

Rules for the on line auction of October 28th 2015

Prospective purchasers' attention is drawn to the following pages and you are requested and advised to read them carefully and in full prior to purchase.

Conditions of Sale

These are the rules of the sale and set out the legal basis on which our on-line auction sale will be conducted.

ITS is charged by the Vendor to sell horses at on line Sale, which is held subject to the Conditions of Sale and the Special Rules for the Purchaser set out below.

Anyone intending to take part in the Sale as Vendor, Bidder or Purchaser and Agent is required to read and conform to these Conditions.

GENERAL CONDITIONS

1- DEFINITIONS

Terms that are listed with capital letter have the following meanings also if pluralized.

ITS means I.T.S. Italian Thoroughbred and Trotting Sales s.r.l. Vat Number 06488291003, company that organizes Horses Sales.

Vendors are Allevamento della Serenissima SS, Scuderia Wise H, Scuderia Mary For Ever, Allevamento Garigliano, Sinistri Pietro, Morozzi Alfredo, Azienda Agricola Loretta Fabbri, Pimpicks Srl, Allevamento Il Grifone Srl , Scuderia Sant'Andrea and Roberto Branchini & Elena Vaccari, owners of the mares which is entered for the on line auction.

Bidder means the person who participates to the on line Sale offering a Sale price for purchasing a mare.

On line Auction is the sale arranged by ITS srl on www.its-aste.com

2- CATALOGUE

Information on genealogy of yearlings entered for the Sale is given in the official catalogue.

ITS declines all responsibilities for any incorrect information contained in the Catalogue, being understood that ITS has done its utmost to ensure that the information contained is correct.

The Vendor must inform ITS in writing at least two hours prior to the Sale of any catalogue errors or omissions and also of any important information to come to light after the print of the catalogue so that these can be reported by the Auctioneer to those taking part to the Sale. These reports shall take priority over the information incorrectly given in the catalogue.

The Vendor who fails to give this information is directly responsible for any relative consequences to the purchaser. The Vendor in addition to accepting the present Conditions, guaranties and releases ITS against any claim from the Purchaser or third parties who, in any case, hereby agree not to take action against ITS. ITS is entitled to decide the order in which the horses are listed in the catalogue.

3- CERTIFICATES AND HEALTH

Mares entered for the On line Sale have to be accompanied by the following documents:

Passport issued by UNIRE

Health Certificate from the ASL Veterinary

Certification of anti-influenza vaccinations indicated in the passport according to the rules of Unire

Tag of the product administered, with date of administration, reason and place of vaccination, Stamp and Signature of the Veterinarian.

The Vendor must ensure that the mares are sold at the on line auction without redhibitory defects pursuant to the Commercial Uses of the Province of Rome.

Since the offer of a Sale Price from a potential Purchaser it follows that he acknowledges the before said information and the horse as he found it in good health.

All the mares entered for the on-line sale are sold under the conditions in which they are found "viewed and liked".

4- PARTICIPATION

Who wants to attend the Sale as a Bidder first have to register to the ITS office. Participants acting on behalf of a third party, when registering, must show a written delegation to be approved by ITS: of his obligations in quality of an agent, he is responsible as well as the mandator and will be held responsible of the payment of the Sale price if the mandator does not to adhere to his responsibilities.

ITS reserves the right to turn down either registration of unwelcome people, refuse any offer from people who have not previously shown any financial credit, or if ITS/ Vendors's debtor.

Either bid acceptance or no acceptance, will be released from ITS to the bidder within 2 hours from receipt, or within next day 12.00 a.m. if received after office hours (mon-fry 9.00- 18.00) .

In case of bid acceptance, Bidder will receive a confidential ID (which will identify him even in every further offer) and password, useful for log in and bid.

5- SALE PROCEDURE

Please note bidding amount as follows :

-BROODMARES: **Minimum bid €300,00** (three hundred//00);
Minimum bidding unit €100,00 (one hundred//00).

Offer should be made through our website, once registered and logged-in.

The sale starts at 1 p.m. on October 28th

Next to the on line catalogue list, there will be a column for the highest bid for each mares.

Bidders will be identify with a alphanumeric code provided by ITS, once their bid will be accepted.

ITS also provide a **classified** password suitable for any further bid.

The purchaser will pay to ITS a net fee of **6% + VAT** of the last sale horse's price.

The purchaser is the one who bided the highest price when the auction of that mare will be closed.

NEW RULES TO BID THE HORSES

- 1) **From 09.00 a.m. on October 27th to 12.59 a.m. on October 28th bidders will have the possibility to make an offer on all the horses entered at the on line auction.**
- 2) **From 1 p.m. on October 28th bidders will have 80 more seconds for making new offers only for lot. N. 1. At the end of 120 seconds the bidders will have other 15 seconds to make his counter offer and so on, until the end of the 15 seconds from the last bid. At this point the on line auction for that lot will be definitely close**
- 3) **At the ends of Lot. 1 , the auction on line for lot. 2 will start, the bidders will have 80 seconds to make offers, at the end of 80 seconds the bidders will have other 15 seconds to make other offers and so on until the end of the 20 seconds from the last bid. At this point the on line auction for that lot will be definitely close and so on for the other lots entered.**

In order to fix bid offer receipt, **will be valid time as shown on the web site offering page.**

Nomination not to be paid for the mares : ARMBRO COCOA, ETOILE ROB, PSICHE MB, ECHALOTE, GASPING FERM, GEORGIA GRIF, IBICE GRIF, BETULLA SOL, CILIEGIA CAF, PRISCILLA GRIF , LOVELYTOBEHOLD

6 – PAYMENT

Contractor is the one who bided the highest price in the moment the on line auction will be closed.

