. **Business Day** – any day except Saturday, Sunday and public holidays or non-working days in the Republic of Croatia.

III. OFFER AND CONCLUSION OF CONTRACT

Article 3.

Offer

1. The Seller's offer is valid until the deadline stated in the offer.
2. If no validity period is specifically stated, the offer is valid for 30 days from the date of issue, unless the circumstances of the transaction indicate otherwise.
3. The offer, technical solution, drawings, calculations, specifications and other documentation delivered by the Seller to the Buyer are intended exclusively for the purposes of the specific business relationship.
4. The Seller reserves the right to amend the offer before its acceptance.
5. Pictures, drawings, catalogues, brochures, samples and other depictions of products are for information purposes only, unless the offer expressly states that they constitute the agreed technical specification.

Article 4.

Conclusion of Contract

1. The Contract is deemed concluded when the Seller accepts the Buyer's order in writing or when the Buyer accepts the Seller's offer in the manner provided for in the offer.
2. The Seller is not obliged to accept the Buyer's order.
3. If the Buyer's order differs from the Seller's offer, the Contract is deemed concluded only if the Seller expressly accepts the amended terms.
4. The Seller's silence shall not be deemed acceptance of an order, unless expressly agreed otherwise.
5. If a written contract is being concluded, the contract is concluded upon its signature. Only the provisions of the Contract and the documents expressly referred to therein shall be authoritative. Statements, estimates, recommendations, technical clarifications or other communication of the Seller prior to the conclusion of the Contract do not constitute a warranty or extend the Seller's contractual obligations, unless expressly included in the Contract.

IV. TECHNICAL REQUIREMENTS AND DOCUMENTATION

Article 5.

1. The Product is manufactured in accordance with the technical specification, drawings, standards and other requirements set out in the contract.
2. Before the conclusion of the contract, the Buyer is obliged to provide the Seller with all data and requirements necessary for the proper manufacture, delivery, installation, use or putting the Product into service.
3. The Buyer is responsible for the accuracy and completeness of the data, drawings, technical requirements and other documentation it provides to the Seller.

4. If the Buyer subsequently changes the technical requirements, specifications, quantities, materials, standards or other requirements, the Seller has the right to change the price, delivery time and other agreed terms.
5. The change is implemented on the basis of the Buyer's written request and the Seller's written acceptance.
6. If the change requires additional work, materials, design, testing, certification or other costs, the Buyer is obliged to reimburse the Seller for the costs thus incurred.

Article 6.

Seller's Technical Documentation

1. All technical documentation, drawings, design solutions, know-how, models, calculations, programs and other documentation produced or provided by the Seller remain its property, unless the contract expressly provides otherwise.
2. The Buyer may not, without the Seller's prior written consent, reproduce, distribute, publish, assign to third parties or use the documentation for other projects.
3. If the documentation has been produced specifically for the Buyer and the contract provides for the transfer of certain rights, the scope of such transfer must be expressly determined by the contract.

V. PRICE

Article 7.

1. The price of the Product is determined by the offer or contract.
2. Unless expressly stated otherwise, prices do not include VAT and other public charges, taxes or levies calculated in accordance with applicable regulations.
3. The costs of transport, insurance, packaging, customs duties, special permits, certification and other related services are included in the price only if this is expressly stated in the offer or contract.
4. If, between the conclusion of the Contract and delivery, extraordinary and unforeseeable changes occur in the prices of key raw materials, energy, components, transport, exchange rates or other input costs that materially affect the cost of performing the Contract, so as to increase the price for the agreed subject of delivery by more than 2 percent, the Seller has the right to request an appropriate price adjustment and to provide the Buyer with an explanation of the changed circumstances. If the parties do not reach a written agreement on the price adjustment within 30 days of the Seller's request, the Seller has the right to suspend performance of the affected part of the Contract or to terminate that part of the Contract, without liability for any delay or non-performance occurring after the expiry of that period.
5. In the event of termination of the Contract, the Buyer is obliged to pay the Seller the corresponding portion of the agreed price for the subjects of delivery delivered up to that point, as well as compensation for the costs incurred up to that point.

VI. PAYMENT

Article 8.

