

**HIP NUMBERS 1 THROUGH INCLUSIVE
ALL PARTIES TAKE NOTICE
THIS SALE IS CONDUCTED IN ACCORDANCE WITH, AND ALL
ACTS OF INTERESTED PARTIES AND/OR CLAIMS BY THEM
SHALL BE GOVERNED BY THE FOLLOWING:**

CONDITIONS OF SALE

(AS OF September 17, 2025)

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FIRST - APPLICABLE LAW:

All horses in this sale are offered according to these CONDITIONS OF SALE and the laws of the state where the sale is conducted. All interested parties, including Sellers, Consignors, Agents, Owners, and prospective purchasers or bidders participating via any bidding process (in-person, telephone, by proxy or agent, written or telephone absentee bid, or internet) and all sales via any bidding process are bound by said CONDITIONS OF SALE. This sale is an auction with reserve and any Consignor, including owners and their agents, has the right to bid or establish a reserve, i.e., a price below which a horse will not be sold.

SECOND - CODE OF CONDUCT:

This Sales Code of Conduct ("Code") was adopted pursuant to a horse industry task force involving multiple segments of the horse industry. It sets out the principles which apply to sales conducted by Auctioneer ("Equine Auction Sales.") The Code is designed to set and maintain a high standard of integrity and transparency, which will safeguard the interest of Sellers, Consignors, bloodstock agents, owners, trainers, Purchasers and sales companies in Equine Auction Sales.

DEFINITIONS: (1) AGENT means any trainer, consignor, bloodstock agent, racing or stud manager or other person or entity who represents a Principal in an Equine Auction Sale, directly or indirectly, whether the Agent is paid by way of retainer, commission or other forms of remuneration, or has ongoing financial arrangements such as training, management or similar fees; (2) PRINCIPAL means a person or entity who appoints an Agent to act as agent on his behalf in an Equine Auction Sale; (3) LUCK MONEY means any financial payment or payment in kind or delivery of anything of value (in excess of \$500) made by or on behalf of a Seller to a Purchaser or his Agent in connection with an Equine Auction Sale either before or after the Equine Auction Sale has been concluded; (4) CONSIGNOR means a person or entity acting as agent for a Seller at public auction; (5) SECRET PROFIT means anything of value (in excess of \$500) received by an Agent in connection with an Equine Auction Sale that is not disclosed to the Agent's Principal; (6) SELLER means a person or entity who sells all or any interest in a horse in an Equine Auction Sale; (7) PURCHASER means a person or entity who buys all or any interest in a horse in an Equine Auction Sale; (8) EQUINE AUCTION SALE(S) means sales and purchases of horses and/or interest(s) therein at public auction sales; (9) [GENDER] Words importing the masculine gender herein shall include the feminine.

CODE: (1) An Agent owes a duty of good faith and a duty of loyalty to his Principal, which includes a duty to act at all times in an Equine Auction Sale in accordance with his Principal's best interests; (2) An Agent shall not place himself in a position where personal interests conflict with the duties to his Principal, except with full advance disclosure from Agent to Principal. In particular, an Agent shall not use his position to obtain a Secret Profit; (3) When an Agent acts as a Seller or intends to sell any horse in which he has an interest to a Principal, or intended principal, the Agent must disclose to his Principal, before completion of the Equine Auction Sale, the full extent of that ownership or interest and the benefit derived or to be derived by the Agent from that Equine Auction Sale; (4) If an Agent acts for more than one Principal in a transaction, which might for example be as Agent

both for the Seller and Purchaser, the Agent can only do so if he has first disclosed the conflict, before completion, to all his Principals, and obtained their consent to Agent's dual agency; (5) An Agent shall notify his Principal, wherever possible in advance, when a conflict of interest may arise, such as transactions involving third parties with whom he has a retainer, transactions where he is aware he will benefit from a third party, or transaction concerning a horse which he has previously purchased or with which he has previously been involved; (6) An Agent shall disclose to his Principal and, if required by the Principal, account to his Principal for any Luck Money paid to him by or on behalf of a Seller, Consignor or Purchaser; (7) A Seller or Agent shall not offer any Secret Profit to any person whom he believes to be an Agent acting for a prospective purchaser; (8) An Agent shall not bid at public auction on any horse for which Agent knows his Principal intends to bid, or on any horse for which his Principal is a Seller, except upon full knowledge and consent of his Principal; (9) This Code shall not be deemed to enlarge or restrict application of laws that govern matters relating to parties involved in Equine Auctions Sales.

ENFORCEMENT: Any alleged breach of the Code shall be settled by arbitration in accordance with the rules of the American Arbitration Association ("AAA"). A complainant of an alleged breach shall provide evidence of the alleged breach in the form of a written statement to Auctioneer. If, after discussions among the interested parties, they are unable to resolve the alleged breach in a manner suitable to them, the complainant may initiate arbitration. Arbitration shall be held in Lexington, Kentucky. The findings and decisions of the arbitrator(s) shall be final and binding upon the parties, but shall not preclude the parties from pursuing any action for monetary damages through the legal court system. Auctioneer agrees to observe the findings and sanctions of the arbitrator(s) and to ban from participation in its public auctions, for the period of time determined by arbitrator(s), any person found to have violated the Code. Judgment upon the decision of the arbitrator(s) may be entered by any court of competent jurisdiction. The prevailing party in the arbitration proceeding shall be entitled to recover his costs and expenses, including reasonable attorney's fees, from the nonprevailing party. In the event of a finding of an offense by the arbitrator, Auctioneer shall post, in a conspicuous manner during the period of exclusion, the name of the party sanctioned and the sanction determined by the arbitrator.

SANCTIONS: In the event a violation of the Code is found to have occurred, the following sanctions may be imposed by the arbitrator(s): (a) First offense – Exclusion from participation in sales or from sales grounds ("Exclusion") for a period of up to two (2) years from the date of the finding; (b) Second offense – Exclusion for up to five (5) years; and (c) Third or more offense – Up to a permanent Exclusion. Exclusion periods shall be served during such times as the arbitrator(s) imposes.

THIRD – TRANSPARENCY IN OWNERSHIP:

The accurate ownership of horses in this sale is encouraged, but not required, to be disclosed by consignors and/or sellers. Auctioneer will maintain an Ownership Registry where such accurate ownership may be disclosed at the option of consignor and/or seller. Any individual accessing the Ownership Registry (1) must present personal identification; (2) must be a registered buyer, or such

Buyer's duly authorized agent; (3) shall be required to sign a sworn statement that such individual has a bona fide interest in purchasing, as principal or, if not principal, then a representative of the principal as approved by Auctioneer; the horse whose ownership said individual examines, and (4) agrees to keep such ownership information confidential. In the event said individual violates this confidentiality obligation, said individual shall be subject to sanctions to be determined by Auctioneer, in its sole discretion, which sanctions may include, without limitation, exclusion from use of the Ownership Registry. Further, if Auctioneer determines that an individual is or may be accessing the Ownership Registry for purposes other than interest in buying a specific horse(s) at this sale, Auctioneer may refuse access to the Ownership Registry to that individual.

If there was a disclosure of ownership of a horse in this sale made in the catalogue and/or in the Ownership Registry, a change in ownership, as defined below and including a fractional interest therein greater than 10%, from the time of being catalogued until the time the horse is sold at auction is required to be disclosed in the Ownership Registry, or by written disclosure to Auctioneer of such change in ownership. The party to whom ownership is transferred is not required to be disclosed. In the event that a change in ownership occurs after the horse is on Auctioneer's sales grounds, regardless of whether there was a prior disclosure of ownership made in the catalogue or in the Ownership Registry, the seller and/or consignor shall disclose to Auctioneer in writing that a change in ownership has occurred, and an announcement disclosing that a change of ownership has occurred shall be made by Auctioneer prior to the sale of the horse.

It shall be the sole responsibility of the purchaser to determine the sufficiency of the information available in the Ownership Registry. The presence or use of the Ownership Registry shall not change any of these Conditions of Sale, which shall continue to be binding upon all parties.

In the event seller or consignor places information in the Ownership Registry, or discloses information regarding ownership of a horse in the sales catalogue, the party placing such information warrants that the information is materially accurate. The consignor shall not be responsible for materially inaccurate information supplied to consignor by seller, including, without limitation, information regarding change in ownership of a horse required to be placed in the Ownership Registry or disclosed to Auctioneer as provided herein, as long as consignor does not have actual knowledge that the information is materially inaccurate or of the change in ownership.

