

*The Ontario Select
Yearling Sale
September 25, 2022*



CONSIGNOR TERMS & CONDITIONS

(Please Read Carefully)

Ontario Select Yearling Sale ("OSYS") acting on behalf of Winbak Farm of Canada Inc.

1. I (the consignor) agree to be bound by this contract and by the Conditions of Sale printed in the sales catalogue.

2. I certify that I am either the sole owner of each yearling listed on this contract or authorized by the owner or all co-owners to act as the agent in the consignment and sale of each such yearling and to enter into this contract on behalf of any such owners or all co-owners. All representations and warranties in this contract are made by me as an owner with respect to my yearling(s) or as the duly authorized agent for the owner or all co-owners with respect to all agent yearling(s). If the person signing this contract is acting as an agent for the owner of each yearling(s) listed herein, both agent and owner shall be jointly and severally liable to OSYS for all obligations arising hereunder.

3. I hereby warrant title to each yearling listed on the contract and my authority to enter such yearling(s) in this sale. I further warrant titled to each yearling to be free from liens, mortgages or encumbrances. I appoint the OSYS as my agent for public auction of each yearling, with full authority to transfer the title thereto and to receive the proceeds of such sale for my account. I covenant and agree to indemnify and hold harmless the OSYS from any and all costs, liabilities and expenses (including legal fees and expenses) incurred for any reason whatsoever, including, but not limited to (a) questions of title to or liens upon each yearling; (b) my authority to enter each yearling in this sale; and (c) disputes concerning the identity, soundness, disease, veterinary conditions, stake engagements, DNA testing results, and/or produce records, for each yearling and/or involving genetic or reproductive material, and/or resulting from any liens, attachments, or claims against the net proceeds from the sale thereof.

I warrant that I am the sole and absolute guarantor of the correct identity of any and all yearling(s) sold by me in this sale, and agree that all title to, interest in, and possession of each yearling shall remain with me until title passes to buyer or buyers at the time of sale, except that title to any yearling shall remain with the owner if I am executing as agent. I acknowledge that I am responsible for the care and feeding of all yearling(s) while they are in the sale barns. I warrant and represent that no yearling(s) will be delivered to the sale which is vicious, diseased, unsafe or a threat to the safety of its handlers or any third parties. I agree that all yearling(s) consigned to the sales by me are entered at my risk until sold, and the OSYS shall not be responsible for any damage or injury to such yearling(s) or for any injury to person or property caused by any such yearling(s), whether before or after their sale. OSYS reserves the right to reject any application for entry at any time in accordance with its policies as prevailing from time to time; to change or adjust the dates and times of all sales sessions; to assign or change stabling facilities as it deems necessary; to determine the order of sale of all entries; to make a special announcement at the time of sale concerning any yearlings entered, which in the opinion of the OSYS is appropriate; to change the auctioneer and to utilize substitute auctioneer or auctioneers of its choice at any time during sale; to amend the conditions of sale from time to time in its discretion; to withdraw any yearling from the sale if I failed to disclose any lien on the yearling or to obtain written consent of any lien holder to the sale of the yearling; to withdraw any yearling from the sale if OSYS learns of any ownership dispute regarding the yearling or any undisclosed liens upon the yearling and to withdraw any yearling for which a transfer signed by all owners is not delivered to the OSYS at least twenty-four (24) hours prior to the sale. If OSYS exercises any of the foregoing powers, it shall not be liable to me for damages.

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4. I agree to pay OSYS a non-refundable entry fee for each yearling entered in this sale. The entry fee shall be considered as earned by OSYS upon acceptance of the yearling to the sale. The entry fee schedule will be as follows: i) \$250 plus HST on or before April 15, 2022, with the fully endorsed Registration Certificate or transfer and the Stake Engagement form ("required documents"); ii) \$300 plus HST on or before July 1, 2022, with the required documents and Coggins certificate; iii) \$350 plus HST at the time of sale with the required documents and Coggins certificate. In addition to the above fee, I agree to pay OSYS a commission as outlined in subsection 4.(a). In the event that I or anyone acting on my behalf (or on behalf of any owner or co-owner on whose behalf I am acting as agent), shall bid upon a yearling consigned by me and our bid is accepted by the auctioneer as the last i.e., successful bid, then I agree to pay OSYS, prior to the close of the sale session, a commission as outlined in subsection 4.(a). The yearling must be identified as "BID-IN" at the sale, in the sales office, in order to pick up the Stable Release Form.