1. The Buyer is obliged to pay the price within the time limits and in the manner determined by the offer or contract.
2. Unless otherwise agreed, the payment term is 15 days from the date of issuance of the invoice.
3. The Seller has the right to issue invoices in accordance with the agreed schedule, including advance payment, interim production phases, completion of production, acceptance or delivery.
4. If an obligation to pay an advance payment has been agreed, the Seller is not obliged to commence production or perform the contract before receiving the agreed advance payment, unless otherwise agreed.
5. In the event of late payment, the Buyer owes statutory default interest, as well as the costs of collecting the claim in accordance with applicable regulations.
6. If the Buyer is late with payment of any due obligation, the Seller has the right, after appropriate written notice, to suspend further production or delivery until the due obligations are settled.
7. A suspension of production or delivery due to the Buyer's delay shall not be deemed a delay on the part of the Seller, and delivery deadlines shall be extended by at least the duration of the reason for the suspension and the reasonably necessary time for resuming production.
8. The Buyer is not entitled to unilaterally reduce, withhold or set off a due amount against any of its claims against the Seller, unless the Seller has acknowledged such claim in writing or it has been established by a final decision. A complaint, warranty claim or dispute concerning an individual part of the delivery does not release the Buyer from the obligation to pay undisputed amounts on time.
9. If, after the conclusion of the Contract, circumstances arise that reasonably give rise to doubt as to the Buyer's ability to fulfil its payment obligations on time, the Seller may require an advance payment, bank guarantee, letter of credit or other appropriate payment security and, until it is received, suspend performance of the Contract. Such suspension does not constitute a delay on the part of the Seller, and the agreed deadlines are extended by the period of suspension and the reasonably necessary time for resuming performance.

VII. DELIVERY TIME

Article 9.

1. The delivery time is determined by the offer or contract.

2. The delivery time begins to run when all conditions necessary for the commencement of performance of the contract have been met, including, as necessary:
 - receipt of the agreed advance payment,
 - receipt of complete technical documentation,
 - approval of the technical documentation by the Buyer,
 - obtaining the necessary permits and consents,
 - delivery of materials or data provided by the Buyer.
3. If the Buyer fails to fulfil its contractual obligations on time, the delivery time is extended by the period of the Buyer's delay and by the reasonably necessary time for resuming performance of the contract.
4. Delivery times are extended for the duration and consequences of force majeure, supply chain disruptions, unavailability of raw materials or components, changes in technical requirements, new legal or regulatory requirements and supplier delays, provided that the Seller did not cause such circumstances and could not have avoided or eliminated them with the exercise of reasonable care. The Seller shall notify the Buyer within a reasonable time of the circumstance and its expected impact on the delivery time.
5. Unless otherwise agreed, the delivery time is deemed met when the Product is ready for collection or when it has been handed over to the carrier, depending on the agreed delivery parity.

VIII. DELIVERY AND TRANSFER OF RISK

Article 10.

1. The place and manner of delivery are determined by the contract.
2. If the use of Incoterms rules has been agreed, the edition specified in the contract applies.
3. Unless otherwise determined by the contract, the risk of accidental loss or damage to the Product passes to the Buyer at the moment determined by the agreed delivery term.
4. If the Buyer does not take over the Product within the agreed time, the Seller has the right to:
 - charge storage and safekeeping costs,
 - demand compensation for additional costs,
 - set a new deadline for taking over,
 - exercise other rights to which it is entitled under the contract and law.
5. If the Buyer is responsible for the delay in taking over, the risk passes to the Buyer at the latest upon expiry of the agreed takeover period, if the Product is ready for delivery.
6. The Seller is entitled to make and separately invoice partial deliveries if they are objectively usable for the Buyer or if such delivery is justified during the performance of the Contract, unless expressly excluded by the individual Contract. Unjustified refusal of a partial delivery shall be deemed a delay by the Buyer in taking over.

IX. INSPECTION OF PRODUCTS AND COMPLAINTS

Article 11.

1. The Buyer is obliged to inspect the Product immediately after delivery, or within the time reasonably required for inspection given the nature of the Product.
2. The Buyer is obliged to report visible defects to the Seller without delay, and at the latest within 8 days of the date of delivery, unless another time limit is specified by the contract.
3. The Buyer is obliged to report a hidden defect immediately after its discovery, in compliance with the time limits prescribed by law and the contract, on pain of loss of rights.
4. A complaint must contain at least:
 - the contract or order number,
 - the designation of the Product,
 - a description of the defect,
 - the date on which the defect arose or was noticed,
 - appropriate documentation and, where possible, photographs or test results.
5. The Buyer is obliged to enable the Seller to inspect the Product complained of.
6. If it is established that the defect complained of is not the result of the Seller's responsibility, the Buyer is obliged to reimburse the Seller for the reasonable costs of inspection, testing, transport and other actions taken in connection with the complaint.