Information regarding ownership interest of 10% or less shall not be deemed material, and change in ownership of 10% or less shall therefore not be deemed a change in ownership for purposes of this Condition.

If determined by the purchaser of a horse, subsequent to the sale of the horse, that (a) the information in the Ownership Registry or in the catalogue was materially inaccurate at the time of sale of the horse, or that (b) the seller or consignor failed to disclose to Auctioneer, as required by this Condition, that there was a change in ownership prior to the sale of the horse, the purchaser shall have the right to collect liquidated damages as set forth herein from the consignor and/or seller; provided that (1) the purchaser accessed the Ownership Registry regarding the subject horse; (2) the purchaser has paid for the horse in full; (3) the purchaser notifies Auctioneer of its election to collect liquidated damages within six months from the date of sale of

the horse; (4) the purchaser establishes, by clear and convincing evidence, that there was a material inaccuracy in the Ownership Registry or in the catalogue at the time of sale of the horse that was not corrected by subsequent notice as required by this Condition, or that the seller or consignor failed to disclose to Auctioneer, as required by this Condition, that there was a change in ownership prior to the sale of the horse; and (5) the purchaser establishes, by clear and convincing evidence, that the party from whom purchaser seeks liquidated damages had actual knowledge at the time of the sale of such material inaccuracy in the Ownership Registry or catalogue, or of the failure to disclose change in ownership as required by this Condition.

Liquidated damages shall be 50% of the hammer price of the horse; provided, however, that consignor's liability hereunder shall be limited to two times the consignor's commission received for the sale of the horse. In the event purchaser prevails against both seller and consignor, consignor shall pay purchaser two times the consignor's commission received for the sale of the horse, and the balance of the 50% hammer price shall be payable by the seller. Any indemnity as between the seller and consignor for liability hereunder shall be as agreed between seller and consignor. Auctioneer shall have no obligations regarding collection of liquidated damages hereunder, which shall be handled through arbitration.

If any dispute arises under this Condition, the parties involved in such dispute agree to submit the matter to binding arbitration, in accordance with the rules of the American Arbitration Association. Arbitration shall be held in Lexington, Kentucky. The nonprevailing party in the Arbitration shall pay the cost of the Arbitration proceeding and reasonable attorneys' fees of the prevailing party or parties, including, without limitation, Auctioneer's.

FOURTH - CATALOGUE AND ANNOUNCEMENTS:

Horses catalogued in this sale are offered with information as represented by Consignor. The accuracy of such information is the responsibility of Consignor, who has a duty to examine the catalogue page for accuracy, and not Auctioneer. While certain information may have been procured by Auctioneer from third parties on behalf of Consignor, it remains solely the responsibility of Consignor to verify the accuracy of such information and to notify Auctioneer of any corrections with respect to produce records of broodmares. So that an appropriate announcement can be made prior to sale, notices of corrections must be delivered in writing to Auctioneer at its sales office not less than thirty (30) minutes prior to sale. IN CASE OF ANY ERROR, INACCURACY OR OMISSION, BUYER SHALL SEEK REDRESS ONLY FROM CONSIGNOR AND NOT FROM AUCTIONEER.

FIFTH - INSPECTION (INCLUDING THE REPOSITORY):

All Purchasers, regardless of the form of bidding (in-person, telephone, by proxy or agent, written or telephone absentee bid, or internet), shall inspect fully each horse that they may purchase. As provided in the Conditions of Sale and otherwise, Purchasers are accepting any horse purchased with all defects except those conditions and defects specifically warranted by Auctioneer's Conditions of Sale. Purchasers that fail or refuse to inspect for any reason, including a lack of opportunity for inspection, purchase the horse at their own risk.

It shall be the sole responsibility of the Purchaser to determine the sufficiency,

quality and completeness of the available inspection; however, full inspection shall include a review of Repository information for each horse. Repository information shall include without limitation all radiographs placed in the Repository, all information placed by Consignor in the Repository, and any Veterinary Radiographic Reports, as defined below.

All Purchasers acknowledge that (i) any veterinary radiographic report which purports to describe or summarize what is reflected in the radiographs of a horse ("Veterinary Radiographic Report") may contain and/or be based upon subjective determinations; and (ii) such written reports are not a substitute for or the equivalent of a review of the actual radiographs. As provided for in this Condition SIXTH, Veterinary Radiograph Reports shall exclude any upper respiratory laryngoscopic evaluation or analysis of said evaluation.

Repository. Auctioneer will not review the Repository information and makes no warranty or assurance of any kind concerning the authenticity, sufficiency, quality, completeness or accuracy of the Repository information, all of which shall be the responsibility of the Consignor. Knowledge of the Repository information therefore shall not be imputed to Auctioneer.

Purchasers will be charged with knowledge of any defect that is or should be revealed by a reasonable inspection, including any defect that is or should be revealed by a review of the Repository information, with the exception of the Consignors' warranties per Condition SIXTH, SEVENTH, and TWELFTH. Those limited warranties remain effective as more fully provided for and stated therein, unless Announcement is made by the auctioneer in conjunction with the sale of the horse in question. With respect to the provisions of Condition SEVENTH relating to injury or disease of bone structure for two-year-olds in training only, any defect which will, more likely than not, materially and adversely affect the horse's suitability for training and racing, that appears on radiographs taken within 24 hours after the session in which the horse is sold and taken before the horse leaves the sales grounds, which does not appear on the radiographs filed in the Repository prior to the sale, is subject to dispute resolution as provided in Condition NINETEENTH which may result in a return of the horse to the Consignor and a refund of the purchase price.

The presence or use of the Repository shall not change any of these Conditions of Sale, which shall continue to be binding upon all parties, nor does it create any additional express or implied warranties.

In the event Consignor elects to place information in the Repository for any sale conducted by Auctioneer, Consignor warrants that Consignor has deposited in the Repository all of the required views mandated by Auctioneer and further warrants the authenticity and validity of said views.

With respect to other Repository information, Consignor warrants the accuracy, validity and authenticity in all material respects of the Repository information placed by Consignor in the Repository.

In the event it should be determined that Consignor has placed views in the Repository that are not authentic and valid, and/or information in the Repository (other than the Veterinary Radiographic Reports, which are addressed below) that is not accurate, valid or authentic in all material respects and which is deemed to be materially misleading regarding the condition of the horse, then the sale is subject

to Rejection at the option of the Purchaser. In that event, Consignor shall (i) refund the purchase price to Purchaser together with any proper and reasonable expenses incurred by Auctioneer including interest at the rate of 12% per annum, and (ii) pay Auctioneer's entry fees and commission as if the sale had been final.

In the event it should be determined that a Veterinary Radiographic Report is not accurate, valid or authentic in all material respects and the Veterinary Radiographic Report is deemed to be materially misleading regarding the condition of the horse, then the sale is subject to Rejection at the option of Purchaser only upon complying with the time requirements hereafter set forth. Time is of the essence.

A Purchaser may elect to reject the sale and revoke acceptance of the horse ("Rejection") only upon complying with the following: (i) written statement from Purchaser requesting Rejection must be received by Auctioneer within twenty-four (24) hours after the session in which the horse is sold and before the horse leaves the sales grounds, and (ii) Purchaser's veterinary certificate ("Negative Certificate") containing the opinion of Purchaser's veterinarian describing in detail the specific information that causes the Repository information not to be accurate, valid or authentic in all material respects and materially misleading regarding the condition of the horse must be received by Auctioneer within twenty-four (24) hours after the session in which the horse is sold and before the horse leaves the sales grounds.

In the event of a Negative Certificate, Consignor shall either accept Rejection or deliver to Auctioneer Consignor's veterinary certificate contrary to that of Purchaser ("Positive Certificate"). The Positive Certificate must be received by Auctioneer within twenty-four (24) hours of Consignor's receipt of the Negative Certificate.

In the event of a receipt by Auctioneer of a Negative and Positive Certificate, Auctioneer will provide Consignor and Purchaser with a list of veterinarians and a Panel of three (3) veterinarians shall be convened in the same manner as provided for in Condition NINETEENTH. The Seller, Consignor and Purchaser acknowledge that the selection process is fair and reasonable to each of them.

