

Sale Conditions

FIRST - GOVERNING LAW; Heritage Place, Inc. is an Oklahoma Corporation operating as an independent contractor regularly engaged in the business of conducting consignment sales and holds no ownership interest in any of the animals. All horses in this sale are offered according to the laws of the State of Oklahoma and all transactions between the buyer, consignor and Heritage Place, Inc., will be governed by the laws of the State of Oklahoma. **EXCEPT AS EXPRESSLY PROVIDED IN CONDITION SEVEN, EACH HORSE OFFERED IN THIS SALE IS SOLD AS IS AND WITH ALL DEFECTS.** The right to bid, as provided under law, is reserved by all consignors. Heritage Place, Inc. reserves the right to reject any and all bids.

SECOND - BIDDING PROCEDURE; Unless waived by announcement, there shall be an upset price of \$1,000 on any animal entering the sales ring. If an opening bid in the amount of the upset price is not immediately forthcoming to the auctioneer's call, the animal shall be passed out as unsold. The highest bidder shall be the buyer. The right to bid is reserved by all consignors. Successful bidder shall forthwith sign the Acknowledgment of Purchase; should the Acknowledgment of Purchase not be presented to him for signature prior to commencement of bidding on the next lot offered, he shall forthwith identify himself to auctioneer as purchaser, and sign the Acknowledgment of Purchase when presented. Right of purchase of successful bidder is not impaired in case of signing of the Acknowledgment of Purchase by another, provided that such bidder acts in accordance with THIS CONDITION OF SALE and CONDITION OF SALE THIRD below.

THIRD - ONLINE AND PHONE BIDDING; As a courtesy, if you are an approved buyer and unable to attend in person and cannot find an agent to represent you at the sale, you may bid over the phone or online with the assistance of a Heritage Place representative. Heritage Place cannot guarantee your online or phone bid will be represented. **All phone or online bid requests and approvals must be received at least 2 days prior to the auction date, no exceptions.** All phone or online bids must be prepaid at the time the phone or online bid is requested. Prepayment can be made by United States currency, bank wire, certified check, money order, or credit card. Personal or business checks will not be accepted as prepayment.

FOURTH - BIDDING DISPUTES; Should any dispute arise between or among two or more bidders, the auctioneer shall forthwith adjudicate the dispute, and his decision shall be absolute, final, and binding on all parties. Bids received after the fall of the hammer are not grounds for dispute. Bids acknowledged by bid spotters employed by the undersigned are recognized as if tendered to auctioneer, but in case of dispute the bidding on the horse shall be forthwith reopened for advance bids, and if there be no advance, the horse will be sold to the person from whom the auctioneer recognized the last bid. In case of any dispute, advance bidding shall be restricted to the contending parties, but should the recognized bid be reduced below the bid of commencement of dispute, then bidding is reopened to all bidders, regardless of whether or not final bid exceeds bid which was disputed. The auctioneer reserves the right to reject any and all bids. **In the event of any dispute between the buyer and the consignor, Heritage Place, Inc. will occupy the position of agent for a disclosed principal and stakeholder and will be discharged from all obligations owing to the consignor or buyer on delivery of any property or funds held by Heritage Place, Inc. to the court having jurisdiction of such dispute.**

FIFTH - TITLE RISK AND DELIVERY; Title passes to purchaser at fall of hammer, at which time he assumes all risk and responsibility for the horse. **PURCHASER OR HIS REPRESENTATIVE SHALL TAKE CARE, CUSTODY AND CONTROL OF THE ANIMAL**

IMMEDIATELY AT THE FALL OF THE HAMMER, and such taking constitutes delivery of the animal, which shall be contingent upon purchaser presenting himself to the cashier of the undersigned to make settlement. Purchaser must so present himself within one hour of conclusion of the sale session in which the horse is sold, at which time delivery **will be** made in form of an "Order For Delivery" for the horse, provided that purchaser satisfactorily makes settlement. **After** delivery, purchasers shall remove horses promptly, and be subject to stable charges as determined by undersigned, should they fail to do so. The buyer further agrees to indemnify and hold the consignor and Heritage Place, Inc. harmless from all loss, cost and expense arising from the illness, injury or death of such animal or loss or damage to property and injury or death of persons caused by the buyer, the buyer's agents or employees or by the animal subsequent to the time of purchase.

