

## OPEN SESSIONS CONSIGNORS CONTRACT: PLEASE READ BEFORE SIGNING

I hereby nominate for consignment the foregoing livestock (the "Animals") for sale in the TQHA Designated Sale (the "Sale") and for inclusion in the TQHA Sale Catalog. I acknowledge and agree that TQHA shall have the exclusive right, in its sole and absolute discretion, to make Sale selection(s) based upon its evaluation of the Animals' pedigrees. I further acknowledge and agree that TQHA may reject my nominee(s) for consignment at any time. Should said nominee(s) not be accepted by TQHA, I will be entitled to the return of the Entry Fee or a portion thereof. If TQHA accepts the Animal(s) set out in my nomination for consignment for inclusion in the Sale, I understand that my consignment and sale is subject to the terms and conditions set forth herein.

- I warrant title to each Animal free from all adverse claims to ownership, use or possession and agree to defend title against all claims. I authorize TQHA to advertise and sell each Animal at public auction, to make on my behalf the representations and warranties set forth in the Sale Catalog, to deliver possession of each Animal to the highest recognized bidder, to transfer title to each Animal to the highest recognized bidder and to receive and disburse the proceeds of sale for my account.
- The Entry Fee for each Animal will be paid when this Contract is submitted and the Entry Fee will be fully earned when TQHA accepts the Animal(s) set out in my nomination for consignment for inclusion in the Sale. TQHA's authority to sell each Animal is irrevocable and each such Animal will be offered at the Sale unless the Animal is excused by TQHA. In the event any Animal is not offered at the Sale I agree to pay to TQHA, on demand, as liquidated damages and not as a penalty, the Entry Fee and the sum equal to 20% of: (i) the amount of the sale price, if such Animal has been sold; or (ii) the fair market value of such Animal as of the Sale date if such Animal has not been sold or the sale price cannot be determined to TQHA's satisfaction.
- In addition to the Entry Fee, I agree to pay TQHA the sales commission on each Animal computed on the final recognized bid at the Sale, by whomsoever made, regardless of whether such Animal is or is not sold at such bid. TQHA is authorized to deduct all sums owing to TQHA from my account and in the event of any deficiency, I agree to immediately pay TQHA the balance due. The commission will be 5% with a minimum commission of \$150.
- I understand that TQHA reserves the exclusive right to make Sale selection based solely upon its independent evaluations of the Animals' pedigrees. I further understand that TQHA reserves the exclusive right to (i) reject the entry of any Animal in the Sale at any time on return of the Entry Fee or a portion thereof; (ii) approve my assignment of my rights and obligations under this agreement as a condition to such assignment; (iii) determine the order of sale of all Animals; (iv) assign stabling facilities subject to such stabling policies as TQHA may establish; (v) examine each Animal and make such catalog corrections and announcements as TQHA deems appropriate; and (vi) change the time, date or location of the Sale should circumstances, in TQHA's sole discretion, necessitate such a change. Additionally:
  - All Sale Entries must be Accredited Texas Bred Racing Stock at time of Consignment.
  - Consignor must be a current 2005 TQHA member in good standing at time of Consignment.
  - Should entry be refused based upon pedigree evaluation prior to cataloging, the consignor will be notified no later than May 13, 2005, and the Entry Fee will be refunded by the TQHA.
  - TQHA (Sale Company) will accept NO RESERVE BIDS. Consignor must be the last bidder on Animal to repurchase it.
- I agree, at the time of entry, to deliver to TQHA the following documents in form satisfactory to TQHA with respect to each animal: (1) the original certificate of registration issued either by American Quarter Horse Association (or my certificate that all matters required by the applicable registry have been furnished and issuance of the certificate of registration pending); (2) all transfer reports and other terms required to transfer registration of the Animal to the Buyer. As a condition to bringing the animals on TQHA's premises, I agree to provide a health certificate dated NO EARLIER than twenty (20) days prior to the date of the Sale, a NEGATIVE COGGINS test dated NO EARLIER than one (1) year prior to the date the Animal sells. I UNDERSTAND THAT TQHA WILL WITHHOLD ANY MONIES DUE ME UNTIL ALL SUCH DOCUMENTS IN A FORM SATISFACTORY TO TQHA ARE DELIVERED.
- PAYMENT TO CONSIGNORS:
  - Payment to TQHA's consignors will begin on the later of the 30th banking day or the 30th calendar day after the last day of the Sale.
  - Registration Certificates will be processed within 45 business days after the Sale, but will not be transferred until buyer's check has cleared the bank.
  - Payment to TQHA's consignors will be held until all necessary documents are in TQHA's offices.
  - AN ASSESSMENT OF \$150.00 PER ENTRY WILL BE CHARGED ON ANY PROBLEMS IN PROCESSING PAPERWORK. I agree to provide such information as TQHA might request with respect to the ownership, description, pedigree, produce, performance, health and conformation of each Animal. I understand that TQHA will provide to me a copy of the Sale catalog prior to the Sale date setting forth my representations and warranties with respect to each Animal. I agree to review the sale catalog and promptly notify TQHA of any corrections thereto prior to the Sale.
- I represent and warrant to TQHA and the buyer of each Animal: (a) title to the Animal free from all adverse claims to ownership, use or possession; (b) the Animal is sound of eyes; (c) the Animal is not a "cribber"; (d) the sex and condition as a gelding or a ridgeling of the Animal is as described in the Sale catalog; (e) that there are no white markings that would affect the registration; (f) the identity of the Animal as described in the Sale Catalog; (g) that each Animal which is a Quarter Horse has been blood typed or had a genetic sample taken in accordance with the current rules and regulations of the applicable breed registry for the Animal; and (h) that each Animal which is a Quarter Horse and foaled after December 31, 1991, has been "Parentage Verified" in accordance with the current AQHA's rules and regulations.
