GENERAL SALES TERMS AND CONDITIONS

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between.
G.A.C. Rifles s.r.l. , the legal representative p.t. with head-office in Angolo Terme (BS) postal code 25040 <i>Località Bià Sot</i> no. 15 (fiscal code 03358220980), hereinafter referred to as "GAC"
and
hereinafter referred to as "Customer"
is hereby agreed as follows:

- 1) OBJECT: GAC will supply and manufacture on behalf of the Customer the goods indicated in the order form attached to the present contract, which forms an integral part thereof.
- 2) CLOSURE OF CONTRACT: The present contract shall be close when GAC accepts the order formulated by the Customer using the appropriate form; any correspondence that follows between the parties prior to the compilation of the said order form is not binding to the closure of the contract.
- 3) POSSIBLE CHANGES TO THE PRODUCT: GAC undertakes to immediately communicate to the Customer any changes made to the product which will be necessary for technical and/or market needs, and the Customer will have to accept such changes; until then, GAC will suspend the production of the product until acceptance of the new product is received from the Customer. If this acknowledgment is not communicated within 30 days the present contract will terminate automatically.
- 4) PAYMENT and TRANSPORT: The payment of the product will take place according to the terms indicated in the order form; as soon as the order is placed, the Customer has to pay GAC a 30% deposit of the price quoted as a confirmation of the said order. If the said price is modified due to technical and/or market changes made on the required product, that is unforeseen at the time of the order, GAC will immediately inform the Customer of such changes and the Customer can either accept them or cancel the order, upon written notice to GAC. If the Customer refuses the price change, GAC will refund the deposit received. The transport costs of the product will be charged to the Customer and indicated in the invoice.

The delivery of the product by GAC will only take place on receipt of the entire balance agreed. However, GAC has the option to deliver the product to the Customer prior to receiving the amount owed.

5) VAT: The Customer is obligated to communicate to GAC if the purchase is made as a private buyer (B2C), or as a business (B2B). This has to be communicated prior to the order confirmation.
If the purchase is made as a private buyer (B2C), VAT will be applied in accordance to Italian regulations.

If the purchase is made as a business (B2B), the Customer has to provide the company "VAT number". In order to close the sale without applying Italian VAT, the purchaser has to be registered in the European Union VIES registry. The Customer assumes the onus of providing the consequent fulfillments and fiscal obligations derived from the B2B purchase. GAC reserves the right to debit the VAT not yet invoiced, in case the VAT number provided results to be invalid.

However, the Customer is responsible for the correct execution of all the formalities at his expense foreseen by the local and/or European VAT standards and also those referred to the final delivery location.

- 6) SALES IN NON-EU COUNTRIES: The Customer is responsible for all the duties, taxes, import and export charges of the products from Italy to be exported abroad; the Customer is responsible for compliance with laws and regulations governing the import of goods into the importing country.
- 7) TERMS and DELIVERY: The delivery date indicated in the order form is only indicative and GAC will not be responsible for eventual delivery delay of the products, that do not directly depend on GAC will.

The delivery of the product will take place at the location indicated by the Customer in the order form

Under no circumstances will GAC be responsible for losses or damages suffered as a consequence of the non-delivery of the goods.

From the moment of delivery, within 60 days, the Customer reserves the right to check and notify GAC of any vices and defects that have been discovered on the products.

8) WARRANTY: GAC guarantees that the product sold, complies with the quantity and quality as indicated in the order form, as well as exempt from manufacturing defects.

In addition, GAC guarantees to have undergone the product, in the present contract, for a forced and structural testing in accordance to the C.I.P standards, at the *Banco di Prova (Proof House)* in *Gardone Val Trompia (BS)*; this company will supply the Customer with an adequate warranty for vices and defects of the product, according to the law, for 2 years from delivery date, exclusively on parts supplied, manufactured and sold with certainty by GAC.

Once having received the product, the Customer has to examine it as soon as possible and has the duty to communicate to GAC, in writing, any vices and defects within 60 days, under penalty of expiry of the warranty.

Within this period GAC, at its discretion, will repair the defect communicated by the Customer or will substitute the defected product, without any charges to the Customer (except transport costs and/or delivery of the product to the GAC workshop, or from the GAC workshop to another location).

This warranty regards all parts of the product, and it <u>excludes</u> damages caused by poor care and maintenance, accidents, abuse or improper use of the product, obstruction of the rifle barrel, use of inadequate ammunition, reloaded or improper, adjustments or modifications carried out by persons non authorized by GAC, normal wear and tear.

Therefore, GAC will not supply the Customer a warranty for losses, expenses and damages different to those exclusively needed to repair the defect or the substitution of the product.

The present written warranty is, under no circumstances, neither tacitly nor implicitly modifiable

from both parts; in addition, it is subject to Italian law in the European and non-European sales and also if the Customer reacts as a private buyer (B2C) or as a business (B2B).

- 9) **CONTRACT TRANSFER**: The possibility of the Customer to transfer this contract to third parties is expressly excluded even temporarily or permanently, partially, or for payment or free of charge.
- **10) RESOLUTIONS:** The present contract will be legally terminated if the Customer or GAC do not respect the conditions of the present contract regarding terms of delivery of the product, to the collection of the product and to its payments and guarantees.
- **11) PRIVACY:** The Customer, in compliance with Italian Legislative Decree 196/03, authorizes GAC to use its personal data with manual instruments, computer and telematics, within the limits and in accordance with the obligations under the Italian law no. 675 of 31.12.1996 and subsequent modifications and integrations.

The Customer also authorizes GAC to retain its data even after the closure of the contract.

- **12) LANGUAGE:** The only official language of the present contract is Italian.
- **13) LAW AND JURISDICTION:** Any dispute that refers to the interpretation, performance, breach or termination of this contract or that, in any way either with it related, will be submitted to the jurisdiction to the Italian state; the Jurisdiction Court is Brescia.

 The present contract is governed exclusively by Italian law.

Angolo Terme (BS), date	
G.A.C. Rifles s.r.l.	Customer

Pursuant to articles 1341 and 1342 of the Italian Civil Code the Customer specifically approves, by further subscription, the following contract terms: 3) Possible changes to the product 4) Payment and Transport 6) Sales in non-EU countries 7) Terms and delivery 8) Warranty 12) Language 13) Law and jurisdiction.

GAC Rifles s.r.l.	Customer