SIXTH - TERMS FOR SETTLEMENT; MAKE SETTLEMENT WITH CASHIER OF HERITAGE PLACE INC. PAYMENT TO OTHERS, INCLUDING CONSIGNORS OR THEIR REPRESENTATIVE ARE NOT RECOGNIZED AS SETTLEMENT. Purchaser shall make settlement within one hour of conclusion of sale session in which the horse is sold for the full purchase price, such settlement to be in the form of U.S. currency, certified check, traveler's check or approved bank check which has been verified and approved in advance by cashier and/or officers of Heritage Place, Inc. **NEW BUYERS OR BUYERS WHO HAVE NOT PURCHASED WITHIN ONE YEAR MUST ESTABLISH BUYER VERIFICATION BEFORE PURCHASING. ALSO, ANY BUYER EXCEEDING THE AMOUNT ESTABLISHED MUST UPDATE BUYER VERIFICATION.** (See Settlement Procedures).

SEVENTH - DEFAULTERS: Purchasers who fail in any respect whatsoever to pay for horses as provided for at CONDITION OF SALE SIXTH above, and/or Settlement Procedures shall be declared in default. Any horse purchased by a defaulter may be resold by the undersigned at public or private sale without notice for purchaser's account, costs of such resale to be borne by defaulter. Should such resale fail to satisfy the defaulter's account in full, defaulter shall pay forthwith to **Heritage Place, Inc.** the amount owing, failing which, the undersigned may bring suit against defaulter. **THE PURCHASER SHALL BE RESPONSIBLE FOR ALL COSTS, INCLUDING ATTORNEY'S FEES, INCURRED BY HERITAGE PLACE, INC. IN COLLECTION OF AMOUNTS OWING FOR HORSES PURCHASED, OR IN ENFORCEMENT OR INTERPRETATION OF THIS CONDITION OF SALE.**

EIGHTH - WARRANTIES; THERE IS NO WARRANTY, EXPRESS OR IMPLIED BY HERITAGE PLACE, INC. THE OWNER OF ANY HORSE OR THE CONSIGNOR OF ANY HORSE AS TO THE SOUNDNESS, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY HORSE OFFERED IN THIS SALE. ALL HORSES ARE SOLD "AS IS" WITH ALL EXISTING CONDITIONS AND DEFECTS EXCEPT AS EXPRESSLY ANNOUNCED FROM THE AUCTION STAND OR AS EXPRESSLY PROVIDED HEREIN. Horses exhibiting the following conditions at the time of sale shall be subject to return pursuant to condition Tenth below unless the condition is announced by the auctioneer at the sale: (a) any horse with impaired vision or injury to the eye: and (b) any horse which is a "cribber". Any horse satisfying the following conditions will also be subject to return pursuant to condition Tenth below: (a) any horse sold on or after July 1 of its yearling year which is described at time of sale as a colt and does not at such time have two testes descended to the scrotum; (b) any horse described at the time of sale as a ridgling and at such time the horse is a gelding; (c) any horse described at the time of sale as a gelding and at such time the horse is a colt or a ridgling; (d) any male horse described at the time of sale as a female; (e) any female horse described at the time of sale as a male; and (f) any horse described at the time of sale as a filly or a mare and which at the time of sale has been spayed.

NINTH – Prohibited Substances according to The Association of Racing Commissioners International (ARCI) Model Rules of Racing, including but not limited to Anabolic Androgenic Steroids, Other Anabolic agents including not limited to Ractopamine and Zilpaterol, Bisphosphonates, Beta Agonists including not limited to Clenbuterol and Albuterol.

Limited Warranties: The consignor warrants that any Weanling, Yearling or Horse of Racing Age (excluding broodmares or horses being sold as breeding prospects only) has not been administered any of the following:

- 1) Any Bisphosphonates if the horse is under 4 years of age.
- 2) Anabolic Androgenic Steroids.
- 3) Beta Agonists (including Clenbuterol and Albuterol).
- 4) Any prohibited substance according to ARCI Model Rules of Racing.

In order for purchaser to have any rights relative to this Limited Warranty they must, at settlement and prior to the horse leaving the grounds, designate on the purchase agreement the desire for drug testing and pay a \$600 drug testing fee (\$300 hair test, \$300 blood test) to Heritage Place to cover direct costs and administrative expenses for the testing. The consignor consents to a hair test and blood test for prohibited substances. The test samples will be obtained by a veterinarian (before the horse leaves the grounds) and sent directly to a laboratory, both of which will be designated by Heritage Place. A re-analysis will be performed on all samples that initially reveal presence of prohibited substances. Neither purchaser nor consignor have the right nor shall Heritage Place have the obligation to conduct additional testing of a split sample.

