

2009 Racing Post Yearling Bonus Scheme Terms and Conditions

The 2009 Racing Post Yearling Bonus Scheme is operated subject to the Terms and Conditions set out below. All Vendors and Purchasers/Owners are deemed to have read and understood these conditions and agree to be bound by them.

Definitions

1.1 Auctioneers means the Sales Companies conducting the relevant sales, namely Brightwells Ltd., Doncaster Bloodstock Sales Ltd., Goffs Bloodstock Sales Ltd., Goresbridge Horse Sales., Tattersalls Ltd. and Tattersalls (Ireland) Ltd.

1.2 Qualifying Sale means any sale at which Yearlings are offered, held by any Auctioneer as defined at clause 1.1 hereof between 1 August 2009 and 1 December 2009.

1.3 The Relevant Horse Racing Authority means the recognised horse racing authority in the country where the qualifying race takes place.

1.4 Owner means the registered owner of each horse eligible for the Scheme as recorded at the time of racing with the Relevant Horse Racing Authority.

1.5 Purchase Price is the price at which the lot was knocked down by the Auctioneers in the ring or the price at which the horse was sold privately after the sale plus V.A.T and commission as applicable.

1.6 Purchaser means the highest bidder to whom a lot is knocked down by the Auctioneers or who purchases the lot privately after the sale.

1.7 Scheme means the 2009 Racing Post Yearling Bonus Scheme, outlined below.

1.8 Yearling Bonus Fund means monies collected from Vendors, Purchasers, and Owners to be disbursed amongst Winning Owners.

1.9 Trustees means the trustees of the Scheme.

1.10 Scheme Committee means the committee nominated to direct the Scheme.

1.11 Scheme Administrator means the organisation (being initially Weatherbys) appointed for the administration of the Scheme by the Trustees.

1.12 Vendor means the person, partnership or corporation named on the sale entry form as the owner of each lot, provided however where an owner is not named on the entry form the person who entered the horse for sale on behalf of the owner shall be deemed to be the Vendor.

1.13 Race means eligible selected 2 year old race or 3 year old race as agreed by the Scheme Administrator and defined by the Relevant Horse Racing Authority in the country where the race has taken place.

1.14 Time shall mean Greenwich Mean Time.

1.15 Win means the horse is adjudged the winner of a Race by a Relevant Horse Racing Authority.

Vendors

2.1 All Vendors at Qualifying Sales in the UK and Ireland are invited to participate in the Scheme by the Trustees.

2.2 To confer eligibility to the Scheme on any horse, the Vendor must pay to the Scheme Administrator £250 for that horse, which payment must be accompanied by a registration form including an irrevocable instruction made by the signatory authorising the Auctioneer to pay to the Scheme Administrator a further £250 from the Purchase Price. Registration forms and first payment to reach the Scheme Administrator no later than 5 p.m. on Wednesday 1 July 2009 for DBS St Leger Sale and no later than 5 p.m. on Wednesday 15 July 2009 for all Qualifying Sales which are to take place up to and including 18 October 2009 except for those conducted by Brightwells Ltd. and Gorsebridge Horse Sales. For any other Qualifying Sale, including those conducted by Brightwells Ltd. and Goresbridge Horse Sales between 1 August 2009 and 19 October 2009, the relevant payment and registration form must be received before the closing date of the relevant Qualifying Sale. Where the registration payments are made via a Weatherbys Bank Account, settlement of the registration payment must be made within 30 days of the relevant registration deadline. Where payment is not received within the time limit horses will not be eligible for the Scheme. By making the payment the Vendor confirms that it will be bound by these Terms and Conditions.

2.3 The Scheme Administrator will produce a list of horses potentially eligible for the Scheme as soon as practicable after 15 July 2009 once cleared funds in respect of the payments set out at 2.2 above have been received along with updates as required. Eligibility for the Scheme will be announced by the Auctioneers, and non-eligibility for those horses stated as eligible for the Scheme in the catalogue will be announced by the Auctioneers. It is a condition of eligibility for the Scheme that a horse has been catalogued.

2.4 The Auctioneers shall contribute and pay to the Scheme Administrator a figure equal to 10% of the total sum in fact contributed by the Vendorto the Yearling Bonus Fund in respect of each yearling. Where a yearling is offered at more than one sale the Auctioneer conducting the first in time sale shall pay the Auctioneers' contribution to the Scheme Administrator relating to that yearling.

2.5 The payments specified at Clauses 2.2 and 2.4 are non-refundable upon payment to the Scheme Administrator save as set out in Clause 2.6.