The sale is considered complete as mares and sale's commission will be paid in full, within November 3rd , according to art. 7.

Mare's payment, plus IVA if required should be paid entirely directly to ITS SRL, which they will provide invoices.

Commission sale, plus IVA if required must be paid to ITS SRL which they will provide invoices.

Vendors provides care for mares until November 6th 2015. After that date, He will not guarantee for any further kind of cares (neither delivery or covering support).

In case of missed payment, ITS will avoid the sale and the horses at issue will be considered vendors propriety in turn.

7 – SALES RIGHTS

The purchaser will pay to ITS a net fee of **6% + VAT** of the knockdown price of the mare, undertaking to make this payment along with the purchase price and agreeing, together with the vendor, to give priority to this payment.

Sale's commission payment, (plus IVA if required) should be paid to ITS SRL which they will provide invoices.

8 – OWNERSHIP TRANSFER

All documents of the horses will be given by the Vendor to the Purchaser at delivery after the payment of the Sale price plus rights. The ownership transfer will be made only after the payment of the Sale price plus rights. Purchaser is responsible for Ownership transfer expenses.

9 – GUARANTEES, RISKS, LIABILITY

ITS declines any liability regarding the sale of the horses: Vendor and Purchaser will be responsible for the guarantees relative to the mares and for payment, being understood what stated in article 5.

In any case ITS is entitled by the Vendor to act against the Purchaser to get payment.

All risks related to horses accidents and damage, including fire-related, that may happen to them and possible risks to third parties would be borne by the Vendor until delivery, and, in any case, no more later than November 6th 2015. From that time on, all risks would be borne by the purchaser. **ITS declining any risk and all liability.**

ITS remains alien to all disputes that may arise for any reason between the Purchaser and the Vendor and between these two parties and third parties.

10 – CUSTODY AND CARE

The Vendor hereby acknowledges and agrees that the mares will remain under his exclusive custody and care up until delivery and, in any case, no more later than November 6th 2015.

11 - DEFECTS AND DISPUTES

If the redhibitory defects contemplated by existing legislation are not detected prior to the Sale, the purchaser must send, within the deadline set forth in the Commercial Uses of the province, a letter by certified mail with acknowledgment of receipt directly to the vendor with medical-veterinary certification stating the defect and a possible request for a double check, also informing ITS thereof in order to seek the freezing of payment, keeping the relative sum in a non-interest-bearing deposit that will be liquidated upon agreed indication from the purchaser and the vendor or after other measures have been adopted to resolve the dispute.

The defect must be highlighted within 24 hours from the sale and anyhow before the horse is removed by the sale's area, with the mandatory obligation to communicate it to ITS, thus empowering ITS to be present during the examination with a chosen veterinarian. In case of contrast both parties agree to proceed, as previously mentioned, with the sharing of veterinary expenses together with those expenses the organizational body had to incur.

In the case of prolonged disputes, the parties must subject themselves to judicial arbitration of an "Arbitration College" comprised of three members, of which one to be nominated by ITS, one by the Vendor, and one by the Purchaser. The said Arbitrage will be adhered to by article *808 ter c.p.c.*, and will take place in Rome. Expenses incurred to settle the dispute must be met by the losing party.

If the losing party is the Vendor and therefore the Sale is cancelled and the yearling is to be returned, the vendor is required to meet all expenses incurred by the purchaser from the time of the accepted bid.

ITS is not required to have knowledge of and/or vouch for redhibitory defects of products; the checking of any defect after the sale of the yearling must have no bearing on the right of the foregoing company to receive its relative fee.

12 – PRIVATE SALE

Any sale concluded between a vendor and a Purchaser within 30 days following the date of the Sale (from October 27th 2015) at which a Lot was unsold or brought in, is subject to the Conditions of Sale. Both Vendor and Purchaser will have to pay to ITS the sale's expenses on the sale's price declared. To both parties the sale's expenses will be applied as above.

13 – COURT HAVING JURISDICTION

The court of Rome shall have jurisdiction for any disputes between ITS, the Vendor and the Purchaser, being understood that which is stated in point 11 regarding relationship between vendor and purchaser.

14 – SPECIAL RULES FOR PURCHASERS

- a) Persons not usually operating in the sector or foreign buyers must be introduced by a known person that will vouch for them filling out bid form.
- b) Payment of the amount due shall be effected in cash up to €999,99 or by bank cheque or bank transfer.

c) non-payment within the terms allowed by the present Rules shall be causes for non-fulfilment. In this case the vendor could avoid selling.