(a) The commission structure is as follows; if the high bid accepted by the auctioneer is less than or equal to fifty thousand dollars (\$50,000.00) the commission shall be the greater of five percent (5%) or five hundred dollars (\$500.00). If the high bid accepted by the auctioneer is between fifty thousand and one dollars (\$50,001.00) and ninety-nine thousand nine hundred and ninety-nine dollars (\$99,999.00) the commission shall be four percent (4%). If the high bid accepted by the auctioneer is greater than or equal to one hundred thousand dollars (\$100,000) the commission shall be three percent (3%).

5. I agree that after any entry is accepted, I will not dispose of the entry by private or public sale prior to or during the progress of the sale to which it is consigned. If any horse entered by me is not offered for sale, I agree to pay OSYS the entry fee (\$250.00) and a commission plus HST. OSYS reserves the right to assess the fair market value of the horse and assign commission as five percent (5%) of the fair market value or five hundred dollars (\$500.00) plus HST, whichever is greater. If the horse is not offered for sale due to its death or physical unfitness, as determined in the sole discretion of an un-conflicted veterinarian appointed by the manager of OSYS; withdrawal may be accepted and the commission waived by the manager. OSYS shall retain a lien on all proceeds in my account for any unpaid withdrawal fees and OSYS shall further retain a lien on the Standardbred Canada/United States Trotting Association registration certificate and shall have the right to hold said certificate for any such yearling withdrawn from the sale, as provided above, until all withdrawal fees have been paid in full.

6. I acknowledge that I am familiar with and agree to the conditions of sale under which the auction sale will be conducted by OSYS. A copy of said conditions will be supplied to me upon request. I agree that if the successful bidder on any yearling entered by me in this sale fails to present himself to arrange for settlement as provided for in the conditions of sale or, upon presenting himself is determined to be financially irresponsible by OSYS and has not been extended credit by OSYS; OSYS is authorized to accept the same amount from another person or accept the next highest bid. The yearling may be offered up for resale, for my account, in the auction if I or an authorized representative provides written authorization. OSYS shall not be liable for any deficit should the final bid on resale be less than that on the initial sale. If I decline to resell the yearling, or if the default occurs at a time when it is impractical to resell the yearling, it may be returned to me by OSYS without refund of entry fee or commission.

7. I covenant and agree to indemnify and hold OSYS, its stockholders, members, directors, officers, partners and employees harmless from any and all costs, liabilities, and expenses (including legal fees and expenses) incurred for any reason whatsoever relating to any yearling(s) entered by me in this sale, including, but not limited to, any dispute concerning the soundness of the yearling or the existence or non-existence of any express or implied warranties or representation regarding the yearling. OSYS's

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settlement of my account and payment of sale proceeds, the making (or accuracy) of any announcements made prior to the sale, or on any other action taken by OSYS in upholding the conditions of sale. I agree that I am solely responsible for the care of each yearling and all information pertaining to each yearling. OSYS is not responsible for any condition or information regarding the yearling whatsoever. When the auctioneers gavel falls on the final bid, the yearling is sold. I agree that, in the event of any dispute, I shall be liable for the entry fee and commission as set forth in paragraph 4.

8. In the event of any dispute arising from the consignment or sale of a yearling pursuant to this agreement, OSYS has the right to appoint an arbitrator to determine the dispute. The arbitrator's decision, and no other, shall be binding on both me and the purchaser. The arbitrator shall also be empowered to determine the obligation of any person to pay expenses, including the expenses of the arbitration. This paragraph is deemed to be a submission to arbitration pursuant to the Provisions of Arbitrations Act of Ontario and all arbitrations shall be conducted in accordance with the provisions of that statute.

9. I agree that if the Coggins test result furnished by me for any yearling entered in the named sale is not in a form acceptable to any state, province or national racing commission or regulatory agency, OSYS may have the yearling retested, and all expenses incurred, therefore, including board, testing and transportation, shall be paid by me and may be deducted by OSYS from any sale or settlement proceeds in my account. All Coggins test results must be negative and dated within 150 days of the sale date. All yearling(s) consigned must be freeze branded or microchipped. All yearling(s) must be DNA tested for parentage verification.

10. I agree that all yearling(s) I enter in this sale must be nominated to a minimum of five (5) stake engagements including their respective provincial or state sire stakes program. Each yearling consigned by me to the sale is entirely at my risk until sold and, subject to paragraph 14 below, completely paid for or satisfactory credit arrangements have been made. OSYS is acting only as agent, and I am the responsible party in every respect. I acknowledge that I am solely responsible for the accuracy of all information provided to OSYS and its employees and, further, that I have the affirmative duty to examine the sales catalogue pages on which yearling(s) consigned by me appear, prior to the sale, and to report any inaccuracies to OSYS prior to the time of sale so that it may make an appropriate announcement at the time of sale. I hereby release and hold harmless OSYS, its stockholders, members, directors, officers, partnerships and employees from any and all cost liabilities in expenses (including legal fees and expenses) incurred as a result of any inaccuracies relating to such information as set forth above.

