

SALE CONDITIONS

(English)

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

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

THIRD – BIDDING DISPUTES; Should any dispute arise between or among two or more bidders, the auctioneer shall forthwith adjudicate the dispute and his decision shall be absolute, final and binding on all parties. Bids received after the fall of the hammer are not grounds for dispute. Bids acknowledged by bid spotters employed by the undersigned are recognized as if tendered to auctioneer, but in case of dispute the bidding on the horse shall be forthwith reopened for advance bids, and if there be no advance, the horse will be sold to the person from whom the auctioneer recognized the last bid. In case of any dispute, advance bidding shall be restricted to the contending parties, but should the recognized bid be reduced below the bid of commencement of dispute, then bidding is reopened to all bidders, regardless of whether or not final bid exceeds bid which was disputed. The auctioneer, reserves the right to reject any and all bids. In the event of any dispute between the buyer and the consignor, Eclipse Sales Company will occupy the position of agent for a disclosed

principal and stakeholder and will be discharged from all obligations owing to the consignor or buyer on delivery of any property or funds held by Eclipse Sales Company to the court having jurisdiction of such dispute.

FOURTH – TITLE RISK AND DELIVERY; Title passes to purchaser at fall of hammer, at which time he assumes all risk and responsibility for the horse. **PURCHASER OR HIS REPRESENTATIVE SHALL TAKE CARE, CUSTODY AND CONTROL OF THE ANIMAL IMMEDIATELY AT THE FALL OF THE HAMMER,** and such taking constitutes delivery of the animal, which shall be contingent upon purchaser presenting himself to the cashier of the undersigned to make settlement. Purchaser must so present himself within one hour of conclusion of the sale session in which the horse is sold, at which time delivery will be made in form of an “Order For Delivery” for the horse, provided that purchaser satisfactorily makes settlement. After delivery, purchasers shall remove horses promptly and shall be subject to stable charges as determined by undersigned should they fail to do so. The buyer further agrees to indemnify and hold the consignor and Eclipse Sales Company harmless from all loss, cost and expense arising from the illness, injury or death of such animal or loss or damage to property and injury or death or persons caused by the buyer, the buyer’s agents or employees or by the animal subsequent to the time of purchase.

FIFTH – TERMS FOR SETTLEMENT; MAKE SETTLEMENT WITH CASHIER OF ECLIPSE SALES COMPANY. PAYMENT TO OTHERS, INCLUDING CONSIGNORS OR THEIR REPRESENTATIVE ARE NOT RECOGNIZED AS SETTLEMENT. Purchaser shall make settlement within one (1) hour of conclusion of the sale session in which the horse is sold for the full purchase price, such settlement to be in the form of U.S. currency, certified check, traveler’s check or approved bank check which has been verified and approved in advance by cashier and/or officers of Eclipse Sales Company. **BUYERS MUST ESTABLISH BUYER VERIFICATION BEFORE PURCHASING. ALSO, ANY BUYER EXCEEDING THE AMOUNT ESTABLISHED MUST UPDATE BUYER VERIFICATION.** (See Settlement Procedures).

SIXTH – DEFAULTERS; Purchasers who fail in any aspect whatsoever to pay for horses as provided for at **CONDITION OF SALE FIFTH** above, and/or Settlement Procedures shall be declared in default. Any horse purchased by a defaulter may be resold by the undersigned at public or private sale without notice for purchaser’s account, costs of such resale to be borne by defaulter. Should such resale fail to satisfy the defaulter’s account in full, defaulter shall pay forthwith to Eclipse Sales Company the amount owing, failing which, the undersigned may bring suit against defaulter. **THE PURCHASER SHALL BE RESPONSIBLE FOR ALL COSTS, INCLUD-**

ING ATTORNEY'S FEES, INCURRED BY ECLIPSE SALES COMPANY IN COLLECTION OF AMOUNTS OWING FOR HORSES PURCHASED, OR IN ENFORCEMENT OR INTERPRETATION OF THIS CONDITION OF SALE.

