

General Auction Conditions KWPN (Auction)

- Part A. - General Provisions**
- Part B. – General Provisions** for Bidder/Buyer
- Part C. – General Provisions** for Seller

The general provisions of Parts A, B and C of the General Auction Conditions (hereinafter jointly also referred to as: “**General Provisions**”) apply to all legal relationships with KWPN in regard to auctions organized by KWPN, including (but not limited to) Agreements, as further specified in article 2 of these General Auction Conditions. In addition to the general provisions of parts A, B and C, depending on the type of Auction, the specific and additional provisions of these General Auction Conditions will apply. This involves the following additional provisions:

- Part D. – Additional provisions** for the KWPN Select Sale
- Part E. – Additional provisions** for the Online Stallion Auction
- Part E. – Additional provisions** for the Online Foal Auction
- Part E. – Additional provisions** for the Online Broodmare and Embryo Auction
- Part H. – Additional provisions** for the Online 3 & 4-Years old auction
- Part I. – Additional provisions** for the Young Jumping Foal Sale
- Part J. - Additional provisions** for KWPN Select Sale - WKYDH

In the event of a conflict or contrariety between the general provisions of Parts A, B or C and the additional provisions of another Part of the General Auction Conditions, the specific, additional provisions will prevail.

Article 1. Definitions

The terms used in these General Auction Conditions are defined as follows:

Auction	the Online Auction or Physical Auction for the sale of one or more Horses organized and facilitated by KWPN;
Auction Amount	the amount offered for a Horse by the Bidder at the Auction;
Auction Service	the service offered by KWPN in which KWPN facilitates the effectuation of a purchase agreement by facilitating an Auction;
Auction Website	the auction website on which KWPN offers its Auction service;
Award	the explicit statement made by KWPN (on behalf of the Seller) to Buyer that a bid made by Buyer was accepted as the winning bid and that the Horse on which the Buyer bid was awarded to the Buyer. This statement shall constitute an acceptance on behalf of the Seller within the meaning of Section 6:217 Dutch Civil

Code. This statement consists of the Purchase Agreement Statement;

Bidder	the person who registers or has registered in the way prescribed by KWPN in order to participate in an Online Auction as well as the person who bids on a Horse(s) during a Physical Auction;
Buyback	the sale of a Horse and/or Embryo in which the Buyer is also the Seller of the Horse and/or Embryo offered at Auction;
Buyer	the Bidder who places a bid during the Auction that is accepted by KWPN on behalf of the Seller as the highest bid and to whom the Seller's Horse offered at Auction is awarded;
Commission	the commission payable by the Seller, being a percentage of the Auction Amount; Auction amount is 10% over the exit amount
Consumer	the natural person who does not act for purposes related to the exercise of trade, business, craft or profession;
Contract	the agreement for services between KWPN and Participant in regard to the Auction Service;
Embryo	a (frozen) embryo or an embryo implanted in a surrogate mare;
Delivery Contract	the Contract completed and signed by the Buyer and the Seller, which shows that the Buyer has taken possession of the Horse;
General Auction Conditions	these general terms and conditions for auctions of KWPN, both the Online Auctions as well as the Physical Auctions;
Horse	a foal, or a male or female Horse;
KWPN	both (i) the association with full legal capacity Royal Warmblood Studbook of the Netherlands (' Association '), with its registered office in Utrecht and a business address at De Beek 109, 3852 PL Ermelo in case that this association facilitates the Auction and the Auction Service; as well as (ii) the KWPN Select Sale foundation (' KSS ') with its registered office in Huis ter Heide and a business address at De Beek 109, 3852 PL Ermelo in the case that this foundation facilitates the Auction and the Auction Service;
KWPN Select Sale	the (Physical) Auction for jumper and dressage stallions during the KWPN Stallion Show;

Mark-up	the amount by which the Auction Amount is increased, as listed by the KWPN on its list of rates for the relevant Auction;
Online Auction	the online Auction facilitated by the KWPN on its website in which KWPN offers its Auction Service to the Participants.
Online Embryo and broodmare Auction	the KWPN Online broodmare and Embryo auction
Online Foal Auction	the KWPN Online Foal auction;
Online Stallion Action	the KWPN Online Stallion Auction;
Online 3 & 4-Years old auction	the KWPN Online 3 & 4-Years old auction
Participant	a participant in the Auction, in the capacity of Bidder, Buyer or Seller;
Personal Data	the (personal) data which have to be provided to KWPN in order to register as a Participant in an Online Auction and which can be traced back to a specific person;
Physical Auction	the physical Auction facilitated by KWPN in which KWPN offers its Auction Service to the Participant.
Purchase Agreement	the purchase agreement between Seller on the one hand and Buyer on the other hand which is effected as a result of the Award;
Purchase Agreement Statement	the purchase agreement statement sent or issued by KWPN (on behalf of the Seller) to the Bidder/Buyer, to be completed and signed by the Bidder/Buyer;
Purchase Price	the amount owed by the Buyer for the Horse offered at Auction, consisting of the Auction Amount and the Mark-Up payable to KWPN, to be increased with the applicable VAT;
Registration	the definitive registration of the Seller with KWPN in order for KWPN to offer a Horse at Auction on behalf of the Seller;
Registration Fee	the registration fee owed by Buyer to KWPN;
Purchase Agreement Statement	the purchase agreement statement sent or issued by KWPN (on behalf of the Seller) to the Bidder/Buyer, to be completed and signed by the Bidder/Buyer;

Seller the natural person or legal entity who has instructed KWPN to sell one or more Horse at Auction on behalf of and at the expense of the Seller;

Young Jumping Foal Sale the KWPN foal auction organized during the Blom cup;

Article 2. Applicability of General Auction Conditions and other applicable conditions

- a. These General Auction Conditions apply to all Contracts as well as all legal relationships between the KWPN and Participant, including but not limited to the Auction and the Auction Service. Certain (specific) parts of these General Auction Conditions further apply to the Purchase Agreement and, therefore, to the arrangements between Buyer and Seller to the extent that the provisions apply to the rights and obligations between Bidder/Buyer and Seller. The foregoing expressly does not make the KWPN a party to the Purchase Agreement.
- b. Upon concluding the Contract and/or using the Auction service, the Participant is deemed to have accepted the applicability of these General Auction Conditions. The applicability of any other general terms and conditions (on the part of the Participant) is excluded. By participating in the Auction and/or by using the Auction Service, the Participant agrees to the applicability of the present General Auction Conditions in relation to both the KWPN (as the facilitating party) as well as in relation to the Seller.
- c. All provisions in these General Auction Conditions were created for all those who work or worked for, in support of and/or on behalf of KWPN. They may rely directly on the provisions of these General Auction Conditions, as if they were the KWPN themselves.

Article 3. Auction

- a. The KWPN organizes and facilitates the Auction merely as an intermediary and, in that capacity, puts up one or more Horses and/or Embryos for Auction at the instruction of the Seller, without being or becoming party to the Purchase Agreements (to be) concluded.
- b. The KWPN determines the dates and times when the Auction occurs.
- c. The KWPN determines the order of the Horses and/or Embryos that will be auctioned off.
- d. An Online Auction closes at a predetermined date and time. The duration of the Online Auction is indicated on the Auction Website. In the event that a bid is placed on a Horse and/or Embryo within the final five minutes prior to the Online Auction's closing time, the closing time will be extended by 3 minutes (after each new bid). The final closing will be 3 minutes after the final bid.
- e. An auctioneer appointed by KWPN will be in charge of the Physical Auction, subject to notarial supervision by a Civil-law notary appointed by KWPN.
- f. KWPN determines the order and the sequence of the Auction. KWPN is entitled to refuse or attach conditions to anyone seeking entry to or participation and/or Enrollment in the Auction without giving reason.
- g. The Participant is aware and agrees by participating in the Auction that KWPN may set further requirements for the participation of a Horse and/or Embryo in the Auction, including (but not limited to) requirements in relation to the (radiologic and clinical) examination of a Horse and/or Embryo, the natural sports talent of a Horse and (other) veterinarian requirements. KWPN may at all times refuse participation of a Horse and/or Embryo in the event of a failure to comply with the aforementioned requirements or on other grounds, to be

determined by KWPN or its selection committee. This refusal may also occur after a Horse and/or Embryo has been selected. The decision of (the selection committee of) KWPN is binding. In the event that an Embryo has been implanted into a surrogate mare, the provisions of this article (also) apply to the (surrogate) mare in which the Embryo was implanted. KWPN is never obligated to pay compensation of any damage and/or costs to Participant arising from or as a result of a decision within the meaning of this paragraph.

