

### 1. General

The Hannoveraner Verband e.V., Lindhooper Straße 92, D-27283 Verden, organizes public auctions to sell the horses of its members by an officially appointed and sworn auctioneer.

### 2. The Auction

2.1 The horses described in the catalogue are sold during the public auction in the name and for the account of the exhibitor (supplier) as laid down in §§ 383, paragraph 1, 474, paragraph 1, German Civil Code. Tickets are available for everybody (as long as stocks last).

According to legal terminology, all horses auctioned-off are second-hand goods. The regulations of selling consumer goods (§ 474 ff. German Civil Code) cannot be applied.

2.2 The horses put up for auction are presented under rider – in justified cases in-hand. The horses will be offered for sale in Euro. Minimum auction sales price will be Euro 6,000. Bids of at least Euro 500 will be accepted only.

2.3 Should any doubts arise as to the validity of the knock-down price, they have to be claimed at once and the offer for sale can be taken up again. This is also permitted if the purchase note has already been signed, however, latest if the last horse of the auction was knocked-down. Only the bidders of the corresponding horse, the auctioneer or the Organizer are allowed to raise an objection as to the validity of the knock-down price. A commission, consisting of the Manager of the Hannoveraner Verband, the Auction Management and the auctioneer will decide on all objections. An accepted bid shall only be cancelled if the commission decides unanimously.

2.4 Provided the buyer does not sign the purchase note or if he makes known during the auction that he will not take the horse, the auctioneer shall be entitled to decide to put up the horse for auction again. The first buyer shall be held liable for possible reductions in price.

### 3. Settlement and Payment

3.1 Knock-down prices are net prices.

The buyer owes the purchase price which is made up of the knock-down price plus VAT. The VAT shall be added to the knock-down price and may vary – depending on the assessment of the vendor. The individual VAT-rates are indicated behind the exhibitors' names of each horse in the auction brochure.

The vendor is responsible for the correctness of the VAT-rate. The Hannoveraner Verband assumes no liability for this information and raises a commission fee for its work as commission agent. The amount to be paid depends on the knock-down price. Additional handling fees and taxes will also be charged. All horses are collectively insured by the Hannoveraner Verband who raises an insurance tax of 2.75 % on the gross price.

3.2 The account will be rendered as follows:

Knock-down price plus vendor's VAT-rate  
= Subtotal no. 1  
+ auction fee in the amount of 6 % of the knock-down price plus 19 % VAT on this amount (as is laid down in §§ 12,2 German VAT Act)  
= Subtotal no. 2  
Subtotal no. 1 and no. 2 = gross price  
+ 2.75 % insurance plus 19 % insurance tax  
= **final balance amount.**

3.3 The vendor shall assign all claims to collect the final balance amount to the Hannoveraner Verband. Payment shall become due immediately upon acceptance of the bid. Payment has to be effected in the auctioneer's office in cash. Unless payment by invoice has been accepted and confirmed before, the amount has to be transferred within seven days. Check collection fees or interests resulting out of the cashing of the check have to be paid by the purchaser. Foreign customers have to pay the fee for the services of the official vet.

3.4 All horses are insured by the Hannoveraner Verband. The new owner shall be the legal successor of each insurance contract. The insurance premium shall be settled with the auction statement.

3.5 According to § 449 German Civil Code, the horses shall remain property of the vendors unless the final balance amount and possible additional expenses have been completely settled.

3.6 The vendor has irrevocably assigned the right to launch, in case of non-payment, legal action against the purchaser for the settlement of the final balance amount and possible additional fees to the Hannoveraner Verband.

### 4. Characteristics of the Horses

4.1 The auction brochure features the characteristics of the horses including sex, colour, date of birth, height, pedigree including three generations and registration numbers and – if available – own and/or family show or tournament successes. The indicated heights are approx. values. A difference to the actual height may be possible.

4.2 Video clips, taken during the training sessions, are available of most of the auction horses and are published online at [www.hannoveraner.com](http://www.hannoveraner.com). This is to continuously make the obvious characteristics of the horse in the walk, in the trot and in the canter and – as the case may be – over the fences – available and repeatable for potential customers. Besides, one public presentation day is also recorded and published on the Internet, featuring, if possible, the whole collection.

4.3 The statements about the horses are based on first impressions at the beginning of the auction training, describing their presumed potential for dressage, show jumping or eventing. These comments are no assurance or evaluation in the sense of a guarantee of special qualities or characteristics.

4.4 Current health problems or considerable changes of catalogue descriptions will be published in a final report called "Latest News" and/or be announced by the auctioneer during the auction.

### 5. Liability of the Exhibitor

5.1 The exhibitor will assume liability for material defects relating to the characteristics mentioned under section 4, in accordance with the legal regulations, however, with the following restrictions:

5.2 Claims for replacement shall be restricted to the report of an expert of the Veterinarian University in Hanover, stating that healing of a disease is not to be expected within a period of six months of treatment.

5.3 The claim for reduction shall be prohibited.

5.4 Cancellation of contract: If – at the time of transition of liability – the horse's constitution differs considerably from the one mentioned in the contract, the vendor of the horse shall be held liable and has to accept a return of the horse and a repayment of the auction sales price.

5.5 All claims for refunds shall be restricted to the following rights: refunding the costs for the transport of the horse from the auction premises to the buyer's stable (within Germany), regular costs for boarding and food, costs for necessary veterinary inspections and treatments and for the farrier.

