ONLINE AUCTION: TERMS AND CONDITIONS

These Terms and Conditions together with our FAQs set out the terms and conditions on which:

- (1) We ("C.Gars", "we", "us", "our") supply online auction services to you as someone who bids on item(s) for sale at one of our online auctions ("you", "Buyer"); and
- (2) We ("C.Gars", "we", "us", "our") supply online auction services to you as someone who submits item(s) to be sold at one of our online auctions ("you", "Seller"); and
- (3) You, as a successful bidder in one of our auctions, ("Buyer") buy items from a seller ("Seller") and the terms on which the Seller sells those item(s) to you as the Buyer.

In event of conflict between these Terms and Conditions and the FAQ's, these Terms and Conditions will prevail. We refer to these Terms and Conditions and the FAQ's together as "the Agreement".

Please read these Terms and Conditions carefully before placing any bid on any item which may be auctioned by us ("Lot") and before submitting any items to us for auction. By registering to bid and/or by bidding at auction and/or by submitting an item to us which we agree to auction on your behalf, you agree to these Terms and Conditions and they will be contractually binding on you. They also describe certain limitations and exclusions of liability for us and the Seller.

If you are a Buyer the following paragraphs below apply to you 1-13 and 15 and we would specifically draw your attention to paragraph 8 (which sets out that the promises or warranties that the Seller or we give to you in relation to the Lot and paragraph 9 (which sets out your right to cancel, in some circumstances, both this Agreement and your contract with a Seller for the sale of a Lot) and paragraph 12 (which limits our liability to you in some circumstances).

If you are a Seller, the following paragraphs below apply to you 1, 2, 4, 6, 8, and 11-15 and we would specifically draw your attention to paragraph 8 (Warranties), paragraph 12 (Our responsibility for loss or damage suffered by you) and paragraph 14 (Additional Terms for Sellers).

1. INFORMATION ABOUT US AND HOW TO CONTACT US

- 1.1 Who we are. We are C.Gars Ltd a company registered in England and Wales. Our company registration number is 03458718 and our registered office is at 18 Kingsgate Place, London, NW6 4TA.
- 1.2 How to contact us. You can contact us by telephoning our sales team on 020 7372 1865 or by emailing us at auctions@cgarsltd.co.uk. We strongly advise you to contact us with any questions and queries you have about a Lot before bidding for it at auction.
- 1.3 How we may contact you. If we have to contact you we will do so using the contact details you provided to us when creating an account.

1.4

2. ONLINE AUCTION SERVICES

2.1 Online Auction Services. We provide an online auction platform, available at [www.onlinecigarauctions.com] ("Platform"), via which we offer Lots for sale at auction ("Online Auction Services"). We sell a Lot either as agent for the Seller or as the owner of the Lot.

- 2.2 Agent. When we are acting as the agent on behalf of the Seller, the contract of sale which is created by any successful bid for a Lot, will be directly between the Buyer and the Seller, and not between the Buyer and us or the Seller and us.
- 2.3 Performance. We shall perform the Online Auction Services with reasonable care and skill on and subject to this Agreement.
- 2.4 No guarantee. We do not guarantee that your use of the Platform or Online Auction Services will be uninterrupted or error-free. Whilst we make reasonable efforts to have a smooth running and efficient Platform, there is always the possibility that technology will let us down. You acknowledge that the Platform and/or Online Auction Services may be subject to limitations, delays and other problems inherent in the use of communication facilities, including the internet. Where there is the case, we will not be held responsible.
- 2.5 Proprietary rights. We and/or our licensors own all intellectual property rights in and to the Platform and Online Auction Services. Except as expressly stated in these Terms and Conditions, you do not have any rights to, under or in the Platform or Online Auction Services.

