

<p style="text-align: center;">Conditions of sale of the Trakehner Gesellschaft mbH Foal Hybrid Auction on the 22nd of July 2023 in Münster/Handorf</p>
--

I. GENERAL

The Trakehner Gesellschaft mbH, Rendsburger Straße 178a, 24537 Neumünster, hereinafter referred to as the organizer, is organizing a *hybrid auction* for the sale of foals on July 22, 2023. A hybrid auction is an auction in which bids can be made on site at the Münster-Handorf Pferdezentrum as well as by telephone or with an online tool in real time. The foals are offered on behalf of the exhibitors (sellers). The purchase contract (§ 433 BGB (German Civil Code)) is concluded between the exhibitor as the seller and the bidder participating in the auction as the buyer. By registering, the online participant accepts these conditions of sale. At the latest by participating in the bidding process, each bidder (online bidder, phone bidder and on-site bidder) acknowledges the hybrid foal conditions of sale.

The conditions of sale of the auction apply exclusively. Conflicting or deviating terms and conditions shall not be recognized unless their validity has been expressly agreed to in writing by the Trakehner GmbH. This also applies if the organizer or the exhibitor carries out the delivery without reservation in the knowledge of conflicting or deviating terms and conditions of the buyer.

All agreements made between the organizer 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 restricted with regard to individual clauses in their scope of application.

All illustrations, videos, drawings, descriptions and other documents used by the organizer for the auction are subject to property rights and copyrights. Before passing them on to third parties, the participant, the buyer and any third party require the express written consent of the organizer.

II. PARTICIPATION IN THE HYBRID FOAL AUCTION

1. The participant in the online bidding process must register on the auction platform of the Trakehner GmbH (<https://bid.trakehner.auction/register>). A participation contract is concluded between the organizer and the participant, which is based on these conditions of sale. There is no right to participate. For its part, the Trakehner GmbH expressly reserves the right to block a user from bidding and to revoke registration. This is only permissible if there is an important reason from which it follows that it is no longer reasonable for the Trakehner GmbH 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 participant's profile. In this case, all registered data will be deleted permanently, unless they are required for an ongoing

bidding process or the processing of an acquisition that has already taken place. In this case, the deletion will only take place when it is finally ruled out 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 organizer to terminate the participation contract without notice.

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

Legal entities must name the natural persons authorized to represent the company, 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, must not be passed on to third parties, must be treated confidentially and protected against misuse. The participant is liable to the organizer for all damages resulting from misuse of his password if he has culpably caused the misuse himself. Liability also includes the indemnification of third-party claims against the organizer.

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

5. The participant can terminate the participation contract at any time without giving reasons. The organizer will then immediately deactivate the access with the corresponding password. Unclosed auctions in which the participant has placed a bid will still be closed in accordance with these conditions.

6. In addition to the IP address of the participant, the organizer and third parties commissioned by him may also store and process the participant's data, whereby the data may only be passed on to the seller and vicarious agents of the organizer.

7. The participant is obliged to inquire about the current veterinary status of the foal on which he is bidding from the auction veterinarian.

III. BIDDING BY PHONE

The participant in the hybrid foal auction has the opportunity to participate in the bidding processes by telephone. For this purpose, the bidder must submit a written bidding order to the Trakehner GmbH in advance of the auction, stating his full address (name and address) and the catalogue number for which he wishes to submit a bid, including the maximum limit of the knockdown. The written bidding order must be accompanied by a current copy of the identity card. The telephone bidder is obliged to inquire about the current veterinary status of the foal on which he is bidding from the auction veterinarian.

IV. PUBLIC AUCTION

The auction is carried out by a publicly appointed and sworn auctioneer commissioned by the organizer and takes place by way of a public auction within the meaning of §§ 383 para. 3, 474 para. 2 BGB on the premises of the Westphalian Stud Book, Sudmühlen Straße 33, 48157 Münster. The legal provisions on the sale of consumer goods do not apply. The auctioneer bids out the foals and awards the bids.

The auction event is open to everyone.

V. PROCEDURE OF THE HYBRID AUCTION

1. The foals will be posted on the organizer's website and can be accessed there from July 10, 2023 at the latest.

2. Bids can be submitted online via the mask installed on the auction platform of the Trakehner GmbH (<https://bid.trakehner.auction/auctions>) for registered bidders. Bids for which the bidder has not declared that he agrees with the validity of these conditions of sale for his specific bid and has taken note of the cancellation policy will not be accepted. Bids submitted up to the end of the auction, which are submitted for the registered user under "BID" in accordance with these auction conditions, will only participate in the auction if they have been received by the organizer by the end of the auction of the respective foal. The transmission is at the risk of the bidder.

