

<p style="text-align: center;">Conditions of Sale of the Trakehner Gesellschaft mbH Foal Online Auction <u>from the 12th – 18th of September 2022</u></p>

I. GENERAL

The Trakehner Gesellschaft mbH, Rendsburger Straße 178a, 24537 Neumünster, hereinafter referred to as the organiser, is organising an *online auction* for the sale of foals from the 12th – 18th of September 2022. An online auction is a sale with an online tool. Bids can only be submitted on the online platform at: <https://bid.trakehner.auction/auctions> .

The purchase contract for the foal is concluded directly between the exhibitor as seller and the successful bidder as buyer. It is a purchase contract within the meaning of §§ 433 ff. BGB (German Civil Code), which is not concluded via a public auction within the meaning of § 383 Abs. 3 BGB. The online participant acknowledges these conditions of sale with his registration.

The conditions of sale apply exclusively. Conflicting or deviating conditions will not be recognised, unless their validity has been expressly agreed to in writing by the Trakehner GmbH. This shall also apply if the organiser or the exhibitor carries out the delivery without reservation in the knowledge of conflicting or deviating conditions of the buyer.

All agreements made between the organiser and the buyer as well as the exhibitor and the buyer for the purpose of executing a concluded contract are based on these conditions of sale.

As a rule, the conditions of sale apply in the same way to entrepreneurs (§ 14 BGB) and to consumers (§ 13 BGB), unless their validity is expressly limited with regard to individual clauses in their scope of application.

II. PARTICIPATION IN THE ONLINE FOAL AUCTION

1. The participant in the online bidding procedure must register on the bidding platform of the Trakehner Association (<https://bid.trakehner.auction/register>). A participation contract is concluded between the organiser and the participant, which is based on these conditions of sale. There is no right to participate. For its part, Trakehner GmbH expressly reserves the right to block a user from submitting bids and to revoke the registration. This is only permissible if there is an important reason from which follows that the Trakehner GmbH can no longer reasonably be expected to continue a legal relationship with the blocked person. Each participant can only have one account.

A registration can be deleted at any time without giving reasons in the profile of the participant. In this case, all registered data will be permanently deleted, unless they are required for an ongoing bidding process or the processing of an already completed purchase. In this case, the deletion will only take place when it is definitively excluded that the data is still needed.

2. When registering, the participant must provide complete and correct personal information. It must be stated whether he is a consumer within the meaning of § 13 BGB or an entrepreneur

within the meaning of § 14 BGB.

Incorrect information entitles the organiser to terminate the participation contract without notice.

3. Participants may be natural or legal persons. Natural persons can only register for use if they are of legal age and have unlimited legal capacity.

Legal persons must name in particular the natural persons authorised to represent, e.g. managing directors or board members, with their full name, address and type of power of representation.

4. The password can be changed by the participant, may not be passed on to third parties, must be treated confidentially and protected against misuse. The participant is liable to the organiser for all damages resulting from misuse of his password if he has culpably caused the misuse himself. The liability also includes the indemnification of claims of third parties against the organiser.

If the participant becomes aware of the misuse or loss of the access data, he must inform the organiser immediately by telephone so that access can be blocked.

5. The participant can terminate the participation contract at any time without giving reasons. The organiser then immediately deactivates access with the corresponding password. Unfinished auctions in which the participant has submitted a bid will still be closed as the conditions of sale dictate.

6. In addition to the IP address of the participant, the organiser and third parties commissioned by him may also store and process his data, whereby a transfer of the data is only permitted to the seller and vicarious agents of the organiser.

7. The participant is obliged to view the veterinary finding status on the online platform for the foal on which he is bidding at: <https://bid.trakehner.auction/auctions> .

III. COURSE OF THE ONLINE AUCTION

1. The foals will be posted on the bidding platform of the organiser and can be placed there at the latest from 12. September 2022.

2. Bids can only be submitted online via the mask for registered bidders installed on the platform of the Trakehner Verband (<https://bid.trakehner.auction/auctions>). Bids submitted in any other way will not be considered, even if they are received by the organiser during the bidding period. Bids for which the bidder has not declared that he agrees with the validity of these auction conditions for his specific bid and has taken note of the cancellation policy will not be accepted. Bids submitted until the end of the auction, which are submitted for the registered user under "BID" in accordance with the measure of these auction conditions, will only participate in the auction if they have been received by the organiser by the end of the auction of the respective foal. The transmission takes place at the risk of the bidder.

