

GENERAL CONDITIONS OF SALE

The present Conditions of Sale are deemed as having been read and accepted by both Vendors and Purchasers.

Such conditions shall apply to all direct sales and transactions conducted under auction by NASH Voluntary Sales [*Société des Ventés Volontaires NASH*], hereinafter referred to as NASH AUCTION.

Sales being open to the public, access is necessarily free-of-charge and at one's own discretion.

However, since showing horses comprises certain danger, all visitors, especially novice persons, access the sales' complex at their own risk and are invited to duly comply with the instructions displayed on the premises by Management.

ARTICLE 1 - Auction Sales.

Public auctions organised by NASH AUCTION, a sales' institution accredited under no. 2003-486 as of 25 November 2003, are conducted by an Auctioneer, representing the State, such as provided by Law.

All provisions of these General Conditions of Sale shall apply in full, insofar as they do not go against those announced prior to the sale by the State Officer and duly recorded in the minutes.

Neither the Vendor nor the Purchaser may only hold liable NASH AUCTION and the State Officer beyond the scope of the responsibilities contractually set down and accepted by both vendor and purchaser.

Generally-speaking, the fact of a Vendor or a Purchaser failing to observe the Conditions of Sale may on no account implicate the responsibility of either NASH AUCTION or the State Officer conducting the Auction in relation to other purchasers or vendors, or even to third parties.

ARTICLE 2 - Bidding.

The organiser of the sale, NASH AUCTION, reserves the right to refuse bids made by any person failing to provide due solvency. Notably deemed as such is any bidder having failed to settle any previous final bid in relation to NASH AUCTION or to any other auctioning entity.

Pursuant to Law, bids are displayed and recorded in Euro, the simultaneous conversion into a foreign currency being given for information only.

If it is clear that 2 or more bidders simultaneously bid the same amount at the same time on a same horse, whether orally or via gesture, and that they both claim the horse at the same time upon Fall of the Hammer, said horse shall be immediately put back on sale at the price of the last bid, with any person whomsoever being entitled to resume bidding.

The horse will then be auctioned to the last person having made the highest bid.

Failure for a Purchaser to immediately pay up, any unpaid Lot may be presented once again on the ring for reasons of "irresponsible bid", whether the same day or during another sales' session, to the detriment of the irresponsible bidder and without any legal action being taken.

He shall nevertheless be obliged to pay the difference between his own bidding price and that of the actual sale price following the irresponsible bid, though without being able to claim refund of any surplus amount, if existing, such surplus falling to the Vendor.

NASH AUCTION shall remain the sole judge of any case of irresponsible bidding, regardless of the kind.

ARTICLE 3 - Information required from the Vendor.

Prior to the sale, the Vendor shall provide in writing, under his own responsibility, any information that ought to be made known to the public.

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NASH AUCTION and the State Officer [Auctioneer] may only be liable for the conformity of the information provided by the Vendor and of that made known to the public, and not for the accuracy and sincerity of the information provided by the Vendor, notably with regard to the VAT regime, if applicable, to the description of the horse, to its pedigree, to its markings, to its winnings, or to its crippling defects [see Article R213-1 of the French Rural Code], etc.

Hence, prior to the sale, the Vendor is obliged to notify in writing any errors or omissions printed in the catalogue, thereby enabling a public announcement to be made from the Rostrum before the sale of the Lot and such errors and omissions to be duly recorded.

Prior to the start of the sale, any Vendor not having provided written corrections to the information printed in the catalogue in relation to any horse presented by him shall be deemed as having approved such information, the Vendor thus being fully responsible as regards its accuracy.

ARTICLE 4 - Veterinary Inspection.

Each horse shall be subject to check-up by a veterinarian approved by NASH AUCTION.

Any X-ray files may be consulted by Purchasers at the veterinary office.

NASH AUCTION specifies that Purchasers, upon consent from Buyers having no objection, are given the opportunity, prior to the sale, to consult the veterinary file of horses up for auction through the intermediary of their chosen veterinarian at their own expense and, if necessary, to request a clinical check-up within the limits of the protocol set down for the purpose by the French Equine Veterinary Association [*Association Vétérinaire Équine Française - AVEF*].

The contents of the veterinary file of the horse up for auction shall be specified on the NASH AUCTION Website. Such file may be consulted throughout the publication of the sale on the premises of the horse's regular stabling. Veterinarians may also consult the various medical files by way of a link to the horse's Web file. Any veterinarian wishing to do so may apply for an access code to NASH AUCTION, enabling connection to the horse's digital file.

Article 4-1 Documents required from the Vendor.

Horses offered for sale must be accompanied by all documents required by NASH AUCTION, notably the owner registration card, the horse's passport wherein the markings shall have been duly approved by the National Stud or any other Stud Book authority, the sanitary certificate relevant to each category of horses, as well as the covering certificate for mares "believed in foal", regardless of the type of breeding contract.

