

**General Terms and Conditions of Sale and Supply
of Blaser Jagdwaffen GmbH, 88316 Isny im Allgäu, Germany
as applying to businesspersons
(As amended: July 2017)**

§ 1 Area of application

1. Supplies and services to other businesspersons by Blaser Jagdwaffen GmbH ("Blaser") shall be effected solely in accordance with these General Terms and Conditions of Sale and Supply. These Terms and Conditions shall also apply to all future business relations, even if they are not expressly agreed again.
2. These General Terms and Conditions of Sale and Supply only apply with respect to businesspersons as defined in Section 14 BGB (German Civil Code).
3. Terms and conditions of the customer deviating from or conflicting with our General Terms and Conditions shall not become an integral part of the contract even if Blaser renders performance without any reservation. Blaser hereby rejects counter-confirmations by the customer with reference to its terms and conditions of business and purchase.
4. Deviations from these General Terms and Conditions of Sale and Supply are only effective if agreed by the parties in writing or if confirmed by Blaser in writing.

§ 2 Offer, order and entering into a contract

1. The brochures, advertisements etc. of Blaser are not to be deemed to constitute a legally-binding offer to enter into a contract.
2. A legally-binding offer is first initiated by the customer and can be accepted by Blaser within a period of four weeks.
3. Blaser may demand that an order be placed or confirmed in writing.
4. Alterations to the order are only possible given the express consent of Blaser.
5. Drawings, illustrations, measurements, weights and other performance data are only non-binding approximations, save as otherwise explicitly covenanted by the parties in writing by special agreement.

§ 3 Firearms trading license, firearms acquisition permit etc.

In particular the provisions of the law on firearms in accordance with the relevant legal systems, including the need for official licenses, are to be strictly adhered to.

§ 4 Prices

Except as otherwise agreed, prices shall be ex works to which the Value Added Tax in the statutory amount respectively applicable in Germany at the time of delivery shall be added.

§ 5 Terms of payment, default

1. The purchase price and moneys payable for incidental services fall due upon delivery of the item being supplied.
2. A 2 % discount may be deducted from payment effected within 10 days of the invoice date, the net amount is payable within 30 days of the invoice date and a 3 % discount will be deducted if authority is granted for payment to be effected by means of direct debit.
3. If the purchase price due is not paid on the due date, Blaser shall have the right to demand default interest 8 percent points above the respective base interest rate of the European Central Bank, unless higher default interest has been agreed with the customer. Asserting a claim for further damage by Blaser is not excluded.
4. Save as otherwise expressly agreed, all payments are applied to repay the oldest claim due.
5. If costs and interest have already been incurred, Blaser has the right to initially offset payment against costs, then against the interest and finally against the principal performance.

6. Cheques and bills of exchange are not deemed to constitute payment until honoured. Acceptance of bills of exchange always requires a prior written agreement with Blaser. Customary bank discount and collection fees are charged on discounting bills of exchange. Discount and collection fees are payable immediately in cash.

§ 6 Offset and right of retention

1. The customer may only offset such counterclaims which are recognized by Blaser or by final and binding judgment of a court of law.
2. In all other respects the customer may only exercise a right of retention insofar as it is based on claims resulting from the respective order.
3. In case of complaints on account of defects, the customer may only withhold payment to an extent which is reasonably commensurate with the defects occurring.
4. If the customer is a merchant, it is not admissible for payments to be withheld on account of any counterclaims of the customer not acknowledged by Blaser.

§ 7 Cancellation costs

If, for unjustified reasons, the customer cancels an order placed, Blaser may demand payment of 10 % of the sales price to cover costs of order handling and forfeited profits, without prejudice to the possibility of asserting a claim for additional damage actually incurred. The customer reserves the right to prove that less damage was incurred.

§ 8 Transport and transfer of risk

1. Risk shall pass to the customer as soon as the consignment is delivered to the person responsible for transport or as soon as the consignment leaves the Blaser plant for transport purposes. If transport is delayed at the customer's request, risk shall pass to the customer upon notification of readiness for transport.
2. The choice of tried and tested transport possibilities is incumbent upon Blaser unless a special agreement is reached on this by the contracting parties in individual cases. Liability for loss, improper use of the firearms etc. is, however, excluded except in case of deliberate acts or gross negligence.