The Panel shall determine, based upon the information in the Repository, whether there are facts and circumstances that cause the Repository information not to be accurate, valid or authentic in any material respect and materially misleading regarding the condition of the horse. In the event the Panel determines, based upon such examination(s) that there are facts and circumstances that cause the Repository information not to be accurate, valid or authentic in all material respects and such information is deemed to be materially misleading regarding the condition of the horse, the sale shall be cancelled. Otherwise, the sale shall stand. The decision of the Panel shall be final, binding and conclusive on all parties, absent fraud or bad faith. If the Panel is not unanimous, a majority vote shall be determinative. Auctioneer will not provide the Panel with information regarding the hip number, the name of the Purchaser or Consignor involved in the sale of the horse, or the name of the veterinarian who completed the Veterinary Radiographic Report at issue.

In the event the sale is Rejected, Consignor shall (i) refund the purchase price to Purchaser together with any proper and reasonable expenses incurred by Purchaser including interest at the rate of 12% per annum, and (ii) pay Auctioneer's entry fees and commission as if the sale had been final. Further, if Auctioneer determines,

in its sole discretion, that Consignor has deliberately and knowingly either placed incorrect information in, or omitted material information from, the Repository which is deemed to be materially misleading regarding the condition of the horse, Auctioneer may elect, in its sole discretion, to impose sanctions against Consignor which may include, without limitation, prohibiting Consignor from selling horses at future sales. If the sale is Rejected, Consignor shall pay all expenses associated with the Panel. If the sale is not Rejected, Purchaser shall pay all expenses associated with the Panel.

The limited right of Rejection contained in this Condition shall (i) be available to a Purchaser only if Purchaser has relied on the Repository information, and (ii) terminate regardless of whether twenty-four (24) hours have elapsed, immediately upon the removal of the horse from the sales grounds, or use of the horse "under tack" (which includes lunging horses and horses being ponied). Consignor shall have the sole responsibility concerning the accuracy of the disclosures/announcements. Seller, Consignor and Purchaser agree that Auctioneer is absolved from any liability relating to such announcements/disclosures and all agree to hold Auctioneer harmless from any loss incurred by either of them relating to such announcement/disclosures.

All items, including radiographs, placed by Consignor in the Repository are the sole property of Consignor (or the Consignor's veterinarian) and Consignor shall have the right to receive all such items and information back 48 hours after the end of the session at which the horse in question was sold. However, Auctioneer may elect to hold such items on behalf of Consignor in the event a dispute arises concerning these Conditions of Sale and will return the items to Consignor upon the resolution of the dispute. Further, Auctioneer may permit the Purchaser to receive such items only if Consignor has agreed to permit the Purchaser to receive such items or information. In the event Consignor fails to pick up the items and information contained in the Repository within 30 days after the end of this Sale, Auctioneer may elect to notify the Consignor (and/or the Consignor's veterinarian, if known) of Auctioneer's intent to destroy or otherwise dispose of said Repository information 10 days after notice from Auctioneer of its intent to take such action and Auctioneer shall be held harmless by Consignor for any losses or expenses incurred as a result of Auctioneer's disposition of the items contained in the Repository.

SIXTH – WARRANTY DISCLAIMER:

OTHER THAN THOSE LIMITED WARRANTIES EXPRESSLY STATED IN THESE CONDITIONS OR ANNOUNCED OR DESCRIBED BY AUCTIONEER, THERE IS NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, AS TO:

- (a) THE MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY HORSE OFFERED IN THIS SALE; OR
- (b) THE SOUNDNESS, WIND CONDITION OR OTHER QUALITY OF ANY HORSE SOLD IN THE SALE; OR
- (c) THE BREEDING QUALITIES OF ANY HORSE WHICH AT THE TIME OF SALE IS OFFERED IN ITS YEAR OF FOALING, OR ITS YEARLING OR TWO-YEAR-OLD YEAR, OR IS DESCRIBED AT TIME OF SALE AS A HORSE OF RACING AGE.

SUBJECT TO THE LIMITED WARRANTED CONDITIONS SET FORTH IN THESE CONDITIONS OF SALE, ALL SALES ARE MADE ON AN "AS IS" BASIS, WITH ALL FAULTS AND DEFECTS. OTHER THAN FAILURE TO SATISFY THE EXPRESSLY WARRANTED CONDITIONS SET FORTH IN THESE CONDITIONS OF SALE, NO OTHER DEFECTS SHALL CONSTITUTE A NONCONFORMITY, SUBSTANTIAL OR OTHERWISE, WITH THE TERMS OF THESE CONDITIONS OF SALE.

SEVENTH – CONDITIONS THAT MUST BE ANNOUNCED OR DISCLOSED; LIMITED WARRANTIES AS TO DESCRIPTION:

The following conditions of a horse must be announced by the Auctioneer from the Auctioneer's stand at time of sale:

- (a) any horse that is a cribber, or
- (b) any horse that is sold in this sale after July 1 of his yearling year and is a cryptorchid (ridgling), or
- (c) any horse that is sold in this sale after July 1 of his yearling year and is a bilateral cryptorchid, or
- (d) Any horse that is a gelding, or
- (e) The surgical removal of one testicle, or
- (f) Any horse that has raced and is being offered as a racing prospect that is on the starter's, steward's or veterinarian's list in any racing jurisdiction on the day of sale.

For purposes of this CONDITION, a cryptorchid (ridgling) is defined as a colt which does not have both testes palpable in the entirety below the external inguinal ring and will be identified as ridgling. A bilateral cryptorchid is defined as a colt with neither testes palpable in the entirety below the external inguinal ring and will be identified as a male horse that is a bilateral cryptorchid. A horse that has had one testicle surgically removed will be identified as a male horse with a statement stating the surgical removal of the testicle.

There is no representation or warranty as to the size and function of testes.

Any horse which is described incorrectly at time of sale as to its gender or sexual classification shall be subject to return to Consignor as provided in CONDITION EIGHTEENTH.

The following conditions of a horse must be disclosed by the Owner or Consignor by placing a veterinary certificate in the Repository on a timely basis as required by Fasig-Tipton, reasonably disclosing that one or more of the following conditions are applicable or in lieu thereof must be so announced by the Auctioneer from the auction stand at time of sale: any horse that

- (i) possesses any deviation from the norm in the eyes;
- (ii) is two years of age or less and has undergone
 - (a) invasive joint surgery, or
 - (b) surgical intervention of the upper respiratory tract;
- (iii) had abdominal surgery of any type that occurred in the last two (2) calendar years preceding the day of sale and any resection of an abdominal organ (partial or complete) at any time except to repair a ruptured bladder in a newborn foal;
- (iv) has been nerved; or

- (v) Any yearling sold after July 1st of its yearling year, two year old in training or horse of racing age that has one of the following defects of wind must be announced at the time of sale or a veterinary certificate disclosing such condition must be placed in the Repository: (1) Laryngeal hemiplegia (complete immobility or inability to fully abduct the cartilage), (2) Rostral displacement of the palatopharyngeal arch, (3) Epiglottic entrapment, (4) Permanent dorsal displacement of the soft palate, (5) Severe arytenoid chondritis or arytenoid chondroma(s), (6) Subepiglottic cyst or cysts or, (7) Cleft palate.

In addition, any horse sold in a two-year-old in training sale or any horse two years of age or older and offered as a racing prospect that has injury to or disease of its bone structure materially affecting its suitability for racing must be announced as having such condition at the time of its sale or such condition must be revealed by radiographs and/or a veterinary certificate placed in the Repository by the Consignor.

Warranties with respect to certain conditions of soundness of wind and bone as provided in this Condition shall not apply to any horse described at time of sale as a broodmare, broodmare prospect, stallion or stallion prospect.

No horse that is a "wobbler" (defined as a horse which suffers from a neurological disease caused by compression of the spinal cord and resulting in lack of balance and coordination) and/or has undergone any corrective surgery related thereto, may be sold in this sale. By entering a horse in this sale, Consignor and Owner warrant that the horse is neither a wobbler nor has it undergone any corrective surgery relating to being identified as a wobbler.

