

CONDITIONS OF MONTHLY ARABIAN HORSE AUCTIONS/TENDERS
in MICHAŁÓW STUD

I. General provisions

1. The Conditions set forth the method and procedure of organizing and conducting monthly auctions/tenders.
2. The organizer of auctions/tenders is Stadnina Koni Michałów spółka z o.o. , 28-411 Michałów , NIP 662-10-00-301, hereinafter referred to as the Organizer or Stud.
3. Monthly auctions/tenders will be organized in Michałów Stud on the first Saturday of the month or at another time announced on the Stud's website with at least a week's notice.
A lack of information about an auction/tender will mean that such will not be held in the given month.
4. Bidding in the auction is available on equal terms without any restrictions to natural persons, legal persons or other entities possessing legal capacity.
5. The Stud is both an entity selling its own horses, as well as the Organizer of the auction/tender.
6. The Organizer reserves the right to withdraw any horse from the auction/tender before or during the bidding without giving a reason.

II. Conditions of the auction/tender

1. Sale horses featured on the auction/tender list can be inspected on the day of the auction/tender from 9:00 to 11:30.
2. The bidding of the horses at monthly auctions/tenders will begin at 12:00 (noon).
3. In order to participate in the bidding one must pay a deposit of 500 EUR or 2000 PLN (say: five hundred EURO or two thousand PLN) in the sale office no later than half an hour before the start of the bidding or onto the Stud's account:
ING O/Pińczów PL 34 1050 1429 1000 0022 0633 1288 PLN
ING PL 20 1050 1416 1000 0023 3025 9546 EUR
SWIFT : INGBPLPW
in such a way that the deposit shall be recorded at the stud's bank account no later than one day prior to the auction/tender.
4. The payment of the deposit allows to participate in the bidding of each horse. By paying the deposit the buyer accepts the conditions of the monthly auction/tender and commits to comply with them.
5. The paid deposit is treated as an integral part of the contract price for one horse. The deposit shall be returned immediately after the auction/tender if the purchase is not effective.

III. Bidding and the sale of the horses

1. The auction/tender will be held in the form of a public auction.
2. The bidding will be conducted by the President or a person authorized by him, in the usual way practiced at horse auctions and over the phone.

3. The bidding will be conducted in EURO. The minimum bid increment is 100.00 (say: one hundred EURO).
4. Terms of bidding over the phone:
 - a. Clients who want to bid over the phone should send their instructions (order) the latest one day before the auction.
 - b. The staff of Michałów Stud will connect with the client before the bidding of the selected horses.
 - c. Michałów Stud will not be responsible for the inability of a client to take part in the phone bidding in case of problems with connecting to the phone number given by the client.
 - d. Michałów Stud reserves the right to register and archive phone conversations with the client mentioned above.
5. Each horse has a reserve price, which is the minimum price for which the horse can be sold, set by the Owner. The reserve price will not be made public before, during or after the auction. Each horse will be sold to the Buyer for its highest bid price, no lower than the reserve price, unless stated otherwise.
6. The bid purchase prices are net prices, which will be increased by the applicable VAT rate (8%). The VAT amount will be reimbursed to those clients who:
 - a. possess a European Union VAT registration number and will confirm the intra-community delivery of the collected horses,
 - b. will present export documents confirming the export of the purchased horses out of the territory of the European Union under the condition that the shipment of the horse will take place within 2 months, counting from the end of the month in which the payment for the sold horse was made.
7. The sale contract is concluded by the "fall of the hammer".
8. The auctioneer reserves the right to refrain from accepting any bid, as well as to make any bidding null and void without giving a reason.
9. In case a dispute arises between two or more bidders the horse in dispute will be put up for bidding again starting from the highest price from before the dispute or the dispute will be settled by the auctioneer.
10. The Buyer of each horse is obliged to:
 - 1) state the exact personal data and present an identification document or documents confirming the legal status of his/her business,
 - 2) sign the sale contract form presented by Michałów Stud (Stadnina Koni Michałów sp. z o.o.) immediately after the "fall of the hammer",
 - 3) pay the total contract value, deducting the deposit amount treated as an advance on the purchase of the horse, by wire transfer to the account of Michałów Stud (SK Michałów sp. z o.o.) referred to in item II.3 **within 10 days counting from the date of the auction/tender** (domestic and European Union buyers) or within seven days counting from the date of obtaining the results of veterinary tests allowing the shipment of the horse abroad (buyers from outside the European Union only).

- 4) collect the horse purchased at the auction/tender at his own expense on the date and at the place specified by the Organizer.
11. If the Buyer fails to fulfil any of the conditions specified in item 10:
 - 1) he loses the deposit without the possibility of its return or any negotiation,
 - 2) he loses the right to the horse as though he would resign from the purchase,
 - 3) each horse and the offspring foaled after the auction out of a mare described as "in foal" but not collected or not paid on time can be sold once again. In any case the sale may take place immediately or at a later time during a public auction or direct sale.
 12. The title of ownership concerning the purchased horses or the offspring foaled after the auction out of mares described as "in foal" will not be transferred onto the Buyer unless he pays the full purchase price of the horse together with other due amounts associated with these hereby conditions or other dues owed to Michałów Stud.
 13. The risk associated with the purchased horses together with their offspring foaled after the auction is transferred onto the Buyer with the "fall of the hammer" during the auction.
 14. Collecting a purchased horse from the place of the auction is possible only in case of immediate payment of the total purchase price by wire transfer to the bank account of Michałów Stud (SK Michałów sp. z o.o.) or by cash at the stud's cashier office.
 15. After the auction/tender the sold horses will be stabled at the risk of the Buyer and at the expense of the Stud up to 14 days after the auction. After this time the Buyer will cover the cost of stabling the horse at a price of 30.00 PLN (say: thirty PLN) per day. Other solutions regarding transport or stabling the horses after the time specified in these hereby conditions will be regulated by individual agreements between the Buyer and Organizer.

IV. Recommendations for the Buyers

1. It is recommended that each Buyer carefully inspects the horses before the purchase. Each horse is sold "as is" and there is no guarantee under any condition of the sale that a particular horse meets the specific requirements regarding quality or is suitable for training, reproduction or other planned objectives.
2. All horses are sold on the conditions specified by Michałów Stud in these hereby conditions. All statements and corrections concerning the data in the catalogue announced during the auction are in force and due to that all the Buyers are obliged to be present at the beginning of the bidding of a particular horse to learn all announcements concerning this horse.

V. Descriptions, health, returns and disputes

1. Each horse offered at the auction has a confirmed pedigree, a passport and up-to-date vaccinations against influenza.

2. Each horse offered at the auction has had a general health check - at the request of the Buyer the veterinary officer will issue an appropriate statement.
3. Each mare described as "in foal" has a breeding certificate and a veterinary officer statement in written form confirming the pregnancy with the date of the examination. The certificate along with its copy is available for viewing in the sale office.
4. Each male horse incorrectly described as a "stallion" in the case of a unilateral or bilateral crypt-orchid is returnable, unless this has been indicated in the description of the horse.

VI. Final provisions

1. These hereby Conditions are public and will be available in the Organizer's office and on the website: www.stadninamichalow.pl.
2. The Organizer reserves the right to make changes in these hereby Conditions not affecting the basic rules of the monthly auction/tender.
3. All persons present at the auction grounds during the auction and events related to the auction are doing so at their own risk. The organizer of the auction will not be held responsible for any damage to health or property suffered by these persons during the auction or events related to the auction.
4. Any disputes that should arise concerning the monthly auction/tender and application of these hereby Conditions will be settled by a court having jurisdiction over the registered seat of the Organizer.