3. LOT DESCRIPTION AND INSPECTION – FOR BUYERS

- 3.1 Lots may vary slightly from their pictures. The images of Lots displayed on our website and in our Auction Catalogue are for illustrative purposes only. Although we have made every effort to display the colours accurately, we cannot guarantee that a device's display of the colours accurately reflects the colour of the Lots. A Lot may look different on the screen to how they look on physical inspection.
- 3.2 Description. Our description of any Lot, including any condition report and any other statement made by us (whether orally or in writing) are our professional opinion only and should not to be relied on as a statement of fact. All dimensions are approximate only.
- 3.3 Condition. Lots are sold "as is", in the condition they are in at the time of the sale, without any representation or warranty or assumption of liability of any kind as to condition by us or by the Seller (as applicable).
- 3.4 Estimates. Our estimates of Lots are based on our understanding of current market value or as instructed by the sellers. You should not rely on any estimate as a prediction or guarantee of the actual selling price of a Lot or its value or for any other purpose. Lots may sell within the estimate range, above the high end estimate or not at all. Estimates exclude applicable sales taxes and buyer's premium.
- 3.5 Inspection. Lots will be made available for inspection at our London Offices unless otherwise stated in the product description. Where Lots are available for inspection, you should satisfy yourself as to the condition and description of the Lot before bidding.
- 3.6 No guarantee. Whilst we make every effort to check the authenticity of a Lot, we do not provide any guarantee in relation to the nature or authenticity of a Lot. If you have a concern about the authenticity of a Lot you have purchased, please see clause 10 (If there is a problem with a purchased Lot).

4. REGISTRATION

- 4.1 Registration. In order to bid for a Lot on our Platform all buyers must first create an online account with us. Details of how you can create an account are available on our website: <u>Create an Account.</u>
- 4.2 Age restriction. Lots may only be sold by, purchased by or delivered to persons over the age of 18. By creating an account with us, you confirm that you are at least that age.
- 4.3 Credit limit. As a buyer when creating an account with us, you will be required to enter a credit limit. This is the combined total of all your bids and not your maximum allowed bid per Lot.
- 4.4 Deposit. As a buyer you will be requested to pay 50% of your credit limit as a deposit before your account will be activated. Any unused funds will be refunded within 24 hours of the auction ending.
- 4.5 Services Contract. As a buyer once your account has been activated a contract for Online Auction Services will have formed between you and us ("Services Contract").

5. BIDDING – FOR BUYERS

- 5.1 Online bidding. You may submit a bid for a Lot via your account any time until the online bidding has closed.
- 5.2 Alternative ways to bid. If you are unable to bid online, we will accept email and fax bids. Bids received by us by email or fax will be entered online for you. Please note that if we receive two identical bids we will only be able to enter the first bid received. We do not accept phone bids.
- 5.3 Currency. The currency the auction is conducted in is UK Pounds Sterling (GBP). We only accept payment in GBP and pay will Sellers in GBP.
- 5.4 Reserve. All Lots will be subject to a reserve price. If the reserve price is not met, the Lot will not be sold to the highest bidder.
- 5.5 Bidding increments. Bidding opens at a specified bid amount confirmed by the seller and advances in increments of £20. As an example: If your maximum bid is £400 on a Lot, but the highest bid at the auction is £300, you will win the Lot at the next increment of £320.
- 5.6 Successful bids. If your bid is the highest when the Lot closes, you will be the successful bidder, at which time a binding contract is formed directly between you and the Seller of the Lot, or, in circumstances where we own the Lot, a binding contract will be between you and us ("Contract").
- 5.7 Cancelled bids. We reserve the right to cancel bids and bidder accounts where we believe bids have been entered fraudulently or without prior credit approval.
- 5.8 Rejected bids. We do our best to honour all bids submitted online, however there may be circumstances where an equal bid from the live auction room will take priority. Time delays in receiving online bids may also cause bids to be rejected in favour of room bids. Your bid could also be rejected if it is submitted after the hammer has fallen.