Prior to each sale organised on NASH Auctiononline.com, NASH AUCTION shall indicate the full list of documents to be supplied by the Vendor. Such documents should necessarily be transmitted to NASH AUCTION in advance of the sale. The Vendor shall remain liable in the event of such documents not being submitted in time, and this without prejudice to the right of NASH AUCTION to refuse presentation of the animal at the NASH Auctiononline.com sale.

Should the animal nevertheless be offered for sale, NASH AUCTION may on no account be held liable for the lack of the required documents.

The Vendor may only receive the proceeds of the sale as of when NASH AUCTION shall be in possession of all required documents.

Article 4-2 - Guarantees by the Vendor.

The horses offered for sale on NASH Auctiononline.com shall be transacted with all standard legal guarantees.

I. Contractual warranties:

The Purchaser is entitled to request cancellation of the sale in the case of observance of stable vices, of Whistling/Roaring or of Wobbler Disease, such as described below, and of which he had no knowledge prior to the sale.

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1 - Stable vices:

Stable vices, such as Crib-biting, Wind-sucking, habitual Weaving and Boxwalking (habitual and repeated), should be announced on the NASH AUCTION Website, failure of which the Purchaser is entitled to request cancellation of the sale.

Hence, any horse, unless having been described as such,

- ✓ That is a Wind-sucker (*i.e.* habitually gulps or swallows air, whether or not in association with grasping fixed objects with its incisor teeth), or is a Crib-biter, may be returned.
- ✓ That has undergone surgery to correct Wind-sucking, such as defined above, this including Crib-biting, may be returned.
- ✓ that is an habitual Weaver (*i.e.* habitually swings its head and neck to and fro and transfers weight from one forelimb to the other alternately), or
- ✓ that is an habitual Boxwalker (*i.e.* habitually walks either backwards and forwards or round and round the stable repeatedly in an aimless manner), is returnable.

2 - Whistler and/or Roarer:

Any horse

- ✓ that is affected with Laryngeal Hemiplegia (Recurrent Laryngeal Neuropathy), as hereinafter defined, or
- ✓ that has undergone tracheotomy tubing or any other operation for the correction of Whistling and/or Roaring (it should be noted that surgery to treat the displacement of the soft palate, including tie forward operations, cautery of the soft palate, trimming of the soft palate and myectomy, are not corrective operations for Whistling and/or Roaring within the meaning of the present sub-section), or
- ✓ that makes an abnormal inspiratory noise when actively exercised and suffers from (i) rostral displacement of the palatopharyngeal arch (fourth branchial arch anomaly); (ii) chondroma or severe arytenoid chondritis; (iii) cleft palate; (iv) permanent epiglottic entrapment; or (v) sub-epiglottic cyst(s), is returnable, unless so described, and if described as such or as “making noise” without qualification thereof, the Lot may not be returned.

In the case of a youngster whereto this sub-section applies, a Whistler and/or a Roarer refers to a horse that is heard making a characteristic abnormal inspiratory sound when subjected to strenuous exercise and is found as having Laryngeal Hemiplegia (Recurrent Laryngeal Neuropathy) when examined with an endoscope.

3 - Locomotor Ataxia

Any Lot affected by Locomotor Ataxia (or Cervical Spondylomyelopathy (CSM), Cervical Vertebral Instability, Cervical Vertebral Malformation (CVM) or Wobbler Disease) is returnable pursuant to the present Article.

II. Procedure specific to the three cases of cancellation aforementioned

In the case of a stable vice, an abnormal inspiratory sound or Locomotor Ataxia, the Purchaser is entitled to request cancellation of the sale by sending a claim, together with a veterinary certificate, to NASH AUCTION by 5 p.m. on the 7th day following termination of the sale, by post or via e-mail.

The Vendor shall be notified of the claim and of the medical report issued by the veterinarian chosen by the Purchaser.

Upon written request from the Vendor, such as sent to NASH AUCTION within 4 days following transmission of the medical report issued by the Purchaser's veterinarian, an out-of-court *inter partes* expertise may be ordered by a veterinarian appointed by NASH AUCTION, each party being entitled to be assisted by his own veterinarian.

Failing agreement between the parties as a result of such cross-examination, the Purchaser may refer the matter to Court pursuant to the standard procedure, the latter benefiting from a maximum 30-day period to do so, as of receipt of the expert report.

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III. Crippling defects

In addition, the Vendor shall guarantee the buyer against all crippling defects listed under Article R 213-1 of the French Rural Code [*Code Rural*] and not declared by him prior to the sale.

Any action initiated by the Purchaser in respect of the said crippling defects shall be filed in accordance with the provisions of Article R 213-3 *et seq.* of the aforementioned Code, *i.e.* within 10 days of receipt, as of the day thereafter, with the exception of Periodic Ophthalmia [eye inflammation] and of Infectious Anaemia, for which 30 days is granted as of the following day after receipt.