- h. Horses and/or Embryos offered at Auction will be auctioned off/sold by the Seller (without further inspection), without claim or compensation, in the state in which they are at the time of the Award, without liability on the part of the KWPN regarding the value, condition or state/quality of the auctioned Horses and/or Embryos.
- i. A Purchase Agreement will be concluded between Buyer and Seller as a result of the Award, without KWPN being party to that Purchase Agreement. For the formation of a Purchase Agreement in Physical Auctions, KWPN will provide Buyer with a Purchase Agreement on behalf of the Seller, to be signed by the Buyer at the Auction. In the event of an Online Auction, the Buyer is obligated to complete, sign and return the Purchase Agreement to KWPN within 7 calendar days of the day of it was sent. In Online Auctions, KWPN will send a (email) message to the Buyer on behalf of the Seller confirming the formation of the Purchase Agreement.
- j. The Horses and/or Embryos put up for Auction will be sold through an 'English Auction' (an open-outcry ascending dynamic auction), starting with a minimum opening bid to be announced at the Auction, unless the KWPN determines that the Auction, or part thereof, will be a 'Dutch Auction' (an open-outcry descending-price auction). KWPN is entitled to alter the manner in which the Auction is conducted at any time during the Auction. Both an 'English Auction' as well as a 'Dutch Auction' are merely an invitation of the Seller to place a bid. If, in the opinion of KWPN, there are reasonable grounds for doing so, KWPN is entitled not to recognize a bid.
- k. The Seller will provide the Bidder with the opportunity to view the Horses, or, in case of an Embryo implanted in a surrogate mare, the mare involved, prior to the Auction. This is included in the additional provisions of these General Auction Conditions (Part H) for the relevant Auction.
- l. A Seller can withdraw a Horse and/or Embryo from the Auction in the event that a Horse and/or an Embryo is unable to participate in the Auction. Only if the Seller can demonstrate, by submitting a veterinary report from a licensed veterinarian (including the veterinarian appointed by the KWPN on selection day), that the Horse and/or Embryo is unable to participate in the Auction, may the Horse and/or Embryo be withdrawn, without reimbursement of the Registration Fee. KWPN may at all times refuse withdrawal of a Horse and/or Embryo in the event of a failure to comply with the aforementioned requirements or other grounds, to be determined by the KWPN or its selection committee. The decision of (the selection committee of) KWPN is binding. KWPN shall never be obligated to pay compensation of any damage and/or costs to the Seller arising from or as a result of a decision within the meaning of this paragraph. Should a Horse and/or Embryo be withdrawn for reasons other than a decision of the KWPN or without submitting a medical report, the Seller will owe a compensation of € 1.000 (exclusive of VAT) for Auctions other than the KWPN Select Sale. For the KWPN Select Sale this compensation shall be 15.000,-- (exclusive of VAT).

Article 4. Payment obligations of the Buyer

- a. The Buyer must pay the Purchase Price due to the Seller immediately after the Auction has ended, therefore on the same day, but no later than within 7 days after the Auction has been concluded (final deadline), in Euros, by transferring the Purchase Price to KWPN who, by virtue of the assignment that is part of the Auction Service, is authorized to take receipt of the Purchase Price on behalf of the Seller. Payment of the Purchase price by Buyer should occur without discount or setoff. The Purchase price includes VAT, the amount of which depends on the capacity and the nationality of the Buyer. The Auction amount is always an amount exclusive of VAT.
- b. Buyer will only be discharged from its payment obligations towards Seller if payment is made to KWPN in the manner as described in Article 4.a. KWPN will retain the funds it receives on behalf of the Seller and only proceed with the (continued) payment once it is authorized or held to do so on the basis of the General Auction Conditions. Buyer is not authorized to pay to anyone other than KWPN. If the Buyer pays the Purchase Price to someone other than KWPN, Buyer has failed to meet its payment obligation. In that case, the transfer of ownership of the Horse and/or Embryo will not (yet) be made to Buyer.
- c. Upon receipt of Buyer's payment, KWPN will verify the origin of the Purchase Price. Among other things, it will examine whether the origin of the Purchase Price matches the identity of the Buyer. Furthermore, it will examine whether the (payment of the) Purchase Price complies with applicable legislation (such as sanctions legislation).
- d. The Purchase Agreement will be effected under the resolutive condition that, if the verification as described in Article 4.c. shows that the origin of the payment does not match the identity of the Buyer and/or the Buyer - after being asked for clarification by the KWPN - cannot provide a sound explanation for this, KWPN may terminate ("*ontbinden*") the Purchase Agreement (on behalf of the Seller and without prior consultation with the Seller). This resolutive condition must be invoked through a written statement from KWPN to Buyer with a copy to Seller within 5 working days after the receipt of the payment. Seller has granted KWPN an irrevocable authorization for this purpose.
- e. In the event that the Buyer does not, or not timely, meet its payment obligations, the Seller shall be entitled to terminate ("*ontbinden*") the Purchase Agreement and sell the Horse and/or Embryo to a third party. In such a case, the Buyer shall never be entitled to any compensation of damages or refund of any kind, including (but not limited to) a claim in regard to any surplus proceeds of the Horse and/or Embryo. In the event of lower proceeds of the Horse and/or Embryo, the Buyer shall be obliged to compensate the Seller for the damage consisting of the difference between the Purchase Price and the lower proceeds.
- f. If the Buyer does not or not fully meet its payment obligations on time, the Buyer shall owe KWPN the administration costs amounting to 6% of the Purchase Price for costs incurred by KWPN in collecting the amounts owed by the Buyer and the Buyer shall owe KWPN all judicial and extrajudicial costs arising from the collection of the claim against the Buyer, with a minimum of € 1.000, exclusive of VAT. The Buyer will not be entitled to a setoff unless the Buyer is a Consumer.

Article 5. Delivery

- a. The additional provisions of these General Auction Conditions list the circumstances of delivery and acceptance of the purchased Horse and/or Embryo for each Auction.
- b. Without prejudice to the provisions of the additional parts of the General Auction Conditions, ownership of the Horse and/or Embryo will only transfer to the Buyer upon payment of the full

Purchase Price and any other amounts Buyer owes to KWPN. KWPN is entitled to take receipt of the Purchase Price on behalf of the Seller in its capacity of intermediary. As long as KWPN has not received payment of the full Purchase price from the Buyer, the Seller will retain ownership of the Horse and/or Embryo irrespective of whether the Horse and/or Embryo was delivered to the Buyer.

- c. Without prejudice the other provisions in these General Auction Conditions, KWPN shall in no way be liable towards Seller in the event that Seller has delivered a Horse to Buyer and the Buyer fails to meet its payment obligations towards Seller and the retention of title for the Horse and/or Embryo ceases to exist after the delivery of said Horse and/or Embryo.
- d. Barring any other arrangement or provision to the contrary, the Buyer shall be required to accept possession of the Horse from the Seller no later than 14 calendar days after full payment was made to KWPN. If Buyer refuses to accept or is negligent, Buyer shall be in default towards Seller and shall be obligated, among other things, to reimburse Seller for any damage and costs, without prejudice to any other rights, and to pay all related additional costs, including stable costs, in which case Seller shall not surrender the Horse until and as soon as the aforementioned costs have been paid in full.
- e. The Seller must provide a passport and registration papers for the Horse to the Buyer upon the delivery/acceptance of the Horse. In the event that an Embryo has been implanted into a surrogate mare, the Seller must provide the Buyer with the surrogate mare's passport upon delivery/acceptance of the implanted Embryo.
- f. Upon acceptance/delivery of the purchased Horse and/or for an Embryo, the surrogate mare, the Buyer shall exercise due care and must follow the instructions given by or on behalf of the Seller unconditionally and in full. The Buyer is liable for any damage caused in the delivery/acceptance of the Horse and shall indemnify KWPN and the Seller against any third-party claims in this respect.
- g. The additional conditions section of these General Auction Conditions lists the moment of risk transfer of the Horse and/or Embryo for each specific Auction. Should no specific additional condition apply, the general provisions of article 6 shall apply.
- h. Seller and Buyer must inform KWPN in writing within 7 calendar days after the delivery/acceptance of the Horse and/or in case of an Embryo, the surrogate mare, by returning the Delivery Contract.
- i. If the Buyer believes that the Horse has a stable vice, stable vices or other defects, the Buyer must inform the Seller in writing within 7 calendar days after actual delivery/acceptance with as detailed a description as possible of the nature of the stable vice and/or defects including, where possible, visual materials to substantiate the claim. Should the Buyer be negligent or refuse to take possession of the Horse, the abovementioned term commences on the date that the Buyer ought to have taken possession of the Horse. Seller has designated KWPN as the party to whom Buyer must send the notice referred to in this article without the KWPN being involved in the Purchase Agreement between Buyer and Seller in any way. KWPN shall pass on the notification to the Seller. The Seller and the Buyer will then engage in independent discussions (without interference from KWPN) on the consequences of the defect alleged by Buyer, in which case the Seller has the right to undo the purchase after receiving the notification from the Buyer as referred to in this article. If, for whatever reason, KWPN is involved in or performs actions relating to or following the notification referred to in this article, KWPN does so merely as an intermediary and is never bound in any way whatsoever to

the (consequences of) Purchase Agreement between Buyer and Seller or to the consequences of the alleged defect.