Before submitting a bid, the content of the bid, including the customer data, is summarised on an overview page. The bidder can correct his bid there via the intended change fields. By clicking on the "BID" button, the bidder submits a binding bid to the organiser to conclude a purchase contract.

After submitting the bid, the bidder will receive an automatically generated e-mail from the organiser confirming receipt of the bid (confirmation of receipt). This confirmation of receipt does not constitute acceptance of the contract, but only the confirmation of participation in the auction with the submitted bid. Each bid of each bidder is dissolved due to the submission of a higher bid. The respective bidder is bound to the submitted bid until the end of the bidding period. Bids that are below the minimum bid will not participate in the auction, even if the organiser does not receive a higher bid until the end of the auction. The purchase contract for the auctioned horse is concluded without a separate knockdown by the effectively submitted highest bid of the registered bidder (user or customer) at the end of the bidding period.

IV. CONCLUSION OF THE PURCHASE CONTRACT

The bidder who has submitted the highest effective bid online at the end of the auction of the respective foal and has subsequently been awarded the contract will be informed of this by e-mail or by other appropriate means. The receipt of the notification merely represents the confirmation of the purchase contract already concluded and concluded by the knock down. Bidders who have not submitted the highest bid will not receive a separate purchase notification. The highest bid will be announced anonymously on the platform immediately after the end of the bidding period. In accordance with § 312 f BGB, the notification to the purchaser includes a confirmation of the contract in which the content of the contract is summarised and contains the information required in Article 246 a of the Introductory Act to the Civil Code.

V.TERMINATION OF THE ONLINE BIDDING PROCESS

The Trakehner GmbH may terminate the online bidding process at any time if it decides to do so at its reasonable discretion if there is an important reason. In the event of system failures due to technical circumstances, the Trakehner GmbH is also entitled to cancel the online bidding procedure immediately. The decision on the termination will be communicated on the Internet platform, stating the reason. The bids already submitted expire with the notification without replacement. Claims for damages by bidders in the event of technical problems with the handling of the online bidding procedure, in particular in the event of system failures, non-receipt of bids or their rejection for technical reasons are excluded.

VI.PRESENTATION

1. For each foal coming to the auction, a video will be created and published on the Trakehner GmbH bidding platform under (<https://bid.trakehner.auction/auctions>) and can be viewed by anyone there.

VII.BIDS

Bidding takes place in euros.

The bidding process begins with an initial bid of EUR 3,500 placed by the Trakehner GmbH on the online platform <https://bid.trakehner.auction/auctions>.

The bidding steps on the online platform increase by EUR 250 each up to a bid price of EUR 10,000, and by EUR 500 each from a bid price of more than EUR 10,000. Bid steps can also be entered into the bidding mask twice or three times the bid step.

Only increase offers of at least EUR 250.00 or EUR 500 respectively will be accepted.

The winning bid (knock down price) is considered a net price.

VIII.PURCHASE PRICE

The settlement price/purchase price has been irrevocably assigned by the seller to Trakehner Gesellschaft mbH for collection and the latter has accepted the assignment.

1. The settlement price consists of the awarded bid (knock down price) plus statutory value added tax, which varies depending on the seller's assessment between 0% (private sale), 9.5% (farmer) and 19% (commercial), as well as plus 6% buyer fees from the hammer price plus the statutory VAT attributable to the fees, as well as 1.19% insurance premium (incl. insurance tax). As part of the individual presentation of the foals on the online platform (<https://bid.trakehner.auction/auctions>), the respective VAT rate is shown behind the name of the exhibitor for each auction aspirant. The indication of VAT is made by the seller. The Trakehner Gesellschaft mbH assumes no liability for this tax information provided by the seller.

Billing information on the brokerage business

Depending on the seller's VAT rate, the tax rate varies:

- commercial or opting farmer = 19 %
- flat-rate farmer = 9.5 %
- Hobby breeding/private = 0 %
- German traders as well as commercial, foreign exhibitors who must have registered in Germany = 19%

The tax rate due in each case is listed in the catalogue.

