



Pacific Sporthorse Selection

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-- TERMS AND CONDITIONS OF SALE --

IMPORTANT AND LEGALLY BINDING RULES APPLICABLE TO THIS SALE; PLEASE READ CAREFULLY AND COMPLETELY

1. PLACE OF AUCTION AND RELATED PARTIES – The Pacific Sporthorse Selection Sale (**the “Auction” or the “Sale”**) is being presented by Sporthorse Online, LLC (**“SHO”**). The Auction shall take place at Christiane Noelting Dressage Center, Inc. (**“CNDC”**), located at 6954 Lewis Road, Vacaville, CA 95687. Phillip L. Pierceall (Tx Lic. #16169), Swing City Auction Company, LLC, (**the “Auctioneer”**) shall conduct the sale of the Horses at the Auction. The Auctioneer and SHO (and their respective employees and agents) shall hereinafter be collectively referred to as **“Sale Management”**.

2. APPLICABLE LAW – All Horses in this Sale are offered according to the laws of the State of California, without regard to conflict of law principles. This Sale is conducted in accordance with, and all acts of interested parties and/or claims by them shall be governed by, these Terms and Conditions of Sale.

3. DISCLAIMER OF WARRANTIES - THERE IS NO WARRANTY EXPRESS OR IMPLIED BY THE SALE MANAGEMENT, SPONSORS, OWNERS, CONSIGNORS, OR THEIR REPRESENTATIVES AS TO THE MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY HORSE OFFERED IN THIS SALE AND ALL HORSES ARE SOLD ON AN “AS IS” AND “WITH ALL FAULTS” BASIS. ALL SALES ARE FINAL AND BUYER ACCEPTS THE ENTIRE RISK OF THE QUALITY AND PERFORMANCE OF THE HORSE. BUYER IS BOUND BY ALL ANNOUNCEMENTS FROM THE AUCTION STAND AT THE COMMENCEMENT OF THE SESSION IN WHICH THE HORSE IS SOLD AND AT THE TIME OF SALE.

4. AGENTS – Persons purporting to act as an Agent for a Buyer must file with SHO a completed, notarized Buyer’s Authorized Agent Form, signed by the Buyer naming the Agent and specifying his/her authority to bid and accept title and delivery. Any person failing to comply with this condition shall be held **PERSONALLY LIABLE** as the Buyer. If a Seller/Consignor would like to use the services of an Agent, then the Seller/Consignor must complete a Consignor’s Agent Authorization form. The Buyer’s Authorized Agent form and/or the Seller/Consignor’s Agent Authorization form must be on file with SHO on or before the Auction. Each of these Agent forms is available in the sale catalog and online at www.sporthorse-selection.com.

5. INSPECTION (INCLUDING THE REPOSITORY) AND TRIAL OF HORSES – All Horses are available for public inspection beginning the Saturday two weeks prior to the Auction and continuing through the Auction between the hours of 9:00am and 5:00pm by appointment. **All prospective Buyers shall carefully examine Horses and the corresponding documents in the Repository for which they may be interested (personally and/or by Agents or veterinarians of their choosing) BEFORE bidding, as they are accepting any Horse purchased “AS IS” AND “WITH ALL FAULTS” as pursuant to CONDITION 3. Buyers that fail or refuse to inspect for any reason, including a lack of opportunity for inspection, purchase the Horse at their own risk.** During inspection times, prospective Buyers and their trainers/agents may be permitted to try any Horse for sale and a release form must be signed. Such inspection must be pre-arranged with the Sale Management. Sale Management shall reserve the right not to permit any Buyer or their trainer to ride any Horse. Sale Management shall arrange the viewing of each Horse, which schedule shall take into consideration the number of persons wishing to try a particular Horse on a certain day. All details available to the Sale Management will be given by the Auctioneer and Announcer from the Auction stand. Changes of procedure of this Auction are at the discretion of the Sale Management and will be announced as occasion arises.