X. WARRANTY

Article 12.

1. The Seller provides a warranty for the Product for the period specified by the contract, offer or warranty terms delivered with the Product.
2. Unless otherwise agreed, the warranty begins to run from the date of delivery, or from the date the Product is put into service where this is expressly provided for by the contract.
3. The warranty covers the remedying of defects resulting from the Product's non-conformity with the agreed specification or from errors for which the Seller is responsible.
4. The Seller may, at its own choice, depending on the nature and justification of the complaint:
 - remedy the defect,
 - replace the defective part,
 - repair the Product,
 - carry out a repeat delivery,

- grant an appropriate price reduction,
 - or take another measure provided for by the contract.
5. The warranty does not cover defects arising from:
 - improper use,
 - use contrary to instructions,
 - unauthorised modifications or repairs,
 - improper or unauthorised maintenance,
 - mechanical damage after the transfer of risk,
 - use of unsuitable parts or materials,
 - normal wear and tear,
 - force majeure,
 - or other circumstances for which the Seller is not responsible.
 6. The warranty on a repaired or replaced part lasts until the expiry of the original warranty period, unless the contract expressly provides otherwise.
 7. The Buyer is obliged to keep the Product complained of and, as instructed by the Seller, to enable repair at the place of use or to deliver the Product or the part complained of to a place designated by the Seller. The Seller bears the reasonable costs of transport and of remedying the defect only if the claim is found to be justified; otherwise all such costs are borne by the Buyer. The Buyer may not, without the Seller's prior written consent, remedy the defect itself or engage a third party at the Seller's expense, except to prevent immediate danger or significant damage.

XI. ACCEPTANCE, TESTING AND TECHNICAL INSPECTION

Article 13.

1. If the contract provides for factory acceptance (FAT), acceptance at the customer's site (SAT), a test drive, functional testing, inspection or another form of acceptance, the manner, scope and criteria of acceptance are determined by the contract and the associated technical documentation.
2. The Buyer is obliged to appoint authorised representatives to take part in testing and acceptance.
3. If the Buyer fails to provide its representatives at the agreed time, the Seller may carry out the testing or acceptance without the Buyer being present.
4. If the Product meets the agreed acceptance criteria, it is deemed accepted.
5. Minor defects that do not materially affect the functionality or safety of the Product do not constitute grounds for refusing acceptance, but are recorded in the minutes and remedied within the agreed time.
6. If the Buyer, without justified reason, does not attend the agreed acceptance, does not sign the minutes or does not submit written and reasoned objections within five Business Days of receiving the test results or the minutes, the Product shall be deemed accepted. Use of the Product in regular business operations, other than use solely for the purpose of the agreed testing, is also deemed acceptance.

XII. OWNERSHIP

Article 14.

1. If retention of title has been agreed, the Product remains the property of the Seller until all of the Buyer's obligations arising from the specific contract have been fully settled, to the extent permitted by applicable regulations.
2. Until title passes, the Buyer is obliged to treat the Product with the care of a prudent businessperson and may not encumber it with third-party rights contrary to the Seller's rights.
3. Special provisions on retention of title may be regulated by an individual contract.

XIII. SELLER'S LIABILITY

Article 15.

1. The Seller is liable for damage in accordance with applicable regulations and the agreed terms.
2. To the fullest extent permitted by applicable regulations, the Seller is not liable for indirect, special or consequential damage, including loss of profit, loss of revenue, production, use, contracts, business opportunity or reputation, costs of a replacement product or transport, penalties owed by the Buyer to third parties and other pure economic losses that are not a direct consequence of the Seller's breach. This exclusion does not apply to liability that, under mandatory regulations, cannot be limited or excluded in advance.
3. To the fullest extent permitted by applicable regulations, the Seller's total cumulative liability on all grounds arising from or related to an individual Contract is limited to the amount actually paid by the Buyer to the Seller for the Product or the part of the Product from which the liability arose. Contractual penalties, damages, costs of remedying defects and all other monetary claims of the Buyer are counted towards this limit, except for liability that, under mandatory regulations, cannot be limited or excluded in advance.
4. The limitations of liability under this article do not apply in the case of liability that, under applicable regulations, cannot be limited or excluded in advance.