We would be happy to explain the composition of the settlement sum using the example of a knock down price of € 10,000.00

Knock down price: € 10,000.00

Käufergebühr: 6 %

Calculation example:

exhibitors Sales tax	Hobby/Private 0% VAT	Flat rate Farmer 9.5 % VAT	Commercial 19% VAT
knock down price	10.000,00 €	10.000,00 €	10.000,00 €
plus VAT	0 €	950,00 €	1.900,00 €
Subtotal 1	10.000,00 €	10.950,00 €	11.900,00 €
Buyer's fee	600,00 €	600,00 €	600,00 €
plus 19 % VAT on the buyer's fee	114,00 €	114,00 €	114,00 €
Subtotal 2	10.714,00 €	11.664,00 €	12.614,00 €
Insurance (1 % on the net knock down price)	100,00 €	100,00 €	100,00 €
plus 19 % insurance tax	19,00 €	19,00 €	19,00 €
Purchase Price	10.833,00 €	11.783,00 €	12.733,00 €

Settlement price/purchase price to be paid by the buyer € 10,833.00 (for private sales) € 11,783.00 (sale by farmers) € 12,733.00 (sale by entrepreneurs).

2. Payment of the settlement price/purchase price is made on account. The purchase price **must be** received on the organiser's account within 7 days of the auction. The costs and interest incurred by any cheque cashing shall be borne by the buyer. In the case of payment by cheque, the claim shall only be deemed to have been paid when the cheque has been irrevocably honoured.

Until full payment of the invoice amount to the organiser, the seller reserves the ownership of the foal in accordance with § 449 BGB. The foal remains in the custody of the seller until 6 months after birth.

3. Information for customers from abroad:

The VAT invoiced by flat-rate farmers (9.5%) in Germany cannot be refunded, as this is not to be paid by the seller to the tax authority. For the auction fee, the VAT exemption can be made upon presentation of the necessary documents. If the seller is a commercial (19%) or opting farmer (19%) and has a VAT identification number, a VAT exemption is possible. Export information must be provided promptly after the purchase of your auction horse.

IX. QUALITY AGREEMENT

As characteristics of the auction foals, the seller and buyer have agreed on the pedigree stated on the online platform (<https://bid.trakehner.auction/auctions>) as well as information on gender, colour, year of birth and performance record listed in the auction catalogue.

If, in addition, pictorial representations of the foals and a short commentary are published on the online platform (<https://bid.trakehner.auction/auctions>), these are not components of the quality agreement. These are not declarations of will but declarations of knowledge in the sense of subjective expressions of opinion. An agreement on certain abilities of the animals is expressly not made. Sellers and interested parties agree that the further development and the further abilities of the horses are not foreseeable. Any verbal statements of the seller about the assignment of the animal permanently as a sport horse or an assignment with regard to its predominant talent for dressage / jumping / eventing etc. do not represent any characteristics but are based on subjective impressions of the seller.

The sellers had their foals clinically examined by a veterinarian they commissioned before the auction.

The sellers have had a report prepared by the examining veterinarian on the clinical findings collected. The report on the clinical findings (clinical examination protocol) can be viewed by any interested party and by the veterinarian commissioned by him. The examination protocols of the foals can be viewed on the online and bidding platform (<https://bid.trakehner.auction/auctions>). The findings resulting from the clinical examination protocol do not constitute a quality agreement. The buyer confirms that the result of the veterinarian, his findings and evaluations are an independent service of the veterinarian. They are not quality features or contractual commitment of the seller. The veterinarian is not a vicarious agent of the seller but acts independently in an advisory capacity.

Insofar as evaluations, classifications and/or forecasts are also contained in the veterinary report, these do not become the subject of the quality agreement but represent subjective expressions of opinion of the certificate issuer.

Any foal for whose parents no test result for a carrier property of the **WFFS hereditary disease**

is known, is examined for this carrier property of the **WFFS hereditary disease**. The test results for these foals can be viewed by any interested party and the veterinarian commissioned by him. As a quality at the time of the transfer of risk (**para. XV**), the test result for a carrier status of the **WFFS hereditary disease** is agreed. The WFFS status or the determined carrier status of the foals can be viewed on the online and bidding platform (<https://bid.trakehner.auction/auctions>).