Article 6. Transfer of Ownership Horse and/or Embryo

- a. Ownership of the purchased Horse and/or Embryo (if all conditions for a legally valid transfer are met) is transferred to the Buyer at the time of delivery/acceptance as referred to in these General Auction Conditions, but never before the Buyer has paid the full Purchase Price and any other amounts owed by the Buyer to KWPN acting on behalf of the Seller, in connection with the Purchase Agreement and/or the Horse, including those related to work carried out or to be carried out for the benefit of the Buyer and/or on account of claims due to a failure in the performance of the Purchase Agreement.
- b. KWPN cannot guarantee that the Seller can transfer free and unencumbered ownership of the Horse and/or Embryo to the Buyer. KWPN is never liable towards Buyer for any damage in that regard.
- c. The risk of the Horse and/or Embryo transfers in the following way:
 - I. If the Buyer is a Consumer, the Horse will be at the risk of the Buyer as of the moment of delivery. As of that time, all obligations, responsibilities and liabilities, as well as all risk factors in relation to the Horse, will have transferred to the Consumer Buyer involved. The Consumer Buyer indemnifies KWPN against any third-party claims in this regard.
 - II. If the Buyer is not a Consumer, the Horse will be at the risk of the Buyer as of the moment of the Award. As of the Award, all obligations, responsibilities and liabilities, as well as all risk factors in relation to the Horse, will have transferred to the Buyer involved. The Buyer indemnifies KWPN against any third-party claims in this regard.

Article 7. Termination Purchase Agreement

In the event that the Purchase Agreement is terminated ("*ontbonden*") or nullify for mistake ("*vernietigd*") or ended by mutual agreement between Buyer and Seller, this does not impair the agreement between KWPN and the Participant or any (payment) obligations arising from it.

Article 8. Right of Withdrawal for Consumer Buyer at an Online Auction

- a. The provisions of this article apply to Online Auctions in which the Buyer is a Consumer and the Seller is not a Consumer. The provisions in this article do not apply in the event of a sale by a Consumer-Seller to a Consumer-Buyer.
- b. In the event of a sale between a non-Consumer Seller and a Consumer Buyer, the Consumer-Buyer may terminate ("*ontbinden*") a Purchase Agreement with respect to the purchase of a Horse and/or Embryo through an Online Auction during a reflection period of maximum 14 calendar days without giving reasons pursuant to its statutory right of withdrawal under article 6:230o et seq. of the Dutch Civil Code. The Seller may ask the Buyer for the reasons behind the withdrawal but cannot obligate the Buyer to disclose its reason(s). The reflection period referred to in this article commences on the day after the Buyer, or the third party designated by the Buyer in advance, not being the carrier, has received the purchased Horse and/or in case of an Embryo, the surrogate mare.
- c. If the Buyer exercises its statutory right of withdrawal, the Buyer shall inform the Seller and the KWPN unequivocally in writing within the reflection period. This notification must be sent

without delay, but within 14 calendar days from the day following the notification referred to in this article, the Buyer will put the Horse and/or in the case of an Embryo the broodmare at the disposal of the Seller or return the Horse and/or in the case of an Embryo the broodmare to the Seller. This is not required if the Seller has offered to pick up the Horse and/or Embryo itself. In any event, the Buyer has complied with the 14-day period if he transports the Horse back before the reflection period expires.

- d. Buyer shall return the Horse and/or Embryo to Seller with - insofar as applicable - all accessories supplied and in accordance with the reasonable and clear instructions provided by Seller.
- e. The risk and the burden of proof of the timely and correct invocation of the right of withdrawal lie with the Buyer.
- f. The costs arising from the return of the Horse and/or Embryo, including transportation, are at the expense of Buyer.
- g. During the reflection period and the return, the Buyer shall handle the Horse and/or Embryo with due care and, if provided, in accordance with the instructions provided by the Seller
- h. If the Buyer exercises its statutory right of withdrawal, all supplementary agreements will be terminated ("*ontbinden*") by operation of law. In the event of withdrawal, the Seller will still owe the Registration fee to KWPN, with the exception of the Commission.
- i. Seller shall return the Purchase price (including any costs of transportation of the Horse and/or Embryo for delivery to Buyer) to Buyer, promptly but always within 14 calendar days following the day on which the Buyer announces its withdrawal. Unless the Seller offers to collect the Horse and/or Embryo itself, the Seller may postpone the return of the money until it receives the Horse and/or Embryo.
- j. The Seller shall use the same means of payment used by the Buyer for the refund unless Buyer agrees to a different means of payment. The refund is free of charge for the Buyer.
- k. In the event that the Buyer opted for a more expensive means of transportation of the Horse and/or Embryo, the Seller does not have to return the additional costs for the more expensive means.
- l. Buyer is liable towards Seller for any decrease in value of the Horse and/or Embryo arising in the period between delivery to Buyer and return to Seller.

Article 9. Information / (digital) catalog / examination by a veterinarian

- a. A Participant in the Auction that wishes to put its Horse and/or Embryo up for Auction must provide to KWPN all information and documents required for the digital catalog that KWPN considers necessary for the compilation of the catalog, as well as all details and information that the Participant knew or reasonably should know that the KWPN requires in a timely manner and in the format and manner required by the KWPN.
- b. The Participant guarantees to KWPN the accuracy, completeness, reliability, and legitimacy of the information and documents made available to KWPN. The previous also applies if these were provided through third parties or obtained from third parties.
- c. The Participant indemnifies KWPN against any third-party claims relating to information in the catalog that was issued by or on behalf of the Participant.
- d. Without prejudice to the provisions in the preceding paragraphs, KWPN shall compile the (digital) Auction catalog with the utmost care. The information in the (digital) catalog is merely aimed at providing a Participant with an impression of the quality of the Horses offered at the

Auction, without KWPN claiming completeness and without any rights being derived from its accuracy.

- e. If the Horse offered at Auction or, in the case of an Embryo, the surrogate mare, must undergo an examination by a veterinarian as part of the selection procedure for the Auction, these reports may be requested from KWPN on the understanding, however, that KWPN can never be held responsible or liable for any inaccuracy or incompleteness of a report. The contents of these veterinarian reports bind both the KWPN and the Participant.
- f. If Participant has not (timely or fully) complied with the provisions in this article, resulting in KWPN not being able to conduct the Auction in a correct or complete manner, this will never constitute a failure on the part of KWPN. Nor shall KWPN be liable towards Participant for any damage suffered or to be suffered as a result of Participant's failure to comply with the provisions of this article.

Article 10. Turnover tax

- a. Changes in the current VAT rate may result in a corresponding adjustment of the applicable VAT percentages.
- b. Prior to the Auction of a Horse and/or Embryo, the applicable VAT regime for each Horse will be announced.
- c. If in the event of a transfer of auctioned Horses and/or Embryos to another member state of the European Union, a Buyer requests that invoicing done at the 0% VAT rate, the Bidder/Buyer undertakes to fulfill all the necessary conditions for this purpose in order to achieve a legally valid intra-community transaction.
- d. Should the application of the 0% VAT rate turn out not to be possible (afterward), the Buyer shall then owe the amount equal to the amount that would have been due had the Horse been transferred domestically. The Buyer is obligated to pay the aforementioned amount to KWPN immediately on request. In that event, any refund of that amount shall first and only be made after the Buyer has met its obligations under article 4. The Buyer shall be liable and indemnifies the KWPN against any damage arising from the non-compliance with the terms of article 9.3. Furthermore, Buyer shall be liable for all (extra) judicial costs incurred by KWPN, with a minimum of € 1.000,- exclusive of any VAT due.

Article 11. Force Majeure

- a. In these General Auction Conditions, force majeure pursuant to article 6:75 Dutch Civil Code includes, in addition to the contents of the law and jurisprudence: all external causes and their consequences, whether anticipated or not, that are beyond KWPN's control, yet render KWPN or a third party engaged by KWPN unable to fulfill its (or their) obligations or making the fulfillment of the Contract so impossibly onerous and/or disproportionately costly that fulfillment of the Contract cannot reasonably be expected of KWPN. These include, but are not limited to:
 - a. strikes in the company of the KWPN or the company of third parties that are involved in the performance of the Contract;
 - b. instructions or requests by a government agency and/or a local authority and/or any natural person authorized to act on behalf of such an authority;
 - c. changes in the law and/or regulations as a result of which KWPN is not (any longer) able to meet its obligations, or that make that fulfillment of the Contract cannot

- reasonably be expected of KWPN as this would be impossibly onerous and/or disproportionately costly;
 - d. the outbreak of infectious diseases;
 - e. pandemics and/or epidemics, as well as any (government), measures taken in response;
 - f. extreme weather conditions;
 - g. the circumstance that KWPN does not, not timely or not correctly receive a deliverable from a third party that it requires for its own delivery as a result of force majeure on the part of this third party.
- b. KWPN may suspend its obligations arising from the Contract during the period that the force majeure continues. Should the force majeure situation surpass a period of 1 month, both KWPN and KWPN shall be entitled to terminate the Contract in writing.