All such periods shall expire the last day at midnight. If a deadline were normally to expire on a Saturday, a Sunday a Public Holiday or any other non-working day, it shall be postponed to the next working day thereafter. Within said periods, under threat of inadmissibility, the Purchaser must file a petition with the Judge of the local Court [*Tribunal Judiciaire*], on which depends the stabling address of the animal, for the appointment of a panel of experts commissioned to draw up a report upon examination of the animal.

Within such same time-frame, the Purchaser shall initiate one of the legal claims possibly existing for reasons of crippling defects, such as defined in Articles L. 213-1 to L. 213-9 of the French Rural Code [*Code Rural*].

Also within such same time-frame, the Purchaser shall notify NASH AUCTION of his filing of a case with the Judge of Coutances local Court and shall transmit a veterinary certificate stipulating the defect (by registered letter).

IV. Veterinary File and Arbitration

The individual veterinary file of a horse offered for sale on NASH Auctiononline.com shall be compiled by the Vendor with the assistance of his own veterinarian. Such file may contain X-rays (taken according to the international protocol or to that of the French Equine Veterinary Association [*Association Vétérinaire Équine Française - AVEF*]), endoscopic videos and any other document that the Vendor deems useful for the knowledge of the Purchasers' veterinarians. The Vendor shall remain solely liable for the compilation of such veterinary file.

NASH AUCTION Website shall indicate the contents of the veterinary file of the horse offered for sale. Such file may be consulted on the premises of the horse's regular stabling throughout the publication of the sale, as well as on the Website.

Prior to all consultation, the Purchaser, or his veterinarian, shall fill out and sign a consultation register, committing them to the non-disclosure obligation with regard to any information of which they may become aware. NASH AUCTION may not be held liable for any error or lack of clarity in the medical files, nor for the improper working of any equipment used to read such files. Each veterinarian acting on behalf of a Purchaser is entitled to consult the medical file and, if necessary, to request any complementary veterinary examinations, under his own responsibility and at his own expense, within the scope of the protocol established by the French Equine Veterinary Association [*Association Vétérinaire Équine Française - AVEF*].

In the case of accident, caused to or by a horse examined by a potential Purchaser or his veterinarian, the latter shall be solely responsible and shall bear all consequences thereof, whether directly or indirectly, Vendors and Purchasers being committed not to seek the liability of NASH AUCTION, regardless of the case.

Any Purchaser, whether by himself or through the intermediary of his veterinarian appointed for the purpose, having had or possibly having had access to the information available at the horse's place of stabling or via online consultation, shall be deemed as knowing the contents thereof and thus may not prevail over any latent defects for the purpose of cancelling the sale.

Failure to have had access to such information and if during the month following the day of sale, the Purchaser considers that a latent defect affects the horse, he must inform the Vendor that he intends to have recourse to an out-of-court *inter partes* examination in order to analyse the grounds of his claim.

Such examination shall be performed without delay by an expert veterinary surgeon, mutually accepted by the parties or, failing that, appointed by NASH AUCTION. The duration of the proceedings may not be invoked by the Vendor as a reason for questioning the admissibility of all subsequent legal action. The parties could then be committed to accepting the findings of said expert, save legal technicality.

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Regardless of the case, any action for cancelling the sale initiated by the Purchaser must be brought directly against the Vendor, the name of whom being provided to the former by NASH AUCTION upon request. Such action must necessarily be initiated within one month as of receipt of the out-of-court expert report. On no account may this action implicate NASH AUCTION, the latter having no liability therein.

Claims, even in the case of crippling defects, may only be accepted insofar as the Purchaser has paid the full amount of his purchase. In the case of crippling defects or litigation, all monies shall be blocked by NASH AUCTION.

Article 4-bis - Provisions relating to Nonsteroidal Anti-inflammatory Drug (NSAID) testing

The procedure and provisions stated hereunder solely apply to the Horse and have no incidence whatsoever on the Conditions of Sale in relation to the immediate payment of the Lot.

The term "Horse" here implies a horse-in-training or a pre-trained two-year-old.

1 - A Horse shall be returned to its Vendor-owner should the blood test taken from said Horse on the day of the Sale at the Horse's place of stabling, by the veterinarian appointed by NASH AUCTION, reveal the presence of NSAIDs, the Vendor, in such a case, being committed to bear all expenses pertaining to such procedure.

2 - Any sample from the Horse should be taken under the following conditions:

a) The Purchaser shall irrevocably instruct NASH AUCTION to take a sample from said Horse and to have it tested for the presence of NSAIDs.

b) Such sampling instruction by the Purchaser should be given immediately after the Horse has been auctioned, such as signed by him alongside the specific sub-paragraph on the sale confirmation slip provided by NASH AUCTION. Only instructions given accordingly shall be accepted by NASH AUCTION.

c) Upon acceptance by NASH AUCTION of the instruction to take a sample, a member of the veterinary team appointed by the latter shall take the blood sample from the Horse.