6. VETTING OF HORSES – Sale Management has required a basic veterinary exam, proof of current vaccinations, X-rays, and a Written Disclosure Statement of any significant medical history known to the Consignor for each Sale entry. Further detail with regard to the pre-vetting requirements can be found online at www.sporthorse-selection.com, or by viewing such information with respect to each Horse in the repository accessible to Buyers. Sale Management will provide admission to locally available veterinarians who may be scheduled to complete further inspection for any prospective Buyer, Agent, or veterinarian during the hours set forth in **CONDITION 5**. In the event a prospective Buyer wishes to have a Horse further inspected by that Buyer’s veterinarian, the Sale Management, so as to protect the health and training of such Horse, shall have the sole and absolute discretion to determine whether or not any prospective Buyer has the privilege to have their veterinarian further examine any Horse and the extent of the examination. In no event shall any prospective Buyer, their Agent, or veterinarian have the right to pull any



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Horse's shoes. All veterinarian exams are done at the sole expense of the prospective Buyer.

7. X-RAY REPOSITORY AND DISCLOSURES – The X-rays and Written Disclosure Statement with regard to each Horse shall be on file with the Sale Management and may be viewed by request made to the Sale Management. Sale Management will not review, and shall have no knowledge imputed to them or have any liability for, any X-rays (including any deposited in the repository) or any health, immunization, medication or other records for any Horse sold, the authenticity, sufficiency, quality, completeness and accuracy of the same, all of which shall be the sole responsibility of Consignor. All hard copy X-rays are the property of the Sale Management and must remain in the Sale office and may not be removed for any reason whatsoever. Disclosures and any written exam provided by Consignor shall likewise be available in the Sale office, are the property of the Sale Management, and may be reviewed upon request but not be removed from the office for any reason whatsoever. Digital X-rays and veterinary exam findings may also be e-mailed to a client's veterinarian upon request. The presence or use of the repository does not change any of these Terms and Conditions of Sale, which shall continue to be binding on all parties, nor does it create any express or implied warranties.

8. BIDDING PROCEDURE – The right to bid in this sale is reserved for all Consignors, including owners and their Agents, unless otherwise announced. All bidders must be at least eighteen (18) years of age and be prepared to present written proof of age and identity. All Buyers shall register with the Sale Management beginning two weeks prior to the Auction up until the Auction. Unless a reserve bid is specified by the Seller/Consignor, the Auctioneer, in his/her sole discretion, shall set the opening bid, as well as any required bidding increments. The person making the highest bid recognized by the Auctioneer shall be the Buyer, who shall forthwith identify his or her self to the Auctioneer as Buyer, and shall sign an Acknowledgement of Purchase and Security Agreement ("Acknowledgement of Purchase") when it is presented. In the event that a person other than the Buyer signs the Acknowledgement of Purchase, such action shall not give such person any right or title to the Horse; and immediately that such erroneous signing of the Acknowledgement of Purchase becomes known to Auctioneer, the Auctioneer shall cause the Acknowledgement of Purchase to be presented to the Buyer for signature. Should Acknowledgement of Purchase not be presented to the Buyer for the signature prior to commencement of bidding on the next lot offered, Buyer shall forthwith identify his/herself to the Auctioneer as Purchaser and sign the Acknowledgement of Purchase when presented. Right of purchase of Buyer is not impaired in the

case of signing of Acknowledgement of Purchase by another, provided that such Buyer acts in accordance with these Terms and Conditions of Sale. All Agents must notify the Sale Management with a letter of authorization signed by their client(s) prior to the start of the Auction. Absentee bids must have payment method approved prior to the start of the Auction. The Auctioneer may decline any bids made by parties who have defaulted on former purchases or persons who in his/her sole judgment are not responsible bidders, and the Auctioneer's decision shall be final.

9. BIDDING DISPUTES – Should any dispute arise between or among any two bidders, the Auctioneer shall forthwith adjudicate the dispute and the Auctioneer's decision shall be absolute, final and binding upon all parties. Bids received after the fall of the hammer are not valid nor are they grounds for dispute. Bids acknowledged by bid spotters employed by the undersigned are recognized as if tendered to the Auctioneer, but in case of dispute, the bidding on the Horse shall be reopened forthwith for advance bids, and if there be no advance bid, the Horse is sold to the person from whom the Auctioneer recognized the last bid. In case of dispute, advance bidding shall be restricted to the contending parties, but should the recognized bid be reduced below the bid at commencement of the dispute, then bidding shall be reopened to all bidders.

