

Purchase agreement for In-Utero foal

Sate of Virginia
County of Orange

This agreement is made between Jennifer Coyle Johnson dba JC Andalusians, LLC (Seller) and _____ (Buyer) in regards to the 2011 foal that will be the result of breeding:

_____ (Mare) to
_____ (Stallion).

This expected foal is hereinafter referred to as Foal. Mare will be bred to Stallion during the 2010 breeding season. Seller agrees to sell Foal to Buyer and Buyer agrees to buy Foal from Seller for the in-utero purchase price of US\$ _____. The terms of this sale are as follows:

Purchase Price

The purchase price is payable as _____ (25% Deposit) due at the signing of this contract, _____ (50%) no later than when Foal reaches 30 days old and _____ (25%) within 7 days of weaning.

Deposit

For 25% of the purchase price, Seller agrees to breed Mare to Stallion and hold Foal off the market exclusively for Buyer until Foal reaches 30 days old. All expenses associated with breeding and mare care will be born by Seller. This deposit is for holding Foal off the market exclusively for Buyer and is not refundable unless Mare fails to be confirmed in foal by the end of the breeding season in 2010. Once mare is confirmed in foal the deposit is not refundable. In the event Mare does not produce a live foal that lives to 30 days (because of re-absorption, abortion, death before 30 days or otherwise) then Buyer's deposit may be credited towards another purchase or service provided by JC Andalusians, LLC. If mare fails to conceive by the end of the 2010 breeding season, Buyer may request a refund of the deposit or a credit towards another service or purchase provided by Seller. If a refund is requested because Mare fails to be confirmed in foal by the end of the 2010 breeding season, Seller will issue a refund within 60 days of such request. If the deposit is refunded, Seller will have no further obligation to Buyer.

Payments

50% of the purchase price is due to Seller by the time Foal reaches 30 days old if foal is alive and insurable at that time. Once this payment has been made it is not refundable except in the instance of an insurance claim (see section on insurance). Buyer is encouraged to purchase mortality insurance with major medical and surgical coverage at the time of this payment to cover the purchase price and major medical expenses not covered by Seller (see below).

25% of the purchase price is due to Seller within 7 days after permanent separation of Mare and Foal (Weaning). Once this payment has been made it is not refundable except in the instance of an insurance claim (see section on insurance). Foal may be transported to Buyer (at Buyer's expense) once all payments have been received and Foal is at least 7 days post weaning. Seller recommends that Foal be transported to Buyer between 14 and 30 days post weaning to minimize the stress of travel on a newly weaned foal.

_____ Sellers Initials

_____ Buyers Initials

Insurance

If Buyer insures Foal, Seller will be listed as loss payee on such insurance until Foal has been paid in full. In the event Seller collects on a mortality claim, any funds previously paid to Seller towards the purchase of Foal will be refunded to Buyer or may be credited towards the purchase of another Horse or future in-utero foal owned by Seller and listed for sale. In the instance of a mortality claim, payment or credit will be at Buyer’s discretion and will only be to the limits of the insurance amount. If Buyer chooses not to insure Foal, Buyer will have an account setup with Keswick Equine Clinic to cover the cost of any additional medical care that may need to be performed and assumes the risk of financial loss should the Foal die or become injured after 30 days of age.

Responsibility of Buyer and Seller

Buyer may, at Buyer’s expense view, evaluate, and handle Foal in person or send a third party agent to view, evaluate and / or handle Foal at any reasonable time. If Buyer does not default on this agreement then Foal will be considered sold at 7 days after Weaning. Once Foal is sold, all liability, risk and expense for Foal will be born by Buyer.

Foal may be shown at Buyer’s discretion and expense while in Seller’s care if offered by Seller. All expenses associated with showing include but are not limited to transportation, entries, member / non-member fees, stabling, show bedding and show expenses (divided by the number of horses showing) will be the responsibility of Buyer.

Seller will be responsible for the routine care, handling and nutrition of Foal until Foal is weaned. Age of weaning will be at the discretion of Seller and discussed with Buyer but is usually done when the foal is between 4 and 5 months old. Seller will take care of board, farrier, deworming, age appropriate handling and basic veterinary care. Once Foal reaches 30 days old and is deemed insurable, Seller’s liability for Veterinary care will be limited to the first \$300.00 (deductible equivalent) of non-routine care. Veterinary care over \$300.00 will be the responsibility of Buyer once Foal is 30 days old.