3 - The results of the blood test taken from said Horse, together with the resulting decision, shall be notified in a confidential manner to both the Purchaser and the Vendor.

4 - Such decision having been notified to both Purchaser and Vendor, NASH AUCTION may not be held liable for any losses or expenses resulting from this decision and borne by one or the other of the parties.

5 - In the case where the Purchaser shall have exported the Horse outside of the European Union before NASH AUCTION had received the results of the blood test taken from said Horse, the former shall be obliged to keep the Horse and to pay the full sale price, and this even if the results reveal the presence of NSAIDs.

6 - In all other cases, if the Purchaser decides to return the Horse to the Vendor, such a decision must be notified to NASH AUCTION by registered letter with acknowledgement of receipt within seven days as of the date when the Purchaser shall have been informed by NASH AUCTION of the positive result of the blood test. The decision should be notified in writing to NASH AUCTION at its Head Office and shall only be processed by the latter insofar as it expressly accepts such decision.

7 - Failing any such notification, the Purchaser shall be obliged to keep the Horse and to pay the full sale price.

8 - As soon as NASH AUCTION shall have acknowledged receipt of the Purchaser's notification, the former shall in turn notify the Vendor and the Purchaser that the contract of sale has been cancelled.

9 - The Purchaser shall bear all risks relating to the Horse as of the Fall of the Hammer and no claim may be accepted from him should he have failed to immediately pay the full amount of the sale price of the Horse.

10 - Upon receipt by NASH AUCTION of the Purchaser's notification, pursuant to point 6 above, the sale shall be cancelled by rights and the Vendor shall personally take the necessary measures to retrieve the Horse from the Purchaser. On no account may the Horse be returned to the premises of NASH AUCTION.

11 - If the Purchaser decides to return the Horse to the Vendor pursuant to the aforementioned, the latter shall:

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a) pay NASH AUCTION, against invoice, all fees and expenses paid by it in relation to the blood sample and analysis, as well as all commission fees payable by Purchasers and Vendors, such as stated in the Conditions of Sale, should the sale not have been cancelled.

b) indemnify all fees and expenses to NASH AUCTION, regardless of the kind, that possibly result from such decision and that it may have to bear (court fees, bailiff's fees, etc.).

12 - Without prejudice to the provisions in Paragraph 11 above, the Purchaser shall pay NASH AUCTION, against invoice, the fees and costs of the Horse's blood sample and analysis.

13 - All notifications in relation to the present provisions set down in paragraphs 1 to 12 should be made in writing and sent either by registered letter with acknowledgement of receipt, or by fax, to the Vendor or to the Purchaser at the address mentioned on the sales entry form or on the purchase confirmation slip, whichever applicable, or to their home address or regular Head Office. Such notification shall take effect, or shall be deemed as having taken effect, on the day of receipt by the addressee.

Article 4 *ter*- Piroplasmosis

The procedure and provisions set out below solely apply to the Horse and have no incidence whatsoever on the sale conditions with regard to payment on delivery of the Lot.

1 - Unless duly published and announced at the Rostrum as being positive to Piroplasmosis, without qualification thereof [*i.e.* whether "positive" or "doubtful"], a horse shall be returnable to its Vendor-owner in the case of a blood sample of said Horse, taken upon request from the Purchaser the following day of the sale at the latest by the veterinarian appointed by NASH AUCTION and analysed by an accredited laboratory in accordance with the Elisa + IFAT method, revealing seropositivity to *Theileria Equi* or *Babesia Caballi*, pursuant to the standards and thresholds defined by the World Organisation for Animal Health (OIE) [*Office International des Epizooties*].

2 - Any sample from the horse should be taken under the following conditions:

a) The Purchaser shall irrevocably instruct NASH AUCTION to take a sample from said horse and to have it tested for the possible presence of seropositivity to Equine Piroplasmosis.

b) Such instruction shall be made in writing to NASH AUCTION on the day of the Sale, the latter appointing a veterinarian to take a sample on the day after the Sale at the latest at the horse's place of stabling. Only instructions given accordingly shall be accepted by NASH AUCTION.

c) The Purchaser shall bear all sampling and analysis costs.

3 - The results of the blood test taken from said Horse, together with the resulting decision, shall be notified in a confidential manner to both the Purchaser and the Vendor.

4 - Such decision having been notified to both Purchaser and Vendor, NASH AUCTION may not be held liable for any losses or expenses resulting from this decision and borne by one or the other of the parties.

5 - In the case where the Purchaser shall have exported the Horse outside of the European Union before NASH AUCTION had received the results of the blood test taken from said Horse, the former shall be obliged to keep the horse and to pay the full sale price, and this even if the results reveal the presence of seropositivity to Equine Piroplasmosis.

6 - In all other cases, if the Purchaser decides to return the Horse to the Vendor, such a decision must be notified to NASH AUCTION by registered letter with acknowledgement of receipt within seven days as of the date when the Purchaser shall have been informed by NASH AUCTION of the positive result of the blood test. The decision should be notified in writing to NASH AUCTION at its Head Office and shall only be processed by the latter insofar as it expressly accepts such decision.