10. TITLE, RISK, DELIVERY – The Buyer, at the fall of the hammer, assumes risk of injury, loss and responsibility of the Horse. But, such taking shall not constitute delivery of the animal, nor shall title pass until payment is received by the Sale Management cashier. **Buyer must make payment in U.S. currency in cash or cashier's check within ONE (1) HOUR of the conclusion of the Auction**, at which time delivery will be made in the form of a "Stable Release" for the Horse, and title shall pass to the Buyer provided that the Buyer has made full payment for the Horse as provided in these Terms and Conditions of Sale. Sale Management strongly recommends that Buyers arrange immediate insurance protection for their animal. Horses paid for by cash or cashier's check may be removed from the grounds immediately after payment and receipt of a Stable Release Form. Otherwise, Horses must remain on the sales grounds until funds clear the bank. Buyers of Horses that remain on the sales grounds longer than twenty-four (24) hours after the Auction will be charged CNDC boarding rates ("Boarding Rates"), up to and including day of clearance of due funds, plus any additional costs incurred. "Additional Costs" is defined as, but not limited to, additional shavings, farrier or veterinarian services, medication and grooming. During the stay of the Horse, neither the authorized Consignor, nor Sale Management nor CNDC (including employees and agents) shall be liable for any accidents, theft, disease, or sickness death or injury, or damage to any Horse howsoever



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caused. The CNDC staff shall continue to look after Horses until loaded without any contractual relationship being entered into between Buyer and Sale Management or CNDC. All Horses must be removed from the grounds by the end of business hours (6:00pm) on the day immediately following the Auction. Horses not removed at this time will be charged Boarding Rates and Additional Costs as stated above for each and every day past this deadline, up to and including the day of removal.

11. TERMS OF PAYMENT – Full payment for the total purchase price must include the related commissions as described in CONDITION 12 as well as the sales tax as described in CONDITION 16. An eight percent (8%) Buyer's premium will be charged by SHO for each Horse sold at this Auction or by Pre-Auction sale. Payment must be made in U.S. currency. Buyer shall pay with cash or cashier's check delivered to the Sale Management cashier. Buyer may alternatively use a credit card to make payment. Make all checks payable to Sporthorse Online, LLC. Payments by wire transfer to an account designated by Sale Management may be arranged. Purchasers shall make payment or payment arrangements within ONE (1) HOUR of the conclusion of the Auction for the full purchase price, such payment to be accepted providing arrangements have been made with the Sale Management prior to bidding and written approval is granted. Title to such Horses purchased with personal check shall not pass to Buyer, and such Horses must remain on the grounds, until the funds have cleared the bank. Boarding Rates will be charged as stated in CONDITION 10 above beginning the day immediately following the Auction at 6:00pm. Registration papers will likewise be held and title shall not pass until funds clear the bank. Buyer may not stop payment on a check given in payment for a Horse or in payment for Boarding Rates or Additional Costs charged for any reason. SHO reserves the right to ask for immediate payment for any purchase made at this Auction. Any Buyer who fails to make immediate payment when requested shall forfeit all right to acquire ownership of that particular purchase and, further, shall relinquish all rights to further bidding at this Auction. Any Horse that is not paid for when requested by the Sale Management may be reentered into the Auction for sale. SHO requires notification of the identity of the intended Buyer. Additionally SHO reserves the right to deny a sale to any Buyer who is deemed to be unfit.

12. COMMISSIONS – Buyers and Sellers brought together by the Auction shall both be subject to related commissions. Buyer's premium is eight percent (8%) above the hammer price or Pre-Auction Sale price, and is payable along with purchase of the Horse as set forth in CONDITION 11 above. Seller must also pay an eight percent (8%) commission to SHO.

13. DEFAULT – Any Buyer who fails to comply in any respect with CONDITIONS 10, 11, and 12 above, will be declared in default. SHO reserves the right to sell that purchase on the Buyer's account without prior notice and reserves the right to litigate with the Buyer for any deficit, including, but not limited to, purchase price, commissions, veterinary bills, and any and all legal expense involved. Buyer agrees that all amounts owed to SHO, if not paid within fifteen (15) days of the Auction, shall bear a finance charge of one and one-half percent (1½%) per month, or the maximum legal rate, whichever is higher, commencing from the date of the Auction. Additionally, Buyers in default status shall be held accountable for unpaid amounts plus twenty percent (20%) of the hammer price and any expenses incurred, beginning on the date of the purchase.