Before a bid is submitted, the high of the bid, is to be approved or corrected in a pop up window. The bidder can correct his bid there using the provided change fields. By clicking on the "BID" button, the bidder submits a binding bid to the organizer to conclude a purchase contract. Each bid of each bidder is submitted on a resolutive basis by the submission of a higher bid. The respective bidder is bound by the bid submitted until the bid is accepted, even if the organizer does not receive a higher bid until the end of the auction of the respective foal. Bids that are below the minimum bid will not participate in the auction, even if the organizer does not receive a higher bid until the end of the auction. The bidder will be informed of the current highest bid via a "tool" in the mask as part of the live auction on July 22, 2023, which starts at 7:30 p.m. He then has the opportunity to participate in the live auction online by submitting further bids.

VI. CONCLUSION OF THE PURCHASE CONTRACT

The purchase contract is concluded by the knockdown of the publicly appointed and sworn auctioneer between the bidder (live, online, telephone) as buyer and the owner.

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 in any other appropriate way, by the internet platform, that his bid has been accepted. The receipt of the notification merely represents the confirmation of the purchase contract already concluded by knockdown. Bidders who have not submitted the highest bid will not receive a notification. The highest bid will only 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 contains a confirmation of the contract in which the content of the contract is reproduced and contains the information required by Article 246 a of the Introductory Act to the Civil Code.

VII.TERMINATION OF THE ONLINE BIDDING PROCESS

Trakehner GmbH may terminate the online bidding process at any time if it decides to do so at its reasonable discretion if there is good cause. In the event of system failures due to technical circumstances, the Trakehner GmbH is also entitled to terminate the online bidding process immediately. The decision to cancel 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 in the handling of the online bidding process, in particular in the event of system failures, non-receipt of bids or their rejection for technical reasons are excluded.

VIII.PRESENTATION

1. For each foal up for auction, a video will be created and published on the website of Trakehner GmbH under <https://bid.trakehner.auction/auctions> and can be viewed there by anyone.
2. During the auction, the foals will be presented running freely. The order of the auction foals is reserved for the auction management.

IX.BIDS

Bidding is in euros.

The online bidding process begins with an initial bid placed on the platform of the Trakehner GmbH (<https://bid.trakehner.auction/auctions>) online.

The initial bid is generally quantified as follows:

Foal	€ 3.500,-
-------------	-----------

An effective bid must meet the minimum bid and be at least one bidding step above the bid of the previous bidder. The bidding steps are € 250.00 / 500.00 / € 1,000.00 / € 2,000.00 and are specified by the system for online bids.

Only offers of at least € 250.00 will be accepted.

In all other respects, the auctioneer determines the rate of increase and deviating minimum bids.

The bid (knockdown price) is considered the net price.

X.PURCHASE SLIP

After the knockdown, the buyer who attended the auction on site is obliged to sign a purchase slip stating the object of purchase, the catalogue number, the knock-down price and the name of the buyer.

If the buyer does not sign the purchase slip or if he indicates after signing that he will not accept and pay for the foal, the organizer is entitled through the public auctioneer to have the foal offered again at his discretion. The first buyer is liable for the consequences of his refusal to fulfill the purchase contract.

The same applies to the buyer who has placed a bidding order with the Trakehner GmbH by telephone. In this case, the purchase slip is signed by the buyer's agent on his behalf.

XI.VALIDITY OF THE KNOCKDOWN

If there are any doubts about the validity of the knockdown, these must be asserted immediately, but no later than before the start of the auction of the last foal of the respective auction day, before the publicly appointed and sworn auctioneer commissioned by the organizer and the organizer himself through its managing director. The auctioneer then decides whether to cancel the disputed knockdown and auction off the foal in question again.

XII.SETTLEMENT PRICE

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

1. The settlement price is made up of the bid awarded (= knockdown price) plus statutory value added tax, which varies between 0% (private sale), 9% (farmer) and 19% (trade) depending on the seller's assessment, plus 6% buyer's fee from the knockdown price plus the statutory value added tax attributable to the fees, as well as 1.19% insurance premium (including insurance tax). In the auction catalogue, the respective VAT rate is shown for each auction aspirant after the name of the exhibitor. The VAT is indicated by the seller. The Trakehner Gesellschaft mbH does not assume any liability for this tax information provided by the seller.

