

CONSIGNOR'S CONTRACT

Please read carefully, sign, date and return to Horse Sale by May 1, 2008

I hereby consign the foregoing livestock the ("Animals(s)") for sale in the 2008 RUIDOSO ANNUAL NEW MEXICO-BRED QH SALE ("Auctioneer") to be included in the catalog subject to the following Terms & Conditions:

1. I warrant title to each Animal free from all adverse claims to ownership, use or possession, parentage, and agree to defend title against all claims, including any claims which arise from the Animal's failure to satisfy the AQHA's requirement of parentage verification. I authorize Auctioneer to advertise and sell each animal at public auction, to make the representation and warranties set forth in the Sale Conditions on my behalf, to deliver possession of each Animal to the highest recognized bidder, to transfer title thereto, and to receive and disburse the proceeds of sale from my account. I understand that this Contract constitutes a Power Of Attorney to do so.
2. I agree to pay Auctioneer the designated Entry Fee by the Withdrawal Date for each animal and agree that the Entry Fee will be deemed earned by Auctioneer on the Withdrawal Date. I understand that I have the right to withdraw any Animal at any time prior to the Withdrawal Date and receive a refund of the Entry Fee by delivery of written notice to Auctioneer. Effective on the Withdrawal Date, I agree that Auctioneer's authority to sell each Animal will be irrevocable, and that each Animal will be offered at the Sale unless the Animal is excused by the Auctioneer, on demand, as liquidated damages, the Entry Fee and the sum equal to ten percent(10%) of the amount of the sale price, if the animal has been sold, or a penalty of \$500, whichever is greater. I understand that the Entry Fees and Conditions of Acceptance to the Sale are as follows:

Sale Entry Fee is \$450 (+ \$25.00 late payment after Deadline), plus a Sales Commission of 5%(or a minimum of \$250, whichever is greater) of the final recognized bid at the Sale, by whomsoever made, regardless of whether such Animal is or is not sold at such bid. Unless waived by announcement, there shall be an upset price of \$500 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.

After entry is made, there shall be no substitutions. There shall be no refund of entry fee after the deadline except in the case of death of the animal or if a licensed veterinarian determines that the animal is unfit for sale due to injury of illness. The Sales Co. may consider a partial refund upon receipt of a veterinarian's written certification of unfitness or death. In no case shall the refund exceed \$200. After cataloging, there will be no refunds. I understand due to limited stall space, Auctioneer may select entries based upon pedigree alone at any time and may refuse entries, refunding full entry fee.

3. I understand that the aforementioned Entry Fee(s) covers the cost of stalls, stall cards, pedigree analysis, and handling of entries prior to the Sale. I understand expenses incurred by Auctioneer through the sale or attempted sale of the animal(s) will be my responsibility, and I authorize the Auctioneer to deduct all sums owing to Auctioneer from my account, and in the event of any deficiency, I agree to immediately pay Auctioneer the balance due. I understand that an additional fee of \$25.00 will apply to all entry fees which are approved to be deducted from the Consignor's sale proceeds vs. fees paid at time of entry. If I choose to have my entry fee withheld from proceeds, the Registration Certificate must accompany the Consignment Form at time of entry or the entry is unacceptable and will be returned to consignor.
4. I understand that the Auctioneer reserves the right to: (i) reject the entry of any Animal in the Sale at any time; (ii) approve any assignment of my rights and obligations under this agreement; (iii) determine the order of sale of all Animals; (iv) assign stabling facilities subject to such stabling policies as Auctioneer may establish; (v) examine each Animal and make such catalog corrections and announcements as Auctioneer deems appropriate; (vi) reject Animal if Animal is not in saleable condition on Date of Sale, retaining entire Entry Fee, and (vii) change the time, date, or location of the Sale should circumstances, in Auctioneer's sole discretion, necessitate such change(s).
5. I agree at the time of entry, to deliver to Auctioneer the following documents with respect to each animal:
 - a. the original Parentage-Verified CERTIFICATE OF REGISTRATION stamped with the NMHB registration number (or my certification in writing that all matters required by the applicable Registry have been furnished and issuance of the Parentage-Verified Certificate of Registration is pending and that the animal is eligible for NM Bred registration.) The Certificate of Registration must be in the Horse Sale office no later than 60 days prior to Sale or the Animal will be withdrawn and no refund will be forthcoming. If it is necessary to make corrections to the Certificate Of Registration after inspection of animal by the Horse Sale Co. inspectors, a fee of \$125 will be charged the consignor to cover the fees charged by AQHA and for postage and handling expenses incurred by the Sales Co. I agree to check the Certificate Of Registration for accuracy of all information contained therein and thereby guarantee its authenticity or pay the described fee if the Certificate is found to be in error.
 - b. A completed and signed TRANSFER REPORT must accompany the Certificate Of Registration in order to properly transfer ownership of all Quarter Horse entries. No erasures or alterations are permissible. Partnerships must have a separate membership or the transfer will be rejected. AQHA booth will be open at the Sale to assist members and establish new memberships.