14. LEGAL ACTION AND VENUE – I agree that any and all disputes, claims or controversies arising out of or relating to this Sale shall be submitted to JAMS Sacramento, or its successor, for confidential mediation, and if the matter is not resolved through mediation, then the right to litigate shall be preserved. If legal action is brought regarding a claim, it must be brought in the Superior Court of the State of California, County of Solano, and the prevailing party shall be awarded reasonable attorney's fees and costs.

15. PUBLIC LIABILITY – Neither the Consignor nor Sale Management nor CNDC (including employees, and agents) assume any responsibility for theft, fire, injury, death or damage to person or animal of any kind, howsoever caused. Ride and examine Horses at your own risk. The public is cautioned to be extremely careful while on the grounds, examining Horses, and particularly while Horses are being ridden. Do not enter stalls under any condition. During the exhibition and the Sale absolutely no purchaser or spectator is to be in the barns or the aisles of the arena under any circumstances. Persons wishing to ride or inspect a Sale Horse must first register at the Sale office located in the main barn and be accompanied by a Sale representative. A release form must be signed and, if riding, I understand and agree that no person will be allowed to mount any Horse or pony owned by SHO or located on the property where SHO holds its Auction or located on SHO partner property where Horses may be trained and/or stabled without wearing an ASTM-standard and SEI certified helmet. There are no exceptions to this. Absolutely no smoking in any barns. SHO reserves the right to take whatever action is required to protect the health and welfare of any Horse at the expense of the owner in an emergency.



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16. SALES AND USE TAX – Applicable sales tax rate for the state of California will be added to all purchases unless: (1) Buyer presents a valid Resale Certificate and intends to resell the Horse; or (2) Buyer has signed and delivered a Pre-Sale Interstate Delivery Agreement with SHO prior to purchase and has fully complied with these Terms and Conditions. Should any sales or use tax, penalty or interest be imposed on any purchase for any reason (including subsequently by any taxing authority), Buyer will be solely responsible for and shall promptly pay such amount to the appropriate taxing authority and will defend, indemnify, and hold SHO harmless.

17. PRIVACY NOTICE – Notice is hereby given to all participants and attendees of the Auction that SHO may record any and all portions of the Auction and related events by video, audio, photograph or other means, which may be used by SHO in its sole discretion. By participating and/or attending the Auction, you are hereby providing permission for your and/or your Horse's name, likeness, or identity to be used for advertising and promotional purposes of the Auction without compensation.

18. ENTIRE AGREEMENT – These Terms and Conditions of Sale, the Acknowledgement of Purchase and Security Agreement, any announcement from the Auction stand authorized by these Terms and Conditions, and any other official Auction publications from SHO shall constitute the entire agreement of Consignor, Buyer, and Sale Management, bidders, and all other interested parties with respect to the Auction and shall supersede all prior or

concurrent agreements, understandings, warranties, representations and negotiations concerning the Auction, except, as between SHO and Consignor, the Consignment Contract shall remain in full force and effect. The Sale Management shall not be bound by any oral or written agreement or alleged agreement varying from these Terms and Conditions of Sale between the Buyer and the Consignor unless agreed to in writing and signed by the Sale Management. Any controversy or claim between the Buyer and the Consignor arising under any such agreement shall be a matter for their resolution by settlement, litigation, mediation or otherwise as they determine.

19. SEVERABILITY – If any provision of these Terms and Conditions of Sale is declared illegal or unenforceable by any court of competent jurisdiction and cannot be modified to be enforceable, such term or provision shall immediately become null and void, leaving the remainder of this Agreement in full force and effect.

20. LIMITATION OF ACTIONS – Any cause of action arising out of or relating to this sale, or any Horse interest therein, whether based in contract, tort, or equity shall be commenced not more than **ONE (1) YEAR** after the date of this sale, regardless of when the facts giving rise to the claim are discovered, or shall be forever barred; PROVIDED, HOWEVER, this limitation of action shall not apply to any action against the Buyer for recovery of any payment, commission, including interest and expenses provided hereunder, or including repossession of any Horse purchased at this sale, or under any Consignment Contract.