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ARTICLE 5 - No show.

For any subject accepted and published in the catalogue of a given Sale and not presented, the cheque serving as deposit and submitted to NASH AUCTION at the time of entering the horse may be duly cashed by the latter, save in the case of a veterinary certificate issued at the latest on the day of the Sale, attesting the absolute impossibility for it to be presented (death, accident, serious illness).

NASH AUCTION reserves the right to file a petition with the Presiding Magistrate of the competent Court, in view of appointing an expert to record the state of the animal.

Said sums will automatically be due if the horse appears in another sale catalogue within a similar period.

ARTICLE 6 - Documents of origin.

A horse entered by a Vendor must be accompanied by all regular documents (owner registration card, horse passport wherein the markings shall have been duly approved by the National Stud or any other Stud Book authority, as well as the covering certificate for mares “believed in foal”).

These documents should be handed over by the Vendor to NASH AUCTION, as of the horse’s arrival. The Vendor could be held liable in the event of such documents not being submitted on time, and this without prejudice to the right of the NASH AUCTION Auctioneer to refuse presentation of the animal at the auction.

Should the animal nevertheless be offered for sale, NASH AUCTION may on no account be held liable for the lack of the required documents.

The Vendor may only receive the proceeds of sale as of when NASH AUCTION shall be in possession of all the documents relevant to the horses offered for sale.

ARTICLE 7 - Guarantees by the Vendor

Horses put up for public auction are sold with all ordinary legal guarantees.

The Vendor shall guarantee the Purchaser against any crippling defects, such as listed under Articles L.213-1 *et seq.* and R.213-1 *et seq.* of the French Rural and Maritime Fishing Code [*Code Rural et de la Pêche Maritime*], and not declared by the former prior to the Sale.

The Purchaser shall initiate any action based on said crippling defects in accordance with the provisions of Articles R 213-1 *et seq.* and R.213-1 *et seq.* of the aforementioned Code, *i.e.* within 10 days of receipt of the animal (date in consideration of the postmark), though not including the day of delivery, with the exception of Periodic Ophthalmia [eye inflammation] and of Infectious Anaemia, for which 30 days is granted as of the following day after receipt. All such periods shall expire the last day at midnight. If a deadline were normally to expire on a Saturday, a Sunday a Public Holiday or any other non-working day, it shall be postponed to the next working day thereafter. Within said periods, under threat of inadmissibility, the Purchaser must file a petition with the Judge of the local Court where is located the animal, for the appointment of a panel of experts commissioned to draw up a report on the state of the animal.

Within such same period, the Purchaser must notify the Vendor (by registered letter), as well as NASH AUCTION, of the filing of his claim to the Judge of the local Court.

Any Purchaser, whether by himself or through the intermediary of his veterinarian appointed for the purpose, having had or possibly having had access to the information available concerning the veterinary reports, X-rays or otherwise, shall be deemed as knowing the contents thereof and may not prevail over any latent defects for the purpose of cancelling the sale.

Regardless of the case, any action for cancelling the sale initiated by the Purchaser must be brought directly against the Vendor, the name of whom being provided to the former by NASH AUCTION upon request. On no account may this action implicate either NASH AUCTION or the State Officer [Auctioneer], who may not be held liable.

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The prospective Purchaser of a mare is entitled, prior to the sale, to request permission from the Vendor to have the mare examined by a veterinarian approved by the Vendor with the aim of ensuring that she is fit to breed, notably with regard to the state of her genital organs.

The Vendor of a stallion, or of a horse liable to become a stallion, shall be committed with regard to the Purchaser to accepting, upon request from the Purchaser, cancellation of the sale of the animal in the case where, on the 28th day following the auctioning thereof, it has failed to meet the standards of all common fertility tests.

Claims, even in the case of crippling defects, may only be accepted insofar as the Purchaser has paid the full amount of his purchase.

In the case of a crippling defect or of a dispute (see Article 12), all monies shall be blocked by NASH AUCTION.

All Vendors shall ensure that each animal presented bears the right lot number, corresponding to that in the catalogue. In the case of error or confusion, the Vendor shall remain solely liable and may not implicate NASH AUCTION.

Vendors shall ensure that all animals offered for sale are up-to-date with all obligatory vaccinations.

ARTICLE 8 - Obligations of the Vendors.

Horses should arrive on the premises, fitted with a standard halter and lead-rope, the day before the inauguration of the Sales, thereby enabling Purchasers to duly examine them.

The halter and lead-rope shall remain with the Lot, ultimately becoming the property of the Bidder. Furthermore, under threat of not being admitted onto the auction ring, all horses should be presented in a bit.

Vendors are obliged to ensure the presence of a groom, under their responsibility and paid by them, in charge of looking after up to three horses offered for sale. Vendors shall employ as many additional grooms as necessary to take charge of three horses maximum each.