11. If I desired to make any announcements on any yearling listed herein, I must submit the announcement in writing to the sales office not later than twenty-four (24) hours prior to commencement of the sales session in which the yearling is being offered for sale. I agree that OSYS is absolved from any liability if these procedures are not strictly followed. I shall be solely responsible for having such announcements made and for their accuracy and I hereby release and hold OSYS harmless from any errors and omissions, including OSYS's own negligence, and making or failing to make such announcements. I agreed to be present in person, or to have a duly authorized representative present, to make true representation regarding each yearling, and to correct any errors which may appear in the sales catalogue. OSYS reserves the right to not offer a yearling for auction unless represented by me or my authorized agent. I will defend OSYS against any suit brought arising out of or due to the sale of any of the yearlings. If any yearling is considered to be a ridgling or gelding or spayed, or if any yearling has been conceived as a result of an embryo transfer, it shall be my responsibility to see that this condition is published in the sale catalogue and/or announced prior to the yearling being offered for sale.

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In the event an embryo, semen or other genetic material (other than genetic material required and used for DNA testing and other non-reproductive purposes) has been harvested from any catalogued yearling, the consignor accepts full responsibility to provide OSYS with a written statement which shall be announced prior to the sale of the yearling. I hereby release and hold harmless OSYS, its stockholders, members, directors, officers, partners and employees, from any and all costs, liabilities and expenses (including legal fees) incurred as a result of any inaccuracies or failure to make any required statements relating to the disclosure of any information as set forth above.

12. I understand, acknowledge and agree that OSYS is not responsible for providing veterinary services during the sale sessions; that if any veterinary services are made available by OSYS, such services are being made available for convenience purposes only and that any use I make of such services will be at my sole cost, expense, and risk; and that no such veterinarian has any authority to make any representations or warranties on behalf of OSYS.

13. I understand, acknowledge and agree that OSYS shall have the right to deduct from any sales, settlements or other proceeds held at any time in my account any and all fees, commissions and other indebtedness which I may then owe to OSYS under this agreement and or the conditions of sale, printed in the sale catalogue, whether or not such fees, commissions or other indebtedness relate to the yearling or yearlings from the sale or sales of which such account proceeds were derived.

14. I agree that OSYS in its sole discretion may grant invoicing privileges to approved purchasers with payment specified to be made no later than fifteen (15) days after the conclusion of the sale. OSYS shall make every effort to collect all accounts but I agree that settlement cannot be made to me, and OSYS is not liable for payment to me, until payment is received by OSYS and I agree that settlement by OSYS with me for the sale of my yearling(s) will be made by the 30th business day after the last day of the sale.

OSYS shall have the full authority to distribute such proceeds of sale to me and such other parties OSYS reasonably believes to have an interest in the proceeds in such priority as OSYS reasonably believes appropriate. I covenant and agree to indemnify and hold OSYS as harmless from any and all costs, liabilities, and expenses, including attorney's fees and expenses, incurred because of or arising out of, any questions or issues of the distributions of sales proceeds OSYS as to me or any other parties as OSYS may deem appropriate.

OSYS may withhold payment for any or all of my sold yearling(s) subject to the following circumstances (or OSYS receipt of notice, oral or written, of the occurrence or existence of one or more of the following circumstances) until the matter is resolved.

a) any dispute regarding the accuracy, completeness or updating of any information set forth in the sales catalogue regarding one of my yearling(s);

b) any dispute relating to the registration, identity, eligibility or condition (physical or otherwise) of one of my yearling(s);

c) any dispute regarding any alleged representation or warranty, expressed or implied, regarding one of my yearling(s);

d) any dispute between a third party and me regarding ownership of one of my yearling(s) or entitlement to the sale proceeds of one of my yearling(s);

e) any extension of credit made by me or someone acting on my behalf to the buyer of one of my yearling(s);

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f) any buyer who has not been extended credit by OSYS refuses to pay or cannot be located by OSYS after reasonable efforts by OSYS;

g) I give OSYS any false, misleading, or incomplete information regarding any of my yearling(s) or

h) a default or threatened default by me under any terms of this consignor contract or any other contract between OSYS and me.

15. All yearling(s) must be removed from the premises by the end of the day on September 25, 2022. Any yearling(s) remaining on the property as of September 26, 2022, will be subject to a boarding fee of thirty dollars (\$30.00) per day. Any and all alternate arrangements for any yearling(s) purchased on September 25, 2022, must be made with Winbak Farm of Canada Inc. on or before 6 pm on September 25, 2022.