

FROM: OWNER TO: T. S. McBEATH SALES, INC.

1. Owner authorizes T. S. McBeath Sales, Inc. to 1) research, advertise, catalog and select the sale session for each horse consigned; 2) make representations and warranties strictly on owner's behalf with no responsibility for such warranties being that of T. S. McBeath Sales, Inc.; 3) sell owner's horse to the highest bidder and to deliver title to the buyer; 4) receive and disburse sale proceeds on Owner's behalf as set forth herein.

2. Owner acknowledges that T. S. McBeath Sales, Inc. has the right to: (1) reject at any time any horse consigned; (2) make announcements at time of sale concerning any horse consigned; (3) determine the order of sale; (4) secure any health requirements not provided by Owner from the sale veterinarian and debit charges to Owner's account; (5) change the date, time or location of the sale if circumstances deem necessary; should the sale be permanently canceled due to uncontrollable circumstances, the sole liability of T. S. McBeath Sales, Inc. shall be to return the entry fee and necessary documentation to Owner.

3. Entries must be accompanied with all of the requirements specified on the front page of this contract. The entry fee of **\$250** may be deducted from the sale proceeds or submitted with entry. **The entry fee is non-refundable and shall be deemed fully earned when T. S. McBeath Sales, Inc. accepts this contract, whether paid or unpaid when entry is submitted. In addition to the entry fee, a commission of 8% of accepted bids shall be charged and deducted from Owner's proceeds.**

4. Owner agrees not to privately sell or withdraw any horse after it is accepted by T. S. McBeath Sales, Inc. for sale consignments. If Owner sells any consigned horse prior to the auction or withdraws or fails to present any horse for sale at the auction for any reason other than medical as specified in Condition #5 below. Owner is still responsible for the \$250 entry fee and \$250 damages. **Entry privileges are not transferable to a third party.**

5. Upon presentation of a notarized veterinary certificate to T. S. McBeath Sales, Inc. stating the condition of the horse. Owner may withdraw a consigned horse if it dies or becomes unfit for sale due to material veterinary reasons acceptable to T. S. McBeath Sales, Inc. However, any unpaid balance of the \$250 entry fee shall become immediately due to T. S. McBeath Sales, Inc. Owner may substitute for and additional \$50 fee.

6. Owner agrees to have all horses consigned on the sale premises not later than 7:00 a.m. on the scheduled sale date. Any horse consigned continues in the Owner's sole care and control until the buyer's acknowledgment is signed by an accepted bidder. Responsibility of getting a horse to and from the auction arena is that of the Owner. The sale company (T. S. McBeath Sales, Inc.) is not responsible for care and custody of any horse consigned, including the providing of veterinary or other care, but Owner hereby authorizes T. S. McBeath Sales, Inc. to take such action, without liability on T. S. McBeath Sales, Inc., should it be deemed necessary.

7. The right to bid, repurchase or Pass Out (PO) is reserved by the consignor or his representative. Any such action must be made prior to the horses departure from the sale ring. Title to the animal passes to the buyer immediately at the final fall of the auctioneer's gavel, unless such a repurchase or PO is made immediately by the consignor, his representative, or the auctioneer. T. S. McBeath Sales, Inc. will oblige sellers desiring to place reserve bids on an animal if given instructions prior to the sale. However they will still owe the consignment fee of \$250, plus a pass out fee of \$100.

8. **LIMITED WARRANTIES:** Each Owner hereby expressly represents and warrants unto T. S. McBeath Sales Inc. and all potential bidders all the following matters for each horse consigned, unless stated otherwise in the sale catalog and/or otherwise announced at time of sale. Further in the event a horse possesses any of the following defects or conditions, or any other defects, the Owner shall have the responsibility to inform T. S. McBeath Sales, Inc. of such immediately so that proper announcements can be made in the sale catalog and/or from the auction block while the horse is in the auction ring. (1) Owner has and shall pass full and clear title to the horse consigned and shall defend the title against all claims; (2) title to the horse is free from all adverse claims of ownership, liens, security interests, use or possession and Owner agrees to defend title against all claims; (3) the horse is "serviceably sound", meaning it has no known injury, abnormality, disease or adverse condition that would render it incapable of performing its represented purpose; (4) the horse is not a cribber; (5) the horse does not possess a parrot mouth; (6) the horse has not undergone invasive joint or abdominal surgery; (7) the horse's sex is as described in the catalog; (8) the horse has not been nerved; (9) colts or stallions at least 18 months of age at time of sale, do possess two palpable testicles descended to the scrotum; (10) all mare at least 18 months of age at time of sale, do possess two palpable ovaries. Further, Owner grants permission to any prospective bidder to have a mutually acceptable veterinarian perform an inspection as to the above listed matters at a reasonable time prior to the sale. Except for the foregoing "express limited warranties" and any additional health or medical information provided in the sale catalog and/or from the auction block, each horse is otherwise sold "as is" with all defects and existing conditions, if any and without any further warranty of any kind, expressed or implied. Every horse will be sold under this rule.

9. **RIGHT OF RETURN:** After a sale has been transacted, the buyer has the right, at his expense, to have any horse examined by the official sale veterinarian for all limited warranties described in Condition #8 above, and for any medical representations made on behalf of the owner from the auction block. Such veterinarian testing shall be done after the horse sells and before it leaves the grounds. If the horse was sold and misrepresented by the Owner, the buyer has the right to refuse purchase and has the right to deliver horse back to owner as unsold. In such case, all fees associated with the sale become due to T. S. McBeath Sales from the Owner.

10. In the event a buyer fails to pay for or accept a horse, Auctioneer reserves the right to: (1) accept the same purchase amount from another buyer; (2) accept the next highest bid; (3) offer horse for auction for a second time; (4) retain horse for Owner as unsold. T. S. McBeath Sales, Inc. shall not be liable for any deficit should any resale price be less than that on the initial sale. In any instance where a horse is not paid for in full, or should conditions make an immediate resale as provided above impossible or impractical, Owner agrees to receive the animal back as unsold, without further obligation by T. S. McBeath Sales, Inc.

11. Remittance of net proceeds to Owner from T. S. McBeath Sales, Inc. will be in 10 banking days if all the following have been complied: (1) all necessary documents pertaining to the horse that are necessary to complete the sale have been secured by T. S. McBeath Sales, Inc. from the Owner; (2) any dispute or claim by the buyer or any third party has been resolved. All documents pertaining to the horse shall be held by T. S. McBeath Sales, Inc. until Owner's accounts are balanced and payment clears the drawee's bank.

12. Owner agrees to save, hold harmless T. S. McBeath Sales, Inc., its officers or employees, Mississippi State Fairgrounds, their agents or employees, from and against any and all liability, debt, claims, suits, losses, damages, causes of action, judgments, costs and expenses; including attorney's fees arising from personal injury or death of any person or horse, including but not limited to employees of the Owner, property damage, including loss of use thereof, economical loss or otherwise, arising or growing out of the Owner's use of any of the facilities in connection with with the Owner's sale due in any manner to the negligence or intentional acts of the Owner, any of its employees, agents or servants in the performance of the Owner's sale or any act, error or omission or negligence of T. S. McBeath Sales, Inc., occurring concurrently with that of the Owner or contributing to any loss indemnified hereunder. It is further understood and agreed that in no case will T. S. McBeath Sales, Inc., or its officers or employees be held responsible for any loss, damage or injury of any character to any person, animal or article arising from or occurring during the sale.