

Terms and Conditions of the Auction

A. Scope of Application / general

(1)

We, ISK GmbH, with entry in the Commercial Register AG Osnabrück HRB 3410, Am Borgberg 3, 49170 Hagen a.T.W. (hereinafter also referred to as ISK or the **Organiser**), organise the auction and sell of horses on own account and on behalf of other parties (commission business).

ISK bases the legal relationship to the Purchaser on the present auction conditions (hereinafter also referred to as GTC). The auction is a public auction for the purpose of section 474 paragraph 2 sentence 2 BGB, in which horses are sold as used items in the sense of the law in a public auction. The rules of Consumer Good Purchase (section 474ff.) do not apply.

(2)

Our GTC apply exclusively; we neither recognise nor accept any terms and conditions other than our own GTC unless express written consent is given priorly. Our GTC likewise apply if we execute delivery in the knowledge of any of the Purchaser's terms and conditions that might contradict or depart from our own terms and conditions.

(3)

All agreements between us and the Purchaser with a view to execution of a concluded contract are set out in the present terms and conditions.

(4)

We reserve property right and copyright on images, videos, drawings, descriptions and other documents used by us for auction purposes. For communication to a third party the Purchaser, the Bidder and any third party require our express permission in written form.

(5)

In principle our GTC apply in similar fashion to entrepreneurs (§ 14 BGB) and to consumers (§ 13 BGB) unless their application is expressly to particular clauses as regards their scope.

B. Procedure of the auction

(1)

Participation in an internet auction is only permitted to those natural or legal persons who have registered with the Organiser. At the opening of the registration, all questions asked by the Organiser in the registration form must be answered properly and correctly and any required copies must be enclosed. A registration can be deleted at any time without giving the reasons by sending an e-mail to auction@psi-sporthorses.de. In this case, all registered data will be deleted permanently, given they are not required for an ongoing bidding process or the completion for an already completed transaction. In that case, the deletion only takes place when it is finally precluded that the data is still needed. Otherwise in item I of these GTC.

Natural persons can only register for use if they are of legal age and unlimited legal capacity. Authorized natural persons of a legal person must be named.

After registration and confirmation by the auction manager, new users will receive a confirmation link by E-Mail. By using said link a new password must be created. Each user is obligated to keep the password secret.

(2)

During the time of the auction the horse which is to be sold will be presented in ridden form or by hand. The Bids for the horses are to be in EURO. On behalf of ISK the auctioneer will set a minimum Bid priorly to each particular auction. Higher Bids must be placed accordingly to the hereunder described increase-rate, if the auctioneer does not set an individual increase-rate.

Each Bid by any bidder will be dissolved by any higher Bid. The respective bidder is bound by the Bid submitted until a higher Bid is submitted. Bids 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.

An effective Bid must be in line with the minimum Bid and, moreover, must at least be one Bid above the afore submitted Bid. The bidding steps for the horses placed in the auction are € 1.000,00, € 2.000,00 and € 5.000,00. The auctioneer can set a bidding step different to this.

(3)

When the Purchaser receives the acceptance of the Bid, the purchase contract between the Purchaser and ISK under the conditions laid down in those GTC is concluded. The Purchaser is obligated to sign a sales receipt stating the purchaser, the item of purchase with catalogue number and the amount of the purchase price.

In case the Purchaser is not present, he will be informed of the acceptance of the bid via E-Mail or a similar durable medium in written form. The receipt of the notification is the confirmation of the already concluded purchase contract and not an additional prerequisite for its conclusion. Bidders who have not submitted the highest Bid will not receive notification. The highest Bid is only mentioned anonymously on the platform on www.hofkassermann-auction.com after the end of the bidding period.

In order of the acceptance of the Bid, the Purchaser is obligated to pay the purchase price calculated accordingly to C.

Any doubts about the validity of the acceptance of the Bid are to be asserted immediately, at the latest before the acceptance of the Bid of the auction's last horse. Any invalid acceptance can thereupon be cancelled and the auction can accordingly to ISK's decision be resumed and continued. This is permitted as well when the sales receipt has already been signed. If the Purchaser does not sign the sales receipt, the horse can be auctioned off again at the discretion of the auctioneer. The first Purchaser is liable towards ISK for the minimum return.