Failure of payment

Failure to honor payment on the schedule set forth in this agreement and / or in the form of a check (i.e. NSF returned check) will place Buyer in Default of this agreement. If Buyer is in default of this agreement, Buyer forfeits any funds previously paid, and forfeits any and all interest, including ownership, in Foal. Buyer also agrees to pay a NSF funds fee of US\$50.00 per NSF occurrence. Buyer agrees to pay any and all reasonable costs, including attorney’s fees, for the collection of UNPAID / and OVERDUE money due to Seller. Buyer agrees to pay Seller interest on unpaid balances at a rate of 1.5% per month. This fee is for balances past due. There is no finance charge along with this agreement as long as all monies are paid on time.

Transportation and boarding

Once Foal is sold, Buyer may continue to board Foal with Seller at Buyer’s risk until transportation can be arranged. There is no charge to Buyer for board for the first month after weaning. If Buyer wishes to board Foal longer than 1 month after weaning, Buyer may continue to board Foal with Seller at 10% off of the current JC Andalusians, LLC rate card. All non-board expenses including but not limited to all routine or emergency veterinary care (vaccinations and boosters when Foal is 5 and 6 months old, coggins and health certificate for travel) are the responsibility of Buyer once Foal is sold. Once Foal is sold; Buyer assigns Seller as their agent for the purpose of making emergency medical decisions while Foal is being boarded in Seller’s

_____ Sellers Initials

_____ Buyers Initials

care. Buyer will have an account set up with Keswick Equine Clinic if it has not already been done once Foal is sold.

Right of first option

Buyer may, at Buyer’s expense give Foal back to Seller at any time for any reason in Foal’s lifetime. If Foal is given back to Seller and has any medical bills or otherwise outstanding debt owed on Foal at the time, those expenses will remain the obligation of Buyer. Buyer agrees not to sell, give away or otherwise transfer ownership of Foal to any party without first offering Foal back to Seller. If Buyer chooses to sell, give away or otherwise transfer ownership of Foal, Buyer must notify Seller of their intention by certified US mail. Seller will have thirty days from the receipt of such notice to make arrangements to purchase Foal back. If Seller is unable or unwilling to purchase Foal back, Buyer may sell Foal to another individual. In this instance, Seller will be given all contact information for the new owner. Buyer agrees that at no time will Foal be sold at auction or through a sales barn without the express written permission of Seller.

Guarantees

Once Foal is sold, Seller makes no guarantees as to the soundness or suitability of Foal for a certain purpose and Buyer agrees to purchase Foal “As Is”. Seller guarantees that she is the rightful owner of Foal at the time of sale. Seller guarantees that Foal is eligible for registration as a purebred with the IALHA registry, and will be micro chipped and DNA profiled prior to weaning at Seller’s expense. Seller will pay all fees associated with registering Foal into Seller’s name. Seller will be listed as breeder of Foal. Seller will transfer ownership of Foal to Buyer once Horse has been paid for in full. Buyer will be responsible for any fees associated with transferring ownership into Buyer’s name. Buyer may name Foal with Seller’s final approval. Foal’s name will begin with Seller’s prefix “JC” at Seller’s discretion. In the event Buyer finds they can no longer care for Foal, Buyer agrees to notify Seller immediately and furthermore agrees to honor the “right of first option” section of this agreement. Buyer agrees not to change Foal’s registered name without the express written permission of Seller. Buyer guarantees to notify Seller of any contact information that may change (change of address, phone etc)

This contract may not be sold, assigned, or otherwise transferred to any third party.

Amendments to agreement

Changes may be made to this agreement if agreed to by both parties in writing, signed, and attached as an amendment to this agreement. Any dispute to this agreement will be handled in the state of Virginia, County of Orange.

Signed and agreed upon this _____ day of _____ 20____

Jennifer Coyle Johnson (Seller)
14201 Poplar Meadow Lane
Barboursville, VA 22923
540-832-7631
Jenni@JCAndalusians.com

(Buyer)
..... CONTACT INFO HERE.....

_____ Sellers Initials

_____ Buyers Initials