

**TAYLOR MADE SALES AGENCY
2007 STALLION CONTRACT - LIVE FOAL**

AGREEMENT, dated as of «Date» between **Taylor Made Sales Agency, Agent** (the "SELLER"), 2765 Union Mill Road, Nicholasville, KY 40356 to «Buyer» (the Buyer), «Address1».

1. Purchase of Breeding Nomination: Seller sells and reserves and Buyer buys a 2007 breeding nomination, # «Shareno» to the thoroughbred stallion «Stallion» for a stud fee of \$«Studfee» plus 6% Kentucky Sales and Use Tax, \$«Salestax», for a total of \$«Total», which is due and payable on or before «payable» unless at the time Buyer submits to Seller a satisfactory veterinary certificate certifying that the Mare is barren to the Stallion. Buyer agrees to breed the thoroughbred broodmare «Mare» to the Stallion in the 2007 breeding season. No other Mare may be substituted without written consent of the Seller. Only upon payment in full shall Seller be required to send Purchaser a Stallion Service Certificate.

2. Live Foal Guarantee and Release from Agreement: If, after the breeding and payment in full of the Stud Fee and Tax, the Mare proves barren, aborts or fails to produce a single live foal that can stand up alone and nurse, Seller will refund the entire Stud Fee previously paid, provided Buyer must furnish a satisfactory veterinary certificate attesting to said occurrence within 14 days of said occurrence. Should the Mare produce twins and Buyer elects to register either or both of said twins, there shall be no refund of the Stud Fee. **HOWEVER, IF PAYMENT IN FULL IS MORE THAN THIRTY (30) DAYS IN ARREARS, THIS LIVE FOAL GUARANTEE SHALL BE CANCELED AND EXTINGUISHED AB INITIO AND PAYMENT SHALL BE IMMEDIATELY DUE REGARDLESS OF WHETHER OR NOT THE MARE PRODUCES A SINGLE LIVE FOAL THAT CAN STAND UP ALONE AND NURSE. SHOULD THE MARE DIE OR BECOME UNFIT TO BREED, BUYER SHALL SUBMIT A SATISFACTORY VETERINARY CERTIFICATE ATTESTING TO THIS FACT WITHIN 14 DAYS OF DETERMINATION BY THE ATTENDING VETERINARIAN. UPON RECEIPT AND APPROVAL OF SAID VETERINARY CERTIFICATE, ACCOMPANIED BY BUYER'S REQUEST TO BE RELEASED FROM THIS CONTRACT, SELLER WILL RELEASE BUYER FROM THIS AGREEMENT, AND WILL SO NOTIFY BUYER. IF AFTER THIS RELEASE, THE MARE IS SUBSEQUENTLY BRED TO ANY OTHER STALLION IN THE SAME BREEDING YEAR WITHOUT SELLER'S WRITTEN PERMISSION, BUYER AGREES TO IMMEDIATELY PAY THE SELLER THE STUD FEE HEREINABOVE SET OUT WITHOUT REGARD TO ANY OTHER TERMS OR WAIVERS HEREIN SET FORTH.**

3. Prohibited Action by Buyer: In the event the Buyer shall a) **sell the Mare or any interest therein, or b) fail to present the Mare for breeding or give written notice of breeding unsoundness as required hereby, or c) allow the Mare to be shipped (1) to the grounds of a sales company for sale at auction or (2) to a track for racing or training or (3) outside the continental United States prior to producing a live foal or being so certified empty, then and in any such event, the Buyer shall immediately pay Seller as damages an amount equal to and in lieu of the Stud Fee, which amount shall not be subject to any reduction or return for any reason.**

4. Breeding Requirements: The Buyer represents that the information schedule is true and correct and that the Mare is a Thoroughbred in good general health and sound for breeding purposes. Upon request, the Buyer shall provide Seller with a veterinary certificate to such effect. The Buyer agrees to qualify the mare for breeding as required by the breeding shed regulations where the Stallion stands, to abide by the booking procedures of the stud farm, and to have the Mare presented for breeding to the Stallion during the breeding season on as many heat periods as may be necessary for the Mare to be pronounced in foal. Seller is not responsible for any accident, injury or disease incurred by the Mare. Purchaser shall bear the risk of any injury or loss as to the mare. **Domestic Mares are required to follow all State and Federal Requirements in the event they should follow an Imported Mare: the owner of a Domestic Mare shall be responsible for any processing fees thereof.**

5. Stallion Unavailability: Should the Stallion die, be sold, be removed from Central Kentucky, or become unfit for service for the remainder of the subject breeding season before having been bred to Buyer's Mare, then this Contract shall be null and void and neither party shall have any obligation to each other. **SELLER MAKES NO REPRESENTATIONS WARRANTIES AND NO IMPLIED WARRANTY SHALL ARISE BY VIRTUE OF THIS TRANSACTION AS TO THE MERCHANTABILITY OR AS TO THE FITNESS FOR ANY PARTICULAR PURPOSE OF THE STALLION OR HIS SEMEN.**

6. Agent Responsibility: Any person signing this agreement as agent is personally obligated to perform and make payment hereunder unless the name and address of the principal is set forth and the person signing is the agent of such principal and acting with his actual authority.

7. Security Interest: In order to secure payment of all fees due hereunder, Buyer grants to Seller and its Principal a security interest in the foal, in utero and after birth, and the Stallion Service Certificate and appoints Seller as its attorney-in-fact for the purpose of filing financing statements. Seller may notify The Jockey Club of said lien. If Buyer defaults in payment in full of the stud fee, and said default continues until the birth of the foal, Buyer consents to the issuance of the Certificate of Foal Registration in the name of Seller or its principal and to registration of the foal with The Jockey Club, by the Seller as his agent, in the name of Seller or its principal. Seller or its principal has the right to take possession of the foal and sell same in order to satisfy the amount owed hereunder.

8. Bookkeeping, Service and Attorney's Fees: Buyer shall pay the sum of 1 1/2 % monthly, 18% per annum, as a bookkeeping and service charge on any payment which remains unpaid for 30 days past the date due as agreed herein. If, upon default of Buyer, collection of the sums due hereunder is turned over to Seller's attorneys, Buyer agrees to pay cost and reasonable attorney's fees incurred by Seller to the fullest extent allowed by law.

9. Assignment: This agreement may not be assigned by Buyer and otherwise shall inure to the benefit of and binding upon the parties, their respective heirs, successors, and assigns.

10. Entire Agreement: This agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and may be executed in counterparts, each of which shall be an original all of which together shall constitute one and the same instrument. This Agreement shall be governed by the laws of the Commonwealth of Kentucky, and the parties consent and agree that jurisdiction for any action in connection herewith or any activity contemplated hereby shall be in Jessamine County, Kentucky, and may be commenced with service made by certified mail or any other method permitted by law.

WITNESS WHEREOF the Seller and Buyer have executed this Agreement or caused it to be executed on their behalf as of the day and year first above written.

BUYER:

SELLER:

Signature: Delaine A. Dale

Taylor Made Stallions Inc.

Date

Date