

## **AUCTION CONDITIONS FOR WENNGARN YEARLING SALES 2017**

**Auctioneer: Wenngarn Yearling Sales AB**

**(“Wenngarn”), with administrative assistance from ASVT’s Trottex AB (“Trottex”) who, on behalf of Wenngarn as its representative, shall take charge of administration for payment of purchase fees, etc.**

### **GENERAL**

Sales take place in accordance with the usual auction practice. The seller is responsible for the horse until the fall of the hammer, at which point the buyer assumes all responsibility for the horse. The seller is responsible for handing over the horse. Sales take place in catalogue number order. The lowest acceptable bid is SEK 50,000. If a bid is made as the hammer falls, or a dispute regarding a bid arises after the fall of the hammer, or the buyer is not approved, no valid purchase has been made, and the horse may be offered again, following a decision by Wenngarn. This also applies if technical problems arise as the hammer falls, or if Wenngarn's staff make a mistake of any kind.

In the event of a consumer purchase as per paragraph 1 of the Swedish Consumer Sales Act, the terms of the Consumer Sales Act are applicable. The buyer must sign an auction agreement on the day of the auction.

Transport to and from the auction site is by your own means of transport and at your own cost. Buyers and sellers undertake, within the auction area and the associated car parks, not to leave the horse in transport for more than 1 hour. Wenngarn is not responsible for any errors in the auction catalogue. Wenngarn hereby disclaims all responsibility for any injuries incurred by submitted horses during the period when the horse is present in the areas used for the auction. Wenngarn accepts no liability for damages, either direct or indirect, in the event the auction cannot be held as planned, whatever the reason for this may be.

Wenngarn is a responsible auctioneer and is authorised to plan and conduct auctions in the manner which it finds most appropriate. This includes a right for Wenngarn to make adjustments to planned setups, programmes and participating horses, etc. Major changes will be presented on the Wenngarn homepage in respect of the relevant auction.

Any personal data provided in connection with the auction will primarily be processed in order to conduct the auction and sales. In addition, Wenngarn may process personal data for marketing of campaigns, offers, new products or services. Such marketing may be by means of advertisements or direct mailings by post, e-mail or in some other manner.

Personal data may also be transferred between Wenngarn and ASVT's Trottex AB, which administers the auction. During any such transfer, personal data may be transferred outside the EEA.

Registering for the auction and/or making a purchase at the auction indicates approval of any such processing of personal data that has been submitted in connection with the auction (this includes, among other things, personal ID number and address), and with this the necessary consent in accordance with the Personal Data Act (1998:204) is given.

The submitted consent may be wholly or partially revoked by writing to Wenngarn. If the consent is revoked and Wenngarn is consequently unable to fulfil its commitments or other obligations without difficulty, Wenngarn is entitled to refuse to carry out any such task that is made more difficult by the consent being revoked and to decline registration for an auction. Further information on how Wenngarn processes personal data is available on request.

Wenngarn is only the intermediary for the purchase between seller and buyer. As stated below, and otherwise, a party relationship only exists between the buyer and seller.

### **THE CONDITION OF THE HORSES**

Horses are sold as seen. The provisions in paragraph 19 of the Swedish Sale of Goods Act shall not apply. Defects with a horse may only be invoked on the grounds and within the time limit specified below under “The condition of the horses and complaints”. Copies and originals of an independent veterinary examination report no more than 7 days old and an X-ray certificate must be provided. Where the examination report is not attached to the horse box, Wenngarn must be contacted in order for prospective buyers to obtain a copy of the report. The horses must have received basic vaccination protection (two vaccinations at an interval of 21-92 days) against A2. The horses must also have been vaccinated against tetanus. The vaccinations must be recorded in the horse passport. All horses will also undergo a visual inspection by the vet on duty on the day of the auction. Wenngarn reserves the right to refuse to allow an auction horse to participate in the auction if the horse shows symptoms of illness, is not manageable or is in poor condition. Once the auction is finished, Wenngarn is entitled to administer a sedative to the horse where Wenngarn judges this to be necessary. Wenngarn is not responsible for any injury to the horse in connection with the auction, including, but not limited to, infectious disease. Any claim arising from an injury caused by another horse must be directed to the party responsible for the horse that caused the injury. However, the seller is not responsible to any party other than Wenngarn for any injury that affects another animal or people as a result of an infectious disease that the animal had at the time of sale and which the seller did not

notice or could not have been expected to notice during a careful examination on delivery.

