

AGENT DISCLOSURE AGREEMENT

THIS AGENT DISCLOSURE AGREEMENT (“AGREEMENT”) is executed and made effective as of this _____ day of _____, 20____, by and between _____ (“AGENT”) and _____ (“BUYER”).

RECITALS:

A. BUYER is a prospective buyer of a horse(s) at _____ thoroughbred horse auction, (“AUCTION”), commencing on the _____ day of _____, 20____, and ending on the _____ day of _____, 20____;

B. AGENT is an independent contractor who has expertise in the thoroughbred horse business, including the purchase and sale of thoroughbred horses at public auction, and who desires to act as BUYER’s agent in the purchase of a certain horse(s) at AUCTION;

C. BUYER is willing to retain the services of AGENT as a buyer’s agent, subject to the terms and conditions set forth herein;

NOW, THEREFORE, for good and valuable consideration set forth below, AGENT and BUYER hereby agree as follows:

1. AGENT acknowledges that AGENT acts as BUYER’s fiduciary with respect to its obligations under this AGREEMENT. The following acts or omissions, but not limited to these acts and omissions, shall constitute a breach of AGENT’S fiduciary duties to BUYER: (a) communicating any false or misleading information to BUYER regarding any horse under BUYER’s consideration as recommended by AGENT; (b) failing to disclose to BUYER the true price at which any horse under consideration by BUYER has been offered for sale at the auction; (c) arranging with any person or persons to bid on a horse for BUYER at an inflated price; (d) entering into any other agreement with any person with respect to any transaction involving the sale of a horse to BUYER, other than an agreement which has been fully disclosed to BUYER and which BUYER has consented to in writing; or, (e) failing to disclose to BUYER any ownership interest of AGENT in any horse BUYER has under consideration; (f) otherwise acting in any manner contrary to the best interests of BUYER.

2. AGENT further acknowledges to BUYER that AGENT understands his duty to disclose to BUYER any adverse interests AGENT has in a transaction concerning the subject matter of this AGREEMENT, including but not limited to disclosing any other person AGENT is acting on behalf of and any compensation AGENT is being paid. Accordingly, AGENT hereby declares that: [INITIAL THE APPLICABLE PROVISIONS]

(i) ____ AGENT is employed by the following person(s) _____ in a transaction concerning the subject matter of this AGREEMENT and is being paid the following compensation \$ _____; or

(ii) ____ AGENT is not employed by any other person in a transaction concerning the subject matter of this AGREEMENT and is not being paid any additional compensation other than that expressly mentioned in this AGREEMENT; or

(iii) AGENT has a _____% ownership interest in the horse.

3. AGENT's remuneration, unless otherwise disclosed in this AGREEMENT, for AGENT's services in connection with the purchase of any horse by BUYER during the term of this AGREEMENT shall be a commission of _____ percent of the purchase price of the horse, such commission to be paid by BUYER to AGENT upon completion of the purchase transaction as detailed in the conditions of sale by the auction company. Agent shall be paid _____ per day and up to _____ for expenses by BUYER for advice during the term of this Agreement, notwithstanding whether any horses are purchased by BUYER.

4. AGENT further acknowledges that failing to disclose and receive consent from BUYER for any adverse interest AGENT may have in a transaction concerning the subject matter of this AGREEMENT, including but not limited to acting as a dual agent, may constitute fraud and subject AGENT to civil and criminal prosecution.

5. BUYER hereby retains the services of AGENT as a buyer's agent for the purposes of locating thoroughbred horses meeting the specific requirements of BUYER, and negotiating the terms of any purchase by BUYER.

6. AGENT shall use AGENT's best efforts on behalf of BUYER to locate a thoroughbred horse(s) and to assist in the purchase of such horse(s) desired by BUYER at the lowest price that can be obtained during bidding at the AUCTION or at the lowest price offered by the seller(s) thereof.

IN WITNESS WHEREOF, the parties have executed this AGREEMENT, effective as of the date first written above.

AGENT:

BUYER:
