

Kitten's Joy - LIVE FDAL Nomination Purchase and Sale Agreement due when resulting foal stands and nurses

This Stallion Service Agreement is made and entered into as of 10/17/2017 between Hill 'n Dale Sirecations Stallions, Inc., Agent, ("Seller"), 640 Hill 'n Dale Farm, Lexington, Kentucky 40511, and Runnymede Farm & Peter J. Callahan, 600 Cyclops Road, Paris, KY 40361 ("Buyer"). Seller and Buyer agree as follows:

- Seller hereby sells and Buyer hereby buys one (1) 2018 Northern Hemisphere Nomination (the "Nomination") to the Thoroughbred Stallion **Kitten's Joy** (the "Stallion") for the breeding of the Thoroughbred mare **Mystra** (the "Mare") for a total purchase price of **Sixty Three Thousand Six Hundred Dollars And No Cents (\$63,600.00)** which includes 6% Kentucky Sales Tax, all due and payable on or before the 15th day following the birth of a single foal which can stand alone and nurse produced as a result of breeding on the Nomination, subject to Paragraph 3 hereof. The parties represent that no agents are involved with this transaction and no commissions are due or payable to any persons or entities except as follows: Buyer's Agent is Magna Carta Bloodstock who will receive a commission of 5% of the stud fee after it has been paid and Hill 'n Dale receives notification that the Mare has produced a single foal that stood up alone and nursed.
- Buyer agrees not warrants that: (a) Buyer will present the Mare for breeding in sound breeding condition, free from infection and disease and the Mare will not present a risk to the health or safety of the Stallion or its attendants and that the Mare will not be bred under such circumstances; (b) Buyer will breed the Mare in conformity with Seller's breeding and management procedures; (c) The Mare is, and until payment in full, will be, free of any lien or security interest, except as separately disclosed in writing and approved by Seller; (d) in this event the Stallion is sold or cannot service the Mare or the Mare shall die or become unfit for breeding prior to being covered by the Stallion, this Contract shall be null and void upon written notice from Seller to Buyer in regard to the Stallion, and from Buyer to Seller in regard to the Mare; Buyer's notice shall be accompanied by a veterinarian's certificate; and (e) in the event this Contract is executed by an Agent on behalf of Buyer, the undersigned Agent warrants and represents full disclosure to Buyer, in writing, of the terms of this Contract and the written consent of Buyer to the receipt of any commission paid by Seller to Agent in connection with this Contract.
- The purchase price and sales tax shall not be due and payable by Buyer, so long as Buyer is not otherwise in default of this contract, if the mare fails to produce a single live foal which can stand alone and nurse (or twins, neither of which Buyer elects to register with The Jockey Club), and Buyer delivers to Seller within 15 days of any such event a veterinary certificate to such effect.
- The right of Buyer to be released from payment of the purchase price and sales tax under Paragraph 3 is specifically conditioned upon the Buyer's covenant (hereby made) to prevent any of the following acts, any one of which will constitute a default under this contract and void the right to avoid payment of the purchase price and sales tax and upon the occurrence of any of the following, Buyer shall immediately pay the purchase price and sales tax if not yet due, and this contract shall become **NO GUARANTEE**, and no refund shall be due to Buyer under any circumstances:
 - Buyer shall fail to present the Mare for breeding to the Stallion, sell the Mare, breed the Mare to another Stallion, transport the mare to a sales facility or transport the Mare outside the U.S. or Canada (other than for purposes of training or racing for which Buyer must obtain approval in writing from Seller); or
 - Buyer shall fail to pay the full purchase price including sales tax within 30 days of due date.
- In addition to any statutory liens which may exist in favour of Seller to secure payment of the purchase price, Buyer hereby grants to Seller a security interest in the offspring of the Mare from the breeding on the Nomination, the Stallion Service Certificate for such breeding and any other Stallion Service Certificates or Jockey Club Foal Registration Certificates in possession of Seller in which Buyer may have an interest and Buyer hereby consents to the issuance of the Stallion Service Certificate in the name of Seller and registration of the foal by Seller, as agent, in the name of Seller. Buyer appoints Seller as its attorney-in-fact to execute financing statements and in the event the Mare or foal is subject to a security interest in favour of any third party, Buyer agrees to cause such third party to subordinate such security interest to the security interest of the Seller. In addition to any sum due hereunder, Seller shall recover interest thereon at the rate of 2% per month, together with its attorney's fees and costs incurred in enforcement of its rights under this Contract.
- Neither this Contract nor the Nomination shall be assigned by Buyer absent written consent of the Seller. This contract is to be executed in duplicate and may be cancelled by Seller if not executed and returned to Seller by Buyer within 21 days of the date Contract is issued by Seller. This Contract contains the parties' entire agreement, shall be binding on the parties respectively hereon, representations and warranties shall be construed and governed by the law of the Commonwealth of Kentucky and may be executed by facsimile or original signatures in counterparts. **IN WITNESS WHEREOF**, the parties hereto have set their hands on duplicate copies hereof as of the dates below written.