### **THE RELATIONSHIP BETWEEN WENNGARN AND THE SELLER**

The seller is responsible for all information submitted for each horse. The completed form on change of ownership must be sent to Trottex at least two weeks before the auction. The seller is responsible for ensuring that the horse is accompanied by a veterinary certificate (original and copy no more than seven days old), an X-ray certificate (original and copy) and a horse passport on the day of the auction. The originals must be submitted to Wenngarn. The copies are to be attached to the horse box. Wenngarn reserves the right to design the auction presentations.

The seller's rights with regard to entitlement to the purchase sum as per this agreement are transferred to Wenngarn (with assistance and administration from Trottex).

In the event of a dispute, therefore, the seller shall request that payment be made to Wenngarn, not to the seller. The seller is responsible to Wenngarn for the horse not being handed over until proof of transfer has been received.

In the event that the seller agrees with the buyer on an extended payment deadline outside the framework of these conditions, Wenngarn, via Trottex, will invoice the seller for all of the buyer's costs in relation to Wenngarn, such as, but not limited to, administration fee, transport costs to and stabling at a horse hotel in connection with the auction. The seller is then also responsible for invoicing and collecting the purchase sum, etc. from the buyer. The seller understands that Wenngarn does not check the bidders' identity and ability to pay during bidding. Wenngarn accepts no responsibility in the event of the bidder deviating from bidding or in any other way failing to fulfil its payment obligation before an auction agreement has been concluded.

In the event of a seller, as a result of a dispute arising in respect of a submitted bid, regarding Wenngarn as being liable for compensation in relation to the seller, any claim for compensation shall be submitted as quickly as possible on the day of the auction.

The seller approves 30 days seller's credit to credit customers approved by Wenngarn. The credit risk in this respect, as when the seller otherwise grants credit, remains with the seller.

### **REGISTRATION AND COMMISSIONS**

#### **WENNGARN YEARLING SALES – Day 1, 14 AUGUST**

Registration must reach Trottex by 01-03-2017. It is up to the breeders to select their best horses for Wenngarn Yearling Sales. We reserve the right to inspect and select, if necessary.

The registration fee is SEK 25,000 + VAT and will be invoiced by Trottex once selection has been made. ASVT's auction race and the registration fee for Breeders Course is included in the registration fee for WYS.

For horses withdrawn after 20 March, SEK 5,000 will be charged. For horses withdrawn after 1 June, once the catalogue has been printed, the full registration fee of SEK 25,000 + VAT will be charged.

If a horse is left out of the auction due to acute or infectious disease that can be confirmed by a veterinary certificate accepted by Wenngarn, no withdrawal fee will be charged. If a horse is left out, the fee will only be repaid in cases where the horse has died. If a horse needs to be withdrawn at the auction site, the auction supervisor in the secretariat must be contacted. If a horse leaves without the consent of the auction supervisor, the registration fee will not be repaid.

In the event of late payment, the seller's share may expire or be offered to another seller.

Wenngarn does not take any commission, either from the seller or the buyer. Nor does Wenngarn pay any commission to buyers. The seller also undertakes not to enter into any agreement regarding commission or any other similar reduction in the hammer price with a representative, trainer or agent for a potential horse buyer at Wenngarn.

The recall commission is 10% of the entire sum if the horse is recalled for over SEK 300,000. No sale or purchase commission is charged. An administration fee of SEK 650 + VAT is paid by buyers.

#### **WENNGARN YEARLING SALES – Day 2, 15 AUGUST**

Registration must reach Trottex by 08-05-2017. It is up to the breeders to select their best horses for Wenngarn

Yearling Sales. We reserve the right to inspect and select, if necessary.

The registration fee is SEK 7,000 + VAT and SEK 1,000 + VAT for the auction race and a sales commission of 5% up to SEK 100,000 and 3% on the sum that exceeds SEK 100,000. The registration fee and sale commissions will be invoiced by Trottex. The registration fee will be invoiced in week 24. The registration fee for Breeders Course is included in the registration fee for WYS.