Billing notes on the brokerage business

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

- commercial or opting farmer = 19 %
- flat-rate farmer = 9 %
- Hobby breeding/private = 0 %
- German tradesmen 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 amount to you using the example of a knockdown price of € 10,000.00:

Knockdown price: 10.000,00 €
 Buyer's fee: 6 %

Calculation example:

Seller Status	Hobby/Private	Pausch. Farmer	Industry
Sales tax	0% USt.	9 % USt.	19% USt.
Knockdown price	10.000,00 €	10.000,00 €	10.000,00 €
plus VAT.	0 €	900,00 €	1.900,00 €
Subtotal 1	10.000,00 €	10.900,00 €	11.900,00 €
Käufergebühr	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 €	11.614,00 €	12.614,00 €
Insurance (1% of the net knockdown price)	100,00 €	100,00 €	100,00 €
plus 19 % insurance tax	19,00 €	19,00 €	19,00 €
Abrechnungssumme	10.833,00 €	11.733,00 €	12.733,00 €

Settlement price/purchase price to be paid by the buyer: € 10,833.00 (for private sales), € 11,733.00 (sale by flat-rate farmers), € 12,733.00 (sale by entrepreneur).

- The settlement price/purchase price is due with a surcharge. The purchase price will be invoiced on account. The purchase price **must** be credited to the organizer's account within 7 days of the auction.

Until the settlement amount has been paid in full to the organizer, the seller retains ownership of the foal in accordance with § 449 BGB. The foal also 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%) in Germany cannot be reimbursed, as it does not have to be paid by the seller to the tax authorities. For the auction fee, the VAT exemption can be granted after submission 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 as soon as possible after the purchase of your auction horse.

XIII.QUALITY AGREEMENT

The characteristics of the auction foals are agreed between the seller and the buyer to be the pedigrees specified in the auction catalogue as well as information on sex, colour, year of birth and performances listed in the auction catalogue.

If, in addition, pictorial representations of the foals and a short commentary are printed in the auction catalogue, 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. There is expressly no agreement on certain abilities of the animals.

The sellers have had their foals clinically examined by a veterinarian commissioned by them before delivery.

The sellers have had a report drawn up by the examining veterinarian on the clinical findings collected. The report on the clinical findings (clinical examination protocol) can be consulted by any interested party and by the veterinarian appointed by him. The buyer confirms that the result of the veterinarian, whose findings and evaluations are an independent service of the veterinarian. They are not characteristics or contractual commitments of the seller. The veterinarian is not a vicarious agent of the seller, but acts as an independent consultant.

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

Every foal whose parents do not have a known test result for a carrier of **the WFFS hereditary disease** is examined for this carrier characteristic of the **WFFS hereditary disease**. The test results for these foals can be viewed by any interested party and the veterinarian appointed by him. The quality at the time of the transfer of risk (**Sec. XX**), the test result is agreed on a carrier status of the **WFFS hereditary disease**.

The organizer points out that examinations that go beyond the above-mentioned scope of the examination recorded in the veterinary examination protocol are possible, which each prospective buyer can have carried out at his own expense, in consultation with the organizer, before the start of the auction. For all unexamined conditions of the foal, according to the available veterinary protocols to be viewed by any interested party, an imponderable, uncertain and thus risky physical condition is deemed to have been agreed.

XIV.STATE OF USE

All auction foals are used at least to the extent that they have been trained to be lead with a head collar, loaded and transported, have farrier experience, 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 in the auction catalogue.

XV. RIGHTS OF DEFECTS/EXCLUSION OF LIABILITY

1. Insofar as the above (**Sec. XIII**) no qualities have been agreed, the sale of the foals shall be made to the exclusion of any defect rights and any liability for material defects.

This does not apply to liability for damages resulting from injury to life, limb or health 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 a breach of duty by the seller or his legal representative or his vicarious agents that is at least grossly negligent.

1. Notice period for reporting defects

In order to safeguard his warranty claims, the buyer is obliged to notify the seller in text form of defects within a preclusive period of 4 weeks after the transfer of risk.

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

2. Remedy

In the event of the assertion of warranty claims by the Buyer after notification of the defect has been made in due form, the Seller shall be entitled and obliged to remedy the defect.

For the purpose of subsequent performance, the buyer must request the seller in writing (same as a request for subsequent performance) and make the foal available to the seller for collection. The seller is granted a reasonable period of subsequent performance from the day the foal is made available by the buyer.

In order to prove successful subsequent performance, the seller must prove that the defect complained is resolved by means of a specialist veterinary opinion to the buyer by the expiry of the supplementary performance period at the latest.

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

XVI. FURTHER LIABILITY FOR MATERIAL DEFECTS

If the supplementary performance fails or is impossible, the seller owes the rescission of the contract in the event of withdrawal by repayment of the settlement price and reimbursement of necessary feed/livery costs, necessary ferrier costs and the fees for necessary veterinary care. Claims of the seller for compensation due to deterioration of the foal remain expressly unaffected by this provision.