XIV. CONTRACTUAL PENALTY AND DELAY

Article 16.

1. A contractual penalty binds the Seller only if it has been expressly agreed in writing. Unless the Contract provides otherwise, the total contractual penalty for delay may not exceed five percent of the price of the delayed part of the delivery, constitutes the Buyer's sole monetary remedy for that delay and counts towards the Seller's total liability cap.
2. Unless otherwise agreed, a contractual penalty may not be calculated for any period during which the delay was caused by the Buyer, force majeure or other circumstances for which the Seller is not responsible.

3. Payment of a contractual penalty does not release the Buyer from the obligation to pay the agreed price and other due obligations.

XV. FORCE MAJEURE

Article 17.

1. Force majeure means events and circumstances beyond the reasonable control of a contracting party that could not have been foreseen, prevented, avoided or eliminated at the time of concluding the contract.
2. Force majeure may in particular include:
 - war, acts of war and the threat of war,
 - terrorism,
 - natural disasters,
 - fires and floods,
 - epidemics and pandemics,
 - strikes and other labour disruptions,
 - disruptions in energy supply,
 - shortage of key raw materials or components,
 - transport disruptions,
 - decisions of public authorities,
 - embargoes and sanctions,
 - changes in regulations,
 - large-scale cyber incidents,
 - or other comparable events.
3. The party affected by force majeure is obliged to notify the other party within a reasonable time.
4. For the duration of force majeure, obligations whose performance is affected by such an event are suspended to the extent that their performance is prevented or unreasonably hindered.
5. If force majeure continues uninterrupted for more than 180 days and materially prevents performance of the Contract, either party may terminate the affected part of the Contract by written notice to the other party, without liability for such termination. In that case, the Buyer is obliged to pay for all Products, works, ordered materials and reasonable costs that the Seller has duly performed, taken over or irrevocably contracted for the purpose of performing the Contract up to the date of termination.

XVI. EXPORT CONTROLS, SANCTIONS AND BUSINESS COMPLIANCE

Article 18.

1. The Buyer undertakes to comply with all applicable regulations of the Republic of Croatia, the European Union and other countries relating to export, import, re-export, sanctions, embargoes, customs regulations, control of dual-use goods and other regulations that may apply to the Product.
2. If an export, import or other permit is required for delivery, the Seller is not liable for delay or impossibility of delivery if the permit has not been issued for reasons beyond the Seller's control.
3. At the Seller's request, the Buyer is obliged to provide the information necessary to verify the end user, end use, country of destination and other circumstances relevant to the implementation of export control and sanctions regulations.
4. The Seller has the right to refuse or suspend performance of the contract if its performance would constitute a violation of applicable laws, sanctions, embargoes or other binding regulations.
5. The Buyer undertakes that, in connection with the Contract, it will not, directly or indirectly, offer, promise, give, request or accept any improper advantage, and that it will act in accordance with applicable regulations on the prevention of corruption, money laundering and terrorist financing. The Seller may require appropriate information to verify compliance and may suspend performance or terminate the Contract if there are reasonable grounds to suspect a breach of these obligations.
6. The Buyer shall not, directly or indirectly, sell, export, re-export, transfer or make the Product available to any person, entity, country, territory or for any end use for which such a transaction is prohibited or restricted by applicable regulations. The Buyer shall pass the same obligations on to its further customers and users and shall without delay provide the Seller with the information and evidence necessary to verify compliance with this provision.

XVII. CONFIDENTIALITY

Article 19.

1. The parties are obliged to keep confidential all business, technical, financial and other information that is marked as confidential or that by its nature constitutes a trade secret.
2. Confidential information may be used exclusively for the purpose of performing the contract.
3. The confidentiality obligation does not apply to information:
 - that is publicly available without breach of the contract,
 - that the party lawfully possessed prior to receiving it,
 - that the party is obliged to disclose under law or an order of a competent authority,
 - or whose disclosure the other party has previously approved in writing.
4. The confidentiality obligation remains in force after the termination of the contract for a period of [5] years, and for trade secrets for as long as such information retains the status of a trade secret.

XVIII. PERSONAL DATA PROTECTION

Article 20.

