

THE INDIANA STANDARD BRED SALES COMPANY

P.O. Box 206

LaGrange, IN 46761

Entries: 765-621-8050 • Fax: 260-463-8181

2010 INDIANA STANDARD BRED SELECTED YEARLING SALE CONSIGNMENT CONTRACT

I enter the animal described below for sale at the auction to be held at the West Pavilion at Indiana State Fairgrounds, subject to the terms of this contract and the conditions of sale printed in the sale catalogue conducted by the Indiana Standardbred Select Yearling Sales Co., (hereinafter referred to as "the Sale Company"). I ACKNOWLEDGE THAT I HAVE READ ALL OF THE TERMS AND CONDITIONS OF THE CONSIGNOR'S CONTRACT ("GENERAL TERMS AND CONDITIONS") WHICH ARE PROVIDED HEREWITH AND WHICH ARE INCORPORATED HEREIN BY THIS REFERENCE AND THAT I HAVE SIGNED THIS CONTRACT WITH FULL AND COMPLETE UNDERSTANDING THEREOF AND AGREEMENT THERETO.

This Contract must be accompanied by (i) the entry fee of \$200.00 for the consigned yearling, and (ii) the USTA Registration Certificate (which must be signed by all owners) for the consigned yearling.

If the horse is consigned by an agent, the settlement check will be payable to the owner but mailed to the agent. If the agent has on file with the Sale Company an Owner's Authorized Agent form the settlement check will be payable to the agent, unless otherwise agreed to its writing by both the owner and the agent. If the person signing the contract is not the actual owner of the horse listed herein, said person nevertheless shall be jointly and severally liable to the Sale Company for all such obligations arising hereunder including, without limitation, the indemnification of the Sale Company as provided herein.

_____ PLEASE THOROUGHLY AND ACCURATELY COMPLETE THE SECTION BELOW _____

Settlement Check Payable to: _____

Owners Name: _____ Farm Name: _____

Owners Address: _____

City, State, Zip: _____

Telephone No.: _____

Consigned By: _____ City, State, Zip: _____
(As it will appear in the catalogue)

Consigners Farm Name: _____

Phone Number: _____

Name of Horse: _____ Assigned Tattoo No. _____

Color: _____ Filly ___ Colt ___ Gelding ___ Ridgling ___ Date Foaled: _____

Sire of Entry: _____

1st Dam of Entry: _____ by: _____

2nd Dam of Entry: _____ by: _____

Embryo Transplant? (circle Y or N): Y or N

Location where yearling can be inspected: _____

Person to Contact: _____ Telephone: _____

Signature of Owner

Date

Signature of Agent

Date

CONSIGNOR'S CONTRACT

General Terms and Conditions, Read Before Signing

- I certify that I am either the sole owner of each horse listed on this Contract or authorized by the owner or all co-owners to act as agent in the consignment and sale of each such horse and to enter into this contract on behalf of any such owner or all co-owners. All representations and warranties in this contract are made by me as Owner with respect to my horses or as duly authorized agent for the Owner or all Co-Owners with respect to all agent horses. If the person signing this Contract is acting as agent for the owner of each horse listed herein, both agent and owner shall be jointly and severally liable to Sale Company for all obligations arising hereunder.

I hereby warrant title to each horse listed on this Contract and my authority to enter each such horse in this sale. I further warrant title to each horse to be free from liens, mortgages or encumbrances, except as I shall notify Indiana Standardbred Select Yearling Sale, Inc., (the "Sale Company") in writing at least the (10) days before the sale. In which event, I agree to furnish the Sale Company written consent from all lien holders to the sale of each horse and the full agreement of all lien holders concerning the disbursement of sale or settlement proceeds. I appoint the Sale Company as my agent for public auction of each horse, with full authority to transfer the title thereto and to receive the proceeds of such sale for my account. I covenant and agree to indemnify and hold harmless the Sale Company from any and all costs, liabilities and expenses (including attorney's fees and expenses) incurred for any reason whatsoever, including, but not limited to (a) questions of title to or liens upon each horse; (b) my authority to enter each horse in this sale; and (c) disputes concerning the identity, soundness, disease, veterinary conditions, stakes engagements, pregnancy status, blood-typing and/or DNA testing results, and/or produce records, for each horse and/or involving genetic or reproductive material, and or resulting from any liens, attachments, or claims against the net proceeds from the sale thereof.