Consignor and Owner shall have the responsibility to ensure the accuracy of the disclosures/announcements of the condition of any horse as required above, and Consignor, Owner and Buyer agree that Fasig-Tipton is absolved from any liability relating to such disclosures/announcements, and Consignor, Owner and Buyer each agree to hold Fasig-Tipton harmless from any loss and/or expense incurred related to such matters.

If the announcements or disclosures required above are not made, Consignor and Owner provide a limited warranty that the horse being sold is free from those conditions not announced or disclosed.

Any horse sold in this sale which has a condition that must be announced, disclosed or prohibited as provided for in these CONDITIONS OF SALE and is not so announced or disclosed, shall be subject to rescission, revocation, and return by Buyer to Consignor and Owner provided that Fasig-Tipton is so notified in writing by veterinary certificate of such condition and the rescission, revocation, and return of the horse on the above grounds shall meet the requirements set forth in CONDITION EIGHTEENTH, including without limitation the following deadlines:

- (a) For the announcements and disclosures related to testes, eyes, bone, or wind: By written notice to Fasig-Tipton from Buyer (accompanied by a veterinary certificate stating that the condition or violation existed or occurred on or before the fall of the hammer) within 48 hours after the end of the Session in which the fall of the hammer occurred and before the horse leaves the sales grounds. If the request relates to bone structure of a horse sold as a two year or older offered as a racing

prospect, the veterinary certificate must also state that the injury to or disease of the bone structure materially affects the horse's suitability for racing and that such condition was not revealed by radiographs or other information placed in the repository by Consignor;

- (b) For the announcements and disclosures for cribbers: By written notice to Fasig-Tipton from Buyer (accompanied by definitive video proof and/or a veterinary certificate stating that the condition or violation existed or occurred on or before the fall of the hammer) 7 days after the end of the Session in which the fall of the hammer occurred;
- (c) For entry and sale of a wobblers: By written notice to Fasig-Tipton from Buyer (accompanied by veterinary certificate stating that the condition existed or occurred on or before the fall of the hammer) 7 days after the end of the Session in which the fall of the hammer occurred;
- (d) For the announcements and disclosures related to placement on starters', stewards', or veterinarians' lists: By written notice to Fasig-Tipton from Buyer within 14 days after the end of the Session in which the fall of the hammer occurred;
- (e) For the announcements and disclosures related to invasive joint surgery, surgical intervention of the upper respiratory tract, abdominal surgery and nerving: By written notice to Fasig-Tipton from Buyer within 14 days after the end of the Session in which the fall of the hammer occurred.

The notice periods listed above in this CONDITION are provided for reference and do not replace or supersede the notice requirements or dispute resolution processes set forth in CONDITIONS EIGHTEENTH and NINETEENTH. In order to elect a remedy of rescission, rejection, or return, Buyer must meet all of the requirements set forth in CONDITION EIGHTEENTH. Any disputes arising with regard to the right to rescission, rejection, or return shall be resolved in accordance with the procedures set forth in CONDITION NINETEENTH.

EIGHTH – ANABOLIC ANDROGENIC STEROIDS; BISPHOSPHONATES; BRONCHODILATORS (INCLUDING CLENBUTEROL); NSAIDS; CORTICOSTEROIDS:

Limited Warranties: Consignor warrants that:

- (a) Anabolic Androgenic Steroids - any horse entered in this sale has not been administered any anabolic androgenic steroids ("AS");
- (b) Bisphosphonates - each horse entered in the sale has not been administered any bisphosphonates;
- (c) Bronchodilators - each horse entered in the sale has not been administered any Bronchodilators (including clenbuterol), nor shall any horse entered in the sale have test results reflecting the presence of any Bronchodilators when tested. The administration of a bronchodilator for valid, on-label purposes prior to July 1 of a horse's yearling year is permitted but must be disclosed in the Repository with a note of explanation from the treating veterinarian;
- (d) NSAIDs - no horse in this sale has been administered any NSAID (a) after 6:00 p.m. local time on the day before the horse's sale session

or (b) within forty-eight (48) hours of a horse's Under Tack session. The only NSAIDs which have been administered to any horse are Flunixin, Phenylbutazone, and Ketoprofen. In addition, no more than one NSAID at or below manufacturers recommended dosages has been administered to any horse while on the sales grounds*; and

- (e) Systemic Corticosteroids - no horse in this sale has been administered any systemic corticosteroid (a) within twenty-four (24) hours of the horse's sale session or (b) within forty-eight (48) hours of a horse's Under Tack session, with no more than one Corticosteroid at or below manufacturers recommended dosages administered to any horse while on the sales grounds.

(* A limited exception may be made to accommodate health or medical needs of a horse, but only if the second NSAID is disclosed and documented by a licensed veterinarian stating the type of NSAID, dosage given, date and time of administration and an explanation of the medical need for the administration. The certificate must be submitted on a letterhead of the attending veterinarian or the veterinarian's firm to the repository no later than one hour before the start of the sale session in which the horse is being offered for sale.)

In order for purchaser to take advantage of this limited warranty, Buyer must check the appropriate box on the Acknowledgment of Purchase for the horse at the time of purchase directing Auctioneer to take a sample, which may include blood, hair or urine as Auctioneer determines. Buyer agrees to pay \$500.00 per test to Auctioneer to cover costs of the test. Auctioneer will arrange for a blood sample to be taken by a veterinarian designated by Auctioneer prior to the horse leaving the Sales grounds, which sample shall be sent to a laboratory selected by Auctioneer for testing for AS and bisphosphonates, as noted on the Purchase and Security Agreement. Consignor hereby consents to a sample being taken. Auctioneer shall deliver the test results to Consignor and Buyer upon receipt of same from the laboratory. If the test reveals the presence of AS, bisphosphonates, bronchodilators, NSAIDS, or Corticosteroids at such level as is deemed by the testing laboratory to be in violation of the Conditions of Sale or medication policies of Auctioneer ("Positive Test"), Buyer shall have the right to rescind the sale, which right must be exercised by Buyer giving written notice to Auctioneer within 24 hours of Buyer's receipt of the results indicating a Positive Test. If Buyer elects to rescind the sale, Consignor shall refund any sales proceeds paid to Consignor by Auctioneer and pay buyer or Auctioneer all proper expenses and legal fees incurred by either of them, including interest thereon at the rate of 12% per annum, from the time of sale until the return of the horse to the Consignor. Proper expenses include, but are not limited to, the \$500 testing fee per test, veterinarian charges, vanning, insurance and boarding. Buyer shall be required to exercise due care during the rescission period in maintaining and boarding the horse. In the event of a Positive Test, risk of loss shall remain with Buyer from the fall of the hammer until Consignor has been notified of Buyer's election to rescind the sale at which time risk of loss passes back to the prior owner. Buyer shall not cause the horse to be materially altered during the rescission period. Auctioneer will notify Consignor and Buyer of the test results as soon as practicable after receipt thereof. The test herein provided for shall be the sole support for any claims by Buyer for breach of the limited warranty provided

in this CONDITION EIGHTH and rescission of the purchase. Neither Buyer nor Consignor shall have the right nor shall Auctioneer have any obligation to conduct testing of a split sample. Auctioneer's determination concerning whether there is a Positive Test, as long as same is supported by the testing laboratory selected by Auctioneer, shall, absent fraud or bad faith, be fully binding upon Consignor, Buyer and all other interested parties. If any party challenges Auctioneer's exercise of discretion, absent fraud or bad faith, such party shall be liable for all of Auctioneer's reasonable expenses, including, without limitation, its attorneys' fees incurred in defending the challenge.

NINTH – PROHIBITED PRACTICES:

Any horse which has been subject to Prohibited Practices may result in the purchaser's discretion in Buyer's exercise of the right of return pursuant to CONDITION EIGHTEENTH. Prohibited Practices which are not permitted are:

- (a) extracorporeal shock wave therapy or radial pulse wave therapy on the sales grounds;
- (b) acupuncture and/or electro-stimulation with the intent of altering laryngeal function on the sales grounds;
- (c) electrical devices designed or used to increase the speed of a horse on the sales grounds;
- (d) (d) any invasive practice which intentionally conceals a material defect or chronic lameness on the sales grounds; and
- (e) Intra-articular injections within 14 days of the horse's sales session.

Prohibited Practices which are not permitted at any time are internal blister or other injections to the knee intended to have the effect of concealing the true conformation of the horse.