Article 12. Exclusion and Limitation of Liability KWPN / Indemnification of KWPN

- a. If it is established in law or otherwise that KWPN is liable towards the Participant for damage suffered in connection with the Agreement and/or the Auction (service), or arising from a wrongful act, or on any other basis, this liability, including any payment obligation pursuant to article 6:230 Dutch Civil Code and/or article 6:271 Dutch Civil Code, shall be limited to a total as regulated in these provisions:
- a. KWPN shall not be liable towards the Participant for damage as a result of the provision of incorrect or incomplete information, regardless of the nature and/or the scope of the damage and the information involved and regardless of the origin of said information.
 - b. KWPN shall not be liable for damage arising prior to, during and/or after the Auction caused by or to persons and/or by or to items of property and/or by or to Horses and/or Embryos.
 - c. KWPN shall not be liable for direct or indirect damage of whatever nature and scope resulting from a failure in the performance of an obligation by a third party (or parties), including but not limited to, failure in the proper fulfillment of obligations of Buyer and/or Seller or a third party involved by Buyer and/or Seller, and/or resulting from any acts and/or omission by the Participant.
 - d. KWPN shall not be liable towards Participant for any damage caused by Participant itself.
 - e. KWPN shall never be liable for any damage suffered as a result of the transfer of a Horse and/or Embryo not being free and unencumbered.
 - f. KWPN shall never be liable for any defect in the Horse and/or Embryo.
 - g. KWPN shall never be liable for any lost profit, lost income, lost turnover, lost savings, or any other loss suffered by the Participant, nor for any damage excluded elsewhere in these General Auction Conditions.
 - h. KWPN's liability, including any payment obligation towards Participant under an obligation to undo and any payment obligation under article 6:230 Dutch Civil Code is at all times limited to the amount covered by KWPN's liability insurance in a particular case. Should the liability insurance of KWPN, for whatever reason, not pay out, the liability of KWPN shall at all times be limited to a maximum of € 10,000,--.

- b. These limitations do not apply in case of intent or deliberate recklessness on the part of KWPN and/or its managers.
- c. Participant is aware and agrees by participating in the Auction that KWPN does not take out insurance on behalf of the Seller and/or Buyer of the Horse and/or Embryo in question. Given that the Buyer and the Seller participate in the Auction entirely at their own expense and risk, KWPN advises them to take out this insurance themselves.
- d. Claims for compensation must be reported to KWPN in writing, at the risk of such a claim lapsing, no later than one year after the day on which Participant or a third party became aware of the damage and KWPN's liability.
- e. Seller indemnifies the KWPN against any claims by a third party (or parties) arising from any incorrect and/or incomplete information issued by or on behalf of Seller for the purpose of the Auction.
- f. Participant indemnifies KWPN against any claims by a third party (or parties), including but not limited to, other Participants, for any damage, irrespective of its nature and scope.

Article 13. Privacy Statement

KWPN shall use the Personal Data of the Participant in accordance with the provisions of the Privacy Statement on its Auction website. Participant should always consult the latest changes to the Privacy Statement when visiting the Auction Website. Participant agrees that its Personal Data entered upon Enrollment or application will be used for inclusion in the prospectus. Participant provides KWPN with unconditional permission to use this Personal Data for, among other things, the prospectus.

Article 14. Disputes and Applicable Law

- a. The legal relationship between KWPN and Participant as well as the legal relationship between Seller and Buyer shall exclusively be governed by Dutch law, with the complete exclusion of the Vienna Sales Convention (CISG).
- b. In the event that a dispute arises about the course of events at Auction during the Auction itself, KWPN is competent to deliver a binding opinion on the matter and authorized to continue the Auction as an English Auction (an open-outcry ascending dynamic auction). If KWPN requests a civil-law notary to render an opinion on the course of events during the Auction, the notary's decision will be binding and irrevocable for all parties.
- c. In the event of a dispute between the parties, other than those that are subject to the opinion of (the auctioneer of) KWPN or the civil-law notary, only the competent judge of the District Court of Midden-Nederland, location Utrecht, shall be competent. In the event of a dispute between KWPN and/or Seller and a Buyer, being a Consumer, the court of the country of residence of the Buyer, or if the Buyer (being a Consumer) is a defendant, is also exclusively competent.

Article 15. Other provisions

- a. KWPN reserves the right to change these General Auction Conditions unilaterally. In the event of a change, the new General Auction Conditions shall apply as of the next Auction.
- b. Should a provision in these General Auction Conditions not be legally valid, this does not affect the legal validity of the other provisions. In that event, the provision involved will be replaced by a new provision in which the scope of the void/voided provision is approximated as much as possible.

- c. In case of conflict between the content of these General Auction Conditions and translations of these General Auction Conditions, the original Dutch text shall prevail.

PART B. – GENERAL PROVISIONS FOR BIDDER/BUYER

In case the Participant in the Auction is a Bidder/Buyer, they will be subject to the General Provisions for the Bidder/Buyer as included in this part B of the General Auction Conditions, which - depending on the type of Auction - apply in addition to the additional provisions of another part of these General Auction Conditions.

Article 16. Bidding and enrollment

- a. Bidder is obligated to abide by the instructions and directions given by or on behalf of KWPN.
- b. KWPN reserves the right to refuse or unilaterally terminate the enrollment for an Auction and (further) participation of a Bidder at its discretion.
- c. Enrollment in the manner prescribed by KWPN is required to participate as a Bidder in an Online Auction. Before participating in the Online Auction, a Bidder must register on the auction platform of the Auction Website. Bidder will be provided with a strictly personal username and password allowing access to the bidding system. Bidder is responsible for all actions that occur at an Online Auction arising from the use of Bidder's username and password. Bids will be placed digitally. The highest bid for each Horse and/or Embryo will be listed on the Auction Website.
- d. The bid increments for Online auctions are at least € 250 per bid, unless otherwise indicated.
- e. At Physical auctions, bid increments will be announced at the time of the Physical Auction, unless otherwise indicated.
- f. A bid placed by the Bidder shall constitute an offer to the Seller within the meaning of Section 6:217 Dutch Civil Code. A Bidder is bound by a bid that is deemed irrevocable and unconditional. Any Bidder who places a bid shall be considered to be bidding or buying for himself and shall be personally bound to KWPN and (after the Award) towards Seller for any obligations arising from its bid to KWPN and the Seller. This also applies also if the Bidder who places a bid declares to do so on behalf of a third party.
 - a. A Bidder who has the second-highest bid is obligated to maintain its bid for 14 calendar days after the close of the Auction in case the highest bid is declared invalid or is not honored.
 - b. Bidder bids at his own expense and risk and is bound by his bid until a higher bid is accepted.
 - c. Bidder cannot rely on bidding errors, typos, or mistakes when placing a bid.
 - d. In the event of an Online Auction, the Bidder will accept any special circumstances that can be part of an Online Auction, including technical errors which prevent timely bidding. Without prejudice to the provisions in article 12 of the General Auction Conditions, KWPN shall never be liable towards Bidder for damage resulting from the provisions in this paragraph.

Article 17. Buyer Integrity Verification

The KWPN is entitled to verify the integrity of the Bidder and Buyer, respectively, both prior to and after the conclusion of the Purchase Agreement. This verification will assess the integrity of the Buyer under applicable laws (including but not limited to sanctions laws). Bidder/Buyer is obligated to provide its reasonable cooperation with this verification. The Purchase Agreement shall be completed and signed at the conclusion of the Auction of a Horse to be sold at Auction by the Buyer or the party bidding remotely on behalf of the Buyer, stating all relevant details. These details serve

as a basis for the aforementioned integrity verification done by KWPN both prior to and after the Auction.

Article 18. Resolutive conditions for the benefit of KWPN

The Purchase Agreement shall be effected under the resolutive condition that, if the verification as described in Article 17 shows that the sale to Buyer - on the basis of, among other things, sanctions legislation - does not qualify as a sale to an honorable Buyer, KWPN may terminate ("*ontbinden*") the Purchase Agreement (on behalf of the Seller). This resolutive condition must be invoked within 10 working days after the Auction, or - whichever is later - within 5 working days after the date of payment of the Purchase Price by the Buyer, by means of a written notification from the KWPN to the Buyer with a copy to the Seller. Seller has granted KWPN an irrevocable authorization to that effect.

Article 19. Termination Purchase Agreement

- a. If the Seller or Buyer terminates ("*ontbinden*"), rescinds ("*vernietigen*") or otherwise alters the Purchase Agreement (other than by virtue of the Right of Revocation), the Buyer shall remain liable to KWPN for the Mark-Up, and the Seller shall remain liable to KWPN for the Registration Fee, without prejudice to any other rights of KWPN in such a case. The preceding is not applicable in the event that a Consumer Buyer invokes its right of withdrawal for an Online Auction.
- b. In the event that the Purchase Agreement is terminated ("*ontbinden*"), at law and otherwise, KWPN will keep the Purchase price in its possession for the benefit of the Seller. KWPN is only authorized and obligated to refund the Purchase price to the Buyer (after deducting the Mark-up as described in 19 under a and any other amounts payable) after:
 - I. written and explicit permission is given by the Seller;
 - II. an enforceable judgment was pronounced between Buyer and Seller that proves that the termination of the Purchase Agreement by the Buyer was legally valid, after which KWPN will repay (the part of) the Purchase price as apparent from the judgment (after deducting (among other things) the Mark-up) to Buyer.
- c. Should Buyer and Seller jointly instruct KWPN in writing to do so, KWPN shall release the funds in its possession to the Buyer and/or Seller in accordance with the joint instruction, after deducting the amounts due to KWPN under the provisions of these General Auction Conditions where applicable.
- d. KWPN can never be held liable to the Buyer or Seller for any claims made by Buyer or Seller in relation to the (failure of) passing on of funds that KWPN has in its possession.

PART C – ADDITIONAL PROVISIONS FOR SELLER

In case the Participant in the Auction is a Seller, they will be subject to the General Provisions for the Seller as well as the General Provisions, as included in this part C of the General Auction Conditions, which - depending on the type of Auction - apply in addition to the additional provisions of another part of these General Auction Conditions.

Article 20. Catalog / Auction

- a. The Seller undertakes to check the accuracy of the information in the (digital) catalog, as stipulated in these General Auction Conditions, with regard to the Horse and/or Embryo registered by the Seller, and to notify KWPN in writing of any inaccuracies no later than 7 calendar days prior to the Auction, specifying in as much detail as possible which changes or additions should be made.
- b. The terms imposed on a Horse, Registration and Seller by KWPN in the context of the Auction are solely made in the interest of properly conducting the Auction.

Article 21. Guarantees and Indemnification

- a. Seller guarantees to the Buyer as well as to KWPN:
 - I. that they can transfer free and unencumbered ownership of the Horse and/or Embryo to the Buyer.
 - II. That the Horse and/or in case of an implanted Embryo, the surrogate mare, will be free of prohibited substances as included on the most recent Equine Prohibited Substances List' (EPSL) of the Federation Equestre International (FEI) and posted on the website of the FEI (www.FEI.org) during the selection procedure, the Auction and on the moment of delivery. During the selection process and prior to the Auction, KWPN will be entitled to take blood or urine samples in order to test for prohibited substances.
 - III. the comprehensiveness of the (results of) tests. Seller shall indemnify KWPN against any claims, irrespective of their scope and nature and irrespective of by whom, for any non-conformity with respect to a sold Horse discovered during or after the Auction.
- b. The Buyer shall indemnify KWPN against:
 - I. claims made by the Buyer and/or a third party (or parties) arising from Seller's failure to comply with the guarantees referred to in this article or any other claim by third parties.

Article 22. Enrolment and selection

- a. The Enrolment of the Horse and/or Embryo is effected by the completion, signing, and return of the KWPN Registration Form by the Seller.
- b. Through the Registration, the Seller instructs the KWPN to auction a Horse and/or Embryo at Auction and to sell it at the highest bid after Award by KWPN on behalf of the Seller in the context of the Auction Service, provided that the Horse and/or Embryo is selected by KWPN and admitted to the Auction and that the Seller has also fulfilled all other obligations incumbent upon him.
- c. Only Horses and/or Embryos selected by KWPN can participate in the Auction.
- d. The KWPN determines the criteria that Horses to be selected for the Auction must adhere to, and these criteria may be changed by the KWPN at its discretion from time to time.

- e. The additional provisions of these General Auction Conditions elaborate on these criteria and specify how the selection at a particular Auction is made.
- f. KWPN or a selection committee or designated jury appointed by KWPN shall at all times be entitled to refuse a Horse and/or Embryo without giving reasons, even if the Horse had previously been selected for the Auction, without being obliged to reimburse any damages and/or costs to the Seller. KWPN shall never be obliged, on any basis whatsoever, to reimburse costs and/or damage incurred by Seller in connection with the Registration and/or selection.
- g. Should a registered Horse not be selected for participation in the Auction, the Seller shall be obligated, among other things, to take back the Horse and/or Embryo immediately upon the KWPN's request. All costs arising in connection with this shall be borne by Seller. Seller shall remain obligated to fulfill all its payment obligations towards KWPN based on the Contract and these General Auction Conditions.
- h. If it becomes evident that prohibited substances were administered to a Horse, the Seller shall be obligated to take back the Horse immediately. All costs connected to this shall be borne by Seller. Seller shall remain obligated to the KWPN to fulfill all its payment obligations arising from the Agreement and these General Auction Conditions, to the extent that these relate to compensation for KWPN.
- i. As of the moment of Registration, Seller shall remain responsible for care and supervision of the Horse and, in case of an Embryo implanted in a surrogate mare, the surrogate mare.
- j. KWPN shall never be obliged, on any basis whatsoever, to reimburse costs incurred by Seller in connection with the Registration and/or selection.

Article 23. Fees and Payment Obligations Seller

- a. By and upon the moment of Registration, the Seller owes the Registration Fee to KWPN. The amount of the Registration Fee per Horse and/or Embryo payable by the Seller to KWPN, to be increased by a Commission on the Auction Amount, provided that the percentage of the Commission payable for each Auction shall be made known by means of a list of fees upon Registration. The Registration fee and the Commission owed by the Seller to KWPN shall be set off by KWPN against the Purchase Price paid by the Buyer for the Horse and/or Embryo upon the sale of the Horse and/or Embryo, after which the remainder of the Purchase Price shall be paid to the Seller in accordance with the provisions of Article 23.b.
- b. Within 14 (fourteen) calendar days upon KWPN's receipt of the Delivery Contract from Buyer and/or Seller, KWPN shall proceed to pay to Seller the amount owed by KWPN to Seller, consisting of the Settlement Amount minus what Seller owes to KWPN under these General Auction Conditions (including, in any event, the Entry Fee and Commission) or otherwise.
- c. If KWPN has received the Delivery Contract, but Buyer and/or Seller have not yet fulfilled all (payment) obligations they have towards KWPN, KWPN shall proceed to pay the amount owed by KWPN to Seller no later than 30 calendar days after the last payment obligation has been fulfilled. Seller shall not be entitled to a setoff.

Article 24. Buyback

- a. The Horse offered at Auction shall always be sold, unless no bid is placed. If no bid is placed, Seller shall be held to buy back the Horse at the amount of the opening bid; this constitutes a Buyback. In this case, the opening bid will be considered the Auction Amount.
- b. A Seller that buys back a Horse that they themselves offered at Auction will also be considered a Buyer.
- c. In the event of a Buyback, no Mark-up is due, but a Registration Fee, as well as the Commission payable by Seller, shall be due.
- d. If Seller buys back the offered Horse for a Purchase Price higher than the indicated guide price - as stated on the signed registration form - the Seller shall be considered as Buyer (as well) and Seller must pay the Mark-up, instead of the Commission normally payable by Seller.

Article 25. Non-participation to Auction by registered Horse

- a. If a registered Horse does not participate in the Auction and the Seller does not report this or has not withdrawn the registered Horse, the Seller shall owe to KWPN, in addition to the Registration Fee, a penalty of € 1,000.00 per Horse, which cannot be offset, immediately and without notice of default being required. In the event of KWPN Select Sale Auction, this penalty amounts to €15.000 per Horse.
- b. The penalty referred to in paragraph 1 of this article does not apply in the event that a Horse and/or an Embryo is unable to participate in the Auction. Only if the Seller can demonstrate, by submitting a veterinary report from a licensed veterinarian, that the Horse and/or Embryo is unable to participate in the Auction, the penalty referred to in paragraph 1 of this article will not apply. KWPN may at all times refuse the non-participation of a Horse and/or Embryo in the event of a failure to comply with the aforementioned requirements or on other grounds, to be determined by KWPN or its selection committee, in which case the Seller does not owe the penalty referred to in paragraph 1. The decision of (the selection committee of) the KWPN is binding. The KWPN is never obligated to pay compensation of any damage and/or costs to the Seller arising from or as a result of a decision within the meaning of this paragraph.

Article 26. Authorization by Seller

In the event of a Physical Auction, the Seller may register a maximum of two authorized representatives for all the Horses offered for Auction by the Seller together, who will participate in the Auction on behalf of the Seller, in order to buy back the offered Horse during the Auction within the scope of a Buyback. An authorized representative should be registered with KWPN before the start of the Auction by using the applicable authorization form. An authorized representative shall act at the expense and risk of the Seller during the Auction. An act carried out by an authorized representative shall be regarded as an act of Seller.

PART D –ADDITIONAL PROVISIONS FOR THE KWPN SELECT SALE

In the event of a KWPN Select Sale Auction, in addition to the General Provisions, the specific, additional provisions, as contained in this Part D of the General Auction Conditions, shall apply.

Article 27. Auction and viewing

- a. The KWPN Select Sale is a Physical and/or Online Auction.
- b. Viewing: The Seller will provide the Bidder with the opportunity to view the Horses offered at Auction prior to the Auction: (1) during the first round viewing in Ermelo, (ii) at the KWPN Stallion Show, (iii) or in the KWPN (Auction) stables as of 10.00 AM on the day of the Auction, only upon request.