The Organiser or auctioneer may cancel an auction at any time before the end of the bidding period, if he decides to do so on the basis of a factual reason at his reasonable

discretion. In case of system failure due to technical conditions, the Organiser is also entitled to cancel the auction.

Claims for damages by bidders in case of technical problems of the settlement of the auction, in particular in case of system failure, inability to access bids or their rejection for technical reasons, are excluded.

(4)

Personal attendance for the action is possible with prior application. Bids can as well be submitted via telephone or via the registered bidder template installed on the platform (www.hofkasselmann-auction.com).

Bids submitted online will not be accepted, if the bidder has not stated that he agrees to the validity of these GTC for his specific Bid and acknowledges the precautionarily issued cancellation policy. Bids submitted until the end of the auction and by the registered bidder under "bid" in accordance with these GTC will only participate in the auction, if they have been received by the Organiser by the end of the auction. The transmission takes place at the risk of the bidder.

By clicking on the "place bid" button on the internet platform the bidder submits a binding Bid to the Organiser to conclude a purchase contract.

C. Settlement /Commission Fee/ Exclusion of Set-off

(1)

All prices and Bids given are plus the commission fee (6%) and the applicable value added tax (currently 16%). This is shown separately on invoices.

The amount invoiced is calculated as follows:

Knockdown price

+ 6% commission charge

= net price

+ VAT pursuant to the VAT law (16 %)

= total price

The total price must be paid immediately. Default in payment arises 14 days after conclusion of the contract, i.e. the knockdown. In individual cases, other arrangements can be made in writing with the auction manager. If payment is done by cheque, the Purchaser will pay the expenses and interests accruing by cheque cashing. Cheques are only accepted in fulfilment. A set-off with counter-claims is excluded, unless such are uncontested and have been found to be final by a court.

Insofar as the Purchaser is a merchant, he waives his rights arising from sections 273, 320 of the BGB.

(2)

The bid prices apply from the location of the horse to the pickup by the Purchaser. The specified location is the place of fulfilment agreed under the concluded contract. The shipping of the auctioned horse does also not take place at the request of the Purchaser. However, if requested we are ready to quote without obligation several forwarders to choose from who can take over the transport on behalf of and for the account of the Purchaser for a standard delivery fee.

The handover of the auctioned horse to the Purchaser or to the transporter takes place only after the payment of the purchase price. It is expressly indicated that according to the following paragraph. (4) additional costs may occur, even if payment is timely.

(3)

The Purchaser is only entitled to set-off rights if his counter-claims have been legally established, are undisputed or acknowledged by us. The Purchaser is only authorised to exercise a right of retention to the extent that the counter-claim is based on the same contractual relationship.

(4)

The auctioned horse can be picked up by the Purchaser after the acquisition at the

location of the Organiser, either against concurrent payment of the purchase price or advance payment by the Purchaser. Until then, the horse will be stored and supplied free of charge by the Organiser. From the 14th day after the auction, we charge an amount of €50,00 plus statutory VAT per calendar day for the safekeeping and supply of the purchased horse, without prejudice for the continuing obligation to collect.

D. Quality agreement

The horses provided for sale will be sold as seen and they boast the following agreed quality:

(1) External quality characteristics

The horses will be offered with the following information:

Horse name, gender, age, color, size, pictures, video, origin.

The sizes are approximate values. A difference from the actual size is possible.

The above information is only a description of the auction object, ISK assumes no guarantee for a corresponding condition and they are not content of a quality agreement with respect to the future purchase contract.

With prior arrangements the horses can be inspected and tried out before the auction.

The online available visual representation as well as the short description of the horse –also issuing the classification of the horse according to its predominant ability (dressage / showjumping / cross-country)– do neither state a quality agreement nor a guarantee for the purpose of the law, but consist of non-binding reports of other parties and/or subjective impressions. A confirmation regarding certain abilities of the particular horse is not given by that.

ISK reserves to adjust the information on the horses which are to be auctioned off. This adjustment is made in written form and at the place of the auction verbally by the auctioneer. The adjusted information take place of the previous ones.

ISK does not take any warranty or guarantee for certain qualities or intended uses of the horse.