TENTH – MEDICATION POLICY-COMPLIANCE:

Medications may only be administered at or below manufacturer's recommended guidelines on the sales grounds. In addition, the following provisions must be followed:

- (1) Anabolic androgenic steroids (AS) shall not have been administered to any horse entered in this sale;
- (2) Bisphosphonates shall not have been administered to any horse in this sale;
- (3) No more than one (1) of the following non-steroidal anti-inflammatory drugs (NSAIDS) may be administered on the sales grounds: Flunixin, Phenylbutazone, or Ketoprofen. No horse in this sale shall be administered any NSAID (a) after 6:00 p.m. local time on the day before the horse's sale session or (b) within forty-eight (48) hours of a horse's Under Tack session;
- (4) No horse in this sale shall be administered any systemic corticosteroid (a) within twenty-four (24) hours of the horse's sale session or (b) within forty-eight (48) hours of a horse's Under Tack session, with no more than one (1) cortico-steroid administered on the sales grounds;
- (5) Bronchodilators (Clenbuterol, Albuterol, and all other bronchodilators) are prohibited, nor shall any horse entered in the sale have test results

reflecting the presence of any Bronchodilators when tested. The administration of a bronchodilator for valid, on-label purposes prior to July 1 of a horse's yearling year is permitted, but must be disclosed in the Repository with a note of explanation from the treating veterinarian;

- (6) No medication may be administered within 24 hours of a horse's under tack performance; and
- (7) "Covered Horses" as defined by the Horseracing Integrity and Safety Act and horses entered in a two year old in training sale may not be administered (i) any substances listed as "Banned Substances" by the Horseracing Integrity and Safety Authority pursuant to its Anti-Doping and Medication Control rules and regulations, or (ii) any medications prohibited under the rules of racing adopted by regulatory authorities in effect in the state in which the sale is being conducted based on the prohibited list in effect as of July 1 preceding the sale, or (iii) any controlled medications in an amount in excess of the amounts set forth in the rules of racing adopted by regulatory authorities in effect in the state in which the sale is being conducted based on the controlled medication rules in effect as of July 1 preceding the sale.*

(*For positive findings in which the identified substance is a substance of human use or abuse, the determination of whether the positive test constitutes a violation of the Conditions of Sale shall be made by Auctioneer in its sole discretion following any investigation it deems fit.)

A written report of medications given a horse in a two year old in training sale within 72 hours of the start of a sales session or within 24 hours of the start of any under tack show must be placed in the Repository by the Consignor not less than one hour before the start of the sales session in which the horse is entered or within 24 hours of administration, whichever is earlier. Any horse catalogued in this sale is subject to random testing or examination by a licensed veterinarian appointed by Auctioneer to determine whether the horse is in compliance with Auctioneer's Medication Policy. The appointed veterinarian, with the approval of Auctioneer, may appoint technicians to undertake certain duties to assist the veterinarian in the performance of his/her duties. The examination may include physical examination, urine, blood, and/or hair collection and/or any other test or procedure necessary to effectuate the purposes of Auctioneer's Medication Policy. Refusal to submit a horse to testing or examination or failure to cooperate with the veterinarian or his/her appointees may subject the horse to exclusion (withdrawal) from the sale.

If a chemical analysis of blood, urine, hair, or other samples taken from the horse indicates the presence at the time of sale or before of a substance prohibited by Auctioneer's Medication Policy or that was not disclosed on the Medication Report Form and is either confirmed by the analysis of the split portion of such sample, or if such re-testing is waived by Consignor, then the horse shall be subject to return by Buyer (as set forth more specifically in CONDITION EIGHTEENTH hereof), or if not yet sold, subject to withdrawal from the sale by Auctioneer.

If a chemical analysis of blood, urine, hair, or other samples taken from the horse indicates the presence at the time of sale or before of a controlled medication in an amount in excess of the amounts set forth in the rules of racing adopted by regulatory authorities in effect in the state in which the sale is being conducted,

then the horse may be subject to return by Buyer, or if not yet sold, subject to withdrawal from the sale by Auctioneer, with the decision as to return or withdrawal of the horse made in the sole discretion of the Auctioneer after review of the results of the testing.

For sales held in the State of Florida, Auctioneer's Medication Policy is in addition to the rights of the Buyer, Owner or the Consignor as set forth in the Florida Statutes, Title XXXIII, Chapter 535.01-535.14 and is not intended to replace or otherwise affect Florida law. For all other sales, this CONDITION TENTH provides the exclusive rules for compliance with Auctioneer's Medication Policy and enforcement of remedies available thereunder.

ELEVENTH – PROHIBITED SUBSTANCES

No horse shall be administered any of the following substances except as specifically noted below:

- (a) Bronchodilators, with a limited exception for valid on-label use prior to July 1 of horse's yearling year is permitted if administered and disclosed in repository pursuant to CONDITIONS EIGHTH and TENTH;
- (b) Furosemide (Salix), with a limited exception for horses that have raced on Furosemide;
- (c) Procaine Penicilin;
- (d) Local anesthetics, with a limited exception to accommodate for the health or medical needs of a horse, but only if the local anesthetic is disclosed and documented by a licensed veterinarian stating the type, dosage given, date and time of administration and an explanation of the medical need for the administration. The certificate must be submitted on a letterhead of the attending veterinarian or the veterinarian's firm to the repository no later than one hour before the start of the sale session in which the horse is being offered for sale;
- (e) Medroxyprogesterone;
- (f) Guanabenz;
- (g) Antihistamines administered to horses entered in two year old sales.

TWELFTH - LIMITED WARRANTIES AS TO BROODMARES:

Each broodmare in this sale shall be offered with veterinary certificate provided by Consignor showing her, in the opinion of the examining veterinarian, to be, based on appropriate examination within ten (10) days of the date of sale, (a) pregnant, or (b) not pregnant, but suitable for mating, or (c) not as described in either (a) or (b) above and therefore requiring a special announcement. Any Buyer of a broodmare may have her examined by a veterinarian within twenty-four (24) hours after fall of the hammer, and prior to removal from the sales premises. Failure to do so is a waiver of any right to rescind the sale or revoke acceptance of the broodmare. All warranties with respect to broodmares terminate upon the earlier of (a) expiration of twenty-four hours from time of sale, or (b) removal of the broodmare from the sales premises. Any broodmare so examined by the Buyer's veterinarian within the permitted time period, whose pregnancy status and/or suitability for mating is found not to be as represented in the veterinary certificate provided by Consignor, except any mare whose pregnancy status and/or suitability for mating has materially

changed after fall of the hammer, may be returned to Consignor as unsold pursuant to CONDITIONS EIGHTEENTH and NINETEENTH.

Consignors who have actual knowledge that the broodmare has, within the last two years, undergone either (i) a caesarean section delivering a fetus, or (ii) surgery involving the cervix, or (iii) a urethral extension, or (iv) the removal of an ovary, must be so announced at the time of sale or in lieu of such announcement, must be disclosed by placing a veterinary certificate in the Repository, reasonably disclosing that one or more of the above conditions are applicable.

Consignor shall have the sole responsibility concerning the accuracy of the disclosures/announcements and both Consignor and Buyer agree that Auctioneer is absolved from any liability relating to such announcements/disclosures and both agree to hold Auctioneer harmless from any loss incurred by either of them relating to such announcements/disclosures. Any horse whose condition is as aforesaid and is not so announced or disclosed in the Repository as required above will be subject to return to Consignor with refund of purchase price, and all proper expenses, fees and interest as provided in CONDITION EIGHTEENTH, provided that Auctioneer is so notified in writing by a veterinary certificate of such condition, and the right of return on the above grounds shall be within fourteen (14) days from the day of sale. Purchaser shall have the same rights and duties regarding return as provided in CONDITION EIGHTEENTH.

The following terms and standards recommended by the American Association of Equine Practitioners are hereby made a part of this CONDITION:

Pregnant: Any filly or mare shall be characterized as "pregnant" if and only if a licensed veterinarian has made such a determination. Any such report should include the method of diagnosis (i.e. palpation per rectum, transrectal ultrasound, etc.) and the approximate length of gestation, if known. A statement by the examining veterinarian should include that the pregnancy appears to be within normal limits.