For horses withdrawn after 1 June, once the catalogue has been printed, the full registration fee of SEK 7,000 + VAT and SEK 2,000 + VAT for auction races will be charged.

If a horse is left out of the auction due to acute or infectious disease that can be confirmed by a veterinary certificate accepted by Wenngarn, no withdrawal fee will be charged. In addition, SEK 2,000 + VAT will be payable as the deposit for the auction races. If a horse is left out, the fee will only be repaid in cases where the horse has died. If a horse needs to be withdrawn at the auction site, the auction supervisor in the secretariat must be contacted. If a horse leaves without the consent of the auction supervisor, the registration fee will not be repaid.

In the event of late payment, the seller's share may expire or be offered to another seller.

Wenngarn does not take any commission, either from the seller or the buyer. Nor does Wenngarn pay any commission to buyers. The seller also undertakes not to enter into any agreement regarding commission or any other similar reduction in the hammer price with a representative, trainer or agent for a potential horse buyer at Wenngarn.

The recall commission is 5% from SEK 30,000 and 10% on the sum over SEK 300,000.

No purchase commission is charged. However buyers will be invoiced an administration fee of SEK 650 + VAT plus SEK 1,000 + VAT for the auction race.

#### **FORCE MAJEURE**

\*\* The auction may, following a decision by Wenngarn, be moved due to force majeure, such as war, strike, infectious disease, natural disaster or any other event beyond the control of Wenngarn. If a new auction cannot be held within two months of the appointed time, the auction agreement ceases to apply between the parties. \*\*

#### **THE RELATIONSHIP BETWEEN THE SELLER AND BUYER** **THE CONDITION OF THE HORSES AND COMPLAINTS**

Any complaint/dispute must be resolved directly between the buyer and the seller. Wenngarn disclaims all liability for incorrect information relating to horses offered for sale.

The buyer may only complain about the purchase of the horse if the horse, at the time of purchase, was affected by a Hidden Defect that may affect the horse's usability as a trotting horse. In order for a Hidden Defect to be a valid cause of complaint, the buyer must arrange for a veterinary examination/X-ray that confirms the defect within 30 days of the auction date and within the same period have submitted a written complaint to Wenngarn.

Regardless of the above deadline for complaints, the buyer is entitled to an extended complaint deadline if the horse tests positive for the use of anabolic steroids. This is provided that the buyer has allowed samples to be taken for analysis no later than the auction day and has submitted a written complaint to Wenngarn within 60 days of the auction date. Thereafter no claims may be made on the seller for reversal of a purchase, or other claims due to defects, except where the seller has acted fraudulently. If the horse is returned, transport to the seller will be paid by the buyer. Other costs that arose after the fall of the hammer, such as training fees, etc. will be paid by the buyer right up until the horse is returned.

Any dispute must be resolved directly between the buyer and the seller. The buyer is thus obliged to accept that the auctioneer as a party to all complaints will be replaced by the seller.

The buyer is aware that any additional auction information can be provided by both the actual auctioneer and via the noticeboard in the auction hall or on the horse's box. Information provided in this manner is valid in relation to the buyer. Catalogue information and veterinary certificates are only provided for the buyer's guidance and do not exempt the buyer from the obligation to examine the horse. If a complaint/dispute is registered with Wenngarn as above, Wenngarn is entitled to withhold the money at the buyer's request until the dispute has been resolved.

#### **THE RELATIONSHIP BETWEEN WENNGARN AND THE SELLER** **PAYMENT TERMS**

Sales take place when the buyer makes payment to Wenngarn, with assistance from its representative Trottex and as instructed by Trottex, as follows: 1) By means of credit granted by Trottex. An application for credit must be submitted to Trottex and must be granted by Trottex no later than on the day of the auction. Note that 16 per cent annual interest is charged on credit exceeding 10 days. A maximum of 30 days credit can be granted. 2) By

means of debiting the buyer's auction account. Application may be made to Wenngarn for an auction account (managed by Trottex) and there must be funds in the account no later than the day preceding the auction day. 3) By banker's draft. 4) Via Swish. 5) Cheque, on condition that the horse is stabled at a horse hotel provided by Wenngarn until the cheque clears. Stabling will be at the buyer's expense. If the seller approves immediate handover of the horse, the horse can be handed over, regardless of whether or not the cheque has cleared. However, this will be done at the seller's own risk.