I warrant that I am the sole and absolute guarantor of the correct identity of any and all horses sold by me in this sale, and agree that all title to, interest in and possession of each horse shall remain with me until title passes to the buyer or buyers at the time of sale, except that title to any horse shall remain with the owner if I am executing as agent. I acknowledge that I am responsible for the care and feeding of all horses while they are in the sales barns until the time they are sold. I warrant and represent that no horse will be delivered to the sale which is vicious, diseased, and unsafe or a threat to the safety of its handlers or any third parties. I agree that all horses consigned to the sales by me are entered at my risk until sold, and that the Sale Company shall not be responsible for the damage or injury to such horses or for any injury to persons or property caused by any of such horses, whether before, at or after their sale, unless caused by gross negligence or willful misconduct on its part, and I further agree to indemnify and hold harmless the Sale Company from any and all costs, liabilities and expenses incurred by the Sale Company arising in connection with any such damages or injury.

The Sale Company shall have the full authority to distribute such proceeds of sale to me and such other parties as the Sale Company reasonably believes to have an interest in the proceeds and in such priority as the Sale Company reasonably believes appropriate. I covenant and agree to indemnify and hold the Sale Company harmless from any and all costs, liabilities and expenses, including attorney's fees and expenses. Incurred because of, or arising out of, any question or issue of the distribution of sales proceeds by the Sale Company to me or to any such other parties as the Sale Company may deem appropriate.
 - I agree to be bound by this Contract and by the Conditions of Sale printed in the Sales Catalogue. I further agree that the Sale Company shall not be liable to me for damages due to the scheduling of any sale sessions or the placement of any of my horses in any particular sale session or in the event of any change of location, time or date, or the cancellation or other modification of the sale.

For each horse entered, I agree to pay the Sale Company (a) a non-refundable entry fee of Two-Hundred Dollars (\$200.00) (the "Entry Fee"), which accompanies this contract; (b) a commission equal to the greater of six percent (6%) of the high bid accepted by the auctioneer or Two-Hundred Fifty Dollars (\$250.00) (the "Commission"). The Commission shall be deemed earned at the fall of the hammer and shall be payable whether or not the horse is returned to me as unsold pursuant to the Conditions of Sale or for any other reason. I agree that, subject to Paragraph 7, my horse will not be considered fully paid until the buyer's final bid price has been actually received in immediately available funds by the Sale Company.

I agree to pay all Commissions and Entry Fees upon demand from the Sale Company. I further agree that the Sale Company may withhold or deduct all Commissions and Entry Fees due from me from my account and/or the proceeds of, or the settlement payments made pursuant to Paragraph 7 upon, the sale of all or any of my horses, as the Sale Company determines in its sole discretion.
 - In the event that I or anyone acting on my behalf (or on behalf of any Owner or Co-Owner on whose behalf I am acting as agent), shall bid upon a horse consigned by me and our bid is accepted by the auctioneer as the last, i.e., successful bid, then I agree to pay to the Sale Company, prior to the close of the sale session, the Commission Fee specified in Paragraph 4 above. I further agree that the Sale Company may withhold the registration papers for all or any of my horses until all Commissions and Entry Fees are paid in full for horses that (a) I bid-in or cause to be bid-in; (b) I withhold from sale; (c) I sell prior to the auction; or (d) are withdrawn from the sale or not presented for sale for any reason. In the event I (or my agents or any agents of the Owners or Co-Owners on whose behalf I am acting as agent) bid in my own horse, then the Sale Company shall be so notified within thirty (30) minutes of the conclusion of that sales session.