Aborted: Any filly or mare that is not pregnant at the time of examination by a licensed veterinarian should be reported as "aborted" rather than "not pregnant" if the person rendering the report is actually aware that (a) an aborted fetus was observed or (b) the mare had been previously declared "pregnant" based on an examination by a licensed veterinarian at 42 days or more post-mating. The term "aborted" is used for the present breeding season or until breeding is attempted in the following season.

Not Pregnant: Any filly or mare that has been examined for pregnancy by a licensed veterinarian and found not to be pregnant at the time of that examination shall be characterized as "not pregnant". Any such report shall include the method of determination. Pregnancy examinations conducted by transrectal ultrasound prior to 14 days post ovulation may not detect pregnancy.

Suitable for Mating: A filly or mare that is "pregnant" or "pregnant _____ days" at the time of examination, as determined by a palpation per rectum, shall be characterized as "suitable for mating" without further tests or examinations. Otherwise, this is a subjective term used in sales conditions interpreting the findings of a single reproductive examination by a licensed veterinarian. Examination of the reproductive tract should include the ovaries, uterus, cervix, vagina, vestibule and perineum with palpation per rectum, and where practical, transrectal ultrasonography as well as visual examination of the vagina and cervix. While other

tests and criteria can be used to further evaluate the animal's potential fertility, employment of such techniques shall be at the discretion of the examiner or their client. Horses placed in "suitable for mating" category are based on the findings of a single examination consistent with a phenotypically female horse lacking major reproductive pathology. This categorization does not offer a guarantee of fertility.

Mating: The physical act of a stallion mounting a filly or mare with intromission of the penis. Artificial insemination qualifies as mating for breeds that permit artificial insemination.

Mated: Any filly or mare that has undergone the physical act of mating or artificial insemination but whose pregnancy status has not been determined.

Stillborn: Any foal, after at least 320 days of gestation, that is dead at the time of delivery.

Neonatal Death: Any foal that dies within 14 days of foaling from a medical condition determined to be existing at or dating from birth.

Foal Died: Any foal that stands and nurses unassisted and subsequently dies from a condition not determined to be existing at or dating from birth.

THIRTEENTH - BIDDING PROCEDURE:

Unless waived by Announcement, there shall be an upset price on any horse offered as set forth on the title page of the sales catalogue. If an opening bid of the upset price is not immediately forthcoming to Auctioneer's call, the horse shall be led out unsold. Minimum acceptable increases in bidding are: \$100 until the bid reaches \$25,000, and \$500 thereafter. A Consignor has a right to establish a reserve on any horse entered in the sale in accordance with procedures established by Auctioneer and Buyers agree to and acknowledge that right. Subject to the foregoing, the person making the highest bid recognized by Auctioneer shall be the Buyer. Auctioneer shall immediately present Buyer with a document entitled Acknowledgment of Purchase for Buyer's signature. Should such presentation not be made prior to commencement of bidding on the next lot offered, Buyer shall forthwith identify himself or herself to Auctioneer as the Buyer and sign the Acknowledgment of Purchase. In the event that a person other than the recognized Buyer signs the Acknowledgment of Purchase, such action shall not give such other person any right or title to the horse. Immediately upon such erroneous signing of an Acknowledgment of Purchase becoming known to Auctioneer, an Acknowledgment of Purchase shall be presented to the recognized Buyer for signature.

Bidders may participate in a sale by bidding online through Auctioneer's online live bidding platform or by telephone bid, subject to approval by Auctioneer in its sole and absolute discretion. To bid online, Bidders must register online at least 24 hours before the start of the sale. To bid by telephone, Bidders must register with Auctioneer at least 24 hours before the start of the sale. As noted in CONDITION FIFTH above, Auctioneer encourages all bidders, including online and telephone bidders, to conduct pre-sale exams on any horse on which they may bid. All bidders, including online and telephone bidders, agree to these Conditions of Sale and all Announcements as well as such additional terms as Auctioneer, in its sole and absolute discretion, may require. When making a bid, whether in person, on the telephone or online, a bidder accepts personal liability to pay the purchase price, as described more fully in CONDITION SIXTEENTH below.

Any bidder who places a bid online or by telephone expressly acknowledges and agrees as follows: (1) online and telephone bidding relies upon technology that may malfunction without warning and through no fault of Auctioneer; (2) online and telephone bidding is being provided on an "AS AVAILABLE" and "AS IS" basis and Auctioneer does not guarantee continual, uninterrupted or error free online or telephone bidding; and (3) Auctioneer shall be absolved from any and all liability related to or arising from any interruption in service, errors and/or omissions with respect to online or telephone bidding and each bidder or Purchaser who places an online or telephone bid shall hold Auctioneer harmless from any loss or claim resulting therefrom.

FOURTEENTH - BIDDING DISPUTES:

Should any dispute arise between or among two or more bidders, Auctioneer shall forthwith adjudicate the dispute, and Auctioneer's decision shall be absolute, final and binding on all parties. Bids tendered after fall of the hammer are not valid grounds for dispute. Bids received by personnel employed by Auctioneer have the same stature as bids received by Auctioneer in the stand. In case of dispute, at Auctioneer's sole discretion, the bidding shall be reopened for advance bids, and if there be no advance bid, the horse is sold to the person from whom Auctioneer recognized the last bid. Advance bidding shall be restricted to the disputing parties, unless the bid be reduced below the level of the recognized bid at commencement of the dispute, in which case bidding is reopened to all. Auctioneer reserves the right to reject any or all bids.

In the event of a technology issue of any type (including, but not limited to, malfunctions affecting or resulting in a temporary delay or inability to use online bidding platforms, computers, telephone servers, or any similar technological equipment or software), Auctioneer reserves the right, exercisable in its sole and absolute discretion, to temporarily suspend bidding, extend the relevant bidding period, cancel the sale, reoffer the horse affected for sale, or continue with the sale for bidders present at the Sale.

FIFTEENTH - TITLE AND DELIVERY:

Title passes to Buyer at the fall of the hammer, at which time all risk and responsibility pertaining to the horse also passes to Buyer. The horse will be held for Buyer by Consignor until Buyer makes settlement as provided in CONDITION SIXTEENTH, and Auctioneer shall have no responsibility whatsoever with respect to the horse. Buyer shall immediately present himself to make settlement upon fall of the hammer. Upon settlement by Buyer, the horse will be delivered by issuance of a "stable release" to Buyer or Buyer's designee authorizing removal of the horse from the sales premises, but in any case taking possession of the horse by Buyer or Buyer's representative shall constitute delivery and acceptance. Buyer shall cause the horse to be removed promptly from the sales premises, or be subject to stable charges determined by Auctioneer. Should Buyer fail to cause the horse to be removed promptly, Auctioneer may cause the horse to be removed and then stabled at Buyer's risk and expense. Notwithstanding the foregoing, with respect to any horse two years of age or older that is not being sold for breeding purposes only and is being shipped out of state, title, risk and responsibility pertaining to the horse will

remain with Consignor until delivery by Consignor to a licensed interstate common carrier engaged by Auctioneer but designated by Buyer, upon which delivery such title, risk and responsibility shall pass to Buyer. Buyer shall reimburse Auctioneer for the cost of the common carrier at the time of settlement of Buyer's account. In all cases, Consignor and Buyer indemnify and hold Auctioneer harmless from any and all claims, actions, liabilities or damages arising out of or related to title, possession, risk or responsibility to or of a horse before or after the fall of the hammer.

SIXTEENTH - CREDIT AND SETTLEMENT:

Buyer shall make settlement with Auctioneer immediately upon fall of hammer, unless credit shall have been extended in advance by Auctioneer to Buyer. If Buyer's account is not paid in full within fifteen days of sale, Buyer shall pay to Auctioneer a service charge of 2 percent per month on the unpaid balance of the account from the date of sale until paid. Payments to others, including Consignors or their representatives, do not constitute settlement. Buyer shall make settlement as provided above for the full purchase price and applicable sales tax, in U.S. currency or bank check, certified check or equivalent acceptable to Auctioneer.