Should the post-sale test reveal the presence of Prohibited Substances (“Positive Test”), Heritage Place will notify consignor and purchaser of test results as soon as practicable after receipt of the results. Upon notification of a Positive Test(s) purchaser is granted 24 hours to rescind the sale by notifying Heritage Place in writing. In the event that the purchaser rescinds the sale Heritage Place will notify consignor and consignor shall refund any sale proceeds paid to them by Heritage Place and pay the purchaser or Heritage Place all reasonable expenses and legal fees incurred by either of them from the time of the sale until the return of the horse to consignor. Reasonable expenses include (not limited to) \$600 drug testing fee, transportation, insurance, boarding, catalog fee and commission as indicated in the consignor contract. In the event of a Positive Test, the risk of loss shall remain with the purchaser from the fall of the hammer until the consignor has been notified of the purchaser’s election to rescind the sale and the horse has been delivered back into the physical possession of the consignor, at which time the risk of loss passes back to consignor. The purchaser shall return the horse in the same condition as when received and shall be required to exercise due care in maintaining and boarding the horse until returned to consignor.

EXCEPT FOR THE FOREGOING LIMITED WARRANTIES EACH ANIMAL IS SOLD “AS IS” WITH ALL DEFECTS AND EXISTING CONDITIONS AND WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED.

TENTH - RIGHT OF RETURN; In the event that any animal is not as represented in the Sale Catalog or on the breach of the foregoing limited warranties (as the Sale Catalog or limited warranties might be modified by announcement at the time of Sale), the buyer shall file with Heritage Place, Inc., a written notice of rejection of the animal with such supporting veterinarian’s and other certificates as Heritage Place, Inc., might require within twenty-four (24) hours after the close of the Sale session in which the animal was purchased and before the horse leaves Heritage Place, Inc. grounds. If the buyer rightfully rejects the animal in the manner and within the time provided, the

animal will be returned by the buyer to the consign or and the consignor will refund to the buyer the full purchase price of the animal together with all reasonable expenses incurred by the buyer in connection with the animal from the time of sale until the return to the consignor.

ELEVENTH - CATALOG AND ANNOUNCEMENTS; THE ACCURACY OF ALL INFORMATION OF THE CATALOG PAGE(S) IS THE SOLE RESPONSIBILITY OF THE CONSIGNOR. Consignor shall have the affirmative duty to examine the catalog page(s), on which horses consigned by him appear, prior to sale and report any inaccuracies to Heritage Place, Inc., so that it may make an appropriate announcement at time of sale. While certain information may have been procured by undersigned from third parties on behalf of consignor, it is nonetheless solely the responsibility of consignor to verify the accuracy of such information and to notify the undersigned of any corrections prior to sale. **STAKES ENGAGEMENTS, PRODUCE RECORDS INCLUDING MULTIPLE EMBRYOS) AND ALL OTHER INFORMATION SO LISTED ARE AS REPRESENTED BY THE CONSIGNER, TO WHOM ONLY THE PURCHASER SHALL LOOK FOR REDRESS IN CASE OR ERRORS OR OMISSIONS.**

TWELFTH - AUTHORIZED AGENTS; Persons acting as agents of absentee principals must file notarized letters of authorization from the principal stating the agent is acting in their behalf and that said principal will be responsible for the agent's sales or purchases. These letters must be on file with Heritage Place, Inc., sales office prior to the start of the sale.

THIRTEENTH - REGISTRATION; Heritage Place, Inc. will mail all registration papers directly to the appropriate registration agency, if required, after the purchase price has been paid in full. Registration papers being processed by the appropriate registration agency at the time of sale will be returned to the consignor and will be obtained by Heritage Place, Inc. and forwarded to the buyer. White markings which would affect the registration or cause the registration certificate to be revoked by the Breed Association to which this horse has applied for registration shall be subject to return to consignor by the buyer and the consignor will refund to the buyer the full purchase price of the animal together with and reasonable expenses incurred by the buyer in connection with the animal from the time of sale until the return to the consignor.

FOURTEENTH - Mares do not sell with right of return, unless specified.

- HERITAGE PLACE, INC.

EXAMINE HORSES PRIOR TO PURCHASING

COGGINS TEST:

**ALL HORSES IN THIS SALE HAVE BEEN REQUIRED TO
HAVE BEEN TESTED NEGATIVE FOR
EQUINE INFECTIOUS ANEMIA (COGGINS TEST).**

TESTS COMPLETED WITHIN SIX MONTHS OF SALE DATE.