1. The parties undertake to process personal data in accordance with applicable personal data protection regulations, including the General Data Protection Regulation (GDPR) and national regulations.
2. Each party is responsible for the lawfulness of the processing of personal data that it processes within the business relationship.
3. If it is necessary for the performance of the contract to specifically regulate the relationship between controller and processor, the parties shall conclude an appropriate addendum or personal data processing agreement.

XIX. SUBCONTRACTORS

Article 21.

1. The Seller has the right to engage subcontractors, suppliers and other business partners for the performance of the contract, unless the contract expressly provides otherwise.
2. The engagement of subcontractors does not release the Seller from its contractual obligations towards the Buyer to the extent that the Seller is responsible for them under the contract and law.
3. The Buyer is not entitled to assign the contract or individual rights and obligations under the contract to a third party without the Seller's prior written consent, unless otherwise provided by the contract.

XX. TERMINATION OF CONTRACT

Article 22.

1. A contracting party may terminate the contract due to a material breach of the contract by the other party in accordance with the contract and applicable regulations.
2. Before termination due to breach of contract, the terminating party shall, where applicable, grant the other party a reasonable period to remedy the breach.
3. The Seller may terminate the Contract by written notice, without granting an additional period where the purpose of such a period would clearly not be achieved, if the Buyer fails to settle due obligations, becomes insolvent, becomes subject to bankruptcy, pre-bankruptcy, liquidation or similar proceedings, fails to provide the required payment security, documentation or cooperation, violates sanctions, export control or anti-corruption regulations, or by its conduct prevents or materially hinders performance of the Contract.
4. In the event of termination of the Contract for a reason for which the Buyer is responsible, the Buyer is obliged to pay for all work performed and Products delivered, materials and components procured or irrevocably ordered, subcontractor costs, costs of demobilisation, storage and disposal, and other reasonable costs and damage incurred by the Seller due to the premature termination of the Contract, reduced by amounts that the Seller has reasonably managed to avoid or realise by using such materials for other projects.

XXI. INTELLECTUAL PROPERTY RIGHTS

Article 23.

1. All intellectual property rights related to the Seller's products, design solutions, technical documents, drawings, programs, software, know-how and other work results remain the property of, or at the disposal of, the holders of those rights, unless the contract expressly provides otherwise.
2. The Buyer does not acquire the right to use, reproduce or commercially exploit such rights beyond the extent necessary for the agreed use of the Product.
3. If the contract provides for a licence or the transfer of certain rights, their scope must be expressly determined.

XXII. NOTICES AND COMMUNICATION

Article 24.

1. All important contractual communication is conducted in writing, including by email, if its content and sender can be proven.
2. The contracting parties are obliged to notify the other party without delay of any change in data relevant to the performance of the contract.
3. A notice is deemed delivered:
 - by personal delivery – on the day of handover,
 - by registered mail – in accordance with the rules on delivery,
 - by email – when receipt is confirmed or when the circumstances indicate that the message has been received.

XXIII. GOVERNING LAW

Article 25.

1. The law of the Republic of Croatia applies to the relations between the Seller and the Buyer, unless an individual contract expressly provides otherwise.
2. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is hereby excluded, unless the contracting parties expressly agree on its application.

XXIV. DISPUTE RESOLUTION

Article 26.

1. The contracting parties shall endeavour to resolve all disputes amicably, through negotiations between authorised representatives.
2. If the dispute cannot be resolved amicably within 30 days of the written request for negotiations, the court with subject-matter jurisdiction in the Republic of Croatia, according to the Seller's registered seat, shall have

jurisdiction to resolve the dispute, unless another jurisdiction or arbitration has been expressly agreed by the contract.

3. The provision of the preceding paragraph applies to the fullest extent permitted by mandatory regulations.

XXV. FINAL PROVISIONS

Article 27.

1. If any provision of these General Terms proves to be null, unenforceable or invalid, this shall not affect the validity of the other provisions.
2. The contracting parties shall replace such a provision with a valid provision that is closest in its economic purpose to the original provision.
3. Amendments and supplements to these General Terms are adopted by the Seller, who publishes them or makes them available in an appropriate manner. The amended General Terms apply to contracts concluded after their entry into force, while they may apply to contracts already concluded only if the contracting parties have expressly agreed so.
4. These General Terms enter into force on 01.10.2026.
5. On the date of entry into force of these General Terms, the Seller's previous General Terms of Sale cease to apply, except for contracts to which they continue to apply under their provisions.

DD SPECIJALNA VOZILA d.d.