

FUTURE FOAL PURCHASE AND SALE AGREEMENT

1. PARTIES:

This Sale Agreement (the "Agreement") is being entered into this ____ (Day) ____ (Month), 2020 (Month, Year) (the "Effective Date") by:

Name: ("SELLERS") Peter & Missy (Melissa) dba Secret Hills Ranch
Address: 2715 S Grade Rd. Alpine, CA 91901
Phone: (619) 820-2994 Missy (619) 820-2906 Peter
E-Mail: Missy@SecretHillsRanch.com Peter@SecretHillsRanch.com

and

Name: ("BUYER(S)") Your Name Here
Address: Your Address
Phone: Your Phone Number
E-Mail: Your E-Mail

2. THE FOAL PURCHASED:

Description: The SELLERS agree to sell, & BUYER(S) agree to purchase, a FOAL that is Offered For Sale by the SELLERS Born in the year 2021 under the Terms & Conditions of this Contract:

Name: ("Horse") 2021 Unborn APHA, NRHA, NRBC Pending Foal
Parents: To Be Determined
Registration(s): APHA, NRHA & NRBC (NRHA/NRBC is Optional & can be deducted from price of foal if Enrollment is not desired by BUYER(S))
Sex: Unborn so Sex is unknown
Date of Birth: Born in the year 2021

3. PAYMENT TERMS.

Price: BUYER(S) shall pay SELLERS between \$6000.00 & \$10,000.00 & Up United States Dollars ("Purchase Price"). BUYER(S) understand that some foals may be priced higher than \$10,000.00 based on the Stallion's Stud Fee that the mare's are bred to but most foals will be between \$6000.00 & \$10,000.00. The Price ultimately depends upon the FOAL that the BUYER(S) choose to purchase. Payment for the Horse to be paid by Check, Zelle Payment, or Other agreed upon Payment Method.

Payments:

- **Down Payment:** BUYER(S) agree to place a Down Payment of \$_____.
Due upon execution of the Contract to secure BUYER(S) spot for First Right of Refusal for any FOAL that is born in the Foaling Season Listed above that the SELLERS choose to place For Sale.
- **Monthly Payments:** \$_____ Monthly Payment Amount
_____ # of Monthly Payments
Total after payments \$6000.00.

The BUYER(S) may make Payments up to \$6000.00 BEFORE choosing

FOAL that they wish to Purchase. Once the BUYER(S) choose a FOAL that they wish to purchase the balance of the Agreed Upon Purchase Price will be Paid in Equal Monthly Payments until the FOAL is 6 Months of Age. At which time when the FOAL is 6 months old the FOAL will be Paid In Full and ready for the BUYER(S) to pickup.

Chosen FOAL:

_____ Name \$_____ Price

Sire:_____ Dam:_____

Monthly Payments Until Weaning: \$_____ # of Payments _____

x _____ Date:_____

Once the BUYER(S) Choose a FOAL, BUYER(S) Sign Above to Acknowledge the Choice of their FOAL, Price of their FOAL, Price of Monthly Payments and Remaining Payments Due for their FOAL.

After Choosing A FOAL BUYER(S) will be responsible for all expenses incurred for the FOAL after the execution of this Contract. Including but not limited to:

- Board (The SELLERS will include Board for the FOAL until the FOAL reaches 6 Months of age at no charge)
- Training, Veterinary Care - Emergency or Routine (The SELLERS will include Halter Breaking of the FOAL. The BUYERS will only be responsible for Veterinary care AFTER the FOAL is born and is confirmed Healthy)
- Farrier - Emergency or Routine
- Travel Expenses
- Coggins/Health Certificate
- Shows, including Show Expenses
- OR any other etc items that may arise for the Horse.
- SELLERS include IGG Testing of the Foal after Birth by SELLERS, First Vaccine & Booster Vaccine as well as Worming until the Foal is 6 months old.

4. REGISTRATION AND OWNERSHIP TRANSFERS:

Upon confirmation of payment in full as set forth above, SELLERS agree to promptly mail all Registration and Transfer of Ownership Paperwork to the BUYER(S) once they are received from the Registries.

5. SELLER'S REPRESENTATIONS AND WARRANTIES:

The Seller makes the following representations:

1. The SELLERS warrant they have clear title to said FOAL.
2. The SELLERS make no other warranties, express or implied, including the warranties of fitness for a particular purpose.
3. The SELLERS will not be responsible for any injury, lameness, death, inability to perform, attitude issues, etc for the FOAL after the Execution of this Contract and once the BUYER(S) choose a FOAL to Purchase and enter the FOAL into this Contract.
4. The BUYER(S) Agree to Hold Harmless the SELLERS for any and all liability while the FOAL is in their care and furthermore for any unknown or unforeseen issues or illness with the FOAL at anytime.