2.6 In the event that a Vendor has paid the fee as specified at Clause 2.2 to confer eligibility for the Scheme on any horse and should that horse be refused entry to any Qualifying Sale then in that event the fee shall be refunded to the Vendor.

2.7 Subject to clause 2.10 below, any lot declared as eligible for the Scheme by the Scheme Administrator and which is unsold or bought in on the day of a Qualifying Sale remains eligible for the Scheme provided that the sales entry fee, commission and any other relevant fee has been paid to the Auctioneer.

2.8 Subject to clause 2.10 below, any lot declared as eligible for the Scheme by the Scheme Administrator which is withdrawn from a Qualifying Sale remains eligible for the Scheme provided that a veterinary certificate to the Auctioneer's satisfaction is lodged, in addition to the sales entry fee and any other relevant fee being paid to the Auctioneer.

2.9 Subject to clause 2.10 below, any lot declared as eligible for the Scheme by the Scheme Administrator which is returned under the Auctioneer's conditions of sale, remains eligible for the Scheme provided that the sales entry fee, and any other relevant fee has been paid to the Auctioneer.

2.10 In the event of clauses 2.7, 2.8 and 2.9 being relevant the Vendor shall pay to the Scheme Administrator either:

- £500 not later than Tuesday 15 December 2009; or

- £1250 between Wednesday 16 December 2009 and Monday 15 March 2010.

to maintain eligibility for the Scheme.

2.11 Notwithstanding clauses 1.2 and 2.2 where a yearling is catalogued after 1 December 2009 a Purchaser/Owner or a Vendor of an unsold or withdrawn lot shall have 14 days from the day of the sale to pay the Owner payment of £250 or the second Vendor payment plus the Owner payment totalling £500. After 14 days have passed but until 15 March 2010 the Owner payment shall be £1000 and the second Vendor payment plus the Owner payment shall total £1250.

2.12 Each Auctioneer must provide to the Scheme Administrator in writing a list of all catalogued yearlings for which they do not receive the second stage payment.

2.13 In the event that Vendors do not register at least 1000 yearlings into the Scheme by 15 July 2009, then the Scheme will be suspended and all registration payments returned.

2.14 Any yearling catalogued in a Qualifying Sale which is previously offered for sale after 1 July 2009 at any sale outside the United Kingdom or Ireland shall not be eligible for the Scheme.

Purchasers/Owners

3.1 Except as set out in clauses 2.11 and 4.1 to maintain eligibility for the Scheme after purchase the Purchaser/Owner of a horse nominated to the Yearling Bonus Scheme shall pay to the Scheme Administrator either:

- £250 not later than Tuesday 15 December 2009; or

- £1000 between Wednesday 16 December 2009 and Monday 15 March 2010.

3.2 Scheme eligibility attaches to the eligible horse providing that all relevant fees are paid in advance of the payment deadlines outlined in these Terms and Conditions and that change of ownership details are notified to the Scheme Administrator.

3.3 The Yearling Bonus Fund until expended shall be used to offer a bonus of £10,000 (or equivalent in currencies other than £ sterling) to winning Owners on the occasion of their horse's first Win (the "Yearling Bonus"). The number of races will relate to the proportion of horses eligible for the Scheme in each racing jurisdiction and will be distributed by the Scheme Administrator as follows:

UK - The Yearling Bonus will be paid to the Winning Owner of selected 2 year old maiden races decided in conjunction with the British Horseracing Authority run between Monday 1 March 2010 and Friday 31 December 2010 and selected 3 year old maiden races in 2011 until the fund is expended. Selected races will be publicised in advance.

Ireland - The Yearling Bonus will be paid to the Winning Owner of selected 2 year old maiden races decided in conjunction with Horse Racing Ireland run between Monday 1 March 2010 and Friday 31 December 2010 and selected 3 year old maiden races in 2011 until the fund is expended. Selected races will be publicised in advance.

Rest of the World – The Yearling Bonus will be paid to the Winning Owner of selected 2 year old maiden races decided in conjunction with each Relevant Horse Racing Authority run between Monday 1 March 2010 and Friday 31 December 2010 and of selected 3 year old maiden races in 2011 until the fund allocated to each nation on the basis of the proportion of horses registered in the scheme is expended. Selected races will be publicised in advance.

3.4 In the event of any dispute as to the status of a race, or in relation to any of these Terms and Conditions such dispute shall be referred to Arbitration. The Arbitrator shall be appointed by the Trustees and shall have all the powers provided for an Arbitrator in The Arbitration Act 1996. Any decisions made by the Arbitrator shall be final and binding on all parties.