CHARGES AND PAYMENT

- 6.1 If you are a Buyer. Buyers are charged 18% of the hammer price (plus VAT as applicable) on a Lot being purchased successfully. This is discounted to 15% for bank wire transfer payment. We will invoice you for the hammer price plus VAT (as applicable) after the auction has ended. You must settle our invoice within 48 hours of receiving our invoice. You can pay by bank wire transfer, by credit card or debit card. Please ensure that you check with us before bidding that your credit card type is acceptable to us. We do not accept PayPal for any tobacco transactions.
- 6.2 If you are a Seller. Sellers are charged 15% of the hammer price (plus VAT as applicable) on a Lot being sold successfully. Payments will be made within 28 days after the end of the auction by cheque provided that we have received cleared funds from the Buyer in respect of the purchased Lot and the Buyer has not cancelled its contract with you for any reason. If you require a bank wire transfer please ensure that you forward us your full bank wire details (BIC and IBAN). There is a £20 charge for wire transfers. Please note that we are able to send International payments in any currency except for US Dollars and we are unable to pay any account in the USA.
- 6.3 We will pass on changes in the rate of VAT. If the rate of VAT changes between your order date and the date we supply the product, we will adjust the rate of VAT that you pay, unless you have already paid for the product in full before the change in the rate of VAT takes effect.
- 6.4 What happens if you do not pay? Without prejudice to our other rights or remedies we have by law, if you do not make any payment to us by the due date we may: (i) charge interest to you on the overdue amount at the rate of 3% a year above the base lending rate of HSBC from time to time on the unpaid amount due; (ii) and/or cancel the sale of the lot, in which case we shall be entitled to sell the Lot again and you shall pay us any shortfall between the hammer price and the proceeds from the resale together with all costs, expenses, losses, damages and legal fees we have to pay or may suffer in respect of such resale. We are unable to extend payment terms to any bidder under any circumstances.

7. STORAGE AND SHIPPING – FOR BUYERS

- 7.1 Shipping. We may be able to provide a packing and shipping service at an additional cost upon request. Please enquire as to cost and availability. Unfortunately, we do not ship to addresses in the USA and we may not be able to ship some Lots to other destinations. Please also note that certain Lots cannot be imported into the UK and as such are not available for shipment from the UK. Where this is the case, this will be marked against a Lot in the Auction Catalogue. Please ensure that you enquire about specific shipping charges to your location and check that the Lots you wish to bid on are available for shipping to your country prior to bidding.
- 7.2 Storage. We are usually happy to store purchased Lots at a reasonable additional charge. Please contact us to request a quote.
- 7.3 Local duties and taxes. When shipping internationally, it is important to understand that duties and taxes may apply. You will be responsible for paying any applicable international duties, custom charges, taxes, charges and tariffs that need to paid prior to shipment and/or delivery.
- 7.4 When we will deliver. If you request that we arrange delivery of your Lot, we endeavour to ship the Lot to you as soon as is practically possible but in any event no later than 30 days from receipt of full and clear payment of your Lot and the shipping charges. We will deliver

to the delivery address named in your account. We will notify you if there are to be any delays.

- 7.5 We are not responsible for delays outside our control. If the Platform, Online Auction Services or the shipment of your purchased Lot is delayed by an event outside our control then we will contact you as soon as possible to let you know and we will take steps to minimise the effect of the delay. Provided we do this we will not be liable for delays caused by the event.
- 7.6 Lost or damaged Lots. If your package is lost or damaged in transit, please notify us within 14 days of the date of delivery, or within 14 days of the date you received confirmation that it was lost and we will do our best to assist. Due to the nature of the Lots we are not able to insure them during delivery and therefore we cannot accept any liability if Lots are damaged or go missing during transit. For higher value Lots we recommend that you arrange your own insurance or make your own collection arrangements..
- 7.7 Collection by you. If you choose to collect a Lot from us in person, you can collect it from us at any time during our working hours of 9 to 4pm on weekdays (excluding public holidays) the day after the auction from our London office.
- 7.8 Transferring ownership to you. You will own a purchased Lot once we have received payment for the Lot in full.
- 7.9 Transferring risk to you. A purchased Lot will be your responsibility from the time we deliver it to you or you collect it from us.

8. WARRANTIES – FOR SELLERS AND BUYERS

- 8.1 Seller warranties. For each Lot offered for sale via the Platform, the Seller warrants, represents and undertakes to the Buyer and us that:
 - (a) each Lot shall:
 - (i) correspond with its description and any applicable specification;
 - (ii) be of satisfactory quality (within the meaning of the Sale of Goods Act 1979, as amended);
 - (iii) comply with all applicable statutory and regulatory requirements relating to the manufacture, labelling, packaging, storage, handling and delivery of the Lots; and
 - (b) it is the sole legal and beneficial owner of, and own all the rights and interests in, the Lots offered for sale on the Platform:
 - (c) it has the right to transfer ownership of the Lot to the Buyer without any restrictions or claims by anyone else;
 - (d) the Lots offered for sale are in good condition; and
 - (e) it has no reason to believe that the Lots are counterfeit or in any way other than as described.