SEVENTH – WARRANTIES; THERE IS NO WARRANTY, EXPRESS OR IMPLIED BY ECLIPSE SALES COMPANY, THE OWNER OF ANY HORSE OR THE CONSIGNOR OF ANY HORSE AS TO THE SOUNDNESS, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY HORSE OFFERED IN THIS SALE. ALL HORSES ARE SOLD “AS IS” WITH ALL EXISTING CONDITIONS AND DEFECTS EXCEPT AS EXPRESSLY ANNOUNCED FROM THE AUCTION STAND OR AS EXPRESSLY PROVIDED HEREIN. Horses exhibiting the following conditions at the time of sale shall be subject to return pursuant to condition Eighth below unless the condition is announced by the auctioneer at the sale: (a) any horse with impaired vision or injury to the eye; and (b) any horse which is a “cribber”. Any horse satisfying the following conditions will also be subject to return pursuant to condition Eight below: (a) any horse sold on or after July 1 of its yearling year which is described at time of sale as a colt and does not as such time have two testes descended to the scrotum; (b) any horse described at the time of sale as a ridgling and at such time the horse is a gelding; (c) any horse described at the time of sale as a gelding and at such time the horse is a colt or a ridgling; (d) any male horse described at the time of sale as a female; (e) any female horse described at the time of sale as a male; and (f) any horse described at the time of sale as a filly or a mare and which at the time of sale has been spayed. EXCEPT FOR THE FOREGOING LIMITED WARRANTIES EACH ANIMAL IS SOLD “AS IS” WITH ALL DEFECTS AND EXISTING CONDITIONS AND WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED.

EIGHTH – RIGHT OF RETURN; In the event that any animal is not as represented in the Sale Catalog or on the breach of the foregoing limited warranties (as the Sale Catalog or limited warranties might be modified by announcement at the time of Sale), the buyer shall file with Eclipse Sales Company a written notice of rejection of the animal with such supporting veterinarian's and other certificates as Eclipse Sales Company might require within twenty-four (24) hours after the close of the Sale session in which the animal was purchased. If the buyer rightfully rejects the animal in the manner and within the time provided, the animal will be returned by the buyer to the consignor and the consignor will refund to the buyer the full purchase price of the animal together with all reasonable expenses incurred by the buyer in connection with the animal from the time of sale until the return to the consignor.

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

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

ELEVENTH – REGISTRATION; Eclipse Sales Company will mail all registration papers directly to the appropriate registration agency, if required, after the purchase price has been paid in full. Registration papers being processed by the appropriate registration agency at the time of sale will be returned to the consignor and will be obtained by Eclipse Sales Company and forwarded to the buyer.

TWELVETH – MISSED RESERVES; Eclipse Sales Company shall use its best efforts to adhere to reserves properly and timely placed with Eclipse Sales Company at the reserve counter. In the event a horse is sold to a buyer for less than the reserve, Eclipse Sales Company liability shall be limited to paying the Consignor an amount not to exceed the reserve less the commission charged on the sale. In the event a horse is sold with a reserve higher than that placed by the Consignor (including, without limitation, a reserve placed on a horse when none was directed by the Consignor), the horse, at the option of Consignor, shall be brought back in the ring to be offered for sale and Consignor and Eclipse Sales Company agree that Eclipse Sales Company shall waive all of its commissions, including any entry fees paid as liquidation damages and neither party shall have any other rights, claims or obligations to the other arising out of the reserve error. Further, in the event the auctioneer fails to take the bid to the reserve amount set by Consignor when the "all the way" box is marked, Consignor and Eclipse Sales Company agree that the Consignor shall be entitled to receive the "hammer price" and Eclipse Sales Company shall

waive all of its commission, including any entry fees paid, as liquidated damages and neither party shall have any other rights, claims or obligations to the other arising out of the reserve error.

ECLIPSE SALES COMPANY

EXAMINE HORSES PRIOR TO PURCHASING

COGGINS TEST:

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

TESTS COMPLETED WITHIN SIX (6) MONTHS OF SALE DATE.

