

BREEDERS SELECT YEARLING SALE

October 10, 2011

Sam Beegle
123 Lowry Rd.
New Holland, PA 17757
717-354-6263
717-354-4803 (Fax)
717-471-4321 (Cell)

Tom & Cherron Davis
3093 Tulls Mill Rd.
New Church, VA 23415
757-824-3169
757-824-3157 (Fax)
757-894-1518 (Cell)

CONSIGNOR'S CONTRACT

For Sale on: October 10, 2011 in the Breeders Select Yearling Sale

Horse: _____

Color & Sex: _____ Foaling Date: _____ Tattoo No./Freeze Brand: _____

Sire: _____

Dam: _____

Consigned by: _____

Address: _____

Telephone: _____

Owner of Horse: _____

Address: _____

Telephone: _____

**THE CONDITIONS ON THE FOLLOWING PAGES ARE A PART OF THIS AGREEMENT.
READ BEFORE SIGNING BELOW.**

I agree to abide by and be bound by all established customs and practice of Breeders Select Yearling Sale Company. I represent that I have read all of the terms and conditions of the consignor's contract and the terms and conditions of sale as listed on the following pages, and have signed below with full and complete understanding thereof and intending to be fully bound thereby. Any person signing this contract, whether signing as owner or agent, agrees to be bound by all of the obligations created, including the obligation to arbitrate any and all disputes. The agent and the principle will both be liable, jointly and severally, for all of the obligations set forth in this contract.

Signed: _____ Date _____

Please designate whether owner or agent (circle one)

\$250 entry fee if enclosed with contract, \$300 entry fee if not paid at time of entry, 5% commission – \$500.00 Minimum Commission.

IF THIS HORSE IS SOLD PRIVATELY, SELLER WILL BE SUBJECT TO PAY 20% COMMISSION AS STATED IN PART 9 OF THE CONSIGNOR'S CONTRACT. ALL HORSES MUST BE DNA TYPED & TATTOOED AND/OR FREEZE BRANDED PRIOR TO ENTERING THE SALES RING. ENTRY FEE, COPY OF REGISTRATION & STAKES ENGAGEMENTS MUST BE RETURNED WITH CONTRACT TO THE FOLLOWING ADDRESS: BREEDERS SELECT YEARLING SALE, TOM DAVIS, 3093 TULLS MILL RD., NEW CHURCH, VA 23415.

CONSIGNOR'S CONTRACT: READ BEFORE SIGNING

Breeders Select Yearling Sale, hereinafter referred to as BSS

1. *Please enter and sell in the Sale listed on the face of this contract the horse listed thereon.*
2. *We certify that:*
 - (a) *I am either the sole owner of the entered horse or am authorized by the owner or co-owners to act as his or their agent in the consignment and sale of the entered horse.*
 - (b) *I hereby warrant title to each animal herein entered and my authority to enter such animal in this sale.*
 - (c) *I agree to defend and hold BSS harmless regarding said title and authority and I agree to defend said title against all adverse claims.*
 - (d) *I appoint BSS as my agent in the named Sale at public auction of the named animal, with full authority to transfer title thereto and to receive proceeds of such sale for the account of the owner of the horse.*
 - (e) *I covenant and agree to indemnify and hold harmless BSS from any and all costs, liability and expenses of any kind whatever (including attorney's fees) incurred because of or arising out of any question of title to the named animal and disputes concerning identity, soundness (including but not limited to racing, sight and wind), engagements, pregnancy status, foaling date and/or produce record of the named animal, or resulting from any liens, attachments, or claims against the net proceeds from the sale thereof.*
 - (f) *I agree also, that I am the sole and absolute guarantor of the correct identity of any and all horses sold by me in this sale, and that all title to, interest in, and possession of the named animals shall remain with me until title passes to the buyers at time of sale.*
 - (g) *I acknowledge that I or my agents are responsible for the care and feeding of such animals while they are in the sales barns until the time they are sold.*
 - (h) *I agree that all animals consigned to the named sale by me are entered at my risk until sold and fully paid for and BSS shall not be responsible for any damaged or injury to such animals or caused by such animals unless caused by gross negligence or willful misconduct on its part.*
 - (i) *I agree that all animals consigned to the above named sale by me will blood typed & tattooed in accordance with USTA Regulations prior to sale.*
3. *I agree to be bound by this Contract and the Conditions of Sale printed in the Sale Catalog for the named sale, and further agree that BSS shall not be liable for any damage to me in the event that unusual or unforeseen circumstances result in the change of location, change of time or date, cancellation, or similar modification of the named Sale. This contract is governed by the laws of the State of Pennsylvania.*
4. *I agree to pay BSS an entry fee of \$250 for each horse entered by me in this sale, which payment shall accompany this contract or the entry may be voided without notice by BSS. Such entry fee or fees shall be considered as earned and not refundable by BSS upon receipt by BSS of this contract. I further agree that BSS shall deduct from my account and retain a sales commission of 5% or \$500.00, whichever is greater, of the accepted bid by whomsoever made, or bid in from my account or not sold due to reserved bids and in the event of deficit in my account I shall immediately pay BSS the balance due. I further agree that this commission shall be considered earned at the fall of the hammer and is payable even in the event the animal is returned to me as unsold pursuant to the conditions of sale. **I ALSO AGREE THAT IF ENTRY FEE DOES NOT ACCOMPANY CONTRACT, THE ENTRY FEE WILL THEN BE \$300.***
5. *I agree that BSS shall have the right, in its sole and absolute discretion, to extend credit to the buyer of any horse sold by me in this sale. Should the buyer fail to make full settlement within the time limit set by BSS. I agree to accept back as unsold the horse for which credit was extended and further agree that there shall be no liability on the part of BSS. I agree that payment of net proceeds of sale of any horse or horses sold in this sale shall be made by BSS not less thirty days from date of sale. I agree that BSS shall in no way be liable for settlement until such time as the buyer has made a full settlement to BSS.*

