

STALLION SERVICE APPLICATION TERMS AND CONDITIONS

- (a) Purchaser agrees to purchase a breeding nomination ("Nomination") to the Standardbred stallion as listed on the front of this application (the "Stallion") and as payment in full for the Nomination, Purchaser agrees to pay the stud fee as listed on the front of this application plus any applicable sales and use tax (collectively the "Service Fee"). **Section (a) does not apply to Syndicate or Complimentary Breedings.**
- (b) There shall be a non-refundable collection and insemination fee charged for mares to be served by the Stallion. All collection fees will be billed to you by the farm where the stallion is located per their breeding schedule. Purchaser shall be responsible for all associated transportation costs, i.e., Federal Express, U.P.S., etc. If air transportation is requested, there shall be additional fees per delivery. Please refer to the breeding shed schedule of the farm where the stallion is located for fees and scheduling.
- (c) The Service Fee is due and payable when the mare produces a live foal or ownership thereof changes, whichever occurs first. Kentuckiana Farms, at its option, may require the Service Fee to be paid before the mare leaves the farm. A 1½% monthly service charge will be added to any balance over 30 days outstanding. A live foal is one that is able to stand up alone and nurse. If the mare fails to produce a live foal, a Service Fee paid in advance will be refunded upon receipt of a certificate from a veterinarian stating specifically that the mare has been pronounced barren after leaving Kentuckiana Farms, has slipped her foal or has given birth to a dead foal, in which event the certificate must be presented to Kentuckiana Farms no later than thirty (30) days after foaling. In the event of a slipped foal, a service fee will be refunded only if the mare had been on an acceptable vaccination program during pregnancy for Equine Rhinopneumonitis (Contagious abortion). Unless such vaccinations were given at Kentuckiana Farms, a veterinarian's statement giving the date of such vaccinations must accompany the claim for refund. In the event the mare is sold, the Service Fee, if unpaid, shall immediately become due and payable and no refund shall be due to any person, under any circumstances. **MATING CERTIFICATES WILL BE MAILED UPON REQUEST ONLY.**
- (d) All charges, including transportation, insemination, semen shipping and delivery fees, veterinary fees, board, etc., are due and payable monthly by the owner of the mare within fifteen (15) days after receipt of the monthly statement from the farm where the stallion is located. A 1½% monthly service charge will be added to any balance over 30 days. The farm where the stallion is located may, at its option, require that any outstanding amount be paid to it before the mare is bred or removed from the farm. Mating certificates will not be released until all obligations owed to the farm where the stallion is located/Kentuckiana Farms are paid.
- (e) In order to secure payment of the purchase price hereunder, Purchaser(s) hereby grants to Seller and Seller hereby retains a security interest in and to the foal to be produced, whether in utero or after birth, the mating certificate applicable to the breeding, the mare and any and all registration papers applicable to the foal and/or the mare. Pursuant thereto, Seller shall be permitted to retain the mating certificate or procure any and all registration papers applicable to the foal or mare until all obligations of Purchaser(s) to Seller hereunder are performed in full. Purchaser further appoints Seller, or his designee, as Purchaser's attorney-in-fact for the purpose of executing on Purchaser's behalf and filing such financing statement (UCC-1 or equivalent) as Seller may deem appropriate covering Purchaser's interest in the foal, the mare, the mating certificate, and any and all registration papers applicable to the foal and/or the mare. Purchaser(s) further agrees that Seller is entitled to retain or procure possession of such certificates, to register, sell, transfer to Kentuckiana Farms or its designee any of the above collateral to secure performance of the obligations of this Agreement by Purchaser(s). This contract is subject to all terms of the applicable Stallion Syndicate Agreement.
- (f) In the event legal assistance is required to collect charges accruing hereunder, all expenses, including reasonable attorney fees, incurred by Kentuckiana Farms shall be borne by the undersigned Purchaser(s).
- (g) Each mare shall be booked specifically by name and the booking may not be transferred to another mare without the prior written approval of Kentuckiana Farms. **EACH MARE SENT TO KENTUCKIANA FARMS MUST HAVE AN IDENTIFICATION TAG ON THE HALTER.**
- (h) All breeding dates of the Kentuckiana Farms breeding season shall be determined solely by Kentuckiana Farms.
- (i) In the event the Stallion is removed from Kentuckiana Farms or in any manner becomes unfit for breeding before serving the mare, or if the mare dies or otherwise becomes unfit to be bred, this application is and shall be null and void.
- (j) Kentuckiana Farms reserves the right, in its sole discretion, to reject any mare that is: i) not in good condition; ii) vicious or unmanageable; iii) non-standard; or iv) not properly registered by the United States Trotting Association. A barren mare or one foaled under suspicious circumstances will not be bred until cultured and found free of any genital tract infection. After such tests are performed, a reasonable time for completion shall be allowed. Blind mares will not be accepted.
- (k) The mare must have proof of a negative Coggins test for Equine Infectious Anemia (swamp fever). A certificate that the mare was tested within 30 days prior to her arrival at Kentuckiana Farms must accompany the mare.
- (l) Mares that are actively racing (or that have not been permanently retired) and/or mares that are not at least two (2) years of age will not be booked to the "Stallion" for purposes of embryo/ovum transfer. Purchaser may not book or breed a mare or request semen for that mare if the mare is also booked or has been bred to any other stallion during the same breeding season without the consent of Kentuckiana Farms. Inseminating a mare(s) with semen from any other stallion during the same heat cycle is strictly prohibited. Violation of this provision will result in the Service Fee becoming immediately due and payable. Kentuckiana Farms will issue only one (1) mating certificate under this application for the above-designated mare in order to register the firstborn foal from the mare.
- (m) Kentuckiana Farms, its agents, employees, and the owners of the Stallion shall not be liable for injury, death or disability suffered by any mare from any cause whatsoever, while in its custody and control or while on the farm, and the owner specifically assents to such condition and waives all claims for damages resulting from any such injury, death or disability. Purchaser further agrees that in the event semen is transported off the premises of Kentuckiana Farms for insemination, Kentuckiana Farms shall not be responsible for the result of the insemination of the mare.
- (n) In the event the Nomination is purchased by two or more entities, such purchasers hereby agree and acknowledge that this application is a joint and several obligation, each being jointly, as well as severally, indebted to Kentuckiana Farms for the Service Fee, and any and all other amounts due hereunder.
- (o) In the event this application is executed by an agent of the owner, authorized or otherwise, such agent hereby unconditionally guarantees the full and prompt payment of the Service Fee and any and all other amounts due hereunder, as well as performance of all other obligations hereunder.
- (p) This application or construction thereof, shall be governed exclusively by its terms and by the laws of the Commonwealth of Kentucky. Any disagreements, contests, or lawsuits arising out of or relating to this application shall be brought within the courts of the Commonwealth of Kentucky, and Purchaser(s) agrees to submit to the jurisdiction and venue of the courts of the Commonwealth of Kentucky.
- (q) **UNDER KENTUCKY LAW, A FARM ANIMAL ACTIVITY SPONSOR, FARM ANIMAL PROFESSIONAL, OR OTHER PERSON DOES NOT HAVE THE DUTY TO ELIMINATE ALL RISKS OF INJURY OF PARTICIPATION IN FARM ANIMAL ACTIVITIES. THERE ARE INHERENT RISKS OF INJURY THAT YOU VOLUNTARILY ACCEPT IF YOU PARTICIPATE IN FARM ANIMAL ACTIVITIES.**