

Angermann Bahrs & Lüders GmbH & Co. KG

Terms of Auction - Horse Auction

The auction is subject to the following terms. By participating in the auction the interested party accepts these terms. Angermann Bahrs & Lüders GmbH & Co. KG is the organizer of the auction and auctions the horses listed in the catalogue on behalf of and on account of the client, who is the exhibitor of all horses. With the award, these terms become part of the contract concluded by the client and the buyer. Angermann Bahrs & Lüders GmbH & Co. KG acts as commission agent on behalf of and on account of the consignor (exhibitor/client).

- 1) The auction is led by a publicly appointed and sworn auctioneer and takes place as a public auction. Due to the natural potential risk of deficiencies inherent all animals beginning at birth, the horses are subject to sale as used objects as defined by law. Bidding is made in Euro. The winning bid is considered as net price (bid price). The buyer is obligated to pay a surcharge on top of the winning bid according paragraph 12 plus the valid VAT for the total amount. The buyer must immediately effect payment of the total sum of the winning bid in cash or by bank-certified cheque in the billing office. Bidders from other countries must pay the total purchase price in cash or by bank /Traveller Cheque and must issue an irrevocable letter of credit on the account of Angermann Bahrs & Lüders GmbH & Co. KG to a German credit institute. The buyer bears all costs and accrued interest as a result of the cheque payment. The claim is not considered as settled until the cheque has been cashed to the account of Angermann Bahrs & Lüders GmbH & Co. KG.
- 2) The stallions, mares and foals are presented by hand, at liberty or ridden during the auction. The order of the horses to be auctioned is decided by the auctioneer.
- 3) Interested parties can view the horses to be auctioned during the viewing hours listed in the auction catalogue.
- 4) The horses offered are auctioned "as is" and display at the moment of transfer of risk and title the characteristics viewed (sales standard), which are also the object of the claim for performance of the buyer. Angermann Bahrs & Lüders GmbH & Co. KG is not obligated to determine other characteristics, such as performance, health or other characteristics of the horse. Therefore these characteristics are excluded from the purchase contract. Lineage, colour and year of birth of the individual horses are described in the auction catalogue. In addition, the auction catalogue may include a picture of the horse and a short comment regarding the alleged talents and abilities, i.e. dressage/show jumping/eventing/breeding, derived from the lineage. These comments on the nature of the horses are not legally binding for the commission agent or consignor (exhibitor). The information is based on a first impression of the horse and its pedigree at the time of printing and does not imply an assumption of warranty for talents of the respective horse by the commission agent or consignor (exhibitor). The foals can be led on headstall and have first blacksmith experiences. The auctioneer provides information or a state list with updated descriptions, should horses suffer from current health problems or in case of significant deviations from the catalogue description. These are therefore considered as known.
- 5) The bidder must therefore check and compare the information provided in the auction catalogue (especially lineage, sex, colour, year of birth) and ascertain other characteristics of the horse by viewing in order to make a qualified decision as to whether the horse is suited for a certain purpose. The buyer bears the full risk of the suitability of the horse for sports or breeding purposes. The buyer should examine the horse himself or put a veterinarian or other experts he or she trusts in charge with the examination of relevant characteristics not covered by paragraph 4.