If Wenngarn, through its representative Trottex, does not grant the buyer credit, the seller may freely grant the buyer credit for a maximum of 10 days. This is on condition that the horse is stabled at a horse hotel provided by Wenngarn until the buyer has paid if the seller does not approve immediate handover of the horse. However, this will be done at the seller's own risk. Stabling will be at the buyer's expense.

Please note that neither Wenngarn nor its representative Trottex accepts payment by cash on the day of the auction.

Insurance must be taken out for credit purchases. Any such insurance policy will automatically be taken out with the insurance company that Wenngarn's representative Trottex cooperates with, but the horse can be insured by a different company during the day, if so required. It is incumbent upon the buyer to keep the horse insured until full payment has been made.

If the buyer who signed the auction agreement has not made full payment by the Monday immediately following the auction or has not previously signed a promissory note approved by Wenngarn's representative Trottex, said buyer is obliged to pay compensation equivalent to 10% of the purchase sum, but never less than SEK 20,000. Penalty interest of 16% will be calculated from the Monday immediately after the auction.

Where credit has been granted and the horse has not been paid for within 7 days of the agreed payment date, Wenngarn, through its representative Trottex, is entitled to take the following measures: 1) cancel the purchase. If the purchase is cancelled, the buyer is obliged to pay compensation equivalent to 10% of the purchase sum, but at least SEK 20,000. 2) recover the debt with Trottex as the seller's representative. With the right to demand full remuneration from the buyer for the associated collection costs.

#### **RETENTION OF OWNERSHIP**

The seller is entitled to repossess the sold animal and any offspring until full payment has been made. This right of repossession transfers to Wenngarn through its representative Trottex where Trottex has granted credit, until the buyer makes full payment. The horse will not be handed over until full payment has been made, or until an agreement on credit has been reached.

#### **COLLECTION OF THE HORSE**

The buyer is entitled to collect the horse on production of proof of transfer. However, as above, the responsibility for the horse transfers to the buyer at the time the hammer falls.

#### **FOREIGN BUYERS**

Export duty of SEK 1,500 is payable for foreign buyers who wish to export a horse. Export duty is paid to Svensk Travsport. For a foreign purchaser who exports the horse within one month of the auction date and who has informed the secretariat that the horse will be exported, the VAT will be repaid once Wenngarn has received the proof of export through its representative Trottex, provided that the proof of export has reached Trottex no later than 30 days after the auction date and provided that the law permits VAT-free export.

#### **PURCHASE AND SALE OF COMPETITION RIGHTS**

The buyer of competition rights undertakes to have the mare in Swedish professional training unless otherwise agreed with the seller. After the mare's competitive career has ended, though no later than after the five-year season, the mare shall revert to the seller for breeding purposes and thereby end its competitive career. If the mare is deemed to still possess very good competition properties after the end of the five-year season, however, the seller and the buyer can agree on continued competitive activity, for example through the buyer continuing to lease the mare for competition purposes. The seller is not entitled to conclude a corresponding agreement with another party without the buyer's approval. The mare is sold as seen and in accordance with the auction conditions stated for Wenngarn Yearling Sales. It is incumbent upon the buyer to keep the horse insured until full payment has been made. If the seller chooses to continue to maintain a life insurance policy for the mare, the buyer shall be informed of this. The buyer is entitled, for his own part and at his own cost, to arrange supplementary insurance for the mare during its training and competitive career. The buyer is prohibited from covering, assigning, exchanging, pledging or, in any other manner, disposing of the mare during its competitive career. The buyer shall bear the risk for the mare during the period from the fall of the hammer until the mare is returned to the seller, and shall also be responsible for all costs arising in respect of the mare as well as for any damage which the mare may cause the seller or a third party.

**VAT**

All sums are indicated exclusive of VAT. VAT will be payable.