The above Seller warranties and any terms which are implied into the contract between the Seller and Buyer by law are the Seller's own warranties and we do not have any liability to

either the Buyer or the Seller in relation to those warranties. You agree not to bring any claim against us for breach of the contract between the Buyer and the Seller.

- 8.2 Our warranties. Where we are the legal owner and seller of a Lot, we will provide the Buyer the same warranties as set out in clause 8.1 in respect of each Lot sold by us to you as Buyer. In addition, we warrant that we will provide the Online Auction Services with reasonable care and skill.
- 8.3 Disclaimer. Neither we nor the Seller give any warranty in relation to a Lot other than as set out above in clauses 8.1 and 8.2 relating to the Lots and Online Auction Service. All other warranties are, to the fullest extent permitted by law, excluded from these Terms and Conditions of Sale. This disclaimer and exclusion does not affect the Buyer's statutory rights as a consumer, nor the Buyer's rights under the warranties in clauses 8.1 and 8.2.
- 8.4 Breach of warranties. If any of the above warranties are incorrect, we, or the Seller (as applicable), shall not have to pay more that the purchase price paid by the Buyer to us and shall not be responsible to the Buyer for any reason for loss of profits or business, expected savings, loss of opportunity or interest, costs other damages or expenses.
- 8.5 Your warranties. You warrant and undertake that:
 - (a) when creating an account (whether as Buyer or Seller), and during the term of the Online Auction Services, the registration information you provide is true, accurate and up-to-date; and
 - (b) the funds which you as the Buyer use to purchase a Lot are not connected with any criminal activity, including tax evasion, money laundering, territories activities or other crimes.

9. YOUR LEGAL RIGHTS – FOR BUYERS

- 9.1 Buyer's Right to cancel the purchase of a Lot. If you are a consumer and live in the UK or European Union, you have the right to cancel the contract for the purchase of a Lot in the following circumstances:
 - (a) If what you have bought is faulty or misdescribed you may have a legal right to get the product replaced or to get some or all of your money back; or
 - (b) If you have just changed your mind about the purchase you may be able to get a refund if you are within the cancellation period, but this may be subject to deductions and you may have to pay the costs of return of the Lot. The cancellation period expires 14 calendar from the day after you receive the Lot.

These rights will only apply where we are the seller or where the Seller is not itself a consumer. They will not apply where the Seller is itself a consumer.

9.2 Buyer's Right to cancel the Online Auction Services. If you are a consumer and live in the UK or European Union, you have the right to cancel our Services Contract for Online Auction Services at any time by giving written notice to us by post to Turmeaus, 18 Kingsgate Place, London, NW6 4TA, or by email to auctions@cgarsltd.co.uk. On receiving your notice, we will deactivate your account

immediately and refund your deposit or any monies associated with your account within [NUMBER DAYS/WEEKS]. Please note that termination of Online Auction Services does not affect any contract for the purchase of a Lot that is in existence at point of termination. Once your account is deactivated, you will not be able to access the Platform or bid on any future Lots.

- 9.3 How to cancel the contract for the purchase of a Lot. You may cancel the contract for the purchase of a Lot in the circumstances set out in clause 9.1. To do this where we are the seller of the Lot please let us know by doing one of the following:
- (a) Phone or email. Call our sales team on 020 7372 1865 or email us at auctions@cgarsltd.co.uk. Please provide your name, home address, details of the order and, where available, your phone number and email address.
- (b) By post. Complete the Cancellation Form (provided below at 9.4) and post it to us at the address on the form. Or simply write to us at that address, including details of the purchased Lot, Lot number, date of auction, when you received it and your name and address.

Where we are not the seller of a Lot then you will need to contact the Seller directly to cancel the contract between you and the Seller.