SELLER:
Hill 'n Dale Sirecations Stallions, Inc., Agent

Signature

11/8/17

Date

BUYER:
Runnymede Farm & Peter J. Callahan

Signature

11/7/17

Date

Full name of Corporation

REQUIRED

Federal ID and Social Security #

**2018 COMMISSION AGREEMENT
LIVE FOAL STAND & NURSE**

Class 1, Inc. Director
Business Services



John G. Stewart
President

PLEASE NOTE: Commissions will not be paid without a fully executed copy of this Agreement on file in our office.

Breeding Year: 2018 (Foals of 2019)
Sex: KITTEN'S JOY
Mare: MYSTRA
Seller: Hill 'n Dale Farms
540 N. Yarnallton Pike
Lexington, KY 40511
Buyer: RUNNYMEDE FARM & PETER J CALLAHAN
Stud Fee: \$60,000.00
Buyer's Agents: MAGNA CARTA BLOODSTOCK, LLC
Agent's Address: c/o Runnymede Farm 500 Cynthiana Road
Paris, KY 40361
Commission Due: 5.0% of the Stud Fee

TERMS AND CONDITIONS OF AGREEMENT:

1. SELLER agrees to pay the commission stipulated above to the BUYER'S Agent on a Live Foal Guarantee basis when the foal stands and nurses, assuming the stud fee (contract price plus KY Sales Tax, plus any interest or late payment charges if applicable) has been collected in full, as per the conditions in the breeding contract. Funds are considered to be "collected" when they have been deposited for clearing days. Commissions will be distributed quarterly during the month following the end of the calendar quarter when all criteria has been met.

2. BUYER'S Agent warrants and represents to SELLER that BUYER'S Agent has the full informed consent of BUYER as to the payment of the commission, that BUYER'S Agent shall obtain the signature of BUYER on the Principal Acknowledgment-Commission document supplied by SELLER confirming the written consent of BUYER prior to the payment of the commission or that BUYER has signed a written non-commission agreement which includes the commission information. BUYER'S Agent does further indemnify and hold harmless SELLER for any action brought by BUYER in connection with the payment of the commission, including all damages, including but not limited to, SELLER'S reasonable attorneys fees incurred in defense of any such action.

Signature: Buyer's Agent

Signature: Seller / Seller's Agent

Full Name of Corporation, if applicable

If Buyer's Agent is incorporated, please include the full name of corporation.

Date

Date

Federal ID # or Social Security #

REQUIRED

Please sign, complete and this form to: Hill 'n Dale Farms, 540 N. Yarnallton Pike Lexington, KY 40511
Fax: 659-281-6148 Email: shenahaw@hillndalefarms.com

A fully executed copy will be returned to you. A facsimile signature will have the same legal effect as a handwritten signature.