If any horse entered by me is sold publicly or privately after its entry in the sale, and prior to passing through the sales ring, I agree to pay the Sale Company (a) the Entry Fee (\$200.00); (b) a commission equal to the greater of six percent (6%) of the sale price or Two-Hundred Fifty Dollars (\$250.00). If any horse entered by me is not offered for sale, I agree to pay the Sale Company (a) the Entry Fee (\$200.00); (b) a commission equal to the greater of six percent (6%) of the fair market value of the horse, as determined by the Sale Company in its sole discretion, or Two-Hundred Fifty Dollars (\$250.00); provided that if the horse is not offered for sale due to its death or physical unfitness, as determined in the sole discretion of the Sale Company's veterinarian, only the Entry Fee (\$200.00) shall be due and payable. The Sale Company shall retain a lien on all proceeds in my account for any unpaid withdrawal fees and the Sale Company shall further retain a lien on the USTA Registration Certificate and shall have the right to hold said Certificate for any such horses withdrawn from the sale, as provided above, until all withdrawal fees have been paid in full.
 - The terms of this sale are cash unless credit has been approved by the Sale Company or the Consignor. The Sale Company and I agree that the Sale Company shall bear the risk of a buyer's financial ability to pay, subject to the provisions set forth below and in paragraph 8 below and to the following circumstances (or the Sale Company's receipt of notice, oral or written, of the occurrence or existence of one or more of the following circumstances), in which event the Sale Company may withhold payment for any or all of my sold horses until the matter is resolved.
 - Any dispute regarding the accuracy, completeness or updating of any information set forth in the Sales Catalogue regarding one of my horses;
 - Any dispute relating to the registration, identity, eligibility or condition (physical or otherwise) of one of my horses;
 - Any dispute regarding any alleged representation or warranty, express or implied, regarding one of my horses;
 - Any dispute between a third party and me regarding ownership of one of my horses or entitlement to the sale proceeds of one of my horses;
 - Any extension of credit made by me or someone acting on my behalf to the buyer of one of my horses;
 - Any buyer who has not been extended credit by the Sale Company refuses to pay or cannot be located by the Sale Company after reasonable efforts by the Sale Company;
 - I give the Company any false, misleading or incomplete information regarding any of my horses; or
 - A default or threatened default by me under any terms of this Consignor Contract or any other contract between the Sale Company and me.
 - I authorize the Sale Company to deliver possession of any horse sold to the buyer, so long as the Sale Company retains the registration certificate until payment has been received and collected. The Sale Company has no liability to me if any horse is sold on credit authorized or extended by me or on my behalf and any portion of the sale price is not paid to the Sale Company. If credit is authorized or extended by me or on my behalf, I agree (a) that I will deliver promptly to the Sale Company, on the form provided by the Sale Company for this purpose, written confirmation of the existence and terms of the credit arrangement; (b) that any such credit arrangement shall, as prescribed by the conditions of Sale, provide for payment by the buyer to the Sale Company and not directly to me; (c) that the Sale Company has no obligation under paragraph 7 above to make settlement with me for the sale of any of my horses to the buyer unless and until the Sale Company shall have received payment of the sale price from the buyer, (d) that if the buyer fails to make payment, the Sale Company shall have no obligation to collect or attempt to collect payment from the defaulting buyer and my sole and exclusive remedy shall be against the defaulting buyer, (e) that I remain liable for all Entry Fees and Commissions Fees due to the Sale Company.
 - I agree that if the successful bidder on any horse entered by me in this sale fails to present himself to arrange for settlement as provided for in the Conditions of Sale or upon presenting himself is determined to be financially irresponsible by the Sale Company and has not been extended credit by the Sale Company, the horse may be put up for resale for my account, and the Sale Company shall not be liable for any deficit should the final bid on resale be less than that on the initial sale. In the event of such resale, the amount of the Commission due to the Sale Company by me shall be based on the original sale price. I further agree that if conditions make resale as herein provided impossible or inappropriate. In the sale opinion of the Sale Company, the horse may be returned to me, at my expense, as unsold, together with a waiver by the Sale Company of the commission only.