The Vendor should be expressly present or represented when his horses enter the sale ring in order to make all necessary decisions, particularly in the case of an irresponsible bid.

In the case where the general state of the horse is clearly not compatible with a sale offering, NASH AUCTION reserves the right to refuse presentation of the horse, without being liable for penalty. In addition, no penalty shall be claimed from the Vendor.

The Vendor shall nevertheless remain liable for all fees and expenses incurred by NASH AUCTION, such as stated on the entry form for all horses offered for sale and accepted by the Vendor as of when he signed the document.

ARTICLE 9 - Liability for Damages, caused by or to the Animal.

Up until their sale, *i.e.* up until the Fall of the Hammer, all horses or Lots for sale remaining the property of the Vendor and being under his own surveillance or that of his staff, NASH AUCTION and the State Officer [Auctioneer] may not be held responsible, whether for accidents, illness or damages of any kind sustained by the animals or caused by them to third parties, and whether inside or outside the sales' complex. Vendors shall also remain liable for any loss or damage. Any loading and unloading, or similar operations, are incumbent upon the Vendor, at his own risk and expense.

Upon the Fall of the Hammer, the Vendor is substituted by the Purchaser with regard to such liabilities.

In the case where NASH AUCTION accepts that its staff takes charge of such loading, unloading and expedition operations, on behalf of the owner (whether Vendor or Purchaser), this shall on no account imply any new interpretations of the aforementioned conditions. Moreover, Purchasers and Vendors are always free to take charge of the loading and unloading operations by themselves.

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ARTICLE 10 - Repurchase.

Each Lot is offered for sale without a reserve price.

An estimated price is agreed between the Vendor and NASH AUCTION at the time of the horse being entered for sale.

The Vendor has the right to buy back his horse at the end of bidding if he deems the bids to be insufficient. On such assumption, the Vendor becomes the Purchaser in all his obligations and is liable for the determined repurchase duties in relation to NASH AUCTION.

ARTICLE 11 - Sale for Dissolution of Association

When a sale is announced as being for reasons of dissolution of association among co-owners, it is necessarily without reserve for the full amount of the horse offered for sale. Nevertheless, any one of the co-owners is entitled to bid on the whole horse for his own account and become the final bidder. In such a case, the sale fees incumbent upon the Purchaser shall be solely calculated on the proportion not owned by him.

ARTICLE 12 - Payment to the Vendor

The Vendor releases the Auctioneer or the State Officer from any liability in terms of payment, such liability falling by contract on NASH AUCTION.

NASH AUCTION shall pay the proceeds of the sale to the Vendor within thirty (30) days following payment of the price by the bidder; in all events, no payments to the benefit of the Vendor shall be operated during the first thirty (30) days after the Sale.

Nevertheless, payment of the auction price to the Vendor shall depend upon whether the latter still has any outstanding payments to the benefit of NASH AUCTION.

Any legal action in terms of 1) seizure, 2) cancellation of sale initiated by the Purchaser, 3) litigation between Vendor and Purchaser, or 4) objection filed by a third party with regard to the sums falling to the Vendor, shall suspend, up until the end of the proceedings or termination of the dispute, the obligation incumbent upon NASH AUCTION to pay the sale proceeds to the Vendor.

Moreover, upon receipt of the funds from the Purchaser, the Vendor shall only be paid up to the available sums.

In addition, NASH AUCTION reserves the right, at the time of final bid, to set off in its favour any debts of a same client against the proceeds due to the latter.

Vendors subject to VAT are solely responsible for declaring and paying VAT to the competent tax authorities.

The Vendor is responsible for declaring the exchange of goods between EU Member States.

ARTICLE 13 - Irresponsible Bid.

In the case of a defaulting bidder (refusal to sign, abandonment of premises, failure to pay), the sale may be annulled and the horse put up for auction once again, at the latest on the day after the auctioning, in accordance with the conditions set down in Article 2. Any such decision exclusively falls to NASH AUCTION and the Auctioneer.

On this assumption, NASH AUCTION may on no account be held liable, whether by the Vendor or by the defaulting Bidder.

If a sale following an irresponsible bid were to become impossible, NASH AUCTION or the State Officer shall decline all responsibility in this regard.

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The defaulting Bidder shall remain liable in relation to the Vendor for the positive surplus amount between his own bidding price and that of the actual sale price following the irresponsible bid. NASH AUCTION shall refrain from intervening, taking no responsibility in the collection of such amount, the Vendor agreeing to personally deal with the matter.

The defaulting Bidder shall remain liable, in relation to NASH AUCTION, for the purchase fees set down in Article 19 and calculated on the positive surplus between his own bidding price and that of the actual sale price following the irresponsible bid.