BIDDERS ARE CAUTIONED THAT EXTENSION OF CREDIT AT A PRIOR SALE DOES NOT ESTABLISH CREDIT AT THIS SALE. BIDDERS MUST CLEAR OUTSTANDING ACCOUNTS AND ESTABLISH CREDIT AT THIS SALE PRIOR TO BIDDING. Bidders and other persons signing for or buying on behalf of or in the name of a corporation, limited liability company, partnership, trust or other entity -including purchases through an authorized agent - agree to be personally responsible for payment of all sums owed to Auctioneer. Buyer grants to Auctioneer a security interest in each horse purchased, its Jockey Club Certificate of Foal Registration, any applicable stallion service certificate, and any proceeds or products thereof, to secure payment of the amount of unpaid purchase price, sales tax, or other indebtedness owed by Buyer to Auctioneer or Auctioneer's affiliates. Buyer appoints Auctioneer as Buyer's attorney-in-fact to prepare, execute and file any Financing Statements or other documents necessary to perfect, enforce and give notice of the security interest created herein. Buyer agrees that Auctioneer shall have all rights and remedies of a Secured Party pursuant to the Conditions of Sale and the Uniform Commercial Code or other applicable law. Auctioneer may retain, and shall have a security interest in, all registration papers for all horses either bought by Buyer or returned to Consignor until all of Buyer's or Consignor's accounts with Auctioneer are paid in full.

SEVENTEENTH - DEFAULTERS:

SHOULD BUYER FAIL TO COMPLY IN ANY RESPECT WITH CONDITIONS FIFTEENTH AND SIXTEENTH ABOVE, AUCTIONEER MAY, IN ITS ABSOLUTE DISCRETION, NOTWITHSTANDING THE PROVISIONS OF CONDITION TWENTY-FIRST (b), PURSUE ANY REMEDY AVAILABLE TO IT AGAINST THE DEFAULTING BUYER, INCLUDING, BUT NOT LIMITED TO, BRINGING SUIT IN COURT, TAKING POSSESSION OF THE HORSE AND ITS REGISTRATION PAPERS OR RESELLING OF THE HORSE AT PUBLIC AUCTION OR BY PRIVATE TREATY FOR ACCOUNT OF DEFAULTER. In any

case, Buyer shall be liable for any deficiency after charging to Buyer's account all costs of maintenance and resale, including, but not limited to, service charges, attorney's fees, costs of litigation, and damages available at law to Auctioneer.

EIGHTEENTH – RESCISSION; REVOCATION; RIGHT OF RETURN:

As provided above, a breach by Owner or Consignor of CONDITIONS FIFTH, SEVENTH, EIGHTH, NINTH, TENTH, ELEVENTH, or TWELFTH shall give rise to the Buyer's right to rescind or revoke the sale of a horse and the right to return such horse to the Consignor and Owner.

To claim such a right, the Buyer must make his claim as follows:

- (a) For CONDITION FIFTH (Repository): By written notice to Fasig-Tipton from Buyer (accompanied by a veterinary certificate stating that the condition or violation existed or occurred on or before the fall of the hammer) within 24 hours after the end of the Session in which the fall of the hammer occurred and before the horse leaves the Sales Grounds;
- (b) For CONDITION SEVENTH (Conditions That Must be Announced or Disclosed):
- (c) For the announcements and disclosures related to testes, eyes, bone, or wind: By written notice to Fasig-Tipton from Buyer (accompanied by a veterinary certificate stating that the condition or violation existed or occurred on or before the fall of the hammer) within 48 hours after the end of the Session in which the fall of the hammer occurred and before the horse leaves the sales grounds. If the request relates to bone structure of a horse sold as a two year or older offered as a racing prospect, the veterinary certificate must also state that the injury to or disease of the bone structure materially affects the horse's suitability for racing and that such condition was not revealed by radiographs or other information placed in the repository by Consignor;
- (d) For the announcements and disclosures for cribsbers: By written notice to Fasig-Tipton from Buyer (accompanied by definitive video proof and/ or a veterinary certificate stating that the condition or violation existed or occurred on or before the fall of the hammer) within 7 days after the end of the Session in which the fall of the hammer occurred;
- (e) For entry and sale of a wobbler: By written notice to Fasig-Tipton from Buyer (accompanied by a veterinary certificate stating that the condition existed or occurred on or before the fall of the hammer) within 7 days after the end of the Session in which the fall of the hammer occurred;
- (f) For the announcements and disclosures related to placement on starters' lists, stewards' lists, or veterinarians' lists: By written notice to Fasig-Tipton from Buyer within 14 days after the end of the Session in which the fall of the hammer occurred;
- (g) For CONDITION EIGHTH (AS and Bisphosphonates): By written notice to Fasig-Tipton from Buyer within 24 hours after the Buyer receives written notice from Fasig-Tipton of a Positive Test; and
- (h) For CONDITION NINTH (Prohibited Practices): By written notice to Fasig-Tipton from Buyer (accompanied by a veterinary certificate

stating that the condition or violation existed or occurred on or before the fall of the hammer) within 24 hours after the end of the Session in which the fall of the hammer occurred and before the horse leaves the Sales Grounds;

- (i) For CONDITION TENTH (Medication Policy): By written notice to Fasig-Tipton from Buyer within 24 hours after the Buyer receives written notice from Fasig-Tipton of a Positive Test;
- (j) For CONDITION ELEVENTH (Prohibited Substances): By written notice to Fasig-Tipton from Buyer within 24 hours after the Buyer receives written notice from Fasig-Tipton of a Positive Test;

For CONDITION TWELFTH (Broodmares):

- (a) For conditions or violations related to the pregnancy or mating of broodmares: By written notice to Fasig-Tipton from Buyer (accompanied by a veterinary certificate stating that the condition or violation existed or occurred on or before the fall of the hammer) within 24 hours after the end of the Session in which the fall of the hammer occurred and before the horse leaves the Sales Grounds;
- (b) For conditions or violations related to surgeries or surgical procedures: By written notice to Fasig-Tipton from Buyer (accompanied by a veterinary certificate stating that the condition or violation existed or occurred on or before the fall of the hammer) within 14 days after the end of the Session in which the fall of the hammer occurred.

Any claim not made as provided above shall be disallowed. Any disputed claim shall be resolved as provided in CONDITION NINETEENTH below.

All warranties of any horse of racing age purchased at the sale shall terminate immediately when the horse starts in a race, regardless of any notice period set forth herein. Further, any use of a horse of racing age "under tack" after Buyer learns of any condition that would permit rescission, rejection, or return of the horse shall terminate all warranties and void any right to rescission, rejection, or return of the horse.

The Buyer's right to rescind or revoke the sale of a horse and the right of return is Buyer's sole and exclusive remedy, except as may otherwise be provided under applicable law. The Buyer's right to rescind or revoke the sale of a horse and the right of return is subject to and conditioned upon the horse on date of return being in materially the same condition as it was at the fall of the hammer.

Fasig-Tipton shall notify the Owner, Consignor and Buyer of the determination of the claim. If the Buyer's claim of rescission or revocation and return is granted, the horse shall be returned to Owner and Consignor by the Buyer. The Owner and Consignor shall refund any sales proceeds paid to Consignor or Owner by Fasig-Tipton, and Consignor and Owner shall pay Buyer and Fasig-Tipton any and all reasonable expenses and attorneys' fees incurred by either and both of them, including interest thereon at the legal rate, from the time of sale until the return of the horse to the Consignor or Owner. Such expenses shall include, but are not limited to, any costs of maintaining and boarding the horse, testing fees, veterinarian charges, vanning, insurance and boarding. Buyer shall exercise and

provide reasonable and appropriate care of the horse during the period prior to return of the horse. The risk of loss shall remain with the Buyer from the fall of the hammer until a determination is made on the claim of rescission or revocation and return, at which time, if the claim is allowed, risk of loss passes back to the Owner.

NINETEENTH - RESOLUTION OF DISPUTES:

(a) ANY CONTROVERSY ARISING OUT OF A CLAIM MADE BY OR ON BEHALF OF BUYER UNDER THE PROVISIONS OF CONDITIONS FIFTH, SEVENTH, NINTH, TENTH, ELEVENTH, TWELFTH, AND EIGHTEENTH SHALL BE SETTLED BY VETERINARY ARBITRATION BETWEEN THE BUYER AND CONSIGNOR PURSUANT TO THE FOLLOWING PROCEDURE. Upon Auctioneer's determination that a claim under such Conditions of Sales has been timely and properly presented, Auctioneer shall notify a panel of three veterinarians, specializing in equine medicine, created specifically to evaluate the validity of disputes arising from warranties or medication policy compliance set forth in these CONDITIONS OF SALE. This panel shall conduct any tests, investigations or examinations which it deems necessary and, except as requested by the panel, Buyer and Consignor shall not be heard, present evidence or cross-examine witnesses, same being waived by all parties. Based upon its review, the panel shall, by majority vote, determine the validity of the claim and whether to uphold or rescind the sale. The decision of the veterinary panel shall be final and binding on all interested parties and shall not be subject to any further review. All expenses incurred by the panel shall be reimbursed by the party whose property the panel determines the horse to be.