Article 28. Guarantees

1. Supplementary to the other provisions in these General Auction Conditions, Seller guarantees to Buyer as well as to KWPN in case of KWPN Select Sale (that);
 - a. a normal and properly functioning respiratory system of the Horse and that the Horse is free from cornage and makes a normal sound when breathing at rest and during exercise for 1 month after the Auction. A binding assessment of the respiratory system will be made by the Utrecht University Faculty of Veterinary Medicine.
 - b. the Horse does not display signs of stable vice, such as cribbing, wheezing or wind sucking. Buyer must inform the Seller in writing within 7 calendar days after actual delivery with as detailed a description as possible of the nature of the stable vice. Seller has designated KWPN as the party to whom Buyer must send the notice referred to in this article without the KWPN being involved in the Purchase Agreement between Buyer and Seller in any way. KWPN shall pass on the notification to the Seller. The Seller and the Buyer will then engage in independent discussions (without interference from KWPN) on the consequences of the defect alleged by Buyer, in which case the Seller has the right to undo the purchase after receiving the notification from the Buyer as referred to in this article. If, for whatever reason, KWPN is involved in or performs actions relating to or following the notification referred to in this article, KWPN does so merely as an intermediary and is never bound in any way whatsoever to the (consequences of) purchase agreement between Buyer and Seller or to the consequences of the alleged defect.
 - c. upon return of the Horse as a result of a defect referred to in sub b. If stable vice is found, the Seller will at all times remain liable for the Auction Costs to KSS
2. The Buyer may have the sperm quality and the fertility of Horses that have been designated for the KWPN performance test ('Designated Horse') tested by the Faculty of Veterinary Medicine at Utrecht University for a period of 1 (in words: one) month after the Sale, these tests will be at the risk and account of the Buyer. The Seller guarantees to the Buyer that the sperm quality and the fertility shall be satisfactory at the time of delivery of the Horse. The test results will be considered 'satisfactory' if the sperm contains a minimum of 30% live sperm cells and 30% normally built cells; the outcome shall be based exclusively on the test results of Utrecht University. The quality will be assessed based on the average of two ejaculates approximately 1 (one) hour apart. When the outcome of the test is unsatisfactory, the Purchase Agreement may be terminated at the request of the Buyer. In the event that the sperm quality and the fertility are not tested by the Buyer within 1 (in words: one) month of the conclusion of the Purchase Agreement, the right of the Buyer to

terminate the Purchase Agreement based on the outcome of such a test will expire. The Buyer may choose to have these tests done at its own expense if the Horse in question is not a Designated Horse. If a Horse is not a Designated Horse, the Seller does not have to guarantee a satisfactory result; this entails that the outcome of such a test does not have implications for the Purchase Agreement.

Article 29. Registration and selection

In the event of KWPN Select Sale, the following (supplementary) conditions apply to the Registration and selection:

- a. A selection committee composed by KWPN assesses and selects the Horses that qualify for participation in the Auction. A decision by the selection committee shall be binding.
- b. Selection of the Horses will take place during the first viewing of the KWPN stallion selection in Ermelo, the date and time of which will be set and communicated by KWPN.
- c. Dressage horses must also be shown on the lunge at a time to be determined during an extra selection moment after the first viewing..
- d. The Auction shall (only) admit Horses that:
 - i. have participated in the first viewing in Ermelo;
 - ii. are free of observable defects, including, but not limited to, stable vices;
 - iii. have been found acceptable by a licensed inspection veterinarian and possibly the KSS veterinary committee prior to the Auction on the basis of radiographic examination by a licensed veterinarian (in which the neck and back of dressage horses and showjumper horses are also evaluated) and an examination by a veterinarian, of which inspections the Seller has submitted the X-ray images and a veterinary report (and ancillary findings) to the KWPN. The X-ray images must have been made within 90 days prior to the Auction and must qualitatively meet the qualitative criteria as described in the book *“De verterinaire keuring van het paard”* April 2007 edition, Libre Ltd Publishing Company. X-ray assessment of the back and neck is done according to the system of Dyson, Zimmerman and Murray as published in *Veterinary Radiology & Ultrasound 2011* and *British Equine Veterinary Journal* in 2012. The veterinary clinical examination must have taken place no later than 90 days prior to the Auction, and an (English) examination report in accordance with the specifications of the *Groep Paard* of the KNMvD will be drawn up. The clinical and radiographic examination by a licensed veterinarian will be performed at the request and at the risk and account of Seller.
 - iv. have been genotyped (DNA analysis) in accordance with the KWPN’s regulations and for which a genomic breeding value for osteochondrosis is known, unless the Horse is insufficiently related to the KWPN’s reference population;
 - v. have been tested and found to have an acceptable respiratory function and to be free of cornage and produce a normal sound when breathing at rest and during exercise. A binding assessment of the respiratory system will be made by the KWPN Cornage assessment committee.
 - vi. have been tested for Warmblood Fragile Foal Syndrome (WFFS).
- e. In order to qualify as a KWPN-approved Horse, being a stallion, Horses designated by the KWPN Stallion Selection Committee for the KWPN performance test (“designated stallion”) must successfully complete the KWPN performance test after the Auction. The regulations

applicable to this, including the standards regarding the genomic breeding value for osteochondrosis (GFW-OC) are available on the KWPN website or will be provided in writing upon request;

Article 30. Delivery

In the event of a KWPN Select Sale Auction, the delivery of the purchased Horse will take place by acceptance of the Horse at Seller's premises or the (stable) address indicated by Seller, unless otherwise agreed between Seller and Buyer.

KSS always advises the Seller to have a clinical examination performed by a licensed veterinarian immediately prior to delivery of the horse to the Buyer.

Article 31. Risk transfer

In the KWPN Select Sale, the risk of the Horse and/or Embryo transfers in the following way:

- a. If the Buyer is a Consumer, the Horse will be at the risk of the Buyer as of the moment of delivery. As of that time, all obligations, responsibilities and liabilities, as well as all risk factors in relation to the Horse, will have transferred to the Consumer Buyer involved. The Consumer Buyer indemnifies KWPN against any third-party claims in this regard.
- b. If the Buyer is not a Consumer, the Horse will be at the risk of the Buyer as of the moment of the Award. As of the Award, all obligations, responsibilities and liabilities, as well as all risk factors in relation to the Horse, will have transferred to the Buyer involved. The Buyer indemnifies KWPN against any third-party claims in this regard.

PART E –ADDITIONAL PROVISIONS FOR THE ONLINE STALLION AUCTION

In the event of an Online Stallion Auction, in addition to the General Provisions, the specific, additional provisions, as contained in this Part E of the General Auction Conditions, shall apply.

Article 32. Auction and inspection

The Online Stallion Auction is an Online Auction.

Article 33. Viewing:

Seller will provide the Bidder with the opportunity to view the Horses offered at Auction prior to the Auction (i) during the first viewing in Ermelo, (ii) or, for Online Auctions, at the Seller's premises, at the Participant's request and by appointment only.

Article 34. Registration and selection

In the event of an Online Stallion Auction, the following conditions apply to the Registration and selection:

- a. A jury composed by KWPN assesses and selects the Horses that qualify for participation in the Auction, based on the criteria set out by KWPN, including (although not limited to) the criteria included under B. The KWPN is authorized to change the criteria from time to time unilaterally. A decision by the jury shall be binding.
- b. Selection of the Horses by KWPN will take place during the first viewing in Ermelo, the date and time of which will be set and communicated by KWPN.
- c. The Auction shall (only) admit Horses that:
 - i. have participated in the first viewing in Ermelo (in the event of an Online Stallion Auction);
 - ii. were selected by the jury appointed by KWPN;
 - iii. are free of observable defects, including, but not limited to, stable vices;
 - iv. have been found radiologically and clinically acceptable during a sports inspection, of which inspection the Seller has submitted a veterinary report to the KWPN within 30 calendar days prior to the Auction. A clinical report may not be more than 30 days old. A radiological report may have been made from the time the Horse is 24 months old. Reports must be written in both Dutch and English. The X-ray sport inspection and veterinary clinical inspection, must be performed by a licensed veterinarian at the request and at the risk and account of Seller.

Article 35. Delivery

In the event of an Online Stallion Auction, the delivery of the purchased Horse will take place by acceptance of the Horse at Seller's premises or the (stable) address indicated by Seller, unless otherwise agreed between Seller and Buyer.

Article 36. Risk transfer

In the Online Stallion Auction, the risk of the Horse transfers in the following way:

- a. If the Buyer is a Consumer, the Horse will be at the risk of the Buyer as of the moment of delivery. As of that time, all obligations, responsibilities and liabilities, as well as all risk factors in relation to the Horse, will have transferred to the Consumer Buyer involved. The Consumer Buyer indemnifies KWPN against any third-party claims in this regard.

- b. If the Buyer is not a Consumer, the Horse will be at the risk of the Buyer as of the moment of the Award. As of the Award, all obligations, responsibilities and liabilities, as well as all risk factors in relation to the Horse, will have transferred to the Buyer involved. The Buyer indemnifies KWPN against any third-party claims in this regard.

PART F –ADDITIONAL PROVISIONS FOR THE ONLINE FOAL AUCTION

In the event of an Online Foal Auction, in addition to the General Provisions, the specific, additional provisions, as contained in this Part F of the General Auction Conditions, shall apply to Bidder/Buyer and Seller.

Article 37. Auction and viewing

The Online Foal Auction is an Online Auction.

Article 38. Viewing:

Seller will provide the Bidder with the opportunity to view the foals prior to the Auction at the Seller's premises by appointment only. A viewing shall only take place upon Bidder's request.