(2). State of health

The horses offered for sale have been clinically examined and x-rayed in preparation for the auction before their delivery. In the framework of the radiological examination x-rays of the following standard projections have been taken:

- both distal joints front legs (90°) and oxspring (0°);
- both distal joints hind legs (90°);
- both hocks (45° to 70°, 90° to 115°)
- both stifle (90° to 110°)
- additional x-rays: back

The findings of this clinical examination have been set out in a veterinary examination protocol taken by Dr. Holger Steinmann, Tierklinik Mühlen. This protocol as well as the x-rays are available by request for registered prospective customers at auction@psi-sporthorses.de. Both can be explained to the bidder by a veterinary surgeon of their choice or by the two auction veterinary surgeons. It is urgently advised to make use of that consultation on the health condition of the particular horse. Due to technical reasons, the request of the veterinary examination protocol is not to be submitted after Saturday, the 8th of August 2020, 3 p.m. (CET).

The result –consisting of the objective diagnosis of the written examination report, which exclusively relates to the clinical examination and is open for public inspection, as well as the state of the horse as shown on the x-rays– is a description of the health condition of the particular horse to be auctioned off. It does specifically not constitute a quality agreement for the purpose of section 434 BGB. In particular, it is pointed out to the Purchaser that the x-rays only show standard projections which cannot include all radiological findings. Further veterinary evaluations beyond this are not subject to the quality agreement.

(3) No other quality features

ISK does not establish any further quality features of the horses regarding performance, health or other properties. Therefore, they are not the subject matter of the sales contract. Information of any type that is given, orally or in writing, do not constitute assurances, guarantees in a legal sense or quality agreements, but are

given exclusively as non-binding information.

E. Forfeiture of reports of deficiencies

The Purchaser shall forfeit their rights stemming from the absence of guaranteed qualities, unless they notify ISK in writing of such deficiency within 3 months after the day of the auction or send the written notification by registered mail, return requested, to ISK. The date of mailing is decisive for the observance of this time limit.

Such forfeiture does not apply if the seller has fraudulently concealed this deficiency.

If the Purchaser fails to observe this deadline, they forfeit the rights they may be entitled to because of the reported deficiency. The costs of the proceedings shall be borne by the seller if the complaint is declared justified, otherwise they shall be borne by the Purchaser.

F. Delivery and transfer of risks and title

The Purchaser resp. their authorized representatives are required to take possession of the horse immediately after signing the contract note. With the knockdown that substitutes the transfer of possession, the risk shall pass to the Purchaser even if the horse remains in ISK's custody. The ownership of the horse only passes to the Purchaser when the latter has paid the total amount, in full.

If the horse is left in ISK's custody based on a specific agreement, the Purchaser is required to conclude a respective boarding agreement with ISK.

ISK will only organize the insurance and transport of the auctioned horses to the Purchaser after they have given written instruments and that shall be done at their expense and risk.

G. Extent of liability and warranty

(1)

Liability is limited to the quality agreement made in paragraph D subject to the restriction that claims for the reduction of the purchase price are excluded.

ISK will not be liable for the correctness and completeness of the findings and diagnoses made during the veterinary examination performed priorly to the auction as defined in item D.II. 1.

(2)

Claims for damages are limited to the reimbursement of the costs of transport from the auction stable to the stable of the Purchaser within the Federal Republic of Germany, the usual boarding costs and the costs of the first veterinarian examination and the costs of the blacksmith.

(3)

Further liability exceeding the aforementioned arrangement – even on conclusion of a boarding agreement – are hereby excluded, unless the liability is based on

- culpable injury of life, body and health which arise from a negligent violation of duties by the user or any intentional or negligent violation of duties of a legal representative or vicarious agent of the user;
- deficiencies which were fraudulently concealed to ISK or the non-existence of which was guaranteed;
- gross negligence of ISK, the legal representatives or vicarious agents of the ISK;
- malicious practices.

In case of culpable breach of essential covenants (cardinal duties), ISK shall also be liable for slight negligence, however, in this case limited to the reasonable, foreseeable damage which is typical for the contract. All other claims for liability and damages, regardless of the legal reasons from which such are derived, shall be excluded, in particular the reimbursement of costs for training, provision of replacements and any other potential pecuniary damage.

Prior to the auction, interested parties are given sufficient time to see and try the offered horses. With the exception of the quality agreement in paragraph D, the horse will be sold as seen with any further liability and warranty being excluded. ISK will not

accept any type of warranty or guarantee for certain characteristics or intended use. In respect of the quality, the state described in paragraph D shall be deemed to be contractually agreed.