§ 9 Delivery period

1. The delivery period shall commence upon dispatch of the order confirmation but not before provision by the customer of any documentation, licences, clearances which may have to be produced by the customer or before receipt of a down-payment agreed upon.
2. The delivery period shall be deemed complied with if, pending the expiry thereof, readiness for transport has been notified or the item for delivery has left the plant.
3. Unless otherwise expressly agreed by the parties hereto with reference to a "fixed transaction" (to be performed at a fixed point in time – *Fixgeschäft*) or to a "fixed commercial sale" (to be performed at a fixed point in time – *Fixhandelskauf*), it may not be assumed that the continuation of the customer's interest in performance is linked to punctuality of performance.
4. The delivery period shall be prolonged in the event of action within the framework of labour disputes, in particular strike and lockout, or given the occurrence of unforeseen impediments beyond the sphere of influence and intent of Blaser, for instance interruptions in operations, delays in the delivery of fundamental materials, insofar as such impediments are proven to have considerable influence on the delivery of the item being supplied. This shall also apply if

such circumstances occur at sub-suppliers. The delivery period shall be prolonged in accordance with the duration of such action or impediments. The aforementioned circumstances are not deemed to be the responsibility of Blaser even if they arise during default which has already occurred. In important cases Blaser shall notify the customer of the commencement and termination of such impediments as soon as possible.

5. Part deliveries are admissible within the delivery periods indicated by Blaser, unless this results in disadvantages for use.
6. In the event of delays in delivery for which Blaser is responsible, the term of the extended deadline to be set by the customer by law is fixed at four weeks, commencing on the date of receipt by Blaser of the written extended deadline. Thereafter the customer has the right to rescind the contract; any further claims of any type whatsoever, in particular claims for damages, are excluded.
7. Delivery periods only give rise to the application of the legal consequence provided for in Section 323 para. 2 (2) BGB (No need to fix a period of time for rescission of the contract) if this is expressly agreed in writing.

§ 10 Warranty

Blaser is liable for defects in the goods delivered in accordance with statutory provisions save as otherwise determined hereinbelow:

1. In case of defects which can be remedied, Blaser may render subsequent performance, at its own discretion, either by remedying the defect (Repair) or by supplying a defect-free product (Subsequent Supply). In this connection the customer shall allow Blaser adequate time to render such subsequent performance.
2. Blaser is obliged to bear the expenses involved for the purpose of subsequent performance, in particular, transport, transportation, labour and materials costs, unless or to the extent that they are increased because the item purchased has been removed to a location other than the place of performance. There is no obligation to compensate for expenses with respect to any guarantees given by Blaser within the meaning of 10.12 which exceed the warranty provisions.
3. If the Repair should fail, if Blaser refuses to render subsequent performance or if it is unreasonable to expect Blaser to undertake a second Repair attempt, the customer has the right, within the framework of the statutory provisions, at its choice either to rescind the contract or to reduce the purchase price. In case of an only minor defect, the customer only has the right to reduce the purchase price, unless any other mandatory provisions are stipulated by law.
4. If the subsequent performance possibility chosen by Blaser is refused, Blaser shall be exempted from the obligation to render subsequent performance and from further claims on account of defects to this extent.
5. A declaration of rescission of the contract or of reduction of the purchase price and – unless excluded – a demand for damages in lieu of performance or compensation of expenses must be made in writing to be valid.
6. Obvious defects will only be recognized by Blaser if they are asserted in writing within two weeks of receipt of the goods.

If the customer is a merchant, he must examine the goods delivered for any defects immediately after delivery and notify complaints of defects in writing immediately, no later than one week after receipt of the goods delivered.

7. Warranty claims do not cover natural wear and tear nor do they cover damage occurring after the transfer of risk due to faulty, negligent, improper or unsuitable use or handling.

Nor do warranty claims encompass damage resulting from non-compliance with instructions for use, from inadequate maintenance, faulty / re-loaded / non CIP-approved or other unsuitable ammunition or from unsuitable care products or the improper use thereof.

Furthermore, warranty claims do not cover damage arising on account of force majeure or environmental influences, nor damage caused by particular external influences which cannot be presupposed in accordance with the meaning and purpose of the contract.

Nor is damage covered by warranty claims which is caused by an improper and/or major modification or by maintenance work by the customer or third parties (in particular by unauthorized workshops).

