

CONSIGNMENT CONTRACT

CTTHS West Virginia Fall Mixed Sale

Jefferson Country Fair Grounds, Charles Town, WV

Monday September 22, 2008

Entry Fee: \$300 per horse

Commission: 5% Minimum Commission \$100

Entry Deadline: Tuesday July 22, 2008

Late Entries: \$100 additional fee per horse

Foal Paper Deadline: Friday August 22, 2008

Late Papers: \$50 additional fee per horse

Return Contract to:

Charles Town Thoroughbred Horse Sales

411 Brannon Lane Charles Town, WV 25414-4653

Phone: 304-725-8026 E-Mail: ctths@citlink.net

Full payment of entry fee (\$300.00 per horse) must accompany contract.

Owner: (Must be Identified) _____

Address: _____

City, State, Zip _____

E-mail address _____

Tel: () _____ Cell () _____ Fax: () _____

Owner must initial item #5 on page 3 of contract and sign on page 4 of contract.

Catalog Information:

Property Line: The head of each catalogue page will read as follows: *(Please indicate your preference)*

**Property of _____
(Your name/farm name/stable)**

or IF YOU ARE USING AN AGENT: See following Agent Form

For Sales Company use only

No. Horses _____ Entry Fees Paid \$ _____ FOP _____ Date _____ Papers Included: _____ Late Fees: \$ _____

Agent's Authorization Form

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from Owner:

Agent's Name: _____

Address: _____

City, State, Zip: _____

E-mail Address: _____

Tel: () _____ Cell () _____ Fax: () _____

Catalog Information:

Property of _____ Agent _____
(Your name/farm name/stable) (Your Agent's name)

or Consigned by _____
(Your Agent's name) (Your name will not appear)

The undersigned, as Owner of the horses consigned for sale at the Auction Sale identified in this Contract, hereby appoints the above named as my agent to act on my behalf in any and all matters in connection with this sale. These powers include, but are not limited to, cataloguing, providing additional information, executing any and all documents in connection with the sale, incurring appropriate and incidental expenses related to the Sale or withdrawing horse from the Sale. Said agent may establish reserve prices, or bid-in any horse on this contract whether or not a reserve price has been previously established.

Owner authorizes the payment of all proceeds of sale to above named agent.

Owner's signature to authorize Agent _____

Date ____/____/____

PLEASE READ BEFORE SIGNING

**Mail to: Charles Town Thoroughbred Horse Sales Co. ("Auctioneer")
411 Brannon Lane, Charles Town, West Virginia 25414-4653**

1. Owner warrants title to each horse consigned (including its documents, products and proceeds), free and clear of any liens or adverse claims whatsoever except about those which Owner communicates to Auctioneer in writing prior to sale.
2. Auctioneer is hereby appointed as Owner's agent to sell each horse consigned, with full authority to transfer title and to receive the proceeds of sale for Owner's account.
3. Owner is solely responsible for the correct identity of each horse consigned, and of the accuracy of any and all information regarding each horse in the sales catalogue. Owner agrees to review all information and to report any material inaccuracies or omissions to Auctioneer prior to sale.
4. The entry fee for each horse consigned must be paid when this contract is submitted and the entry fee will be fully earned when Auctioneer accepts this contract. Late entries will be subject to an additional \$100 late fee. In addition to the entry fee, Owner will pay Auctioneer a sales commission of the greater of (1) five percent (5%) of the last bid on each horse sold or (2) the minimum commission of \$100.00 or (3) the no sale fee of \$100.00. Owner also agrees to pay to Auctioneer all amounts customarily charged to consignors in connection with the sale of their horses. Additional commission and other amounts due Auctioneer may be deducted from Owner's proceeds and the commission shall be fully earned by Auctioneer at fall of the hammer, even in the event that the horse is returned to Owner as unsold pursuant to the Conditions of Sale or receives no bid.
5. Owner may withdraw any consigned horse if it is unfit for sale due to material veterinary reasons acceptable to Auctioneer upon presentation of a notarized veterinary certificate stating the specific condition of the horse which necessitates withdrawal. If Owner sells any consigned horse at the venue outside of the sales ring prior to or following the auction or withdraws or fails to present any horse for sale at the auction for reasons other than as authorized above, Owner agrees to pay Auctioneer as liquidated damages six percent (5%) of sale price or 5% of Auctioneer's appraised sales value or a minimum fee of \$300.00, whichever is greater.