The organiser points out that beyond the above-mentioned scope of examination and recorded in the veterinary examination protocol, examinations are possible, which each prospective buyer can have carried out at his own expense, in coordination with the organiser, before the start of the auction. An imponderable, uncertain and thus risky physical condition shall be deemed to have been agreed for all the characteristics of the foal which have not been examined, according to the present veterinary protocols which can be viewed by any interested party.

X.STATE OF USE

All foals of the online auction are used at least to the extent that they have been trained to be lead on a head collar, loading and transport, have farrier experiences, have been marked by transponders and have been examined by a veterinarian. All further uses, e.g. through breeding use such as participation in foal shows or foal sampling dates, may be described on the bidding and online platform <https://bid.trakehner.auction/auctions> .

XI.WARRANTY RIGHTS/DISCLAIMER

1. As far as above (**para. IX**) no quality has been agreed, the foals shall be sold to the exclusion of any rights to defects and any material defects. This does not apply in the event that the sale is a consumer goods purchase (sale from entrepreneurs to consumers). In this case, the limitation period is shortened to one year. The separate information about this has been sent to the consumer and has been confirmed separately by the latter.

This does not apply to liability for damages resulting from injury to life, limb or health that are based on a negligent breach of duty by the seller or an intentional or negligent breach of duty by a legal representative or vicarious agent of the seller. Likewise, the exclusion of liability does not apply to other damages that are based on at least a grossly negligent breach of duty by the seller or his legal representatives or his vicarious agents.

If the purchase contract between an entrepreneur as a seller and a consumer as a buyer is concluded exclusively by using means of distance communication, it is a distance selling transaction. Whether a single of these means of communication or a combination of several is used is not decisive. Contracts between two consumers do not constitute a distance selling transaction, there is no right of withdrawal. Likewise, there is no distance selling business in the case of an inspection/examination of the horse before the conclusion of the purchase contract.

In the case of distance selling, the consumer is entitled to a right of withdrawal. The consumer has the right to revoke this contract within fourteen days after inspection of the goods without giving reasons.

The revocation period is fourteen days from the day of inspection of the goods. If the consumer

expressly waives an examination in front of the entrepreneur, the revocation period begins to run from the day of the waiver.

In order to exercise his right of withdrawal, the buyer must inform the respective seller or the Trakehner GmbH, Rendsburger Straße 178 a, 24537 Neumünster, of his decision to revoke the contract by means of a clear declaration (e.g. a letter sent by post or fax). The Trakehner GmbH acts as the seller's messenger.

In order to comply with the withdrawal period, it is sufficient that the consumer sends the notification of the exercise of the right of withdrawal before the expiry of the withdrawal period.

If the consumer withdraws from the purchase contract, the seller must repay all payments received from the buyer immediately and at the latest within fourteen days from the day on which the notification of the revocation of the contract has been received by him. For this repayment, the latter shall use the same means of payment used in the original transaction, unless expressly agreed otherwise between the parties; in no case will the consumer be charged fees for this repayment.

Sample withdrawal form

If the consumer wishes to revoke the contract, he can fill in this form and send it to the Trakehner GmbH. The use of this form is not mandatory.

To:

Trakehner GmbH
Rendsburger Strasse 178 a
D-24537 Neumünster

I/we (*) hereby revoke the contract concluded by me/us (*) for the purchase of the following goods (*) / the provision of the following service (*):

(Name of the goods / services)

(Price)

Ordered on:

(Date)

received on:

(Date)

Name and address of the consumer(s):

(Place and date)

(Signature in case of notification on paper)

(*) Delete as appropriate

2. Deadline of the notice of defects

In order to safeguard his warranty claims apart from the purchase of consumer goods, the buyer is obliged to notify the seller of defects in text form within a preclusion period of 14 days after the transfer of risk.

Decisive for the observance of the deadline is the receipt of the notice of defect by the seller.

3. Supplementary performance

In the event that the warranty claims are asserted by the buyer after notification of the defect, the seller is entitled to supplementary performance.

For the purpose of supplementary performance, the buyer must request the seller in writing (immediately request for supplementary performance) and make the foal available to him for collection.

The seller shall be granted a reasonable period of supplementary performance from the date on which the foal is made available by the buyer.