8. Wooden parts, in particular stocks, are a natural product and have a natural diversity of colour and grain; deviations in the colour shade or grain do not justify complaints. Engravings are an artistic performance rendered in accordance with hunting tradition each of which is unique; immaterial or reasonably acceptable discrepancies do not justify complaint.
9. The provisions of Sections 478 and 479 BGB concerning the right of recourse shall remain unaffected, subject to the proviso that Blaser is only liable to pay damages subject to the preconditions of § 10.10.
10. Notwithstanding the foregoing provisions, Blaser shall remain liable for damage resulting from fatal and physical injury and from damage to health caused by a negligent breach of duty by Blaser and due to an intentional or negligent breach of duty by a statutory representative or agent employed in the performance of an obligation. The same shall also apply in the event of other damage due to a grossly negligent breach of duty by Blaser and to an intentional or grossly negligent breach of duty by a statutory representative or agent employed by Blaser in the performance of an obligation and in case of infringement of a cardinal contractual duty (Kardinalpflicht) and in cases where compulsory liability is stipulated by law.

Insofar as Blaser is in negligent breach of a material duty or of a fundamental contractual duty, Blaser's obligation to compensate is limited to reasonably foreseeable damage typical of the type of contract.

11. Blaser shall be liable on account of further claims and rights only in case of deliberate acts and gross liability. Liability is excluded in all other respects.
12. Any special guarantees provided by Blaser shall be independent of the warranty conditions.

§ 11 Other liability

1. Save as otherwise provided for in these Terms and Conditions, claims for damages asserted by the customer shall be excluded irrespective of the legal ground thereof, in particular on account of a breach of duties under the obligation and from a delict.
2. This shall not apply in case of compulsory liability, for instance subject to the terms of the German Product Liability Act, in case of deliberate acts, gross negligence, in case of fatal injury, physical injury or damage to health or on account of a breach of fundamental contractual obligations. The claim for damages for a breach of fundamental contractual obligations is, however, limited to damage which is foreseeable and typical for the type of contract, insofar as deliberate acts and gross negligence are not involved.

§ 12 Reservation of title

Blaser shall reserve title to the goods delivered by Blaser pending full payment thereof. The following conditions apply to this reservation of title:

1. If the customer is a merchant, title shall not be transferred until all outstanding claims (including all balanced claims on current account) have been met to which Blaser is entitled from the customer for any legal ground now or in future (extended retention of title – *erweiterter Eigentumsvorbehalt*).
2. Attaching and transferring as security goods belonging to Blaser is forbidden without the express prior written consent of Blaser; Blaser must be notified immediately in case of attachments by third parties and of other events affecting Blaser's interests; in case of attachments, the attachment protocol is also to be dispatched to Blaser.
3. As long as the goods delivered belong to Blaser, the further sale thereof is only permissible in the normal course of business. Transferring ownership to a buyer by the customer is only permissible

following payment in full by the customer's buyer (follow-up reservation of title – *nachgeschalteter Eigentumsvorbehalt*).

4. When a customer enters into a purchase contract with Blaser, the customer already assigns to Blaser in advance the full claim to which the customer will be entitled from any further sale to a buyer (prolonged reservation of title – *verlängerter Eigentumsvorbehalt*). The customer shall remain authorized to collect the claim assigned. Upon request, Blaser is to be accounted to with respect to the claims thus assigned. This authority may be revoked by Blaser, Blaser continues to have the right to advise the customer's buyer of the assignment, this shall, however, only apply in case of default of payment or deterioration in the customer's assets; the customer shall be advised prior to disclosure to the buyer.
5. Goods subject to reservation of title must be treated and maintained carefully.
6. Any processing or reworking by the customer of the items sold subject to reservation of title is always effected on behalf of Blaser. If the item sold is processed with other items not belonging to Blaser, Blaser acquires joint title to the new thing in the same proportion as the value of the item sold (final invoice value, incl. VAT) in proportion to that of the other processed items at the time of processing. The same provisions apply to the thing arising through processing as apply to the item sold subject to reservation of title.
7. Blaser has the right to insure goods delivered by Blaser which have not yet been fully paid for by the customer at the customer's expense against fire and water damage, theft, force majeure etc., insofar as the customer fails to prove to Blaser that the customer has taken out such insurance himself and assigns its claims under this insurance policy as security.
8. If the customer is in default with payment, Blaser shall be entitled – following the abortive expiry of a reasonable deadline set for performance by the customer – to label goods delivered subject to reservation of title as being the property of Blaser or to have them thus labelled, to forbid any further use, to rescind the contract and demand the surrender of the property or to recover the property itself. For this purpose the customer grants Blaser the right to enter the premises in which the goods supplied subject to reservation of title are kept and to remove the goods supplied. Alongside this the customer is also obliged to surrender the goods. The statutory provisions governing the absence of necessity to fix a deadline shall remain unaffected.
9. In other cases of breach of duty, in particular such breach of duty jeopardizing the existence of the goods delivered subject to reservation of title, Blaser shall be entitled to recover the goods even without rescinding the contract. The customer is obliged to surrender the goods and for this purpose grants Blaser the right to enter the premises in which the goods supplied subject to reservation of title are kept and to remove the goods delivered.
10. Following a prior threat and a reasonable deadline, Blaser has the right to exploit the goods recovered in the best way possible by private sale, offsetting the proceeds against the order price.

