

CONDITION ____

The accurate ownership of horses in this sale is encouraged, but not required, to be disclosed by consignors and/or sellers. Keeneland will maintain an Ownership Registry where such accurate ownership may be disclosed at the option of consignor and/or seller. Any individual accessing the Ownership Registry (1) must present personal identification; (2) must be a registered buyer, or such Buyer's duly authorized agent, with Keeneland; (3) shall be required to sign a sworn statement that such individual has a bona fide interest in purchasing, as principal or, if not principal, then a representative of the principal as approved by Keeneland, the horse whose ownership said individual examines, and (4) agrees to keep such ownership information confidential. In the event said individual violates this confidentiality obligation, said individual shall be subject to sanctions to be determined by Keeneland, in its sole discretion, which sanctions may include, without limitation, exclusion from use of the Ownership Registry. Further, if Keeneland determines that an individual is or may be accessing the Ownership Registry for purposes other than interest in buying a specific horse(s) at this sale, Keeneland may refuse access to the Ownership Registry to that individual.

If there was a disclosure of ownership of a horse in this sale made in the catalogue and/or in the Ownership Registry, ***a change in ownership, as defined below and including a fractional interest therein greater than 10%, from the time of being catalogued until the time the horse is sold at auction is required to be disclosed*** in the Ownership Registry, or by written disclosure to Keeneland of such change in ownership. The party to whom ownership is transferred is not required to be disclosed.

In the event that a change in ownership occurs after the horse is on Keeneland sales grounds, regardless of whether there was a prior disclosure of ownership made in the catalogue or in the Ownership Registry, the seller and/or consignor shall disclose to Keeneland in writing that a change in ownership has occurred, and an announcement disclosing that a change of ownership has occurred shall be made by the auctioneer prior to the sale of the horse.

It shall be the sole responsibility of the purchaser to determine the sufficiency of the information available in the Ownership Registry.

The presence or use of the Ownership Registry shall not change any of these Conditions of Sale, which shall continue to be binding upon all parties.

In the event seller or consignor places information in the Ownership Registry, or discloses information regarding ownership of a horse in the sales catalogue, the party placing such information warrants that the information is materially accurate. The consignor shall not be responsible for materially inaccurate information supplied to consignor by seller, including, without limitation, information regarding change in ownership of a horse required to be placed in the Ownership Registry or disclosed to Keeneland as provided herein, as long as consignor does not have actual knowledge that the information is materially

inaccurate or of the change in ownership. Information regarding ownership interest of 10% or less shall not be deemed material, and change in ownership of 10% or less shall therefore not be deemed a change in ownership for purposes of this Condition.

If determined by the purchaser of a horse, subsequent to the sale of the horse, that (a) the information in the Ownership Registry or in the catalogue was materially inaccurate at the time of sale of the horse, or that (b) the seller or consignor failed to disclose to Keeneland, as required by this Condition, that there was a change in ownership prior to the sale of the horse, the purchaser shall have the right to collect liquidated damages as set forth herein from the consignor and/or seller, provided that (1) the purchaser accessed the Ownership Registry regarding the subject horse; (2) the purchaser has paid for the horse in full; (3) the purchaser notifies Keeneland of its election to collect liquidated damages within six months from the date of sale of the horse; (4) the purchaser establishes, by clear and convincing evidence, that there was a material inaccuracy in the Ownership Registry or in the catalogue at the time of sale of the horse that was not corrected by subsequent notice as required by this Condition, or that the seller or consignor failed to disclose to Keeneland, as required by this Condition, that there was a change in ownership prior to the sale of the horse; and (5) the purchaser establishes, by clear and convincing evidence, that the party from whom purchaser seeks liquidated damages had actual knowledge at the time of the sale of such material inaccuracy in the Ownership Registry or catalogue, or of the failure to disclose change in ownership as required by this Condition. Liquidated damages shall be 50% of the hammer price of the horse; provided, however, that consignor's liability hereunder shall be limited to two times the consignor's commission received for the sale of the horse. In the event purchaser prevails against both seller and consignor, consignor shall pay purchaser two times the consignor's commission received for the sale of the horse, and the balance of the 50% hammer price shall be payable by the seller. Any indemnity as between the seller and consignor for liability hereunder shall be as agreed between seller and consignor. Keeneland shall have no obligations regarding collection of liquidated damages hereunder, which shall be handled through arbitration.

If any dispute arises under this Condition, the parties involved in such dispute agree to submit the matter to binding arbitration, in accordance with the rules of the American Arbitration Association. Arbitration shall be held in Lexington, Kentucky. The non-prevailing party in the Arbitration shall pay the cost of the Arbitration proceeding and reasonable attorneys' fees of the prevailing party or parties, including, without limitation, the sales company's.