

HOW THE LIVE ONLINE AUCTION WORKS

ADDIS LIVE ONLINE is the first in the equine industry to utilize this way of selling your horse. Your horse remains at your farm until it is "SOLD". We list the horses online for 3-4 weeks and send out weekly email blast to our over 30,000 subscribers. Four days before the auction goes LIVE we will send out daily email blast reminders. We have found that Tuesday evenings at 8:00 pm CST works best as most people are home from horse shows, vacations, etc. At that time our staff goes to work for you. Our partner, DV Auction, has us set up with an online auction system where the buyer is able to watch the video of the horse being auctioned off and hear the auctioneer in real time. The buyer watches the video and clicks their mouse to bid. When someone bids it appears on our monitor telling us who that bidder is and their location. When the horse reaches its final bid it is either sold to the highest bidder or, if it has not reached its reserve, it is declared "Reserve Not Achieved". All proceeds are deposited into a non-interest bearing auction trust account and are distributed to sellers within 20 business days.

In order to bid at the auction you must register and apply to bid at www.AddisEquineLive.com. Someone will then contact you by email or phone to obtain credit card information and will then approve you for bidding.

We can customize an auction for you with as little as 10 horses or you can participate in one of our upcoming auctions. We prefer to limit each evening's live auction to a maximum 30 head so the auctions are contained to approximately 90 minutes.

What does it cost?

1. Consignment fee is only \$175.00 per horse
2. Commission is 15% of sale price.
3. There is a no sale fee of \$50.00 or 2% (whichever is higher) of the reserve price as established by the seller. If horse does not receive an opening bid, a no sale fee will not be charged.
4. Once a horse appears on the website it must go through the auction. If it is sold before the live auction a full commission of 15% will be charged on the sale price.
5. If videos are not submitted according to the specifications below, we will charge a \$75.00 editing fee.

How do I consign?

1. Fill out the simple consignment form.
2. Provide us with a good video of your horse. Along with a standard video of your horse trotting through the pasture we also need a video of your horse walking toward the camera, away from the camera, and close up shots of the horse's front

legs and feet, hind legs and feet, and a close head shot. Please provide the video according to the following specifications:

Video length - 1-2 minutes, Video Format - quicktime movie (.mov - best, .mp4), .avi, .wma

Size (this is **critical**) – 720 x 480

NO AUDIO, NO 'EMAIL SIZE' VIDEO

If you need someone to do professional videos of your horses we recommend Bill Melendez. He will video your horses for \$75.00 per horse plus travel expenses and provide you with a great quality edited video.

3. Send a good photograph. It is true that "a picture is worth a thousand words" unless it is a lousy picture. Professional photos are best.
4. Original Registration papers must be signed but not dated and sent with your consignment forms. Registration papers are kept in a fire proof safe until the horse is sold. We send the papers to the buyers within 20 business days of sale by Certified Mail.

If the horse does not sell, we send the papers back to you by certified mail.



C. JARVIS INSURANCE AGENCY INC.
- PROVIDING EQUINE, LIABILITY, RANCH AND FARM INSURANCE SINCE 1944

Immediate full mortality insurance coverage is effective upon fall of the hammer, for the total purchase price. The insurance arranged by the sale management (addis equine auctions) with C. Jarvis Insurance Agency Inc, of Solon, OH will remain in effect until the purchaser signs the contract or until midnight of the first business day after the sale, whichever occurs first by which time it is the obligation of the new owner to arrange permanent coverage if desired.

ADDIS ONLINE LIVE AUCTIONS

CONSIGNMENT FORM

NAME OF HORSE: _____ REG.#: _____

SIRE: _____ DAM: _____ SIRE OF DAM: _____

SEX: _____ COLOR: _____ DATE OF BIRTH: _____ BREED: _____

BRED TO: _____ WITH BREEDING TO: _____

SWEEPSTAKES NOMINATED: YES NO HEIGHT: _____

CRIBBER: YES NO WEAVER: YES NO STANDS WELL FOR CLIPPING: YES NO

STANDS WELL FOR FARRIER: YES NO GOOD STALL MANNERS: YES NO

LOADS WELL IN TRAILER: YES NO TRAILERS WELL: YES NO

NEEDS MORE THAN ONE SPOT IN TRAILER: YES NO

ANY VICES? Please Describe Below

CONSIGNOR: _____

FARM NAME: _____

ADDRESS: _____

CITY: _____ STATE _____ ZIP _____

PHONE: _____ E-MAIL: _____

OWNERS STATEMENT *(description of horse that would be of interest to prospective buyers)*