The costs of recovering and exploiting the goods shall be borne by the customer. The exploitation costs amount to 10 % of the exploitation proceeds unless Blaser proves higher costs or the customer proves lower costs.
11. If the realisable value of the security afforded to Blaser exceeds the value of the claims to be secured by more than 10 %, Blaser shall, at the customer's request, release security to this extent at the discretion of Blaser.

§ 13 Liability in tort

Claims for damages in tort are excluded unless the damage was caused deliberately or by gross negligence or if another person was fatally or physically injured or his or her health impaired. This shall also apply to action taken by Blaser's vicarious agents or agents employed in the performance of an obligation (Verrichtungs- und Erfüllungsgehilfen).

§ 14 Obligation to compile documentation, obligation to provide support, obligation to read instructions for use with care

1. Notwithstanding existing statutory provisions, the customer has to compile precise documentation on Blaser products, in particular on the buyers to whom Blaser firearms and Blaser gun barrels are

sold and handed over to and the date thereof, where possible indicating the firearms number.

2. The customer declares that it is prepared to cooperate with Blaser in a loyal way and to support Blaser, notably in performing product observation duties and conducting any recall actions.
3. Instructions for use provided by Blaser are to be read carefully as soon as possible. The customer must pass on these instructions for use when the goods are delivered to the final consumer.

§ 15 Altering, processing, reworking the goods sold

Any alterations, processing or reworking to or of Blaser products which can impair the safety of the products or which are of a fundamental nature may only be effected given the prior express and written consent of Blaser. The purchaser is obliged to also pass this obligation on to any customers / legal successors. § 12 subparagraph 6 shall remain unaffected.

§ 16 Place of performance, jurisdiction and applicable law

1. The place of performance is D-88316 Isny, Federal Republic of Germany.
2. In case of any and all disputes arising from the contractual relationship, provided that the customer is a merchant, a legal public-law entity or a public-law special fund, legal action is to be taken at the court with jurisdiction for D-88316 Isny. Blaser also has the right to take legal action at the head office of the customer.
3. The laws of the Federal Republic of Germany shall apply exclusively, excluding the laws on the international sale of goods, even if the customer has its corporate registered office abroad.

§ 17 Miscellaneous

1. The transfer of the customer's rights and obligations under the contract entered into with Blaser requires the prior written consent of Blaser to be valid.
2. If a provision should be or become void, this shall not affect the validity of the other provisions.

§ 18 Comments regarding data protection

Pursuant to the provisions of the German Data Protection Act, Blaser points out that the company's accounting is conducted using computer equipment and that in this connection, Blaser stores data received including the data received on the business relationship with the customer.

§ 13a Information regarding online dispute resolution / German Verbraucherstreitbeilegungsgesetz (VSBG)

(1) The EU Commission has established an internet platform for the online resolution of disputes (ODR Platform). The ODR Platform is the contact point for the out-of-court resolution of disputes relating to contractual obligations which arise from online purchasing agreements. The ODR platform can be accessed via the following link: <http://ec.europa.eu/consumers/odr>

(2) Blaser Jagdwaffen GmbH will not participate in a dispute resolution procedure before a consumer arbitration board as defined by the German Verbraucherstreitbeilegungsgesetz (VSBG) and is under no obligation to do so.