In order to prove the successful supplementary performance, the seller must prove absence of defect in regard to the defect claimed, by means of a specialist veterinary statement to the buyer at the latest at the end of the supplementary performance period.

In all other respects, claims for damages by the buyer in the event of successful supplementary performance are excluded. This does not apply if the seller, his legal representative or his vicarious agent is liable for damages resulting from injury to life, limb or health due to at least a negligent breach of duty or the seller or his legal representative or his vicarious agent is liable for other damages due to at least grossly negligent breach of duty.

Should the supplementary performance fail or be impossible, the seller owes in the event of withdrawal the contract reversal by repayment of the purchase price and replacement of necessary feed/livery costs, necessary feeding costs as well as the fees of necessary veterinary care. Claims of the seller for replacement due to deterioration of the foal remain expressly unaffected by this regulation.

The seller will only reimburse the actual costs of a return transport within Germany for the one-way journey. In this respect, costs up to the amount of € 0.50 per kilometre driven are to be reimbursed. In the case of return transport abroad, the seller pays the costs until the border is crossed.

Feeding and livery costs of € 180.00 plus the statutory value added tax per month are necessary. If it is not possible for a buyer to cover the feeding and livery at this amount, the seller is prepared to feed and accommodate the foal for this amount for the duration of a defect dispute. The buyer is obliged to accept this offer. Claims for reduction are excluded.

In all other respects, claims for damages by the buyer in the event of unsuccessful subsequent performance in the event of rescission of the contractual relationship are excluded. This does not apply if the seller or his legal representative or his vicarious agents are liable for damages resulting from injury to life, limb or health due to at least a negligent breach of duty or their legal representatives or their vicarious agents are liable for other damages due to at least grossly

negligent breach of duty.

XII.LIABILITY OF THE TRAKEHNER GMBH

A liability of the Trakehner GmbH from the purchase contract is excluded. Trakehner GmbH merely provides the marketplace for the horses, the purchase contract and its processing are the responsibility of the parties themselves. The exclusion of liability does not apply to personal injury due to injury to life, limb or health, which is based on at least a negligent breach of duty by the organiser or an intentional or negligent breach of duty by his legal representative or vicarious agent. This also does not apply to other damages that are based on a grossly negligent breach of duty by the organiser or on an intentional or grossly negligent breach of duty by a legal representative or vicarious agent of the organizer.

The posting of sales advertisements on the online platform is carried out by the Trakehner GmbH. The seller information (exhibitor, address, telephone number and VAT rate) as well as the horse information are published by Trakehner GmbH on the site in any order. Trakehner GmbH assumes no liability for the correctness of the information provided by the seller or the buyer. The health data of the sales foals can be viewed after registration and activation of the account on the online platform of the "Trakehner Online Foal Auction" (<https://bid.trakehner.auction/register>) from 12.09.2022.

XIII. Limitation Period

The seller's liability period in the event of a purchase of consumer goods for any defects, including any claims for damages, is one year after handover of the horse, in deviation from the statutory provision of § 438 para. 1 no. 3 BGB. The seller is not liable for a defect that becomes apparent after expiry of the one-year period.

The shortening of the limitation period does not apply if the seller or his legal representative or his vicarious agent is liable for damages resulting from injury to life, limb or health due to at least a negligent breach of duty or the seller or his legal representative or his vicarious agent is liable for other damages due to at least grossly negligent breach of duty.

XIV.OBLIGATIONS TO INVESTIGATE AND GIVE NOTICE OF DEFECTS

If the buyer is an entrepreneur within the meaning of § 310 (1) BGB, his claims for defects presuppose that he has dutifully fulfilled his obligations to inspect and give notice of defects in accordance with § 377 HGB (German Commercial Code).

XV.INSPECTION OF THE GOODS/TRANSFER OF RISK

If it is possible for the parties, a visit to the horse should take place before the conclusion of the purchase contract.

If no inspection of the animal has taken place before the conclusion of the contract, the buyer is

obliged to inspect the foal (the goods) personally or by an authorised representative within 14 days of conclusion of the purchase contract at the latest. The seller is obliged to offer the buyer at least three alternative dates within these 14 days. If the buyer allows the inspection obligation to elapse within 14 days contrary to the contract, the goods shall be deemed to have been inspected and accepted, any revocation period shall also then begin to run.