5.6 Buyer's claims for faults have to be directed to the Hannoveraner Verband e.V., Lindhooper Straße 92, D-27283 Verden. The vendor and the Hannoveraner Verband have agreed on a debt relieving assumption of debts as is laid down in § 415 German Civil Code which also applies for buyer's claims based on tort and enrichment law. This procedure is based on the higher efficiency of the Hannoveraner Verband who – in individual cases – is also able to provide subsequent performance by delivering a faultless object as is laid down in § 439, paragraph 1, alt. 2 German Civil Code. Upon acceptance of the bid, the buyer agrees to accept the assumption of debts.

5.7 All claims resulting out of liability for defects shall become statute-barred within three months after acceptance of the bid.

5.8 The exhibitor and its representative, the Hannoveraner Verband, do not assume any liability for other characteristics than the ones stipulated in the contract. The horses are sold as inspected, excluding any liability for material defects. No liability will be assumed for the horse's health status. Apart from that, the exhibitor shall not be held liable for the accuracy of the veterinarian inspections and the corresponding evaluations of the independent veterinarians.

5.9 Limitation of liability as stipulated under no. 5 does not include:

Claims for damages, resulting out of an impairment of life, body or health, based on grossly negligent violation of duty by the vendor or the Hannoveraner Verband or based on intention and gross negligence of a legal representative or vicarious agent of the vendor or the Hannoveraner Verband.

Besides, limitation of liability does not include damages resulting out of a grossly negligent violation of duty by the vendor or the Hannoveraner Verband or a legal representative or vicarious agent.

### 6. State of Health – No Guaranteed Constitution

6.1 Prior to the auction training, all horses put up for auction shall be examined in great detail by a veterinarian. 12 X-rays will be made of each horse: lateral views (1st – 3rd Phalanx) of the front and back toes. Special examination of the front feet (navicular bone – Oxspring method). The hocks are x-rayed at two angles on the same plane (45°-70° and 115°), stifle 90°-115°. The results of these examinations are written down in a vet report.

6.2 The fertilization ability of stallions presented as riding horses has not been tested, nor the breeding ability of mares. Both are no assurance or evaluation in the sense of a guarantee of special qualities or characteristics as fixed in the Conditions of Sale.

6.3 In addition, the independent veterinarians Dr. Frank Reimann and Dr. Alexander Merz, will evaluate the X-rays together. A written report shall be available about each horse, featuring the evaluation of the X-rays, the experiences of both veterinarians with comparable X-ray results in the past, the clinical state of health of the horse in the past, especially also during the auction training, and the general impression of the horse. No X-ray categories shall be mentioned in the X-ray report. According to this, the report issued by both independent veterinarians, Dr. Frank Reimann and Dr. Alexander Merz, is not part of the characteristics as laid down in the contract, but only a non-committal information for potential buyers who are requested to consult both veterinarians regarding the issued report, with or without their own independent veterinarian.

6.4 The report about the presale examination, the X-rays and the common evaluation of both veterinarians shall be at the disposal of all prospective customers, their representatives and vets. They may acknowledge, analyze and check the information on their own responsibility prior to the auction.

6.5 The results of the veterinarian examination, their statements and evaluations, are independent service offers of these veterinarians. They are no characteristics or contractual promise of the Hannoveraner Verband or the exhibitor. The veterinarians are not the servants of the Hannoveraner Verband or the exhibitor, but independently working experts with consultative function.

### 7. Removal and Transition of Liability

The liability passes on to the purchaser after acceptance of the bid, which replaces the transfer of ownership, as is laid down in § 446 German Civil Code, even if the horse remains – for the time being – in the custody of the auctioneers. This also applies if the vendor remains the owner under reservation.

The Hannoveraner Verband shall be entitled to accept payment and has been instructed and is authorized to insist on buyer's settlement of obligations and related costs.

### 8. Alterations, Governing Law, Place of Jurisdiction and Severability Clause

8.1 The auctioneer and the Hannoveraner Verband reserve the right to change the auction schedule.

8.2 German Civil Law in the form of these special conditions of sale shall apply for this auction.

8.3 Place of jurisdiction and fulfillment shall be Verden. Provided the purchaser is no businessman, the jurisdiction clause as laid down in § 38, paragraph 3 no. 2 German Civil Process Order shall only apply if the purchaser changes his residence from Germany to another country or if his place of residence is unknown by the time the complaint is filed.

8.4 Should one of the afore mentioned arrangements or part of an arrangement be void or become void, all other clauses shall not be effected at all. The void arrangements shall be replaced by a valid condition that aims to match the commercial requirements of the void arrangement.

**In case of doubt, the German version of these Conditions of Sale shall apply.**

Effective as of January 1st, 2017

### DIRECTIVES FOR THE AWARD

#### „STATE PREMIUM MARE“ AND „HANOVERIAN PREMIUM MARE“

#### Award for mares with the title „State Premium Mare“ or „Hanoverian Premium Mare“

Pursuant to a decree, issued by the Ministry of Food, Agriculture and Forestry, the Hannoveraner Verband awards the qualification for being nominated "state premium mare" or "Hanoverian Premium Mare" according to the following principles:

1. Three- or four-year-old main studbook mares can be awarded the candidacy for the title „State Premium Mare“ or „Hanoverian Premium Mare“ at mare shows. The dam of a state premium candidate has to be registered with the main studbook, too.

2. To obtain the qualification for this award, the chosen mares have to complete a mare performance test with a sufficient result until August 1 in the year they will be five years old. Provided they fail to achieve a sufficient result, it is possible to repeat the test once until above mentioned date.

3. The chosen mares have to be examined for the main vice „whistling“ by a contractual vet of the Hannoveraner Verband and have to be free of this condition. A corresponding certificate has to be forwarded to the Hannoveraner Verband.