3.5 In the case of horses Winning a race outside Great Britain and Ireland, a Yearling Bonus payment will only be made where a claim for payment has been received by the Scheme Administrator, on the prescribed form, no later than 14 days after the race in question. Prescribed forms will be available from the Scheme Administrator, the Relevant Horse Racing Authority and the Auctioneers.

3.6 No horse can Win more than one Yearling Bonus.

3.7 Payment will be made to the Winning Owner, as registered with a Relevant Horse Racing Authority at the time of the race in question. In the case of a horse owned jointly by more than one party, payment will be made in accordance with the Owners' instructions to their Relevant Horse Racing Authority in respect of prize money payments. The timing of the payment will normally be 28 days after the race in question, but at the Scheme Administrator's absolute discretion.

3.8 No lot is deemed eligible for the Scheme until the Auctioneers have been paid the purchase price in full, together with relevant commission and entry fees. In the event of the full purchase price with relevant commission and entry fees not having been paid to the Auctioneers the Owner shall have 14 days from the start time of the Race Won to pay all monies owed to the Auctioneers in full. If full payment is not received, no Yearling Bonus shall be paid to the Owner and Scheme eligibility shall be forfeited without refund.

3.9 The Scheme shall operate on a first in Time basis and shall terminate on the last day of December 2011 or on the date that the fund is paid out in full, whichever date shall first occur.

3.10 In the event that two horses which are eligible for the Scheme dead heat in a particular qualifying race they are both deemed to be Winners and shall each receive the Yearling Bonus, always provided that there are sufficient funds available. In the event of a dead heat where there are insufficient funds to pay each Winner their bonus, but monies remain in the account, then the money remaining in the fund shall be shared equally between those horses. Any eligible horse that Wins after the fund has expired cannot claim the bonus payment.

3.11 In the event that more than one horse who is eligible for the Scheme should Win on the same date when there are insufficient funds to pay each winner their bonus the horse which Wins first in Time shall take the entire bonus.

3.12 The Scheme shall be administered by the Scheme Administrator at the direction of the Scheme Committee. Should any dispute arise between any Vendor, Purchaser, or Owner, the Scheme Committee's decision shall be binding on all parties. The Scheme Committee reserve the right to change, amend or vary at any time, without notice, any detail, arrangement or condition pertaining to this incentive and eligibility for the Scheme and shall not incur any liability for any loss, damage, or expense howsoever arising which may be incurred by any Vendor, Purchaser, Owner or other interested party arising in any way whatsoever from their participation or involvement in this Scheme. In particular the Auctioneers and the Scheme Administrator shall not in any circumstances be liable for any consequential loss incurred by any party.

Breeze-Up Bonus

4.1 In the event that the Breeze-Up Bonus is repeated in substantially the same form as in 2009 in 2010 the following will apply:

4.1.1 For Scheme eligible horses nominated to recognised Breeze-Up sales in 2010 in the United Kingdom and Ireland the £250 Purchaser/Owner payment may be deferred until that Breeze-Up sale is concluded without losing eligibility for the Scheme at the absolute discretion of the Scheme Committee.

4.1.2 However, to maintain eligibility, the £250 Purchaser/Owner payment must reach the Scheme Administrator, in cleared funds, within 7 days of the day the horse is offered at the relevant Breeze-Up sale.

4.2 When this concession is sought the Scheme Administrator must be informed before 15 December 2009 where the horse is purchased before 1 December 2009 and within 14 days of the sale where the horse is purchased after 1 December 2009 but before 31 December 2009.

4.3 If a Scheme eligible horse which has been granted this concession subsequently is not offered at the recognised Breeze-Up sale then the Purchaser/Owner payment to maintain eligibility reverts to £1000 as set out in clause 3.1. Where a Breeze-Up sale occurs after 15 March 2010 the Purchaser/Owner payment of £250 or £1000 must be made within 7 days of the day of the Breeze-Up sale. Where these Purchaser/Owner payment deadlines are not met the horse will cease to be eligible for the Scheme.

4.4 No horse shall be eligible for the Scheme if any Vendor or Purchaser/Owner payments have not been met within the relevant timescale.

Law

5 These Terms and Conditions are to be construed and shall take effect in accordance with English Law and the English Courts shall, unless the Trustees elect otherwise, have exclusive jurisdiction to hear and determine any action arising thereunder. The Auctioneers may enforce the terms of this agreement subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.