The foal remains in the custody of the seller until 6 months after birth. As a rule, the buyer is obliged to finally accept the foal six months after birth at the seller's place of residence. Until this time, the seller bears the risk and the costs for the maintenance including veterinarian and farrier. At the end of this period, costs and risk shall pass to the buyer.

Earlier acceptance is possible if the buyer agrees to this. In this case, costs, risk shall pass to the buyer upon handover of the foal.

If the buyer is in default with the acceptance, he is obliged to bear the livery, veterinarian, feeding costs, etc. incurred from this point in time. In this case, the buyer concludes a rental agreement with the seller for the livery place on its terms. The rent is to be paid directly to the seller. The risk of accidental deterioration or destruction of the purchased foal passes to the buyer six months after its birth.

At the time of the transfer of risk (at the latest 6 months after birth), a clinical examination will also be carried out on behalf of and at the expense of the seller/exhibitor. A clinical certificate must be issued on the ability to accept. If there are doubts about the correctness of the result of the clinical examination, one of the four named clinics must be commissioned on behalf of and at the expense of the buyer to determine the health status for the purpose of acceptance. The contracting parties expressly accept the result of this investigation as binding. The clinics named as senior reviewers are as follows:

Pferdeklinik Bargteheide, Alte Landstraße 104, 22941 Bargteheide

Universität Leipzig Veterinärmedizinische Fakultät Chirurgische Tierklinik, An den Tierkliniken 21, 04103 Leipzig

Tierärztliche Klinik für Pferde, Kiebitzpohl 35, 48291 Telgte

Tierärztliche Klinik für Pferde, Vaterstettener Weg 6, 85599 Parsdorf

XVI.INSURANCE

All foals are insured for the knock down price (max. 25,000, - €), at the VTV against death by emergency killing due to illness or accident as well as permanent unusability for riding due to illness or accident, theft or robbery and death or emergency killing due to fire, lightning or transport damage from the transport from the auction stable to the first buyer's stable with a compensation of 80%. The insurance cover extends to a period of 8 weeks after the supplement, but at least until the completion of the sixth month of the foal's life. The buyer has the possibility

to apply to VTV for the continuation of the insurance at his own expense within the aforementioned period. A new veterinary examination and waiting times are then omitted. Information can be obtained from the VTV general agency Alexander Kuschel, telephone number: 04324/882390, available during the auction at 0171/7784147.

XVII.INCLUSION OF AUCTION CONDITIONS

The auction conditions are published on the website of the Trakehner Verband (www.trakehner-verband.de/veranstaltungen/) and on the Trakehner online platform (<https://bid.trakehner.auction/auctions>).

XVIII.PRIVACY

The Trakehner GmbH collects and stores the buyer's data necessary for business transactions. When processing the buyer's personal data, the Trakehner GmbH observes the statutory provisions. Further details can be found in the data protection declaration available on the website of the Trakehner Association www.trakehner-verband.de/veranstaltungen/. Upon request, the buyer will receive information about the data stored about him at any time.

XIX.APPLICATION OF LAW/GERMAN LAW

For all rights and obligations arising from and in connection with the contractual relationship, the German law applies, in particular the law of the BGB/HGB. The validity of the UN Convention on Contracts for the International Sale of Goods (CISG Convention on Contracts for the International Sale of Goods of 11.04.1980) is excluded.

XX.PLACE OF PERFORMANCE/JURISDICTION

The place of performance and jurisdiction for all disputes between the buyer and the seller, also arising from transferred law, is the registered office of the seller. This agreement on jurisdiction applies if the buyer is a merchant, a legal entity under public law or a special fund under public law.

XXI.SEVERABILITY CLAUSE

Should individual provisions of these General Terms and Conditions be or become invalid, the legal validity of the remaining provisions shall not be affected and they shall remain in force. The provision in question must be replaced by an effective one which comes as close as possible to the economic purpose pursued.

XXII.PRIORITY OF THE GERMAN VERSION

The auction conditions are available in German and English. In the event of deviations or contradictions, the German version shall apply solely. In the case of interpretations, the German version shall also be used and be authoritative for the interpretation of the English version.