



Australian Fine Arms
& Collectables Pty Ltd
Trading as Australian Fine Arms (AFA)
ABN: 18 466 030 085
F.D.L. 962-628-40F
PO Box 243 Niddrie
Victoria, Australia 3042

VENDOR'S TERMS & CONDITIONS FOR CONSIGNING GOODS

These Vendor's Terms & Conditions of Business constitute the entire contractual relationship between AFA, the Seller/ Consignor/Vendor, (Vendor) & the Buyer. As auctioneer/seller, AFA acts as agent for the Vendor. A sale contract is made directly between the Vendor & the Buyer. However, AFA may own a lot (& in such circumstances acts in a principal capacity as Vendor) &/or may have a legal, beneficial or financial interest in a lot as a secured creditor or otherwise. Any person who sells any item included in this catalogue or otherwise included in the sale, whether successful or unsuccessful, is deemed to have accepted these Vendor's Terms & Conditions of Business & agrees to unreservedly be bound by them.

Services:

- Collection, catalogue, valuation, storage of items
- Promotion of items through media such as:
 - o trade magazines/journals (Australia-wide)
 - o collector / guild journals (Australia-wide)
 - o on-line websites (e.g. ozguns.com, etc)
 - o trade / industry / collector shows (i.e. Arms & Militaria shows)
 - o photography
 - o inclusion in auction/sale catalogue
 - o Experienced staff with wide range of specialist knowledge of all types of arms

AFA shall have the right to photograph any lot & to use at its discretion in the normal course of business such photographs & any photograph of a lot owned by the Vendor whether or not in conjunction with the sale. The copyright of all photographs taken & made of any lot by & on behalf of AFA shall be the absolute property of AFA.

FEES:

- All sales are paid on a commission / consignment basis only, unless otherwise agreed
- All expenses incurred in the handling, storage and sale of items are covered by the commission fee

Unsold items:

- If an item is not sold at auction, there are no fees incurred by the vendor, unless by specific agreement between the Vendor and AFA
- Items may be returned to the vendor at the vendors cost, i.e. postage, postal insurance, etc
- Vendors may choose to have the item re-submitted for the next auction/sale, but items re-submitted will have the reserve price decreased by 15%
- Vendors agree that items not sold via auction/sale process will remain, at the discretion of AFA:
 - o In the possession of AFA , for a period of not less than 30 days during which time AFA may sell the item/s by private treaty at or above the reserve, or where the item/s have been consigned without reserve, to sell the item/s at a price that AFA considers to be reasonable in the circumstances
 - o During that period items may be sold, at the discretion of AFA, at a value of up to 10% below the reserve auction/sale price without reference to the vendor
 - o In consideration for marketing the item/s consigned to AFA by the Vendor for sale by AFA, the Vendor acknowledges & agrees that AFA is entitled to charge the Vendor a fee of 20% plus GST of the reserve where the Vendor set a reserve on the item/s greater than the reserve recommended & confirmed in writing by AFA & the item/s subsequently failed to sell at or after auction/sale
 - o Where the Vendor withdraws the item/s after AFA has taken possession of the item/s, or 3 days or more after an agreement to auction/sale the item/s is made, AFA is entitled to charge the Vendor a fee of 30% of the estimated reserve of items, plus GST, plus expenses incurred and estimated losses due to sale of items not proceeding. These estimated costs and losses include, but are not limited to:
 - administration costs
 - insurance costs
 - storage fees of \$5 per item per week
 - cataloguing (where this has occurred)
 - marketing (where this has occurred)
 - loss of revenue due to items being withdrawn

