



2016 TCA Stallion Season Auction Terms and Conditions

1. All seasons are offered on a "No Guarantee" (NG), non-refundable basis except those marked (LF), which are sold "Live Foal". ALL seasons are payable in full by February 12, 2016. Seasons must be paid in full before breeding may occur. If the purchaser (öPurchaserö) does not pay the balance due by February 12, 2016 the Purchaser will be subject to a service charge of 1.5% per month of the unpaid balance.

2. All LF seasons are subject to the stallion farm's and TCA's approval of the Thoroughbred mare (öMareö). Additionally, for LF seasons, the Mare must not be older than 18 years and must have produced at least two foals in the past four years, not including mares who have been in breeding service less than two years or are maidens. If the season is purchased LF and no foal results from the mating, the fee will be refunded upon TCA's receipt of a satisfactory veterinary certificate attesting to the Mare's barrenness, abortion, death or failure to produce a live foal which stands alone and nurses. In order to receive a refund for a LF season resulting in a barren mare, the Mare must be bred at least twice to the stallion. The last cover date must be no later than June 1, 2016.

3. "No Guarantee" purchases of stallion seasons are NON-REFUNDABLE UNDER ANY CONDITION including the unavailability, infertility or death of the stallion, or the Mare's death, inability to conceive or carry to term, once named and covered or for any other reason.

4. Upon receipt of payment TCA will notify the farm, at which the stallion stands, of the name of the successful purchaser. The Purchaser is then solely responsible for completing and forwarding a mare information form to the stud farm and making all booking arrangements.

5. Seasons to stallions standing in Kentucky are subject, under Kentucky law, to a 6% Kentucky Sales Tax, which will be billed in addition to the season purchase price.

6. Stallion seasons and purchased auction items are sold as is/where is and TCA makes no representations or warranties regarding items sold. Purchaser waives and releases TCA, its employees, agents, volunteers and the donor of the stallion season or auctioned item, from any and all liability in connection with the use and/or functionality of the stallion season or purchased item.

7. Purchasers of stallion seasons agree to breed a Thoroughbred Mare on the purchased seasons only in conformity with the lawful restrictions imposed by the syndicate manager, stallion owner or stallion manager at the stud farm involved, pursuant to the syndicate agreement and/or any other generally applicable agreement and management practice for the stallion involved. Purchasers of stallion seasons further agree to be bound by the terms and conditions of the stallion farm's breeding contract and to execute further documentation as necessary to evidence Purchaser's acceptance of the breeding contract, including without limitation the following terms and conditions:

a. Purchaser agrees and warrants that the Mare shall be healthy, free from disease or infection that could be transmitted to the Stallion, and in sound breeding condition. The Purchaser's presentation of the Mare by his agent or otherwise shall constitute Purchaser's representation that the Mare is as warranted.

b. In the event of Purchaser's default in the performance of this agreement, including any provision hereof, Purchaser further agrees to pay reasonable attorney/collection fees incurred by TCA in regard to such default.

c. It is agreed that payment in full is a condition precedent required in order for Purchaser to have any rights to delivery of the Stallion Service Certificate, it being acknowledged and agreed that the Stallion Service Certificate is the sole and exclusive property of the stallion farm and that Purchaser shall have no interest therein until the fee and all other amounts due to TCA.