 - I agree that if, for any reason, the consummation of any sale of any horse entered by me in this sale is delayed, the Sale Company may (but shall not be obligated to) take such action and incur such costs and expenses as in its sole judgment may be necessary or appropriate to protect, preserve and maintain the value of the horse during such period of delay, including, without limitation, the payment of stakes fees that may become due during such period. I further agree that if, for any reason, any such delayed sale is not consummated and the horse is returned to me, I will be obligated to reimburse the Sale Company on demand for all of the costs and expenses incurred by the Sale Company for such purposes.
 - I agree that the Sale Company shall have the power, in its sole discretion: (a) to reject any entry at anytime; (b) to change or adjust the dates and times of all sale sessions; (c) to assign or change stabling facilities as it deems necessary; (d) to determine the order of sale of all entries; (e) to make a special announcement at the time of sale concerning any horse entered, which in the opinion of the Sale Company is appropriate; (f) to amend the Conditions of Sale from time to time in its discretion; (g) to withdraw any horse from the sale if I fail to disclose any lien on the horse or to obtain the written consent of any lien holder to the sale of the horse; (h) to withdraw any horse from the sale if the Sale Company learns of any ownership dispute regarding the horse or of any undisclosed liens upon the horse; (i) to withdraw any horse for which the USTA Registration Certificate is not delivered to the Sale Company at least twenty-four (24) hours before the sale; and (j) to withdraw any horse for which the parentage is not qualified as of the time of sale. If the Sale Company exercises any of the foregoing powers, it shall not be liable to me for damages, unless the exercise of the power is attributable to the Sale Company's gross negligence or willful misconduct.
 - I covenant and agree to indemnify and hold the Sale Company, its stockholders, members, directors, officers, partners and employees harmless from any and all costs, liabilities and expenses (including attorneys' fees and expenses) incurred for any reason whatsoever relating to any horse entered by me in this sale including, but not limited to, any dispute concerning the soundness of the horse or the existence or non-existence of any express or implied warranties or representation regarding the horse, the Sale Company's settlement of my account and payment of sale proceeds, the making (or accuracy) of any announcements made prior to sale, or any other action taken by the Sale Company in upholding the Conditions of Sale. I agree that I am solely responsible for the care of each horse and all information pertaining to each horse. The Sale Company is not responsible for any condition or information regarding the horse whatsoever. When the auctioneer's gavel falls on the final bid, the horse is sold. I agree that, in the event of any dispute, I shall be liable for the Entry Fee and the Commission Fee set forth in Paragraph 4 above.
 - I agree that if the Coggins test results and health certificate furnished by me for any horse entered in the named sale are not in a form acceptable to any state, province or national racing commission or regulatory agency, the Sale Company may have the horse retested, and all expenses incurred therefore, including board, testing and transportation, shall be paid by me and may be deducted by the Sale Company from any sale or settlement proceeds in my account.
 - I warrant that each horse entered by me is duly registered with the United States Trotting Association or will be so registered not later than ninety (90) days prior to the date of sale (unless the Sale Company, in its sole and absolute discretion, otherwise agrees). If a USTA Registration Certificate for any horse cannot be delivered for any reason, I agree (a) to accept the rescission of the sale of the horse; (b) to return all net sale and/or settlement proceeds, if delivered to me; and (c) to reimburse all affected parties for their expenses and to pay the Sale Company the Entry Fee and the Commission set forth in paragraph 4 above.
 - I agree to pay a One Hundred Dollar (\$100.00) late charge fee for each required item, such as the USTA Registration Certificate, Health Certificate or Coggins test results, which is not in the Sale Company by possession fourteen (14) days prior to the start of the sale. I further agree that settlement will be withheld for all of my horses until all necessary items have been delivered to the Sale Company.