ARTICLE 14 - Payment by Purchasers - Collection of Documents of Origin

All sales made at Public Auction are deemed as being paid for immediately. The Vendor is the sole person entitled, after the Fall of the Hammer, to grant authorisation in writing to the Purchaser, enabling the latter to pay the amount at a future date in accordance with the terms stated in the former's written acceptance. In such a case, NASH AUCTION shall only pay the Vendor after having received full payment from the Purchaser.

Any person raising a bid is deemed as bidding for himself; hence the Bidder, the name of whom being officially recorded, shall be personally responsible for his purchase.

If the Bidder states acting on behalf of a third party, he should be in possession of a power of attorney drawn up by said person, and shall be expressly committed in his capacity as joint and several guarantor for the full amount of the bid of sale.

The Bidder, whose name shall be duly mentioned on the purchase slip, shall be liable for his purchase in the case of a defaulting Principal.

In the case of the Bidder not being in possession of a specific power of attorney, NASH AUCTION may consider as joint debtor any person who, in one way or another, turns out to be the tacit Agent of said Bidder.

NASH AUCTION is not entitled, regardless of the reason, to deduct sums in relation to its invoices issued. Such invoices must therefore be settled in full by the Purchaser or their Agents.

All payments should be made through the intermediary of NASH AUCTION, whether via bank transfer, by cheque or via money order (cash payments not being accepted).

Upon payment in accordance with the purchase slip, the Purchaser shall be issued a check-out pass, together with all documents relating to his purchase, either at the Sale's Secretariat, or by applying to NASH AUCTION.

Payment shall comprise the sale price, in addition to the auctioneer's fees. Such fees, in addition to the sale price, are payable immediately, prior to remittance of the documents, under threat of the Lot being put up for auction once again following irresponsible bid.

In the case of non-payment, NASH AUCTION shall notify the Bidder by registered letter with acknowledgement of receipt that he has 8 clear days to settle his purchase, wherefrom a monthly interest rate of 1.3% + VAT shall be charged in arrears, as of the first day of the Auction, on the overall invoice amount, NASH AUCTION reserving the right to transmit the case to its lawyer for the purpose of collecting all sums due.

In the case of crippling defects or litigation, all monies may be blocked by NASH AUCTION.

ARTICLE 15 - Reservation of title.

Ownership of the horses delivered shall be reserved by the Vendor up until full payment of the price by the Bidder, in addition to all ancillary costs. In this regard, the transmission of any draft, bill or certificate creating a payment obligation may not constitute payment within the meaning of the present clause.

The Bidder, up until full payment of the price and of all ancillary costs, shall refrain from disposing of the horse by way of sale, pledge, guarantee, loan or any other kind of relinquishment. Every Agent shall duly inform his Principal of the existence of such clause.

GENERAL CONDITIONS OF SALE

In the case of the horse being seized or of any other claim thereon by a third party, the Bidder, in the same manner as with a declaration of insolvency, of receivership or of bankruptcy, is obliged to immediately inform NASH AUCTION.

In spite of the existence of the present Reservation of Title clause, the Bidder shall bear all risks in the case of the horse sustaining illness, accident or even death.

In addition, the Bidder shall bear all maintenance fees for the horse sold as of the Fall of the Hammer.

In the case of non-payment of the price and all ancillary costs, the horse may be claimed by the Vendor and transferred to whomsoever, and this without further formalities, such as the Vendor pleases.

ARTICLE 16 - Check-out Pass.

No horse, regardless of whether sold or not, may leave the sales' premises without a check-out pass, issued by the Sales Office.

All horses must vacate the sales' premises at the latest by 12 noon on the day after being offered for sale.

Beyond such deadline, livery fees shall be invoiced (€30.00 + VAT per day).

ARTICLE 17 - Auction Fees borne by Vendors.

The Vendor is liable for auction fees, payable to NASH AUCTION, in addition to VAT, such as calculated on the bidding price and determined in accordance with the scale accepted at the time of commitment.

The Vendor shall further pay the VAT applicable to the sales' fees, at the rate in force on the day of Sale.

The Vendor shall also be liable for any additional taxes or duties imposed by the Government or the local district over and above those currently applicable.

ARTICLE 18 - Purchase Fees borne by the Purchaser.

The Purchaser is liable for the purchase fees, amounting to 12.00% + VAT of the auction price, immediately payable on top of the sale price.

The Bidder shall further pay the VAT applicable to the purchase fees, at the rate in force on the day of Sale.

ARTICLE 19 - VAT.

In all events, it is understood that all bids and sale prices imply "before tax".

The VAT rate applicable to the sale of a horse depends on the situation of the Vendor and of the Bidder.

NASH AUCTION declines all liability as regards the legal and fiscal consequences of a false declaration by the Vendor and/or the Bidder.

By principle and for non-exhaustive reasons, if a Vendor is subject to VAT in France and acting as such for the sale of the horse, the bidding price shall be subject to VAT at the rate of 20%.