ADDIS LIVE ONLINE AUCTION

TERMS AND CONDITIONS

A. SALE CONSIGNMENT AND COMMISSION FEE: The consignment fee of \$175.00 per horse will be due and payable with the completion of this agreement and acceptance of the horse for Addis Live Online Auction. *Commission is 15% of sale price* and will be charged against the final hammer price and will be withheld from the sale proceeds on all lots. **There is a no sale fee of \$50.00 or 2% of the reserve established by the seller (if horse does not receive an opening bid, a no sale fee will not be charged). Any horse that is listed on the site and that sells prior to the live online auction will be subject to the 15% commission.**

B. RESERVE BIDS: It is the consignor's responsibility to notify the auctioneer of any reserve bids he wishes to place on any lot. The auction management accepts no responsibility if the consignor fails to notify the auctioneer of the reserve bids, or if a mistake is inadvertently made in selling the horse. **ALL RESERVES IN THIS SESSION WILL BE HANDLED BY THE AUCTIONEER ONLY. ANY CONSIGNOR USING THEIR OWN REPRESENTATIVE TO ADVANCE THE BIDDING PROCESS WILL BE CHARGED THE FULL 15% COMMISSION OF THE FINAL BID AND WILL BE BANNED FROM FUTURE CONSIGNMENTS TO ADDIS EQUINE AUCTIONS FOR 12 MONTHS. YOUR INITIALS HERE INDICATE YOU HAVE READ AND UNDERSTAND THE ABOVE. _____**

C. DUTIES OF THE AUCTION COMPANY: The Auction Company will use all commercially reasonable efforts to maximize the sale price of every horse consigned to the Addis Equine Live Online Auctions. The Auction Company does not guarantee price or even an opening bid on the horse.

D. ORIGINAL CERTIFICATE: The original registration certificate, **endorsed** for transfer, MUST accompany this agreement.

E. TRAINING AND CONDITIONING: All consigned horses must be in proper show condition.

F. LAW: This agreement shall be interpreted and construed pursuant to the law in the state and county of the Addis Equine Live Online Auction and, in the event of any dispute, jurisdiction and venue shall be in that state and county.

G. RISK OF LOSS: Risk of harm to a horse or loss of horse shall lie with the consignor until the horse is sold, thereafter, such risk shall lie with the buyer.

H. RESPONSIBILITY: The Auction Company, its agents, employees or assigns, shall not be liable to consignor, or to consignor's successors in interest, in any action whatsoever. The Auction Company shall not be liable for any action whatsoever on the part of the consignor or the purchaser. The Auction Company is not liable in the event of accident or injury to animals, persons, or property.

I. INDEMNITY: Consignor shall defend the Auction Company in any action and shall indemnify the auction company for any liability howsoever such action or liability may arise, including, but not limited to, negligence or strict liability of the auction company.

J. AGENT FOR REPRESENTATION: Consignor or consignor's agents shall be available to represent the horse's training, show history, known defects, tricks, vices, unsoundness, or other faults.

K. WITHDRAWAL OF CONSIGNMENT: Consignor will not withdraw consigned horse from the sale except with the expressed written consent of the auction management. Consignor shall be liable for all consignment fees, commissions, training, and any other expenses incurred. The Auction Company may withdraw consignments from the sale without liability to anyone.

L. WARRANTY OF TITLE AND POSSESSION: Consignor warrants that upon horse's sale he shall deliver title and possession free and clear of any liabilities whatsoever.

M. WARRANTY OF HORSE'S HEALTH: Consignor warrants all representations of health made by him or his agents.

N. WARRANTY OF PEDIGREE: Consignor warrants horse's pedigree to be correct as represented.

O. WARRANTY OF REGISTRATION: Consignor warrants horse's registration as represented. HORSES THAT DO NOT MATCH THEIR REGISTRATION CERTIFICATE EXACTLY WILL NOT BE SOLD AND THEIR CONSIGNMENT FEE WILL BE FORFEITED.

P. WARRANTY OF SOUNDNESS: The consignor warrants the horse to be sold as sound subject to any qualifications stated at the time of sale. Other than the aforementioned warranties, consignor makes no other warranties and the horse is sold "as is". The Auction Company makes no warranty whatsoever, including, but not limited, to soundness or merchantable value of any horse.