5. Depending on the Parents of the FOAL that the BUYER(S) Choose; the FOAL could be a Carrier of a Genetic Disorder. The SELLERS have Mares or may breed to an outside Stallion that may carry GBED, HERDA, MYH1/IMM, OWLS or another Genetic Disorder. The BUYER(S) understand that depending upon the FOAL that they choose, the FOAL could be a Carrier of a Genetic Disorder. The SELLERS recommend if the BUYER(S) do not want a FOAL that is a Carrier of a Genetic Disorder to choose a FOAL from Parents that are Negative or wait for the SELLERS to genetically test the FOAL before choosing a FOAL that has carriers for parents to purchase.
6. The SELLERS Reserve the Right to retain and not Sell any Foal that is Born in Any year. The SELLERS Reserve the Right to decide which Foals are Offered For Sale. The SELLERS cannot guarantee that the resulting Foal from any Mare or Stallion will be Available For Sale.
7. The SELLERS will give the BUYER(S) up to 2 Consecutive Foaling Seasons after the Initial Season listed above to Choose a Foal. If BUYER(S) do not choose a Foal after 3 Consecutive Foaling Seasons SELLERS may grant the right for the BUYER(S) to purchase a Foal from a different Foaling Season with a \$500.00 Penalty Fee added on to the Purchase Price. The offer of a Penalty Fee is not open ended and becomes Null and Void after 5 Consecutive Foaling Seasons. If the BUYER(S) do not choose a Foal there will be No Refunds.
8. If the BUYER(S) do not choose a Foal in the Foaling Season year listed above the BUYER(S) will revoke their Right of Refusal place in any additional Foaling Seasons and will have a Right of Refusal place behind the other BUYER(S) with Contracts in that Foaling Season Year.
9. SELLERS Reserve the Right to pick what Mares and Stallions are bred together in all Breeding Seasons. The SELLERS cannot Guarantee that any Mare/Stallion cross will be made and the SELLERS cannot Guarantee that a Foal will be Available from any Mare or Stallion.
10. If the SELLERS later choose to Sell a Foal that the SELLERS planned to retain from the Foaling Season Year listed above the SELLERS will contact the BUYER(S) and offer the Foal from that year to the BUYER(S) before offering the Foal to the Public.

6. BUYER'S REPRESENTATIONS AND WARRANTIES:

The Buyer makes the following representations:

1. BUYER(S) WARRANTS THAT S/HE HAS PERSONALLY INSPECTED THE HORSE'S PARENTS IN PERSON OR VIA PICTURES AND/OR VIDEOS IF NOT IN PERSON AND FOUND THE PARENTS SUITABLE FOR HIS OR HER PURPOSES, THEREFORE THE FOAL SHOULD BE SUITABLE FOR HIS/HER PURPOSES.
2. The BUYER(S) understand and agree that there are no expressed Guarantees or Warranties of any kind for the FOAL once Born and Deemed Healthy. This FOAL is Sold 'As Is'. The SELLERS recommend the BUYER(S) purchase an insurance policy to protect their investment.
3. The SELLERS will allow the BUYERS to choose the registered name of the FOAL but it must contain SHR in front of the Horse's name and be no more than 21 characters in length. Once the Horse is registered the SELLERS kindly request that the BUYER(S) do not Change the FOAL's Registered Name without permission in Writing from Secret Hills Ranch. If the FOAL's name is to be changed the SHR abbreviation must still be included in front of the Horse's name. Thank you.

5. The BUYER(S) understand and agree that there will be absolutely No Refunds of Any Kind.
6. The BUYER(S) understand and agree that all SHR Born Horses wear the SHR Brand on their left hip. The BUYER(S) Foal will be Branded with the SHR Brand before being released to the BUYER(S).
7. The BUYER(S) are First in Line for Choice of a FOAL that the SELLERS choose to place For Sale in the year listed above only. If the BUYER(S) do not choose a Foal in the Foaling Season year listed above they will revoke their Right of Refusal place in any additional Foaling Seasons and will have a Right of Refusal place behind the Contracts in that Foaling Season Year. The SELLERS will Contact the BUYER(S) before posting any FOAL For Sale Publicly. The BUYER(S) will then have 48 Hours after the SELLERS contact them to decide if they wish to Purchase a FOAL that the SELLERS wish to place For Sale. If the BUYER(S) choose to wait for a different FOAL that becomes Available or 48 Hours after the SELLERS have Notified the BUYER(S) that a FOAL is Available For Sale has elapsed the SELLERS have the Right to offer the Foal to another Buyer or Publicly place any FOAL For Sale and Sell that FOAL that was offered to the BUYER(S).

7. DEFAULT

On any breach, the other party shall have the right to recover expenses and costs within the parameters of paragraph 9, below.

If the BUYER(S) are unable to make Full Payment for the FOAL in the timeframe allotted above in Paragraph 3 the SELLERS reserve the right to reclaim the FOAL as their own sole property and the BUYER(S) will forfeit any monies paid to date.

8. RISK OF LOSS.

Upon the Execution of this Contract and the BUYER(S) choosing a FOAL the BUYER(S) assume all risk of loss or injury to the FOAL. It is Recommended by the SELLERS that the BUYER(S) secure an Insurance Policy for the FOAL to protect their Investment.

9. ASSIGNMENT.

No party may assign or transfer this Agreement without the prior written consent of the other party.

10. ATTORNEYS' FEES:

In the event that suit or arbitration is brought under or in connection with this Agreement or to enforce the Agreement, the prevailing party shall be entitled to recover from the losing party reasonable attorneys' fees, costs and expenses incidental to any such proceedings, including reasonable attorneys' fees incurred in collecting any judgment awarded as a result of liability established pursuant to this Agreement.

11. LAW:

This Agreement shall be governed by the laws of the State of CALIFORNIA. Any legal action must be brought in the County of SAN DIEGO COUNTY, provided however, the

parties agree to required Mediation and Arbitration of any disputes relating to this transaction.

12. ENTIRE AGREEMENT:

All preliminary and contemporaneous agreements and understandings are merged and incorporated into this Agreement which contains the entire agreement between the parties. This Agreement may not be modified or amended in any manner except by an instrument in writing executed by the parties.

13. REFUNDS

BUYER(S) Understand and Agree that there will be No Refunds of ANY KIND. The BUYER(S) assume all risk for Purchasing the FOAL.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

MISSY (MELISSA) BENKER

PETER BENKER

SIGNED BY SELLERS THIS DAY OF 4/7/2020

BUYER

2ND BUYER N/A

SIGNED BY BUYERS THIS DAY OF 4/7/2020