Sold items

- Monies received from the sale of items will be disbursed to the vendor minus any fees incurred from the sales, i.e. commission fees. This would normally occur within 4 weeks from the sale of items
- The Vendor's item/s will not be released to the buyer until such time as "full payment" has been made. Full payment includes payment of every part of the hammer/private treaty price, tax, commission & any other agreed expense. Means of payment include: cash payment; bank transfer, credit card, Australian money order &/or provision of a bank, personal or business cheque. Where a buyer defaults under its contractual obligations & the item/s has/have not been collected, the Vendor has the option to either retake possession of the item/s & seek whatever remedies it may have against the buyer, or to mitigate its losses by having AFA re-offer the item/s for sale at the subsequent auction/sale or to make a private sale of

the item/s on the Vendor's behalf. The Vendor will then be responsible for seeking whatever remedies it may have against the buyer. Where payment has been made by personal or business cheque & the buyer has taken possession of the item/s, but the cheque or credit card has been subsequently dishonoured, it is the Vendor's responsibility to seek whatever remedies it may have against the buyer

Vendor Fees:

- A sales commission fee of 15% (plus GST of 10% on the 15% commission fee) will apply to the sales value of items sold
- AFA is entitled to deduct the commission fee as specified from the proceeds at the time of settlement together with all other charges reasonably incurred by AFA on the Vendor's behalf. The commission will be based on the gross sale price of the items
- At the time of consigning the item/s, the Vendor may negotiate with AFA to set a price at which the item/s will not be sold for less than "the reserve". Where at the time of consigning the item/s the Vendor fails to negotiate such price, AFA is entitled to either set a reserve that in its opinion is reasonable in the circumstances, or to sell the item/s without reserve
- AFA will not be liable for any loss or damage caused by normal wear & tear, gradual deterioration or inherent vice or defect, proofing &/or repair processes.
- When AFA is required to surrender licensed firearms to the relevant authorities a charge of \$50, plus GST, per item & for each & every subsequent item will be charged

Indemnity:

- Items are sold on a 'buyer beware basis'. Items are categorised, assessed and catalogued with reasonable due diligence. Descriptions follow the same reasonable due diligence and all reasonable care is taken to provide fair and accurate descriptions of individual items
- Items are not test-fired or proof tested to determine safety for usage
- It is the responsibility of the purchaser to determine whether or not they agree with the description and assessment of individual items as described by AFA **prior to purchase**
- For the purpose of marketing & facilitating the sale of the Vendor's item/s, AFA acts as the Vendor's agent. Where any representation is made by AFA in respect of any item/s consigned by the Vendor, either written or oral, that representation is made by AFA on the Vendor's behalf as its agent. Therefore, while all due care is taken to accurately describe the Vendor's goods, AFA expressly denies its own liability as against a buyer for any misrepresentations made by it on the Vendor's behalf Accordingly, where a cause of action arises for misrepresentation of any goods, the Vendor & not AFA will be responsible for refunding the total purchase price plus fees to the buyer &/or for the buyer's loss or damage
- Where the Vendor is believed by AFA to have knowingly concealed a defect in respect of any item/s sold by AFA on the Vendor's behalf, provided that the payment otherwise due & payable to the Vendor has not yet been paid to the Vendor, AFA will give the buyer a full refund. The Vendor will then be liable to pay to AFA the commissions referred to above, in addition to any other agreed expenses due to

AFA. AFA is entitled to maintain a lien over the Vendor's item/s until such commission/expenses are paid

- Whilst all due care is taken by AFA in respect of the Vendor's item/s during display & storage (& where relevant transportation), AFA is not responsible for any loss or damage that may occur to the said item/s. It is the Vendor's responsibility to procure insurance in respect of the item/s, although by prior arrangement AFA may procure insurance &/or transit insurance in respect of the item/s on the Vendor's behalf

Vendors responsibilities:

- All items for sale (by whatever means) will be provided to Australian Fine Arms as soon as reasonably possible
- We are selling the Lot on your behalf as your agent and you therefore undertake to us that:
 - o You are the owner of the Lot or, if you are not the owner of the Lot (whether or not you have notified us that you are acting as an agent for a principal), you are duly authorised by the owner of the Lot to sell it
 - o Save as disclosed to us in writing, you sell the Lot with full title guaranteed free from all liens, charges, encumbrances and third party claims
 - o You are legally entitled to sell the Lot and you are legally capable of conferring on the Buyer quiet possession of the items offered to AFA for sale on your behalf