

Equine Sales Agreement and Promissory Note

This is a Sales Agreement and Promissory Note entered into by and between Greenstone Farm, LLC of 4138 Mt. Airy Rd. Culpeper VA 22701 hereinafter for convenience called the Seller, and _____, of _____ hereinafter for convenience called the Buyer.

This Sales Agreement and Promissory Note provides for the legal transfer of ownership of the horse known as _____, registration number _____, gender _____, general description _____ by the stallion _____ out of the mare _____ from the Seller to the Buyer for the sum of \$ _____, lawful money of the United States, upon payment in full. The Buyer has agreed to pay for said horse in the following _____ (no more than six) installments:

<u>Due Date</u>	<u>Amount Due</u>
1 _____	_____
2 _____	_____
3 _____	_____
4 _____	_____
5 _____	_____

TERMS:

Returned checks shall incur a fee of \$50.00 and require the Buyer to pay by Cashiers Check or Money Order thereafter.

A late fee of \$35.00 shall be assigned to any principal payment postmarked seven (7) days or more after the principal due date.

A letter warning of default will be sent if a principal payment is more than fifteen (15) days past due. If a principal payment is thirty (30) days past due the Buyer will be considered in default of this Note and a Notice of Default will be sent to the Buyer. If the Seller does not receive the full remaining balance due on this Note within fifteen (15) days of the postmarked date on the Notice of Default the Buyer forfeits any rights to said horse and any payments made on this Note.

The Buyer shall have the right to prepay, at any time or times without penalty, all or part of the balance of the principal hereof. Any such prepayment shall be

applied first to any late or any other fees accrued hereunder and then to the principal.

(_____ Please initial here if you waive the right to a pre-purchase examination by a veterinarian.)

It is acknowledged by the Buyer that the Seller has transferred to the Buyer all available x-ray and medical information requested and that the Buyer has been granted an opportunity to have his/her own veterinarian conduct an independent examination of the horse being purchased. The Buyer acknowledges that it is frequently difficult to accurately ascertain the physical condition of any horse and that veterinarians may differ as to their opinions with regard to the interpretation of x-ray studies. By signing this Agreement the Buyer agrees that the Seller has given to the Buyer a full and adequate opportunity to see, test and vet the horse and thus rely totally and completely upon the Buyer's own analysis and evaluation and not upon any representations whatsoever made by the Seller.

For all of the reasons stated above, the Seller specifically makes no express warranties or implied warranties as to the ability, disposition, health or soundness of the horse being purchased by the Buyer: specifically excluding all express or implied warranties of every kind or nature that might be involved in such a horse purchase; thus, selling this horse "as is".

This complete and absolute disclaimer of warranty or responsibility by the Seller is fully and completely understood by the Buyer since it is extremely difficult to accurately determine a horse's medical condition or performance capabilities.

The Buyer further agrees that this contract and any documents referenced herein represents the full and complete agreement between the parties and the Buyer has not relied upon any oral statements made by the Seller in purchasing this horse.

Buyer accepts responsibility for the horse by signing this Agreement, and risk of loss passes immediately from Seller to Buyer. Buyer is responsible for all board, veterinary, farrier, and transportation expenses, as well as any other expenses relating to the well being of said horse after the date hereof. Buyer agrees to sign a Board Agreement for said horse while the horse is in the custody of Greenstone Farm, LLC.

Buyer shall promptly obtain and maintain "full mortality" insurance in an amount not less than any unpaid balance on this Agreement, naming Seller as beneficiary to the extent of Seller's interest. Buyer shall provide Seller proof of such insurance, from a company acceptable to Seller, upon execution of this Agreement and upon each renewal. Buyer shall indemnify Seller against any claims arising out of this Agreement or related in any way to the horse including the expenses of defending any claim.

The Buyer agrees that until said horse is paid for in full the said horse will remain in custody of Greenstone Farm, LLC. The Seller maintains a security interest in the horse and all of its offspring, produce and proceeds, including all foals born or in utero on or after the date hereof.

Buyer's interest in the horse, foal(s), breeding right(s) and other rights and obligations under this Agreement may not be assigned or sold without Seller's prior written consent, which may not be unreasonably withheld. All amounts due will become immediately due and payable without notice if Buyer sells or assigns Buyer's interest in the horse, foal(s), breeding rights(s), or obligations under this Agreement, or purports to do so, without Seller's prior written consent.

Upon payment in full, Seller agrees to execute all necessary papers and to take all steps necessary to transfer ownership and registration of said horse to Buyer.

By signing below the Buyer and the Seller state that they agree to all terms of the above contract. The Seller also acknowledges that he does hold lawful title to the horse named above; is lawfully able to transfer title; and that the horse is totally free from all debt or lien.

This Agreement contains the entire understanding of the parties concerning its subject matter; there are no oral or written promises or representations upon which Buyer is relying except as expressly set forth herein. This Agreement may be modified only in writing executed by both Buyer and Seller. The invalidity or unenforceability of any terms or clauses of this Agreement shall not affect the validity and enforceability of any other terms or clauses.

The Agreement shall be construed in accordance with and shall be governed by the laws of the Commonwealth of Virginia. Any legal action must be brought in the county of Orange.

OR

The parties to the Agreement mutually agree that any and all disputes arising in connection with this Agreement shall be settled and determined by binding arbitration conducted in accordance with the then existing rules of the American Arbitration Association by one or more arbitrators appointed in accordance with said rules. Said arbitration shall take place in Orange County Virginia.

Buyer has read and accepts all terms appearing on each of the four pages of this Agreement.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, A.D., 20__.

BY: _____
Greenstone Farm LLC
Authorized representative (Seller)
4138 Mt. Airy Rd.
Culpeper, VA 22701
_____ Witness

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, A.D., 20__.

BY: _____

Authorized representative (Buyer)

_____ Witness

The Seller does convey the horse above named to the Buyer for the purchase price designated in the contract above and acknowledges that the payment has been received in full.

This _____ day of _____, A.D., 20__.

BY: _____
Greenstone Farm LLC
Authorized representative (Seller)
_____ Witness