I agree, prior to the Sale, to deliver to Auctioneer the following documents with respect to each animal:
 - c. A current negative COGGINS TEST dated no later than six(6) months prior to Sale date must be on file prior to sale of Animal;
 - d. A licensed veterinarian's HEALTH CERTIFICATE indicating that the Animal is in good health, dated no earlier than 10 days prior to Sale;
 - e. An EVA REPORT dated within 90 days of the Sale, or proof of vaccination.

I understand that a \$50.00 penalty will be assessed by Auctioneer, payable by me or withheld from my Proceeds, should I fail to produce all prescribed documents in a timely manner, as stated above, for the sale of the Animal.

I understand that the Auctioneer WILL WITHHOLD ANY MONIES DUE ME until all such documents are delivered.

7. I understand that, providing all necessary documents regarding sale of the Animal are in possession of Auctioneer, Net Proceeds from the sale of my Animal will be distributed NO EARLIER THAN THIRTY(30) DAYS AFTER DATE OF SALE and that Auctioneer will remit only those Net Proceeds that have been received IN CASH from purchasers of my consignment. I understand that proceeds will not be distributed on any Animal that is subject of a dispute or claim by purchaser until such dispute or claim is resolved and the proceeds of sale have been received in cash by the Auctioneer, nor will Auctioneer distribute proceeds of any Animal sold on credit or by check until such net proceeds are received by Auctioneer in cash. I understand that I am not entitled to any interest or monetary compensation for any such delay in the distribution of Net Proceeds.
8. I agree to provide such information as Auctioneer might request with respect to the ownership, description, pedigree, parentage verification, produce, performance, health and conformation of each Animal, and I AGREE TO REVIEW SALE CATALOG AND PROMPTLY NOTIFY AUCTIONEER OF ANY CORRECTIONS THERETO. I understand that I am the sole guarantor of all information regarding my Animal(s) in Sale Catalog and that neither the Auctioneer nor the Sale Catalog Production Company employed by Auctioneer will be held responsible for errors in documentation of Sale Catalog. Requests for proof copies by Consignor must be made directly to the Catalog Production Co. and any costs borne by Consignor.
9. I represent and warrant to the buyer and to the Auctioneer the following:
 - a. Title to the Animal free from all adverse claims to ownership, use, or possession;
 - b. The Animal is sound of eyes and mouth;
 - c. The Animal is not a "Cribber";
 - d. The sex and condition as a stallion, gelding, or ridgeling, of the Animal is as described in the Sale Catalog;
 - e. That no white markings, no questions as to parentage, nor any other controversy exists that would affect registration of the Animal in its respective Breed Association;
 - f. The Animal is not afflicted with Locomotor Ataxia (Wobbler Syndrome);
 - g. That the pedigree of the Animal is as represented and that the parentage represented herein has been verified and could be verified again by DNA testing in accordance with the American Quarter Horse Association's current rules. I understand that I AM REQUIRED TO INFORM AUCTIONEER OF ANY SUCH AFOREMENTIONED CONDITIONS AT TIME OF ENTRY FOR ANNOUNCEMENT AT THE SALE or face purchaser's possible refusal of Animal and forfeiture of my Entry Fee and Sale Proceeds.
10. I agree to deliver each Animal F.O.B. to the Sale location no later than 8:00am local time on the anticipated Sale date. I understand that the maintenance of each Animal is my responsibility until sold, and I agree to care for each Animal while stabled on the Sale premises in accordance with Auctioneer's husbandry and stabling policies. On my failure to so care for any Animal, I agree that Auctioneer may, at Auctioneer's option, undertake such care, and I agree to reimburse Auctioneer for all expenses of stabling, feed, veterinarian care, transportation, and maintenance of Animal. I agree that Auctioneer will not incur any liability whatsoever for the loss, damage, injury, death or illness of any Animal.
