



CONDITIONS OF SALE

Organizer

„Süddeutsche Pferdezüchtverbände-Vermarktungs GmbH“ is the organizer of the auction and sells the foals described in the auction catalogue on behalf of the owner/exhibitor as a commission agent.

Bids

The foals will be offered for sale in Euro. Bidding will begin at Euro 3000. The highest bidder wins. Only bids of at least Euro 50 will be accepted. In case any doubts should arise as to the validity of the knock-down, the offer for sale can be taken up again. Objections should be claimed at once, latest until the last foal of the auction was sold. The organizer's agent, the auction management and the auctioneer will decide on the validity of the knockdown.

Settlement and payment

The account will be rendered as follows: Knockdown price + sales tax + 6 % commission + official VAT + 2 % insurance premium of the gross price. Sales tax for farmers is 10,7 %, for commercial horse breeders 19 %, for private persons 0 %. The rates are published for each foal. For customers purchasing more than one foal, the commission fee will be reduced to 3 % for all purchased foals. Payment has to be effected in cash, by check or by direct debit authority to the organizer in the auction office.

Insurance

Each foal is insured to the amount of the gross price, covering the risks of death, euthanasia and permanent disability incl. damages as result of an injury caused by ataxia and injuries to the tendons. 80 % will be refunded to the buyer. The insurance coverage starts at the time of knockdown and ends when the foal is handed over to the buyer (unloading of the foal at the buyers stable), latest at the end of the running year.

Taking delivery and transfer of risk

Taking delivery of the foal has to have happened latest at the time the foal turns six months, at the place of the exhibitor. The risk passes to the buyer six months after the date of birth of the foal.

In agreement with the vendor, the buyer may take delivery of the foal at an earlier date. Until the time of the obligatory delivery of the foal has passed, the exhibitor bears the risk and the costs for keeping the foal, including expenses for veterinarians and farriers. With

the ending of the sixth month, consequences of taking delivery of the foal late are that the buyer will have to bear the cost of keeping the foal and all other expenses.

Should the buyer reject to take delivery of the foal because of claims of defect, the head of the equine veterinary department of the Universität Leipzig or a representative appointed by him has to be contacted regarding any issues of the state of health of the foal. His decision is binding for both parties.

The costs of the veterinarians have to be borne by the buyer should the claim of defect not be justified, otherwise by the vendor.

A foal handed over to buyers by the vendor before the knock-down price has been settled fully is at the risk of the vendor.

Warranty/liability

1. Liability of the exhibitor for possible material defects and claims for damages are excluded.
2. As the quality, details in the auction catalogue about age, sex, colour and pedigree of the foals are agreed upon in the contract. Material defects, as far as they are known at the time of the auction, shall be announced by the auctioneer and are part of the quality agreement. The text concerning the dam and sire of the foals are researched thoroughly. The organiser bears no responsibility for the correctness of the information.
3. Is the vendor entrepreneur in the sense of § 14 BGB (German Civil Code) and the buyer consumer in the sense of § 13 BGB, the statutory warranty regulations of the §§ 434 ff. BGB apply with the mandatory stipulation that replacement as a supplementary performance is excluded. Damages are to be claimed within one year from knock-down, otherwise there will be a loss of rights.
4. If it is not a consumer good purchase as in point 3. the liability of the buyer is limited to the quality agreement as in point 2. Any further material defect claims are excluded. The period of limitation is six months from knock down.
5. Possible damage claims towards the vendor are limited to the cost of transportation from the stable of the vendor to the stable of the buyer.
6. Excluded of all limitations of liability under the heading Warranty/liability including the period of limitation are damage claims of the buyer on account of injury to life, body and health, further-



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more the liability of the vendor/ organiser for other damages, resulting from intentional or grossly negligent breach of duty by the vendor/ organiser, their legal representative or their vicarious agent.

Claims are to be directed to the vendor in writing and the "Süddeutsche Pferdezuchtverbände Vermarktungs GmbH" has to be notified.

Severability clause

Should certain regulations or parts of the regulations mentioned in this contract become inoperative, the

other arrangements of this contract will not be effected. In fact of not being operative, the inoperative regulation should be exchanged against one which comes very close to the contract's purpose.

Priority to the German Version

These general terms and conditions are available in German and English. In case of any objection the German version is exclusively valid; for the interpretation of the English version the interpretation of the German version shall be the authoritative version.



THE AGENCY BASED BUSINESS TRANSACTION

The sign agreement for sale is an important document. Please take it to our auction office. The purchaser's settlement for the agency based business transaction will be issued as follows:

The exhibitors sales tax rate gets added to the knock-down price. This individual tax rate:

- commercial or farmer opting to tax = 19%
- flat tax farmer = 10,7%
- hobby breeder/private = 0%
- commercial seller from the European Union
= individual tax rate of the corresponding country

will be published in the catalogue with the pedigree of horse. The purchasers settlement will be issued as follows:

Exhibitor's sale tax rate	hobby/privat 0%	flat tax farmer 10,7%	commercial 19%
Knock-down price plus exhibitor's sales tax	10.000,00 € – €	10.000,00 € 1.070,00 €	10.000,00 € 1.900,00 €
Subtotal 1	10.000,00 €	11.070,00 €	11.900,00 €
auction fee	600,00 €	600,00 €	600,00 €
Vermarktungs GmbH zzgl. 19% VAT	114,00 €	114,00 €	114,00 €
Subtotal 2	10.714,00 €	11.784,00 €	12.614,00 €
Insurance 2% from subtotal 2 incl. 19% Insurance VAT	214,28 €	235,68 €	252,28 €
Final balance amount	10.928,28 €	12.019,68 €	12.866,28 €

Informations for clients from other countries

For foreign clients the billed sales tax rate from farmers using a flat tax (10,7%) cannot be refunded in Germany, as the tax from the exhibitor does not get paid to the tax authorities. Upon presentation of the required documents, exemption from sales tax may be granted to calculate the auction fee. There will be no changes with exemption from sales tax if the exhibitor is a commercial farmer (19%) or opting to tax (19%). Furthermore, you have to arrange export details and make transport decisions as soon as possible after the purchase.

More questions? Please contact our auction office