In addition, if the horse is based in France at the time of being made available to the Bidder, the sale shall be subject to VAT under the French legislation, with the exception of other special provisions specific to intra-community exchange that may possibly apply.

GENERAL CONDITIONS OF SALE

ARTICLE 20 - Private Sales.

The Vendor agrees to neither offer for sale, nor sell on an amicable basis, any horse whose entry has been accepted by NASH AUCTION, whether prior to the public auction organised by NASH AUCTION, or for one month following such sale.

In the case of a private sale, with or without the assistance of NASH AUCTION, prior to the auction or during the month following the session in which the horse was entered, and this even if the transaction were to be realized beyond the sale premises, the cheque serving as deposit and submitted to NASH AUCTION at the time of entering the horse may be duly cashed by the latter.

Private sales realized under such conditions may not benefit from any payment guarantees to vendors.

The Vendor shall be liable in relation to NASH AUCTION for all sums that the latter would have normally received in the case of sale during the session at the reserve price agreed upon at the time of entry.

ARTICLE 21 - Horses listed in another catalogue.

NASH AUCTION reserves the right to refuse presentation of a horse simultaneously listed in another sales' catalogue. In such a case, the cheque serving as deposit and submitted to NASH AUCTION at the time of entering the horse may be duly cashed by the latter.

ARTICLE 22 - Broodmares.

Any Purchaser is entitled to have a broodmare examined by a veterinarian approved by NASH AUCTION within 24 hours of the sale and prior to her having left the sales' complex.

For mares "believed in foal", the Vendor agrees to pay the remainder of the covering fee, such as payable in the Autumn or at the time of foaling.

ARTICLE 23 - Cancellation of Sale.

Any Purchaser, whether by himself or through the intermediary of his veterinarian appointed for the purpose, having had or possibly having had access to the information available concerning the veterinary reports, X-rays or otherwise, shall be deemed as knowing the contents thereof and may not prevail over any latent defects for the purpose of cancelling the sale.

In all events, any action for cancelling the sale should be initiated by the Purchaser within one month following the date of sale and be brought directly against the Vendor, the name of whom being provided to the former by NASH AUCTION upon request. On no account may this action implicate NASH AUCTION, the latter having no liability therein and being entitled to retain the sale fees.

The parties shall then be subjected to arbitration via expert means, such assessment being conducted by a mutual expert approved by both parties, or by two experts nominated individually by each party. The fees for such assessment shall be shared equally between the parties, the latter agreeing to accept the conclusions of the expert report and to expressly abandon any recourse to legal proceedings.

The Vendor, in the case of cancellation of sale, regardless of the reason, shall be obliged to refund the sale expenses and fees to the Purchaser, as well as any expenditure incurred for the purpose of maintaining the disputed object in France.

In the case of export, all livery fees abroad and repatriation costs to France shall be borne by the Purchaser.

Any action to cancel the sale may not implicate the State Officer and NASH AUCTION (see Article 10).

GENERAL CONDITIONS OF SALE

ARTICLE 24 – Protection of Personal Data.

Pursuant to French Law no. 78-17 dated 6 January 1978, it is recalled that any personal data requested to participants (Vendors and Bidders) are notably necessary for processing the authority-to-sell forms, for the due execution of such authority, of the sale transactions and of the supply of services, and for drawing up invoices.

Such data may be transmitted to partners of NASH AUCTION in charge of undertaking, of processing and of managing such authority to sell and of paying out sums.

All persons, pursuant to national and European laws in force, benefit from a permanent right of access, of modification, of rectification, of objection, of portability and of restriction with regard to data processing, insofar as such information personally concerns them.

Such right may be exercised by sending a written signed request to NASH AUCTION, together with a copy of an ID card bearing signature of its holder, and stating the address to where the response should be sent.

No personal information of a participant shall be published, exchanged, transferred, assigned or sold to a third party without his knowledge, regardless of the media used. Only the possible sale of the company, NASH AUCTION, would enable the transmission of such data to the purchaser, the latter in turn being bound by the same data safeguarding and modification obligation in relation to participants.

Every participant is, on his part, obliged to comply with the provisions of French Law no. 78-17 dated 6 January 1978, the violation of which being considered as a criminal offence. Such participant shall notably refrain, insofar as the data accessed is of a personal nature, from any collection or misappropriation thereof and, generally-speaking, from any doings liable to deteriorate the privacy or the reputation of persons.

Any person observing violation of the general rules regarding the protection of personal data may himself take action, or may call upon an association or organisation mentioned in IV of Article 43 *ter* of the French Information Technology & Civil Liberties Law of 1978 in relation to data processing, in order to obtain reparation before a civil or administrative Court against the person or contractor in charge of the data processing, or before the National Commission of Information Technology & Civil Liberties [*Commission Nationale de l'Informatique et des Libertés(CNIL)*].

ARTICLE 25 - Jurisdiction.

For any dispute concerning the interpretation or the execution of the Conditions of Sale, solely the Courts in the French county of the MANCHE shall be competent.