9.4 Cancellation Form. Please complete and return the following form.

To C.Gars Ltd, Turmeaus, 18 Kingsgate Place, London, NW6 4TA,
I hereby give notice that I cancel my Contract of sale of the following Lot(s):

Lot Description:
Purchased on: Lot
Number:

Name of Buyer:

Signature.....

Address of Buyer:

Date

- 9.5 Returning purchased Lots after ending the contract. If you end the contract for the purchase of a Lot for any reason after you have received the purchased Lot, you must return the goods back to us where we are the seller or directly to the Seller in all other cases. Where we are the seller you must either return the goods in person to where you bought them or post them back to us at Turmeaus, 18 Kingsgate Place, London, NW6 4TA, . If you are exercising your right to change your mind you must send off the goods within 14 days of telling us you wish to end the contract. Please note, you are responsible for insuring the Lot against loss or damage until it is safely returned to us.
- 9.6 When we will pay the costs of return. We will pay the costs of return if the Lot you have purchased is faulty or misdescribed. In all other circumstances (including where you are a consumer exercising your right to change your mind), you must pay the costs of return.

- 9.7 How we will refund you. We will refund you the price you paid for the Lot including delivery costs, by the method you used for payment. However, we may make deductions from the price, as described below.
- 9.8 Deductions from refunds. If you are exercising your right to change your mind:
 - (a) We may reduce your refund of the price (excluding delivery costs) to reflect any reduction in the value of the goods, if this has been caused by your handling them in a way which would not be permitted in a shop. If we refund you the price paid before we are able to inspect the goods and later discover you have handled them in an unacceptable way, you must pay us an appropriate amount.
 - (b) The maximum refund for delivery costs will be the costs of delivery by the least expensive delivery method we offer. For example, if we offer delivery of a product
 - within 3-5 days at one cost but you choose to have the product delivered within 24 hours at a higher cost, then we will only refund what you would have paid for the cheaper delivery option.
- 9.9 When your refund will be made. We will make any refunds due to you as soon as possible. If you are exercising your right to change your mind then your refund will be made within 14 days from the day on which we receive the purchased Lot back from you or, if earlier, the day on which you provide us with evidence that you have sent the purchased Lot back to us. For information about how to return a product to us, see clause 9.5.

10. IF THERE IS A PROBLEM WITH A PURCHASED LOT

- 10.1 Summary of your legal rights. We (or the Seller as the case may be) are under a legal duty to supply products that are in conformity with this Agreement.
- 10.2 How to tell us about problems. If there is a problem with a Lot you have purchased, please contact the Seller with whom your contract for the purchase of a Lot is with, or contact us on auctions@cgarsltd.co.uk for contact details of the Seller. Where we are the seller of the Lot, please contact us on 020 7372 1865 or email us at auctions@cgarsltd.co.uk.
- Right to a refund. If there is a problem with a Lot you have purchased, your only right is to cancel the contract for the purchase of a Lot and receive a refund of the purchase price paid by you to us. If you wish to exercise your right to reject a Lot and receive a refund, you must return the Lot to the Seller in accordance with clause 10.4.
- 10.4 Your obligation to return rejected Lots. If you wish to exercise your legal rights to reject purchased Lots then if we are the seller of the Lot you must either return them in person to Turmeaus, 18 Kingsgate Place, London, NW6 4TA, post them back to us or (if they are not suitable for posting) allow us to collect them from you. We will pay the costs of postage or collection. Please call sales team on 020 7372 1865 or email us at auctions@cgarsltd.co.uk for a return label or to arrange collection. If we are not the seller of the Lot then you must contact the Seller directly.

11. OUR RIGHT TO CANCEL

11.1 We can cancel this agreement and a contract for the sale of a Lot if:

- (a) you do not make any payment to us when it is due and you still do not make payment within 3 days of us reminding you that payment is due;
- (b) any of your warranties in clause 8.5 are materially incorrect;
- (c) we reasonably believe that completing the transaction is or may be unlawful; or
- (d) we reasonably believe that the sale places us or the Seller under any liability to anyone else or may damage our reputation.