- I agree to deliver each Animal f.o.b. to the Sale location not later than 12:00 noon local time on July 28, 2005. 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 approved husbandry practices and TQHA's stabling policies. On my failure to so care for any Animal, I agree that TQHA may, at TQHA's option, undertake such care and I agree to reimburse TQHA for all expenses of stabling, feed, veterinary care, transportation and maintenance of any Animal. I agree that TQHA will not incur any liability whatsoever for the loss, damage, injury, death or illness of any Animal.
- I understand that TQHA will use reasonable efforts to verify the financial responsibility of the buyer of each Animal and that possession of each Animal sold will be released to the buyer against receipt of future payment after satisfaction of TQHA'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, TQHA will not be liable for the purchase price of the Animal. TQHA's sole obligation will be to assist me in the collection of the purchase price of the Animal, assist in the recovery of the Animal or to assist in the resale of the Animal at the Sale or by private sale to the extent that I might request. I understand that TQHA does not guarantee the validity, enforceability, payment or collection of any instrument delivered to TQHA in payment of the purchase price of any Animal. Any obligation which TQHA might owe to me by reason of a buyer's default will be discharged by TQHA'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.
- I agree to indemnify and hold TQHA and TQHA's shareholders, directors, agents, employees, contractors and representatives harmless from all claims, expenses and costs (including, without limitation, attorney's fees) arising out of: (i) any question of title to or my authority to sell any Animal; (ii) any claimed loss or damages relating to blood typing, genetic testing or parentage verification of any Animal as may be required by the American Quarter Horse Association, without limitation, any failure or inability to perform such blood typing, genetic testing or parentage verification; (iii) any lien, attachment or claim asserted against any Animal or the proceeds of sale; (iv) any claimed default in my representations or warranties with respect to any Animal; (v) loss or damage to property and injury or death of persons caused directly or indirectly by me, my agents or employees or any Animal; (vi) my entry or sale of any Animal; or (vii) my default in performance hereunder, I agree to pay TQHA, on demand, the full amount of any loss which TQHA may incur in settlement of any claim or demand on account thereof.
- I understand that the TQHA reserves the right to reject any consigned horse at any time, up to and including the day of the Sale, for such reason as the TQHA shall deem appropriate, in its sole discretion. Such reason(s) shall include, but are not limited to, a horse that poses a health or safety hazard and/or a horse that arrives in poor body condition. The sole liability of the TQHA, should a horse be rejected as described in this Paragraph, shall be return of the Entry Fee (less an administrative charge of 50% of paid fee) for such horse and the Texas Quarter Horse Association shall not be liable for any damages, actual or consequential, arising out of any such rejection.
- I understand that the terms of the Sale Conditions and Settlement Procedures published in the Sale catalog will govern the sale of each Animal. I have read and understand the Sale Conditions and Settlement Procedures, hereby approve the same and agree to be bound thereby.
- This agreement will be binding on me, my heirs, personal representatives, successors, permitted assigns, any successor in ownership of each Animal and will inure to the benefit of TQHA's successors and assigns. If the agreement is executed by an agent, such agent will be individually liable, jointly and severally with the principal, for the performance of this agreement. This agreement can not be amended except in writing executed by the parties.
- I acknowledge and agree that the sole liability of TQHA, should the Sale be canceled or should TQHA fail to catalogue or fail to catalogue correctly any horse consigned, shall be the return of the Entry Fee for such horse and TQHA shall not be liable for any damages, actual or consequential, arising out of any such failure.
- I shall submit to mandatory arbitration to resolve any disputes or claims I may have or claim to have against TQHA arising from the entry or rejection of my nomination for consignment to the Sale. Said arbitration will be conducted in accordance with the rules and regulations set forth by the American Arbitration Association. The place for arbitration shall be AUSTIN, TEXAS. The arbitrator(s) shall have the authority to award attorney fees to the prevailing party. Judgement upon any award rendered by the arbitrator(s) may be entered by any party and any court having jurisdiction thereof.
- I acknowledge and agree that the laws of the State Of Texas shall govern the construction of this Contract and the rights, remedies, and duties of the parties hereto.

***I have read, approve and agree to be bound by the foregoing terms and conditions.***

Please Print Name: \_\_\_\_\_

Date: \_\_\_\_\_ Signed: \_\_\_\_\_

Please make a copy of completed contract for your files before returning the original to:

**Texas Quarter Horse Association - P.O. Box 9449, Austin, TX 78766 512 458 5202 - Fax 512 458 1713**

**Fed-Ex Address: 1101 W. Anderson Lane, Austin, TX 78757**

**www.tqha.com Email: bkoltiska@tqha.com**

**PDF version of this entry form can be downloaded (and sale catalog will be published online) at [www.robingleann.com](http://www.robingleann.com)**