 - Each horse consigned by me to this sale is entirely at my risk until sold and, subject to Paragraph 7 above, completely paid for or satisfactory credit arrangements have been made. The sale company is acting only as agent, and I am the responsible party in every respect. I acknowledge that I am solely responsible for the accuracy of all information provided to the Sale Company and, further that I have the affirmative duty to examine the Sales Catalogue pages on which horses consigned by me appear, prior to the sale, and to report any inaccuracies to the Sale Company prior to the time of sale so that it may make an appropriate announcement at the time of sale. I hereby release and hold harmless the Sale Company, its stockholders, members, directors, officers, partners and employees, from any and all costs, liabilities and expenses (including attorneys' fees and expenses) incurred as a result of any inaccuracies relating to such information as set forth above.
- If I desire to make any announcements on any horse listed herein, I must submit the announcement in writing to the Sales Office no later than one (1) hour prior to commencement of the sales session in which the horse is being offered for sale.
- I agree that the Sale Company is absolved from any liability if these procedures are not strictly followed. I shall be solely responsible for having such announcements made and for their accuracy and I hereby release and hold the Sale Company harmless from any errors and omissions, including the Sale Company's own negligence, in making or failing to make such announcements.
- I agree to be present in person, or to have a duly authorized representative present, to make true representations regarding each horse, and to correct an error which may appear in the Sales Catalogue. I will defend the Sale Company against any suit brought arising out of, or due to, the sale of any of the horses.
- If any horse is considered to be a gelding or gelding or is spayed, or if any horse has been conceived as a result of embryo transfer, it shall be my responsibility to see that this condition is published in the Sales Catalogue or announced prior to the horse being offered for sale.
- In the event an embryo, egg, semen or other genetic material (other than genetic material required and used for DNA testing and other non-reproductive purposes) has been harvested from any catalogued yearling, the consignor accepts full responsibility to provide the Sale Company with a written statement which shall be announced prior to the sale of the yearling. I hereby release and hold harmless the Sale Company, its partners and employees, from any and all costs, liabilities and expenses (including attorneys' fees) incurred as a result of any inaccuracies or failure to make any required statements relating to the disclosure of any such information as set forth above.
- All horses must be blood-typed and/or DNA tested for parentage verification and the results furnished to the Sale Company. If any blood-typing results indicate that the horse does not qualify for the catalogued parentage, then (a) the buyer shall return the horse immediately to me, (b) the sale shall be null and void, and (c) I hereby agree to accept return of said horse and to pay all costs. Upon return of the horse pursuant to this paragraph, I shall have no claim against the buyer or the Sale Company for any damages, but I agree that I will nevertheless pay the Sale Company the Entry Fee and the Commission Fee set forth in Paragraphs 4 above and will indemnify the Sale Company for any costs, including attorneys' fees and expenses, incurred by the Sale Company.
- I understand, acknowledge and agree that the Sale Company is not responsible for providing veterinary services during the sale sessions; that if any veterinary services are made available by the Sale Company, such services are being made available for convenience purposes only and that any use that I may make of such services will be at my sole cost, expense and risk; and that no such veterinarian has any authority to make any representations or warranties on behalf of the Sale Company.
- I agree that the Sale Company shall have the right to deduct from any sales, settlement or other proceeds held at any time in my account any and all fees, commissions and other indebtedness which I may then owe to the Sale Company under this Agreement and/or the Conditions of Sale, printed in the Sales Catalogue, whether or not such fees, commissions or other indebtedness relate to the horse or horses from the sale or sales of which such account proceeds were derived.
- I agree that any dispute relating to this Contract, or my obligations hereunder, shall be determined under the law of the state of Indiana and I submit to the jurisdiction of the United States District Court for the Northern District of Indiana and the Circuit Court of LaGrange County, Indiana. I agree to indemnify and hold the Sale Company harmless from all costs and expenses, including reasonable attorney's fees, incurred as a result of any default hereunder or incurred as a result of disputes with third parties relating to my horse.