Article 39. Registration and Selection

In the event of the Online Foal Auction, the following (supplementary) conditions apply to the Registration and selection of the foals:

- a. A jury composed by KWPN assesses and selects the foals that qualify for participation in the Auction, based on the criteria set out by KWPN, including (although not limited to) the criteria included under B. KWPN is authorized to change the criteria from time to time unilaterally. A decision by the jury shall be binding on the Seller.
- b. The Auction shall (only) admit foals that:
 - i. are registered with the KWPN;
 - ii. were selected by the jury appointed by KWPN;
 - iii. are free of observable defects, including (but not limited to) stable vices;
 - iv. have been presented and filmed and photographed on the photo and video day organized by KWPN, the date and time of which will be set and communicated by KWPN.
 - v. have been clinically examined on the photo and video day organized by KWPN for abnormalities of the eyes, heart, lungs, teeth, and, if a stallion is involved, the genital organs. A veterinary report of the veterinary clinical examination will be prepared, which can be inspected (online). This inspection is performed by an licensed veterinarian appointed by the KWPN.

Article 40. Delivery

In the event of an Online Foal Auction, the delivery of a purchased foal will occur by delivery by the Seller to the Buyer at a time to be agreed on by Buyer and Seller. If a Buyer resides outside of the Netherlands, the Seller shall deliver the foal to an address within the Netherlands indicated by the Buyer. The delivery of a foal will take place upon the foal reaching the age of 5 months but no later than after a foal is 5.5 months old. Buyer shall not owe any compensation to Seller for the period until delivery.

Article 41. Risk transfer

- a. In the event of an Online Foal Auction, the risk of the foal transfers as follows:
 - I. if there is a Purchase Agreement regarding a foal that is 5 months or older at that time, the risk of the foal shall transfer to Buyer at the time of actual delivery, on the understanding that the foal shall be delivered to Buyer no later than one week after the Online Auction (at which time the risk shall pass to Buyer at the latest). Therefore, as of

the moment of delivery, the risks of the foal, including all (financial) responsibilities and liabilities, transfer to the Buyer.

- II. if there is a Purchase Agreement in respect of a foal that is younger than 5 months at the time of the sale, then the foal shall not be delivered until the foal has reached the minimum age of 5 months and the risk of loss and/or of damage to and/or caused by the auctioned/purchased foal shall remain with Seller up to an age of 5 months and with Buyer after an age of 5 months. Without prejudice to the foregoing, Seller shall be obliged to leave a sold foal with its mother until the age of 5 months without any compensation being due to Buyer and Seller shall be obliged to have the foal delivered to Buyer before the foal is 5.5 months old.
- b. Unless otherwise agreed, the risk shall transfer to Buyer at the time specified in Article 41.a regardless of at what time the actual delivery of the foal to Buyer takes place. If there is a Purchase Agreement between a Consumer Buyer and a Seller who is not a consumer, then the risk does not transfer until delivery.
- c. Without prejudice to the other provisions in these General Auction Conditions, Buyer and Seller shall indemnify the KWPN against all claims by third parties relating to the non-compliance with the provisions of article 41.

PART G –ADDITIONAL PROVISIONS FOR THE ONLINE BROODMARE AND/OR EMBRYO AUCTION

In the event of an Online Embryo and/or Broodmare Auction, the specific, additional provisions, as contained in this Part G of the General Auction Conditions, shall apply to Bidder/Buyer and Seller in addition to the General Provisions.

Article 42. Auction

The Online Broodmare and Embryo Auction is an Online Auction.

Article 43. Viewing:

Seller will provide the Bidder with the opportunity to view the broodmares and surrogate mares offered at Auction prior to the Auction at the Seller's premises, such in consultation with the Seller.

Article 44. Selection

In the event of the Online Embryo and/or broodmare Auction, the following (supplementary) conditions apply to the Registration and selection:

- a. A jury composed by KWPN assesses and selects the embryos and broodmares that qualify for participation in the Auction, based on the criteria set out by KWPN, including (although not limited to) the criteria included under 2. KWPN is authorized to change the criteria from time to time unilaterally. A decision by the jury shall be binding on the Seller.
- b. The Auction shall admit embryos and broodmares that:
 - I. are registered with the KWPN;
 - II. were selected by the jury appointed by KWPN;
 - III. are free of observable defects, including (but not limited to) stable vices; with the proviso that the provisions for an Embryo apply to the surrogate mare in which the Embryo was placed;
 - IV. were found clinically acceptable with the proviso that the provisions for an Embryo apply to the surrogate mare in which the Embryo was placed;
 - V. in case of a broodmare: a pregnancy statement must be available during the selection.

Article 45. Risk transfer

The provisions of Article 31 shall apply to the transfer of risk, with the proviso that "Horse" shall mean Broodmare or Embryo (and surrogate mare).

Article 46. Embryo

In the event that of an Embryo that was implanted in a surrogate mare, the surrogate mare must be returned by Buyer to the Seller at the expense of the Buyer after weaning (a minimum of 5 months and a maximum of 5.5 months after the birth of the foal).

Article 47. Surrogate mare

- a. The Seller may charge the Buyer with a guarantee deposit for the surrogate mare (that is rented out to Buyer). The amount of the guarantee deposit is stated on the auction site for each Embryo.
- b. The deposit will be paid by the Buyer to KWPN, who will take receipt of the amount on behalf of the Seller. Once the surrogate mare is returned in good condition, this amount will

be refunded to the Buyer by KWPN.

Part H. –ADDITIONAL PROVISIONS FOR THE ONLINE 3 & 4-YEARS OLD AUCTION

In the event of a 3 & 4 Years-Old Auction, the specific, additional provisions, as contained in this Part H of the General Auction Conditions, shall apply to Bidder/Buyer and Seller in addition to the General Provisions.

Article 48. Auction and viewing

The 3 & 4 Years-Old Auction is an Online Auction.

Article 49. Viewing:

Seller will provide the Bidder with the opportunity to view the Horses offered at Auction prior to the Auction at the Seller's, by appointment only.

Article 50. Registration & Selection

In the event of the 3 & 4 Years-Old Auction, the following conditions apply to the Registration and selection:

- a. A jury composed by KWPN assesses and selects the Horses that qualify for participation in the Auction based on the criteria set out by KWPN, including (although not limited to) the criteria included under B. The KWPN is authorized to change the criteria from time to time unilaterally. A decision by the jury shall be binding.
- b. The Auction shall admit Horses that:
 - i. are registered with the KWPN;
 - ii. were selected by the jury appointed by KWPN;
 - iii. are free of observable defects, including (but not limited to) stable vices;
 - iv. have been found radiologically and clinically acceptable during a sport inspection (including neck and back x-rays), of which inspection the Seller has submitted a veterinary report (in Dutch and English) no more than 90 days old to KWPN within 30 calendar days prior to the Auction. A clinical report may not be more than 90 days old and a radiological report may not be more than 12 months old. The inspection must be performed by a licensed veterinarian from the Netherlands, at the request and at the risk and account of Seller.

Article 51. Delivery

In the event of an 3 & 4 Years-Old Auction, the delivery of the purchased Horse will take place by acceptance of the Horse at Seller's premises or the (stable) address indicated by Seller, unless otherwise agreed between Seller and Buyer.

Article 52. Risk transfer

In the 3 & 4 Years-Old Auction, the risk of the Horse transfers in the following way:

- a. If the Buyer is a Consumer, the Horse will be at the risk of the Buyer as of the moment of delivery. As of that time, all obligations, responsibilities and liabilities, as well as all risk factors in relation to the Horse, will have transferred to the Consumer Buyer involved. The Consumer Buyer indemnifies KWPN against any third-party claims in this regard.
- b. If the Buyer is not a Consumer, the Horse will be at the risk of the Buyer as of the moment of the Award. As of the Award, all obligations, responsibilities and liabilities, as

well as all risk factors in relation to the Horse, will have transferred to the Buyer involved. The Buyer indemnifies KWPN against any third-party claims in this regard.

PART I. – ADDITIONAL PROVISIONS FOR THE YOUNG JUMPING FOAL SALE

In the event of a Young Jumping Foal Sale, the specific, additional provisions, as contained in this Part I of the General Auction Conditions, shall apply to Bidder/Buyer and Seller in addition to the General Provisions.

Article 53. Auction

The Young Jumping Foal Sale is a Physical Auction.

Article 54. Viewing:

Seller will provide the Bidder with the opportunity to view the foals put up for Auction prior to the Auction at the (i) auction stables on the day of the Auction, by request only, or, (ii) at the Seller's, by request only.

Article 55. Registration & Selection

In the event of the Young Jumping Foal Sale, the following conditions apply to the Registration and selection:

- a. A jury composed by KWPN assesses and selects the foals that qualify for participation in the Auction based on the criteria set out by KWPN, including (although not limited to) the criteria included under B. KWPN is authorized to change the criteria from time to time unilaterally. A decision by the jury shall be binding on the Seller.
- b. The Auction shall admit foals that:
 - i. are registered with KWPN;
 - ii. were selected by the jury appointed by KWPN;
 - iii. are free of observable defects, including (but not limited to) stable vices;
 - iv. have been presented and filmed and photographed on the photo and video day organized by KWPN, the date and time of which will be set and communicated by KWPN.
 - v. have been clinically examined on the photo and video day organized by KWPN for abnormalities of the eyes, heart, lungs, teeth, and, if a stallion is involved, the genital organs. A veterinary report of the veterinary clinical examination is prepared, which can be inspected (online). This inspection is performed by an licensed veterinarian appointed by the KWPN.