d. Purchaser of a season grants and assigns to the stallion farm, TCA and their respective affiliates a continuing security interest in the season purchased, the foal, in utero, born alive, or otherwise, as a result of the breeding with the season purchased, all certificates, instruments and documents relating thereto and all accessions, proceeds and products of the foregoing, in order to secure payment of the amounts due to TCA and the stallion farm. The foregoing security interest and lien is in addition to the lien in favor of the stallion farm pursuant to KRS 376.420. TCA and the stallion farm shall have all rights granted to secured parties under the Uniform Commercial Code as enacted by the Commonwealth of Kentucky. Purchaser irrevocably appoints TCA as Purchaser's attorney in fact to execute and file financing statements on Purchaser's behalf to perfect or otherwise evidence the security interests granted herein if TCA deems appropriate. The security interest in any certificates, instruments and/or documents shall be deemed to be perfected by the possession thereof by the stallion farm, TCA or its agent(s). If Purchaser defaults in payment of the amounts due to TCA or the stallion farm hereunder, Purchaser consents to the issuance of the Stallion Service Certificate in the name of TCA and to registration of the resulting foal with The Jockey Club, by TCA or the stallion farm as his agent, in the name of the TCA. In that event, Purchaser further grants to Seller a security interest in The Jockey Club Certificate of Foal Registration as well as the foal which shall be perfected by TCA's possession of said Certificate. TCA shall further have the right to take possession of the foal and sell same in order to satisfy the amount owed hereunder including the recovery of any board and keep or other costs of the foal, which costs shall remain the responsibility of Purchaser.

8. By participating in the auction, Purchaser, on behalf of his heirs, successors and assigns agrees to be bound by these rules. All matters hereunder shall be governed in accordance with the laws of the Commonwealth of Kentucky. Any action or dispute arising out of this auction shall only be commenced in the Fayette Circuit Court, Kentucky and the parties each submit themselves to the exclusive jurisdiction of the courts located in Kentucky, waiving any rights to dispute resolution in any other jurisdiction.

9. In order to bid in the auction, a prospective purchaser must (a) complete and sign a registration form available online on Starquine.com (the "online registration form") *or* provide any information required to complete the online registration form to TCA (and, by providing such information to TCA, the prospective purchaser expressly authorizes TCA to complete the online registration form

on behalf of the prospective purchaser and to bid and accept bids on behalf of such prospective purchaser) and (b) provide such other identification or information as TCA deems appropriate, in its sole discretion.

a. By submitting the online registration form or by authorizing TCA to submit the online registration form on behalf of Purchaser, Purchaser acknowledges and agrees that he or she has provided Starquine.com and/or TCA with his or her name, address, phone number, email address and other identifying information, which information will be used to contact Purchaser in the event that he or she is a winning bidder. All data submitted during the online registration process with Starquine.com will be stored and retained by Starquine.com, subject to its own terms of use and/or other policies. By submitting the online registration form or by authorizing TCA to submit the online registration form on behalf of the Purchaser, Purchaser also agrees that Starquine.com will assign him or her a unique "User Name" and "Password" permitting the Purchaser or TCA, on behalf of the Purchaser, to place bids and follow the progress of such bids in the auction-style online marketplace Starquine.com at the online stallion season auction or live select season auction to be conducted from Monday, January 4 through Saturday, January 9, 2016.

b. In the event a prospective purchaser declines to complete the online registration form personally, by authorizing TCA to submit the online registration form on behalf of Purchaser hereunder, Purchaser also authorizes TCA to place or accept bids on behalf of Purchaser by telephone from anyone identifying the User Name and/or Password assigned by Starquine.com at the online stallion season auction or live select season auction to be conducted from Monday, January 4 through Saturday, January 9, 2016.

c. **PRIVACY NOTICE**: Purchaser understands that this User Name and Password may result in his or her identification by others. Purchaser understands that if he or she does not want to be identified, he or she should not participate in the auction.

d. In the event of a purchase made by such telephonic or online bidding, Purchaser hereby appoints and authorizes TCA, as its attorney-in-fact to execute the acknowledgement of purchase evidencing the purchase. Purchaser further waives and releases TCA from any and all liability due to any action authorized herein or the use of, failure of, interruption of or other interference of any telephonic or online equipment or transmission used by Purchaser, its agents or assigns, and/or TCA, its agents, officer, affiliates, and/or assigns, in connection with the TCA auction that may prevent Purchaser from bidding or completing any bidding or that may prevent TCA from bidding on Purchaser's behalf or from completing any bidding, including registration on Starquine.com. TCA may, in its sole discretion and without notice, terminate any user's User Name and/or password.