12. OUR RESPONSIBILITY FOR LOSS OR DAMAGE SUFFERED BY YOU

- 12.1 We are responsible to you for foreseeable loss and damage caused by us. If we fail to comply with the Agreement, we are responsible for loss or damage you suffer that is a foreseeable result of our breaking this contract or our failing to use reasonable care and skill, but we are not responsible for any loss or damage that is not foreseeable. Loss or damage is foreseeable if either it is obvious that it will happen or if, at the time the contract was made, both we and you knew it might happen.
- 12.2 We do not exclude or limit in any way our liability to you where it would be unlawful to do so. This includes liability for death or personal injury caused by our negligence or the negligence of our employees, agents or subcontractors; for fraud or fraudulent misrepresentation; for breach of your legal rights in relation to the products including the right to receive products which are: as described and match information we provided to you and any sample or model seen or examined by you; of satisfactory quality; supplied with reasonable skill and care.
- 12.3 We are not liable for business losses. If you use the purchased Lot for any commercial, business or re-sale purpose we will have no liability to you for any loss of profit, loss of business, business interruption, or loss of business opportunity.
- 12.4 Our liability to you is limited to the amount paid or payable to us. If we are found to be liable to you for any reason, we shall not have to pay more than the amount paid or payable by you to us.
- 12.5 In the event of non-payment (whether a deposit has been paid or not) 7 days following the invoice being issued we reserve the right to offer the Lots again and charge a seller premium plus VAT. Unless a previous arrangement has been made for storage this will be charged at our standard locker rate plus vat.

13. HOW WE MAY USE YOUR PERSONAL INFORMATION

How we may use your personal information. We will only use your personal information as set out in our Privacy Policy.

14. ADDITIONAL TERMS FOR SELLERS

14.1 Seller Indemnity. Seller shall indemnify C.Gars against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other reasonable professional costs and expenses) suffered or incurred by us as a result of any breach of the warranties listed in clause 8.1.

14.2 Cancellation by Buyer. Where the Buyer is a consumer who lives in the UK or the EU they may have the right to cancel the contract for the purchase of Lot(s) with you as set out in Clause 9.1. Where the Buyer exercises that right you will immediately reimburse to us any monies paid by us to you in relation to the sale of the Lot.

15. OTHER IMPORTANT TERMS

- 15.1 We may transfer this Agreement to someone else. We may transfer our rights and obligations under these terms to another organisation. We will always tell you in writing if this happens and we will ensure that the transfer will not affect your rights under the Agreement. If you are unhappy with the transfer you may contact us to end the contract within 2 weeks of us telling you about it.
- We may transfer this Agreement to someone else. You may only transfer your rights or your obligations under this Agreement to another person if we agree to this in writing. This Agreement shall be binding upon and inure to the benefit of your successors and permitted assigns.
- 15.3 Third party rights. Except as set out a clause 5.6 in respect of a contract formed between a Buyer and a Seller, this Agreement is between you and us. No other person shall have any rights to enforce any of its terms.
- 15.4 If a court finds part of this contract illegal, the rest will continue in force. Each of the paragraphs of these terms operates separately. If any court or relevant authority decides that any of them are unlawful, the remaining paragraphs will remain in full force and effect.
- 15.5 Even if we delay in enforcing this contract, we can still enforce it later. If we do not insist immediately that you do anything you are required to do under these terms, or if we delay in taking steps against you in respect of your breaking this contract, that will not mean that you do not have to do those things and it will not prevent us taking steps against you at a later date. For example, if you miss a payment and we do not chase you we can still require you to make the payment at a later date.
- 15.6 Which laws apply to this contract and where you may bring legal proceedings. This Agreement is governed by English law and where you are a consumer you can bring legal proceedings in respect of the products in the English courts. If you live in Scotland you can bring legal proceedings in respect of the products in either the Scottish or the English courts. If you live in Northern Ireland you can bring legal proceedings in respect of the products in either the Northern Irish or the English courts. Where you are not a consumer then all disputes arising out of or in connection with this Agreement should be determined by the English Courts.
- 15.7 Alternative dispute resolution. Alternative dispute resolution is a process where an independent body considers the facts of a dispute and seeks to resolve it, without you having to go to court. If you are not happy with how we have handled any complaint, you may want to contact the alternative dispute resolution provider we use details of which can be provided by us on request.