H. Limitation

In contrast to the statutory regulations of section 438 paragraph 1 no. 3 of the BGB, the warranty claims of the Purchaser expire at the end of 12 months after the hand-over.

I. Statement of Consent to Data Privacy

The Purchaser agrees that their name, address and their purchases will be stored and processed electronically by ISK for the purpose of performing and managing the contractual relationship and for the purpose of giving information on future auctions and offers. However, they may revoke their consent to the collection and further use, at any time, by making a statement to ISK with effect for the future.

J. Severability clause

If one or more of the above provisions should be or become invalid, as a whole or in part, the validity of the other provisions shall not be affected. Invalid provisions shall be replaced by provisions that will enable the economic success intended by the parties to be achieved in a legally effective and feasible manner.

K. Place of execution and jurisdiction

All rights and duties arising out of or in connection with the contractual relationship shall be governed by the substantive German law, namely the laws of the German Civil Code and the German Commercial Code. The applicability of the UN Convention on Contracts for the International Sale of Goods of April 11, 1980 (CISG) shall be excluded. If the customer is a merchant and if the business relation in dispute is to be attributed to the operation of their commercial trade, the place of jurisdiction shall be Osnabrück, Germany, where ISK has its registered office. However, ISK shall also be authorized to sue in courts at the Purchaser's registered office.

L. Priority of the German version

These general terms and conditions are available in German and English. In case of any inconsistencies, the German version shall apply exclusively; for the interpretation of the English version, the interpretation of the German version shall be the authorized version.

Data Protection

This privacy policy describes how ISK Ltd. collects, uses, stores, transfers and protects your personal data ("Privacy Policy"). In the context of this Privacy Policy, the term "personal information" is used for information that can be assigned to a specific person and used to identify that person. Data that has been made anonymous or aggregated, and therefore cannot be used to identify a particular user in combination with other information or otherwise, is not personal information.

This Privacy Policy applies to ISK Ltd. and all related sites, applications, services and tools that refer to this Privacy Statement, regardless of the type of access and including access via mobile devices.

Responsible Body

The responsible boy for this processing of your personal data is ISK Ltd., 3 Am Borgberg, Hagen a.T.W. 49170.

In the event of changes to this Privacy Policy, we will post the amended Privacy Policy and the effective date of the amended Privacy Policy on this site. We therefore recommend that you read the privacy policy at regular intervals. Changes that affect your consent will only be made by renewed consent. This Privacy Policy applies to all users who register after 20.04.2018, from the time they have registered to accept this Privacy Policy.

At any time you have the right to information about your stored personal data, their origin and recipient and the purpose of the data processing and a right to correct, block or delete this data at no charge. For further information on personal data you can contact us at any time at the address given in the imprint.

CANCELLATION POLICY

Cancellation Rights

If you are a consumer (within the definition of § 13 German Civil Code), you have the right to revoke this contract without giving reason within 14 days from the date on which you or a third party named by you, have taken possession of that has not been transported.

To exercise your right of withdrawal, you must inform us of your decision to withdraw from this contract.

Please address your written withdrawal to:

ISK GmbH

3 Am Borgberg

Hagen a.T.W. 49170.

Tel: 0049 (0) 5401 – 89200

To safeguard the cancellation, it is sufficient that you send the notice of the exercises of the right of withdrawal before the expiry of the withdrawal and return the horse to the organiser.

Consequences of the Cancellation:

If you cancel this contract, we will refund all payments for the purchased horse that we have received from you. We may refuse to repay you until we have the horse back, or until you have provided proof that you have returned the horse, whichever is earlier.

You must return the purchased horse immediately and in any event not later than fourteen days from the date on which you inform us of the cancellation of this contract. The deadline is met if you send the horse before the fourteen-day deadline. You have to bear the regular costs of the return transport if the delivered goods correspond to those ordered and if you have not yet provided the consideration or a contractually agreed partial payment at the time of the cancellation. Otherwise, the return transport is free for you.

You only have to pay for any loss in value of the horse if this loss of value is due to a handling that is not necessary for the examination of the condition, capacity and functioning of the horse.

END OF CANCELLATION POLICY