Owner's initials _____ Date _____

6. In the event the purchaser of a horse fails to present him/herself to make settlement as provided in the CONDITIONS OF SALE, or should Auctioneer, in its sole and absolute discretion, elect not to extend credit to purchaser and the purchaser fails to pay the full sale price and any applicable taxes in cash, such horse may be put up for resale for Owner's account and Auctioneer shall not be liable for any deficit should the resale price be less than the original sale price. Owner understands that Auctioneer will attempt to give Owner notice of such resale, but Owner agrees to indemnify and hold Auctioneer harmless from any adverse consequences of such resale whether or not Owner receives notice before the fact. Should Auctioneer elect not to resell such horse, Owner will accept return of such horse as unsold provided that Auctioneer waives sales commission.
7. Owner agrees to provide Auctioneer, by date established by the Auctioneer, all documents pertaining to the horse necessary to complete the sale. This includes, but is not limited to, Jockey Club Certificate of Foal Registration, Stallion Service Certificate, current certificate of negative Coggins tests, valid health certificate, and any other certificates as required by government regulations. A late fee of \$50 per horse for foal papers not received by the deadline stated above. In the event Owner fails to provide any such document to Auctioneer, Owner authorizes Auctioneer, at its option, to secure such document from the person possessing it. If the Jockey Club Certificate of Foal Registration for any horse consigned has not been issued, Owner hereby represents that all documentation and payments required by the Jockey Club to complete and issue such certificate have been provided. Auctioneer may withhold all sales proceeds of Owner's consignment until Auctioneer has received all necessary documentation.
8. Should any horse consigned be a twin or be required under Jockey Club rules of registration to be registered as of "dual parentage," and such fact has not been disclosed at time of sale, Owner shall accept return of such horse as unsold and will reimburse purchaser and Auctioneer for all reasonable expenses incurred for the maintenance and transportation of the horse from time of sale until return to Owner.
9. Owner agrees to have all horses consigned on the sales premises by the time specified by Auctioneer in its notice to consignors regarding the sale. Any horse consigned continues in the Owner's care, control, custody and possession for all purposes, whether on or off the premises of the Auctioneer, until it is taken by purchaser exchange for a release issued by Auctioneer or as otherwise authorized by Owner. Auctioneer has no responsibility for the care and custody of any horse consigned, including the providing of veterinary or other in care, but Owner hereby authorizes Auctioneer to take such action, without liability on its part, should such action be deemed reasonably necessary by Auctioneer.
10. Auctioneer will remit those net proceeds that Auctioneer has actually received from purchaser(s) of Owner's consignment within twenty business days (20) days of the date of sale. Auctioneer will remit the balance of net proceeds of Owner's consignment forty-five (45) days from date of sale; provided that Auctioneer shall not be required to remit the net proceeds of sale of any horse: (1) that is the subject of a dispute or claim by the purchaser or any third party, or (2) in the event of force majeure, until such dispute, claim or force majeure is resolved and the sales proceeds have actually been received by Auctioneer. Sales proceeds received by Auctioneer but not remitted shall not earn interest for Owner's account, nor shall any

sales proceeds not received by Auctioneer owing to a dispute or claim by the purchaser or third party or force majeure earn interest for Owner's account.

11. Auctioneer shall have the right to (1) reject at any time any horse consigned; (2) determine the order of sale; (3) assign or change stabling assignments; (4) change the date or location of the sale; and (5) to make announcements at time of sale concerning any horse consigned.

12. The sole liability of Auctioneer, should the sale be canceled or should Auctioneer fail to catalogue or fail to catalogue correctly any horse consigned, shall be return of the entry fee for such horse and Auctioneer shall not be liable for any damages, actual or consequential, arising out of any such failure.

13. All information concerning sales prices, incidental and consequential sales expenses, the existence and amounts of liens, charges and other claims, and the final payment of accounts with respect to buyers, sellers, breeders and consignors shall not be deemed to be confidential in nature. All parties agree that Auctioneer may, but shall not be required to, disclose such information without incurring liability to any party.