- 6)
 - a) The liability of Angermann Bahrs & Lüders GmbH & Co. KG is limited to the compliance with the characteristics listed in paragraph 4.). Claims for supplementary performance or abatement are excluded.
 - b) Claims for damages are limited to the reimbursement of costs for the transportation from the auction stable to the buyer's stable in Germany and blacksmith and shelter costs. Angermann Bahrs & Lüders GmbH & Co. KG is not liable for other costs, especially training, acquisition of substitutes or possible financial losses.
 - c) The horses are sold "as is" with the exclusion of any liability/warranty, unless intended or as a result of gross negligence. The liability for personal damages shall remain unaffected, provided seller is responsible for these damages. Angermann Bahrs & Lüders GmbH & Co. KG does not warrant or guarantee any characteristics of the horse or the suitability for a certain purpose.
 - d) In case of deficiencies, all claims for compensation must be directed to Angermann Bahrs & Lüders GmbH & Co. KG, acting as commission-agent for the claims processing to the consignor.
 - e) Claims for compensation due to deficiencies (non-conformance with the characteristics agreement in paragraph 4.) must be submitted in writing within the preclusion period of ten days as of the day of auction.
 - f) The warranty claims of the buyer shall prescribe within four weeks as of the transfer of title and risk. This cutting of the warranty period does not apply in case of warranted compensation claims for deficiencies as a result of intended action or gross negligence of the user or his or her legal representatives or agents.
- 7) The seller transfers the horse(s) to the buyer and declares, that any rights of third parties related with the horse(s) are not know to him. The certificates of lineage, if available, are handed out to the buyer upon receipt of the full purchase amount.
- 8) The highest bidder obtains the award, unless a higher bid is received after the third call out. If two or more persons make the same bid simultaneously and the request for higher bids is not successful, the item is awarded by drawing a lot. Required minimum bids are announced by the auctioneer, if necessary. The auctioneer reserves the right to change the order specified in the auction catalogue, to combine, break down, or withdraw positions, to knockdown the award with reserve or reject insufficient bids. Conditional auction awards do not automatically comprise the right to purchase the object. The bidder remains bound to his bid for 48 hours or for a mutually determined period counting from the time of the call.
- 9) The award represents the obligation to accept and pay the purchase price to the auctioneer. By granting the award, the possession and risk is transferred to the buyer immediately. Ownership of the horses is transferred to the buyer upon full payment of the claim resulting from this business relationship. In the case of cheque payment, ownership is transferred at the time of final cashment on account of Angermann Bahrs & Lüders GmbH & Co. KG.
- 10) Any doubts concerning the validity of the award must be expressed immediately. The auctioneer is entitled to accept other bids and to resume the auction. Doubts of the validity of an award must be filed at the time of the award for the last horse on that specific auction day at the latest. Only bidders, the auctioneer and the auction management have the right to file doubts of the validity of an award. The auctioneer and the auction management make the final decision on filed doubts.
- 11) In the event that the buyer does not recognize the award the auctioneer and the auction management are entitled to re-auction the horse. The first buyer is liable to Angermann Bahrs & Lüders GmbH & Co. KG and the exhibitor for a possible reduction of the price achieved with the next winning bid. He is however not entitled to make claims for any additional proceeds.

- 12) Angermann, Bahrs & Lüders GmbH & Co. KG collects a charge for commission services, which is determined by the winning bid and other costs and taxes and must be paid directly following the award.

The invoice amount to be paid on account of Angermann Bahrs & Lüders GmbH & Co. KG is made up as follows:

Bid price (+ 7 % VAT)
12,5 % buyer surcharge (+ 19 % VAT)

= Purchase price

- 13) Individuals bidding on behalf of others – in return for payment or free of charge – are considered as bidding and buying on their own behalf. They cannot claim to act on behalf of third parties.
- 14) The horses are transferred with headstall and rope and must be collected right after the auction, and by 8:00 p.m. on the auction day at the latest. From this time, the buyer is accountable for all related costs. Horses must not be removed from site until the payment is settled completely. As a basic principle the auctioned horses are transferred to the buyer only if the full purchase price is received in cash or by bank-certified cheque.
- 15) Place of fulfilment and jurisdiction for all obligations related to contracts with the inclusion of these terms of auction and possible obligations due to withdrawal from the contract is the Free and Hanseatic City of Hamburg.
- 16) Should any of these terms of auction be held to be invalid or become invalid in the future, the validity of the remaining terms shall not be affected by such holding. Such invalidated terms must be replaced by non-conflicting terms to ensure the economic success desired by the parties is achieved by legal and feasible means.
- 17) By placing a bid or by issuing a written purchase offer, the bidder accepts the above listed terms and conditions.

Precedence of the German Version:

These general terms of business are available in German and English. In case of contradictions only the German version applies. In case of interpretations the German version precedes over the English version.

Angermann Bahrs & Lüders GmbH & Co. KG
Publicly appointed and sworn auctioneers and appraisers
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