Article 56. Delivery

In the event of a Young Jumping Foal Sale, the delivery of a foal will be made by the Seller to the Buyer. If a Buyer resides outside of the Netherlands, the Seller shall deliver the foal to an address within the Netherlands indicated by the Buyer. The delivery of a foal will take place upon the foal reaching the age of 5 months but before the foal is 5.5 months old, unless in the event that a foal is older than 5.5 months at the time of the Award, in which case the provisions of the following article apply. Buyer shall not owe any compensation to Seller for the period until delivery.

Article 57. Risk transfer

- a. In the Young Jumping Foal Sale, the risk of the foal transfers in the following way:
 - a. if there is a Purchase Agreement regarding a foal that is 5 months or older at that time, the risk of the foal shall transfer to Buyer at the time of actual delivery, on the understanding that the foal shall be delivered to Buyer no later than one week after

the Award. Therefore, as of the moment of delivery, the risks of the foal, including all (financial) responsibilities and liabilities, transfer to the Buyer.

- b. if there is a Purchase Agreement regarding a foal that is younger than 5 months at the time of sale, then the foal shall not be delivered until the foal has reached the minimum age of 5 months and the risk of loss and/or of damage to and/or caused by the auctioned/purchased foal shall remain with Seller up to an age of 5 months and with Buyer after an age of 5 months. Without prejudice to the foregoing, Seller shall be obliged to leave a sold foal with its mother until the age of 5 months without any compensation being due to Buyer and Seller shall be obliged to have delivered the foal to Buyer before the foal is 5.5 months old.
- b. Unless otherwise agreed, the risk shall transfer to Buyer at the time specified in Article 56 regardless of at what time the actual delivery of the foal to Buyer takes place. If there is a Purchase Agreement between a Consumer Buyer and a Seller who is not a consumer, the risk does not transfer until delivery.
- c. Without prejudice to the other provisions in these General Auction Conditions, Buyer and Seller shall indemnify KWPN against all claims by third parties relating to the provisions of article 57a.

PART J – ADDITIONAL CONDITIONS FOR KWPN SELECT SALE – WKYDH

If there is a KWPN Select Sale Auction – World Championship for Young Dressage Horses (hereinafter KSS), then in addition to the General Provisions, the specific, additional provisions as included in this part J of the General Auction Conditions apply.

Article 58. Auction and viewing

- a. KSS concerns a Physical and Online Auction (hybrid auction)
- b. Viewing: The Seller gives the Bidder the opportunity to view Horses/Foals offered for Auction prior to the Auction, if desired: (i) at the Seller's home (only upon request and by appointment via KSS), (ii) or in the (auction) stables from KSS only upon request.

Article 59. Guarantees

1. In addition to the other provisions in these General Auction Conditions, the Seller guarantees to the Buyer as well as the KSS (that);
 - a. a normal and well-functioning respiratory system of the Horse/Foal and that the Horse is free of cough and makes a normal sound during breathing at rest and during work for 1 month after the Auction. The Horse's respiratory system is subject to a binding assessment by the Faculty of Veterinary Medicine of Utrecht University (if a Dutch entry. If a foreign entry, they must provide a binding report from the national University Clinic).
 - b. the Horse/Foal is free from stable vices, such as crib biting, weaving, air sucking or box walking. In the event of a defect, the Buyer must inform the Seller in writing within 7 days of actual delivery, providing as detailed a description as possible of the nature of the stable defect. Seller has designated KSS as the party to whom Buyer must send the message referred to in this article, without KSS being in any way involved in the Purchase Agreement between Buyer and Seller. KSS will forward the message to the Seller. The Seller and the Buyer will then independently (without interference from KSS) consult on the consequences of the defect stated by the Buyer, whereby the Seller
2. If stallion; The semen quality and fertilization capacity of Horses (if stallion) must be tested at the Faculty of Veterinary Medicine of Utrecht University (if Dutch entry. If foreign entry, this must be tested at the national University Clinic). The result is sufficient if the semen contains at least 30% living sperm cells and 30% normally built cells, all this at the sole discretion of Utrecht University. The quality is assessed based on the average of two ejaculates approximately 1 (one) hour apart.

Article 60. Registration & Selection

In the case of KWPN Select Sale – WKYDH, the following (additional) conditions apply to Registration and selection:

- a. A selection committee composed by KSS assesses and selects the Horses/Foals that are eligible to participate in the Auction, based on the criteria set by KSS, including (but not limited to) the criteria included in sub c. KSS is entitled to unilaterally change the criteria from time to time. A decision of the selection committee in this regard is binding.
- b. Selection of the Horses/Foals takes place, among other things, during a selection day to be designated by KSS, the date and times of which will be determined, recorded and communicated by KSS.
- c. Horses/foals may be admitted to the auction that:

- i; have been selected by the jury appointed by KSS;
- ii; be free from observable defects, such as (but not limited to) stable defects;
- iii; Have been found acceptable by a certified veterinarian engaged by the Seller prior to the auction on the basis of a complete veterinary sports inspection, including X-rays of the neck and back. The certified veterinarian provides a fully independent report to KSS, whereby the existing PROK recordings for the KWPN stallion selection process may be used for the X-ray assessment of the horse in question. The X-rays must be taken after September 1st in the year in which the stallion reaches the age of 2 years.

The complete veterinary assessment by the certified veterinarian consists of both a radiological assessment and a clinical assessment, of which an (English and Dutch) research report is drawn up according to the design of the Horse Group of the KNMvD, which is drawn up within 30 days prior to the auction.

iv; if Foal; Veterinary clinical examination has been carried out for abnormalities in the heart, eyes, lungs, teeth and, in the case of a stallion, the genitals. A veterinary report is drawn up of the veterinary clinical examination, which can be viewed (online).

v. have been tested and found acceptable on a normally functioning breathing system and are free of coughing and produce a normal sound during breathing at rest and during work. The breathing system is subject to a binding assessment by the Faculty of Veterinary Medicine of Utrecht University (if a Dutch submission. If a foreign submission, they must provide a binding report from the national University Clinic).

Article 61. Delivery

In the event of a KWPN Select Sale - WKYDH Auction, delivery of the purchased Horse/Foal will take place by taking delivery of the Horse/Foal from the Seller or the (stable) address indicated by the Seller, unless otherwise agreed between the Seller and the Buyer. KSS advises the Seller(s) to always have a clinical examination carried out by a recognized inspection veterinarian immediately prior to delivery of the horse to the Buyer.

The delivery of a Foal takes place after the Foal has reached the age of 5 months, but no later than after the Foal is 5.5 months old, unless the Foal is already older than 5.5 months at the time of Award, in which case the provisions in the following article applies. The Buyer does not owe any compensation to the Seller for the period until delivery.

Article 62. Risk transfer

In the event of KSS, the risk of the Horse/Foal is transferred as follows:

- a. If the Buyer is a Consumer, the Horse is at the Buyer's risk from the moment of delivery. From that moment on, all obligations, responsibilities and liabilities, as well as all risk factors relating to the Horse, have been transferred to the relevant Consumer Buyer. The Consumer Buyer indemnifies the KSS against all claims from third parties in this regard.
- b. If the Buyer is not a Consumer, the Horse is at the Buyer's risk from the moment of award. As of Award, all obligations, responsibilities and liabilities, as well as all risk factors relating to the Horse, have been transferred to the relevant Buyer. The Buyer indemnifies the KSS against all claims from third parties in this regard

c. If there is a Purchase Agreement for a Foal that is 5 months or older at that time, the risk of the foal passes to the Buyer at the time of actual delivery, on the understanding that the Foal must be delivered to the Buyer no later than 1 week after Award. Buyer must be delivered. From the moment of delivery, the risk of the foal, including all financial responsibilities and liabilities, therefore passes to the Buyer.

d. If there is a Purchase Agreement for a Foal that is younger than 5 months old at the time of sale, the foal will only be delivered when the foal has reached the minimum age of 5 months and the risk of loss and/or damage rests with and/or caused by the auctioned/purchased foal up to the age of 5 months from the Seller and after the age of 5 months from the Buyer. Without prejudice to the foregoing, the Seller is obliged to leave a sold foal with its mother until the age of 5 months without the Buyer owing any compensation for this and the Buyer is obliged to deliver the foal to the Buyer no later than before the foal is 5.5 months old.

e. Unless otherwise agreed, the Risk of a Foal is transferred to the Buyer at the time specified in Article 61, regardless of the time at which the actual delivery of the Foal to the Buyer takes place. If there is a Purchase Agreement between a consumer Buyer and a Seller who is non-consumer, the risk only passes upon delivery.

f. Without prejudice to the other provisions of these General Auction Conditions, the Buyer and Seller indemnify the KSS against all claims from third parties in connection with the provisions of article 62.a.