



Acknowledgement of Purchase and Security Agreement

Date _____

Hip Number _____ Purchase Price _____

Please print the following information:

Purchaser or Agent Name _____

Address _____

City, State, Zip Code, Country _____

Telephone _____ Fax _____

Email Address _____

The purchaser hereby purchases and promises to pay the Keeneland Association the purchase price set forth for the horse described herein plus Kentucky sales tax at the rate of 6 % of the purchase price unless exempt under KRS 139.531 (2) (a) and (2) (b) (see below). **This purchase and payment therefore is made in accordance with the additional terms and conditions set forth on the back hereof and incorporated by reference herein.** In order to secure payment of the purchase price and all other expenses incurred by Keeneland, the purchaser hereby grants Keeneland Association, its successors and assigns, a security interest in and to the above described horse, and any other horses purchased, and any proceeds, progeny, and/or products thereof.

Purchaser acknowledges that he is familiar with the "Conditions of Sale" as printed in the catalogue and **the confirmation of purchase is subject to those conditions, the same being made a part hereof and incorporated by reference herein.**

OTHER THAN THOSE LIMITED WARRANTIES EXPRESSLY STATED IN THE CONDITIONS OF SALE, THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, BY SECURED PARTY OR CONSIGNOR AS TO MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY ANIMAL SOLD AND ALL ANIMALS ARE SOLD "AS IS".

Purchaser claims exemption from Kentucky Sales Tax (Initial One)

1. _____ The purchase is made for breeding purposes only; or
2. _____ The purchase is made by a non-resident of Kentucky of a horse less than two (2) years of age;
3. _____ The horse purchased is two years old or older, which is not sold for breeding purposes only, and will be immediately shipped by Keeneland Association, Inc., from Lexington, Kentucky to the purchaser at an out-of-state point via licensed Interstate Common Carrier (ICC). It is understood and agreed that such shipment shall be wholly at purchaser's risk. A release will be issued to ICC carrier upon receipt of bill of lading. All expenses incurred by Keeneland in shipping the horse will be invoiced to purchaser and Keeneland shall retain a lien in the horse to secure all such expenses.

The individual signing this agreement, regardless of the form of the signature or his signing capacity, agrees to be personally liable, jointly and severally with the purchaser, for the full purchase price if the purchaser does not make settlement within thirty

minutes or have approved credit or if Keeneland has not been provided a signed buyer's authorized agent form granting purchase authority during this sale to the individual signing this agreement.

Rev. 11/07

Yearling/weanling Purchaser requests Keeneland to have a blood sample taken of the horse in order to test for exogenous anabolic steroids pursuant to Condition of Sale TWELFTH

Check for YES

Signature _____

Print Signature Name _____

Billing address if different than above _____

City, State, Zip Code, Country _____

Telephone _____ Fax No. _____

Email Address _____

KEENELAND ASSOCIATION, INC., Secured Party

By: _____

P.O. Box 1690, Lexington, KY 40588-1690, 4201 Versailles Rd., Lexington, KY 40510

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Additional Terms and Provisions

The purchaser shall be in default under this agreement upon the happening of any of the following events or conditions:

(a) Failure to pay the purchase price of the horse within 30 minutes from the fall of the hammer unless purchaser's credit has been approved in advance by Keeneland Association.

(b) Failure of purchaser whose credit has previously been approved to pay in full within fifteen (15) days of the close of sale.

(c) Injury, death, sale or encumbrance of the horse or the making of any levy, seizure or attachment thereon or thereof.

(d) Death, dissolution, termination of existence, insolvency, business failure, appointment of a receiver, or any part of the property of, assignment for the benefit of creditors, by, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against the purchaser.

Upon such default and at any time thereafter, secured party shall have the remedies of a secured creditor under the Uniform Commercial Code as adopted in Kentucky.

No waiver by secured party of any default shall operate as a waiver of any other default or of the same default on a future occasion.

All obligations of the purchaser shall bind his heirs, executors or administrators or his or its successors or assigns.

The purchaser acknowledges that the Keeneland catalogue page or copy thereof upon which the above hip number appears may be attached to this security agreement and grants unto secured party that right. Said catalogue page is hereby incorporated by reference herein and secured party may further detail the description of the animal by adding the name, registration number and other information pertaining to said animal.

The purchaser shall be liable for any Kentucky Sales or use tax arising out of the purchase described herein and shall reimburse Keeneland Association, Inc. and hold it harmless for any loss arising out of purchaser's failure to satisfy this condition.

This agreement shall be construed and interpreted according to the laws of Kentucky.