11. I understand that neither the Auctioneer nor the Sale Catalog Company will be held responsible for providing information as to multiple embryos (foals of the same year) out of dams in Sale; nor will either company be held liable in any way for buyer's belated awareness of such information. I understand that I am the sole guarantor of any such warranty.
12. I understand that Auctioneer will use reasonable efforts to verify the financial responsibility of the Buyer of each Animal, and that possession of each Animal will be released to the buyer against receipt of future payment after satisfaction of Auctioneer's Settlement Procedures. I agree that if the sale of any Animal is not consummated by reason of the default of the buyer or otherwise, Auctioneer shall not be liable for the purchase price of the Animal and Auctioneer's sole obligation shall be to assist me in the collection of the purchase price of the Animal, recovery of the Animal or resale of the Animal at the Sale or by private sale to the extent that I might request. I understand that Auctioneer does not guarantee the validity, enforceability, payment or collection of any instrument delivered to Auctioneer in payment of the purchase price of any Animal. Any obligation which Auctioneer might owe to me by reason of a buyer's default will be discharged by Auctioneer's resale of the Animal by public or private sale, whether or not the resale price equals the price agreed to be paid by the defaulting buyer.
13. I agree to indemnify and hold Auctioneer harmless from all claims, expenses and costs(including without limitation, attorney's fees) arising out of:
 - a. Any question of title to or my authority to sell any Animal;
 - b. Any lien, attachment or claim asserted against any Animal or the proceeds of Sale;
 - c. any claimed default in my representations or warranties with respect to any Animal;
 - d. loss of damage to property and injury or death of persons caused directly or indirectly by me, my agents or employees or any Animal;
 - e. my entry or sale of any Animal;
 - f. any questions of parentage of Animal or any failure of the Animal to verify its parentage as represented herein and in the sale catalog;
 - g. my default in performance hereunder;

I AGREE TO PAY AUCTIONEER, ON DEMAND, THE FULL AMOUNT OF ANY LOSS WHICH AUCTIONEER MAY INCUR IN SETTLEMENT OF ANY CLAIM OR DEMAND ON ACCOUNT THEREOF.

14. I understand that the terms of the Sale Conditions and Settlement Procedures published in the Sale Catalog will govern the sale of each Animal, as will the laws of the State wherein the Sale is held, and I hereby approve the same and agree to be bound thereby. I understand that should any provision of Auctioneer's contract be held illegal, such illegality or invalidity shall not affect the remaining provisions of the Contract.
15. This Agreement is binding on me, my heirs, personal representatives, successors, permitted Assigns, any successor in ownership of each Animal, and will inure to the benefit of Auctioneer's successors and assigns. Any person signing this agreement will be jointly and severally liable for the upholding of these Conditions. I have read the foregoing terms and conditions, and upon signing this Contract, agree to abide by them.

PRINTED NAME: _____

SIGNATURE: _____ DATE: _____

(IF SIGNED BY AGENT, AGENT AUTHORIZATION MUST BE COMPLETED ON PAGE #1)

Mail to: Ruidoso Horse Sale Co.

Overnight to: Ruidoso Horse Sale Co.

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