If the Auctioneer is not able to assemble a panel of three veterinarians, then the Auctioneer has the right in its sole discretion to appoint a single veterinarian to undertake the determination of the validity of the claim under the same terms and conditions as set forth in the preceding paragraph. The veterinarian shall be agreed upon by the Consignor and Buyer. If Consignor and Buyer cannot agree on a veterinarian, then Auctioneer shall have the right in its sole discretion to appoint the veterinarian to undertake the determination of the validity of the claim.

(b) Except as provided in CONDITION EIGHTEENTH, any other controversy or dispute between or among Auctioneer, Buyer and/or Consignor (including Owner and authorized agent) arising out of a claim made under these Conditions of Sale or relating to this sale shall be settled by arbitration among the parties in accordance with the rules of the American Arbitration Association. Arbitration shall take place in Lexington, Kentucky. All parties, including Buyer, Consignor, Auctioneer or others, consent to the venue and jurisdiction of state or federal courts of record sitting in Fayette County, Kentucky for the purpose of enforcing this agreement to arbitrate or for the purpose of enforcing any award or finding made by the arbitrator(s) (all parties hereby waiving any defense of forum nonconveniens). Auctioneer, Consignor, Owner, Buyer and any other interested party expressly waive any right to a trial by jury with respect to any litigation arising out of the sale of any horse governed by these CONDITIONS OF SALE. Notwithstanding the above, judgment upon any award rendered by the arbitrator(s) may be entered by any party and any court having jurisdiction thereof. Auctioneer shall be entitled to reimbursement from the party whose property the horse is determined to be for reasonable board, maintenance,

insurance, transportation and veterinary expenses incurred in connection with the horse and for reasonable attorney's fees and other costs incurred by Auctioneer in connection with any dispute, arbitration or litigation arising from or relating to the sale of the horse or these CONDITIONS OF SALE.

TWENTIETH - BREEDING CONTRACTS:

Any contractual agreements between owners of broodmares in this sale and owners of stallions to which these mares have been bred do not follow the broodmares unless so announced at time of sale. The possible return to any stallion or possible refund of any stud fee does not follow the broodmare unless so announced at time of sale.

TWENTY-FIRST - AGENTS:

Persons purporting to act as an agent for a Buyer must file with the Auctioneer a completed, notarized Authorization of Agent form such as appears in the sales catalogue or notarized letter of authorization from Buyer stating that the agent is authorized to purchase at this sale for the account of Buyer and that such Buyer agrees to be bound by all actions of the agent in connection with this sale. Any person failing to comply with this Condition shall be held PERSONALLY LIABLE as the Buyer. By signing the Acknowledgment of Purchase, an agent agrees to be personally liable for the full purchase price of the horse if Buyer does not have approved credit or fails to make settlement as provided in CONDITION SIXTEENTH.

TWENTY-SECOND - LIMITATION OF ACTIONS:

Any cause of action arising out of or relating to this sale shall be commenced not more than one year after the date of this sale; provided, however, this limitation of action shall not apply to any action against Buyer for recovery of the purchase price, including interest and expenses, or repossession of any horse purchased at this sale.

TWENTY-THIRD - SEVERABILITY:

If any provision of these CONDITIONS OF SALE is held to be illegal or invalid, such illegality or invalidity shall not affect the remaining provisions of these CONDITIONS OF SALE, and they shall be continued and enforced as if such illegal or invalid provision had never been inserted herein.

TWENTY-FOURTH - TIME OF ESSENCE:

TIME IS OF THE ESSENCE AS TO ALL MATTERS SET FORTH IN THESE CONDITIONS OF SALE.

TWENTY-FIFTH - BLOODSTOCK INTERESTS:

Sellers or Consignors may at times offer fractional or other interest(s) in a horse for sale, including, as the context may require, fractional interests, shares, seasons, breeding rights or other form of economic interest or contractual rights (collectively, "bloodstock interest(s)"). When such bloodstock interests are offered for sale, Seller and Consignor must disclose an accurate description of the terms and conditions of the interest being sold and any restrictions on the interest. Potential Bidders and Purchasers shall have the opportunity and obligation to review the

terms and conditions of ownership of any bloodstock interest offered for sale and purchase such interests based on the terms and conditions of ownership.

By entering a bloodstock interest in the sale, Seller and Consignor, jointly and severally, represent and warrant that: (a) Seller owns good and marketable title in and to the bloodstock interest, free and clear of any and all encumbrances (as defined herein); and (b) Seller and Consignor have full capacity and full power and authority to transfer the bloodstock interest(s) to Purchaser in the manner set forth herein without the consent or approval of any other party. As used herein, "encumbrance" means any charge, claim, pledge, condition, equitable interest, lien (statutory or other), option, security interest, mortgage, right of first refusal, lease, or restriction of any kind, including any restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership contained in any syndicate agreement, breeding or other contract governing the management of the horse that has the effect of restricting or otherwise impairing the sale or transfer of the bloodstock interest as contemplated by these Conditions of Sale.

For the sale of fractional interests in racing horses or racing prospects, Purchaser agrees to be bound by the terms and conditions of any ownership agreement, operating agreement, bylaws, or other understanding of the terms and conditions of ownership of the fractional interest. For the sale of breeding rights or breeding interests, Purchaser agrees to use the bloodstock interest(s) only in conformity with the terms and restrictions imposed by the syndicate manager, and/or the owner and/or manager of the stallion or mare, pursuant to the syndicate agreement and/or any other applicable agreement and management practice for the stallion or mare involved. Purchasers further agree to be bound by the terms and conditions of the applicable syndicate agreement or breeding contract (as the case may be) and to execute further documentation as necessary to evidence Purchaser's acceptance of such agreements or contracts.

TWENTY-SIXTH - EQUINE WELFARE; RESTRICTION OF PARTICIPANTS:

Auctioneer shall have the right, in its sole discretion, to preclude any prospective bidder from participating in any sale and to rescind any sale to any prospective bidder or purchaser should Auctioneer determine based on information made available to Auctioneer that (i) the potential bidder or purchaser has a history, suspected history, disciplinary proceedings, or investigations related to neglect or abuse of horses or other animals, or (ii) that the potential bidder or purchaser has been excluded, sanctioned, or otherwise limited from participating in racing in any racing jurisdiction by any state or federal regulatory body.

TWENTY-SEVENTH – USE OF CATALOGUE AND OTHER MATERIALS, PHOTOGRAPHY AND VIDEORECORDING, PRIVACY POLICY, AND TERMS OF USE:

All parties participating in this sale, attending the sale or sales grounds, receiving copies of the sale catalogue, or accessing any information about the sale via the Auctioneer's website or other electronic means acknowledge, agree to, and are bound by Auctioneer's Privacy Policy and Terms of Use. All such parties acknowledge and agree that the Catalogue, pedigree pages, website, portal, and other electronic and printed materials distributed by Auctioneer are the sole property of

Auctioneer and shall not be reproduced or distributed to others without the express written consent of Auctioneer. Except for copies made for use in connection with participation in the sale, recipients may not copy, reproduce, modify, republish, use, or distribute any information provided by Auctioneer in any form or by any means without prior written consent. All such parties further agree that no video, still photographs, or sound recordings of the sales grounds, horses, or participants are allowed without the consent and authorization of Auctioneer.

TWENTY-EIGHTH – ENTIRE AGREEMENT:

The entire agreement regarding the sale and purchase of a horse at this sale is contained in these CONDITIONS OF SALE and in the Acknowledgment of Purchase. Auctioneer shall not be bound by any oral or written agreement between Buyer and Consignor, nor made a part to any action relating to such an agreement, unless agreed to, in writing, by Auctioneer.

FASIG-TIPTON COMPANY, INC. Auctioneer