Q. VETERINARY EXAM: Insurance exams as requested by potential bidders/buyers may be performed at the bidder's/buyer's expense by licensed veterinarians by appointment prior to date of sale. **EACH HORSE MUST HAVE AN INDIVIDUAL NEGATIVE COGGINS dated within the last year. ANY MARE IN FOAL MUST HAVE A HEALTH CERTIFICATE STATING PREGNANCY STATUS WITHIN 10 DAYS OF THE SALE.**

R. NO WARRANTY OF PAYMENT: The Auction Company does not warrant buyer's payment. The Auction Company does not investigate the financial or credit reputation of buyers. No assurance is given that the buyer's payment obligation, if other than cash, will be fulfilled, or that checks will be honored when presented for collection. But in the case where a horse is not paid for fully in cash and/or check, the consignor agrees to receive it back as unsold, without attaching any liability to the Auction Company. This condition includes in its obligation the stoppage of payment of check or draft, or any action of that nature which includes cases where a horse has been removed from the premises by the purchaser and payment of check is stopped or is returned marked insufficient funds, or no account, and the like.

S. BUYER'S PAYMENT: Buyer shall pay for the horse on the day of the sale and shall pay the sale price by cash, check, cashier's check, traveler's check, Visa, MasterCard or other approved monetary instrument.

T. DELIVERY TO BUYER: No horse shall be delivered to the buyer until the buyer has made payment on the day of the sale. The safekeeping of registration certificates, payment of funds to seller and transfer of certificates to buyers shall be entrusted to the Auction Company.

U. DISPUTES: In all disputed cases, the Auction Company will have the sole right to appoint an expert who shall decide the point at issue, and his/her decision shall be binding on both buyer and seller. The buyer or seller, whoever is decided to be in the wrong, shall pay the expert's fee. The party at fault will be responsible for transportation, stabling and incidental expenses until dispute is settled.

V. SETTLEMENT WITH CONSIGNOR: The Auction Company will not settle with consignor earlier than the 20th banking day after the horse is sold or the buyer's check has cleared the bank, whichever is later.

W. WARRANTY OF CATALOG INFORMATION: Consignor agrees to be the sole guarantor of the accuracy of all sale catalog information regarding the horse herein consigned, and for the accuracy of any announcement regarding such horse at time of sale. Consignor agrees to review such information prior to the sale and to report to the auction company and/or auctioneer prior to sale any inaccuracies or omissions which may be material and further agrees to hold the auction company harmless from any claims arising out of any such inaccuracies or omissions.

X. PRIVATE SALES: All sales of horses listed on the Addis Live Online site will go through the Addis Live Online sale office.

I HAVE READ AND UNDERSTAND THE TERMS AND CONDITIONS OF THE SALE.

CONSIGNOR SIGNATURE

DATE

MAKE ALL CHECKS PAYABLE TO: *Equine Marketing Services*

PLEASE MAIL CONSIGNMENT FORMS, CHECKS, SIGNED REGISTRATION PAPERS
AND OTHER DOCUMENTS TO:

TERRY ADDIS
ADDIS EQUINE AUCTIONS
1820 CINNAMON RIDGE ROAD
EDMOND, OKLAHOMA 73025
PHONE (405) 330-5464, FAX(405) 513-8480

**Checklist of items needed for
consignment to
Addis Equine Live Online
Auctions**

1. Signed and completed consignment form for each horse
2. Signed check for your consignments - **Make checks payable to Equine Marketing Services** (We will also accept Visa/MC/Am Exp/Discover)
3. Original, **signed** registration papers (if papers have two or more names on them with 'and' between them, all owners must sign)
4. Sweepstakes certificates (if applicable) or a letter from AHA verifying horses's enrollment in the Sweepstakes program
5. Training and show history with regional and national eligibility
6. Current vaccination records
7. Owner's statement - highlight the horse's finer points (This statement will be included on the website and is **very important!**) Statement is to be limited to 100 words or less.
8. A **professionally** taken photograph and professionally recorded video. Please provide the video according to the following specifications: (There will be an additional charge for any video we have to edit)
Video length - 1-2 minutes, Video Format - quicktime movie (.mov - best, .mp4), .avi, .wma
Size (this is **critical**) – **720 x 480**
NO AUDIO, NO 'EMAIL SIZE' VIDEO
9. Upon sale of the horse, you need to have available for the buyer a current coggins and current health certificate.

Return all items to: Terry Addis
1820 Cinnamon Ridge Road
Edmond, Oklahoma 73025
(405) 330-5464
(405) 513-8480 fax
info@addisequineauctions.com
www.addisequinelive.com