6. *I agree that in the event the successful bidder on any horse or horses entered by me in the named sale fails to present himself to arrange for settlement as provided in the Conditions of Sale, or should such bidder on presenting himself be determined to be financially irresponsible by BSS, such horse or horses may be put up for resale for my account and BSS shall not be liable for any deficit should the final bid on resale be less than that on the initial sale. I further agree that should conditions make resale as herein provided impossible or inappropriate in the opinion of BSS, the horse or horses may be returned to me, at my expense, as unsold.*
7. *I agree that if a buyer takes possession of any horse or horses entered by me in the named Sale after payment by check or draft and such check or draft is not honored for any reasons, including stoppage of payment, to pay all the expenses of the horse or horses, without any liability on the part of BSS.*
8. *I agree to advise BSS in writing before time of sale if any animal entered by me in the named Sale is known to have been gelded or spayed. I further agree that notations on either Eligibility or Registration Papers do not constitute proper notice to BSS of such conditions as described herein.*
9. *I agree that if any animal entered by me is sold at any other public or private sale, to pay BSS the entry fee plus 20% of the sales price or \$1,000.00 whichever is greater. I further agree that if any animal entered by me is not put up for sale, to pay the entry fee plus 20% of the fair market value of the horse of \$1,000.00 whichever is greater, such value to be determined by BSS. The only exception shall be in the event an animal is not presented for sale due to his death or being claimed prior to sale.*
10. *I agree that BSS shall have the sole power: (1) to reject any entry at any time upon tender or return of entry fee, (2) to determine order of sale of all entries, (3) to assign or change stabling facilities as it deems necessary and (4) to make special announcements at time of sale concerning any animal entered, which in the opinion of BSS is appropriate.*
11. *I hereby state and affirm that to the best of my knowledge and belief, no animal herein entered by me has any bone fracture, chip, fissure, screws or pins affecting racing soundness, except as I have advised BSS in writing before the commencement of the named sale. I covenant and agree to indemnify and hold harmless BSS from any and all costs, liability and expenses (including attorney's fees) on any dispute concerning soundness. The owner is the responsible party for all representations of animals. BSS is not responsible for any unsoundness whatsoever.*
12. *When the auctioneer's gavel falls on the final bid the animal is sold, except where a reserve bid has been placed by the consignor, I agree that in the event of a dispute I shall be liable for the entry fee plus 5% Commission or \$500.00, whichever is greater, of the last bid made on the horse. I, the seller, or the designated agent for the seller, may place a reserve bid prior to the sale on this horse ONLY by notifying the auctioneer on the day of the sale. I, the seller, or the designated agent for seller, may also instruct Tom Davis personally by phone and confirm said reserve by tele-facsimile only (Fax 757-824-3157) up until 72 hours prior to the start of sale. Should these aforementioned procedures not be observed, seller will have no recourse whatsoever in regard to any claim.*
13. *I agree that in the event the Coggins test furnished by me for any horse entered in the named sale is invalid, improperly filled out by the seller's veterinarian, or is not in a form acceptable to any state, racetrack, province, or national racing commission or regulatory agency, and precludes said horse from crossing the Canadian border BSS may have the horse retested and all expenses incurred thereof and associated with obtaining a valid Coggins test and proper Federal Health Certificate, including but not limited to board, testing and transportation shall be borne by me. I further agree and hereby authorize BSS to irrevocably deduct these monies from the sales proceeds and remit same to purchaser.*
14. *I agree to pay a \$50 penalty fee for each of the required items such as registration certificate, Blood Typing Results, which is not in the BSS office 7 days prior to the start of the sale, eligibility & Coggins 24 hrs prior to start of sale. I further agree that my entire settlement will be withheld until all necessary documents have been received by BSS.*

15. *All horses will be on the grounds by 5:00 pm on day prior to sale.*
16. *I agree to proofread all catalogued information including but not limited to identity, engagement, pregnancy status, foaling date and produce records of the entered horse prior to sale date and to notify BSS of any errors or omissions.*
17. *Consignors will be responsible to deliver the horse to the sales ring for Auction and shall accept the horse after its appearance in the sales ring and return the horse to the stall. The seller grants BSS the irrevocable right to exhibit the horse in the sales ring at the sales companies' expense and risk of seller and further agrees that should the horse be injured during this exercise or any other time that the sales company will have no responsibility whatsoever. The above will also apply to the seller in the event, this horse is bid in, reserved not attained, deemed sold or deemed unsold by the auctioneer.*
18. *ARBITRATION CLAUSE: Any controversy or claim arising out of or relating to this sale, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator may be entered in any Court having jurisdiction thereof. The Arbitrator may grant any remedy or relief which the Arbitrator deems just and equitable and within the scope of the agreement of the parties, including, but not limited to attorney's fees, interest, costs or specific performance. The arbitrator, in the award, shall assess arbitration fees and expenses in favor of any party and, in the event any administrative fees or expenses are due the AAA, in favor of AAA. If a demand for arbitration is made, the party demanding the arbitration hearing will have to pay the filing fee. The arbitration hearing will take place in Pennsylvania office of the American Arbitration Association before one arbitrator selected in accordance with the Commercial Arbitration Rules of the AAA. Anything to the contrary is notwithstanding, the Company reserves the right to seek injunctive relief by order to show cause or otherwise pending the decision of an arbitrator to enforce any arbitrator's award rendered.*
19. *In the event that BSS cancels the specific sale for which a seller has consigned, all entrance and/or consignment fees will be returned within 30 days of cancellation. There shall be no additional liability to BSS.*