The seller will only reimburse the actual costs of a return transport within Germany for a single trip. In this respect, costs of up to € 0.50 per kilometer 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 are necessary in the amount of € 180.00 plus VAT per month. If it is not

possible for a buyer to pay the feeding and livery to this amount, the seller is prepared to feed and keep up the foal at 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 reversal of the contractual relationship are excluded. This does not apply if the seller or his legal representative or his vicarious agent are liable for damages resulting from injury to life, limb or health due to a breach of duty that is at least negligent, or if their legal representatives or their vicarious agents are liable for other damages due to a breach of duty that is at least grossly negligent.

XVII.LIABILITY OF THE ORGANIZER

A liability of the organizer from the purchase contract is excluded. 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 organizer or an intentional or negligent breach of duty by its 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 organizer or on an intentional or grossly negligent breach of duty by a legal representative or vicarious agent of the organizer.

XVIII.PERIOD OF LIMITATION

The liability period for any defects, including any claims for damages, is three months from the transfer of risk.

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

XIX.OBLIGATIONS TO INSPECT AND GIVE NOTICE OF DEFECTS

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

XX.ACCEPTANCE AND TRANSFER OF RISK

1. As a rule, the buyer is obliged to accept the foal six months after birth at the exhibitor's place of residence. Up to this point, the exhibitor bears the risk and costs of livery, including the veterinarian and ferrier. At the end of this period, costs and risk/danger are transferred to the buyer.

An earlier acceptance is possible if the buyer agrees to this. In this case, costs, risk/danger are

transferred to the buyer when the foal is handed over.

If the buyer is in default of acceptance, he is obliged to pay the livery, veterinarian, forging costs, etc.. The amount of the livery costs depends on the specification/conditions of the seller. The rent is to be paid directly to the seller.

2. The risk of accidental deterioration or loss of the purchased foal is transferred to the buyer six months after its birth.

3. At the time of the transfer of risk (no later than 6 months after birth), a clinical examination is also carried out on behalf of and at the expense of the seller/exhibitor. A clinical certificate must be issued on the eligibility for acceptance. If there is any doubt as to the correctness of the result of the clinical examination, one of the four clinics named below shall be commissioned to determine the health status for the purpose of acceptability on behalf of and at the expense of the buyer. The Contracting Parties expressly recognise the outcome of this investigation as binding. The clinics appointed as senior reviewers are as follows:

Pferdeklinik Bargteheide, Alte Landstraße 104, 22941 Bargteheide

University of Leipzig Faculty of Veterinary Medicine Surgical Veterinary Clinic, An den Tierkliniken 21, 04103 Leipzig

Veterinary Clinic for Horses, Kiebitzpohl 35, 48291 Telgte

Veterinary Clinic for Horses, Vaterstettener Weg 6, 85599 Parsdorf

XXI.INSURANCE

All foals are insured at the knockdown price (max. 25,000 €), with the VTV against death by emergency killing as a result of illness or accident as well as permanent unusability for riding due to illness or accident, theft or robbery and death or emergency killing as a result of fire, lightning strike or transport damage from transport from the auction stable to the first buyer stable with a compensation payment of 80%. The insurance cover extends to a period of 8 weeks after the knockdown, but at least until the foal reaches the age of six months. The buyer has the option of applying 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 no longer necessary. Information can be obtained from the VTV general agency Alexander Kuschel, telephone number: +49 4324/882390, available during the auction under +49 171/7784147.

XXII.INCLUSION OF CONDITIONS OF SALE

The conditions of sale are published on the website of the Trakehner Verband (<https://www.trakehner-verband.de/veranstaltungen/bundesturnier/trakehner-bundesturnier-2023/>) and in every auction catalogue. In all other respects, the terms and conditions will be publicly displayed in the auction office. A notice of this will be posted on the event grounds.

XXIII.PRIVACY

The Trakehner GmbH collects and stores the buyer's data necessary for the business transaction. When processing the buyer's personal data, the Trakehner GmbH complies with the statutory provisions. Further details can be found in the data protection declaration available on the website of the Trakehner Verband (<https://www.trakehner-verband.de/verband/datenschutz>). Upon request, the buyer will receive information about the data stored about him at any time.

XXIV.APPLICATION OF LAW/GERMAN LAW

All rights and obligations arising from and in connection with the contractual relationship shall be governed by non-uniform German law, namely the law of the German Civil Code and the German Commercial Code (BGB/HGB). The validity of the UN Convention on Contracts for the International Sale of Goods (CISG Convention of the United Nations on Contracts for the International Sale of Goods of 11.04.1980) is excluded.

XXV.PLACE OF PERFORMANCE/JURISDICTION

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

XXVI.SEVERABILITY CLAUSE

Should individual provisions of the conditions of sale be or become invalid, the remaining conditions shall remain in force.

XXVII.PRIMACY OF THE GERMAN VERSION

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

Trakehner GmbH



Neel-Heinrich Schoof
Directing Manager