14. Owner indemnifies Auctioneer from all claims, liabilities and expenses, including reasonable attorneys' fees, arising out of or relating to any breach of this contract by Owner. In order to secure payment for all commissions, costs, expenses and damages, including reasonable attorneys' fees, provided for in this contract or for any other monies owed by Owner to Auctioneer or any of its affiliates, Owner grants to Auctioneer a security interest in the horse(s) consigned under this contract and any applicable Jockey Club Certificate(s) of Foal Registration or Stallion Service Certificate(s), and the products and proceeds thereof. Owner appoints Auctioneer as Owner's attorney-in fact to prepare, execute and file any Financing Statements or other documents necessary to perfect the security interest granted herein and Auctioneer shall have all rights and remedies of a secured party pursuant to this contract and the Uniform Commercial Code.

15. Terms of sale are cash or approved checks with two pieces of proper identification. Payment in full must be made immediately after the sale is completed. In order to remove any horse from the sales barn (whether sold or "no sale") owner must present release from the clerk's office.

16. The highest bidder shall be the buyer, and if disputes arise, the horse shall immediately be put up advance bids. If there is no advance bid, the horse shall go to the person the auctioneer recognizes as the last bidder.

17. All guarantees are matters strictly between the buyer and the seller. The Sales Company does not make any guarantees as to the soundness, pedigree, confirmation, fitness of purpose, or any other nature.

18. After the horse is declared sold, the buyer assumes all risk and responsibility for the horse.

19. If payment is made by check, foal papers will be mailed to the buyer after the check has cleared the bank.

20. All horses must be removed from Jefferson County Fair Ground within 24 hours of the completion of the sale.

21. Owner/Agent must verify that said horse IS NOT on any Vet List / Starter List and IS NOT a Cribber. Any horse determined not to comply with said statement may be returned to the seller at the discretion of the purchaser.

22. Owner represents that he or she has read all provisions of this contract and the enclosed conditions of sale, which are incorporated by reference and constitute a part of this contract. The undersigned agrees to be bound by the terms and provisions contained herein.

Owner Signature _____ Date ____ / ____ / ____

List of Horses

(Please print clearly)

Category _____ (yearling/two-year-old in training/HORA, etc)

Horse Name _____ Color/Sex/Age _____ Foaling Date _____

Sire _____ Dam _____ Dam Sire _____

Registered State-bred Yes ___ No ___ State _____ State or Foreign Country Where Foaled: _____

Breeders' Cup Nominated Yes ___ No ___ Stakes Engagements: (Eligibility must be maintained by consignor through date of sale) _____

Mare with Foal by Side: Sire of Foal _____ Color/Sex/Date of Foal _____

Status of Jockey Club Registration for 2007 Foals\Weanlings _____

Mare infoal to: _____ Last cover date _____ Other comments: _____

I hereby certify that the above information is correct and that the horse IS NOT on any Veterinary/Starters List. This horse is a cribber Yes ___ No ___ . Any horse determined not to comply with said statement may be returned to the seller at the discretion of the purchaser.

Sign _____ Date _____

Please print name _____

(Please print clearly)

Category _____ (yearling/two-year-old in training/HORA, etc)

Horse Name _____ Color/Sex/Age _____ Foaling Date _____

Sire _____ Dam _____ Dam Sire _____

Registered State-bred Yes ___ No ___ State _____ State or Foreign Country Where Foaled: _____

Breeders' Cup Nominated Yes ___ No ___ Stakes Engagements: (Eligibility must be maintained by consignor through date of sale) _____

Mare with Foal by Side: Sire of Foal _____ Color/Sex/Date of Foal _____

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Sign _____ Date _____

Please print name _____

(Please print clearly)

Category _____ (yearling/two-year-old in training/HORA, etc)

Horse Name _____ Color/Sex/Age _____ Foaling Date _____

Sire _____ Dam _____ Dam Sire _____

Registered State-bred Yes ___ No ___ State _____ State or Foreign Country Where Foaled: _____

Breeders' Cup Nominated Yes ___ No ___ Stakes Engagements: (Eligibility must be maintained by consignor through date of sale) _____

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I hereby certify that the above information is correct and that the horse IS NOT on any Veterinary/Starters List. This horse is a cribber Yes ___ No ___ . Any horse determined not to comply with said statement may be returned to the seller at the discretion of the purchaser.

Sign _____ Date _____

Please print name _____

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