

Note: The following is an English translation of the original Agreement of Purchase and Sale in Japanese and is provided for reference purposes only. In the event of any discrepancy between the Japanese original and the English translation, the Japanese original shall prevail.

[TRANSLATION]

Agreement of Purchase and Sale
(Hokkaido Sale Yearlings)

The seller (hereinafter "Seller") and buyer (hereinafter "Buyer") of the horse _____ (Lot No: _____, Sire: _____ Dam: _____) hereby enter into the following Agreement of Purchase and Sale in accordance with the applicable Conditions of Sale, in witness whereof, three originals of this Agreement have been prepared, and Seller, Buyer and the sale holder shall each retain one original.

Article 1. Time When this Purchase and Sale is Given Effect

This Agreement of Purchase and Sale between Seller and Buyer shall be given effect at the time Buyer successfully bids for Seller's horse in the Hokkaido Sales held by the Hidaka Horse Breeders Association.

Article 2. Purchase Price

Seller has sold, and Buyer has bought at the Sale, the horse specified above (hereinafter the "Horse") for the price of _____yen (including consumption tax of _____yen).

Article 3. Payment of Purchase Price

1. In accordance with the stipulations of Article 21 Paragraph 1 of the Conditions of Sale, Buyer shall pay to Seller, no later than the closing time of the sale session, the purchase price set forth in Article 2 of this Agreement of Purchase and Sale.
If, however, Buyer is unable to pay the purchase price set forth in the Conditions of Sale and Article 2 hereinabove by the closing time of the sale session, and provided that the Sale Holder approves the payment conditions of Buyer, Buyer shall have ten (10) days from the day following the close of the Sale to pay such purchase price.
2. Closing time of the sale session refers to the time the sale closes on the relevant day of the relevant sale. Close of the Sale refers to the time when all dates of the relevant sale are completed.
3. The time of payment stipulated in Paragraph 1 of this article will not be extended regardless of whether Buyer has initiated the procedures set forth in Articles 24 and 25 of the Conditions of Sale.

Article 4. Procedures When Purchase Price Is Not Paid

In the event the purchase price is not paid within the period stipulated in Article 3 hereinabove, Buyer shall, pursuant to Article 32 of the Conditions of Sale and also Articles 14 and 15 of this Agreement of Purchase and Sale, pay to Seller a penalty fine equivalent to fifty percent (50%) of the purchase price set forth in Article 2 of this Agreement of Purchase and Sale.

Article 5. Transfer of Title to Horse

In accordance with Article 1 of this Agreement of Purchase and Sale, title to the Horse shall pass to Buyer at the time Buyer successfully bids for the Horse.

Article 6. Assumption of Risk

In accordance with Article 19 Paragraph 5 of the Conditions of Sale, Buyer shall assume all risk in relation to the Horse upon successfully bidding for the Horse.

Article 7. Term of Boarding Entrustment

In the event that Buyer entrusts the boarding and keeping of the Horse to Seller at the time when the transaction is completed or immediately prior to the closing time of the sale session, the term of such entrustment shall be no longer than ten (10) days from the day following the close of the Sale.

Article 8. Delivery of Horse

1. Delivery of the Horse from Seller to Buyer shall occur at a time and location agreed upon by Seller and successful bidder after full payment of the purchase price and within the period stipulated in Article 7 above.
2. Buyer or a representative thereof designated by Buyer may be present for the delivery of the Horse.
3. At the time of delivery of the Horse, Buyer shall make efforts, such as having a veterinarian in attendance, to prevent any disputes from arising later in connection with the Horse.
4. In connection with the foregoing paragraph, if Buyer wishes a veterinarian affiliated with the Sale Holder to be in attendance, Buyer shall so notify the Sale Holder no later than three (3) days prior to the day of delivery receipt, and Sale Holder shall have one of its veterinarian be present at the time of delivery.

Article 9. Change of Time of Delivery

1. If, for any unavoidable reason, Buyer is unable to take delivery of the Horse as stipulated in Paragraph 1 of Article 8 above, Buyer must, in order to change the time of delivery, obtain Seller's consent and enter into a separate Boarding Agreement with Seller no later than five (5) days prior to the original time of receipt.
2. In the event the time of delivery passes without Buyer's completion of the procedures stipulated

in the foregoing Paragraph, Seller shall have no further responsibilities except to maintain the Horse with the same degree of care as if the Horse were the property of Seller.

3. Buyer will be responsible for boarding and management expenses incurred after passing of the time of delivery.

Article 10. Boarding and Management and Expenses Thereof

Seller shall be responsible for boarding and keeping of the Horse with the care of a prudent custodian until the Horse is delivered pursuant to Paragraph 1 of Article 8 above. Necessary expenses incurred in ordinary boarding and management during this period shall be borne by Seller, and medical expenses and other extraordinary expenses shall be borne by Buyer.

Article 11. Handling of Accidents

1. Seller shall immediately inform Buyer and Sale Holder of any accident or illness befalling, or any vice appearing in the Horse from the time the transaction is completed to the time the Horse is delivered as stipulated in Paragraph 1 of Article 8 above.
2. Unless Seller is responsible for the cause of such accident, illness, or vice, Seller shall not be held liable therefor.

Article 12. Prohibition of Assignment of Rights

1. Buyer shall not assign to a third party any right acquired in connection with this transaction until after completing payment of the purchase price stipulated in Article 2 above.
2. In the event procedures set forth in Articles 24 and 25 of the Conditions of Sale are initiated, Buyer may not transfer title to the Horse to any third party until the Sale Holder determines the results of the investigation or reaches its final decision, regardless of whether full payment for the Horse has been made.

Article 13. Insurance Coverage

1. The Sale Holder shall, at its own expense, purchase a "Hokkaido Sale Bridge Insurance" policy as described in Article 23 of the Conditions of Sale for the Horse. This insurance shall be for the entire purchase price of the Horse. In the event of an accident resulting in an insurance payment, it is agreed that the Sale Holder will first receive the insurance on behalf of the Buyer.
2. The Sale Holder shall, upon receiving any payment based on the Insurance policy, forward the payment to Buyer.

Article 14. Rescission of Agreement

This Agreement of Purchase and Sale may be rescinded through the Sale Holder in the following cases.

1. (1) In accordance with the provisions of the Conditions of Sale, Seller shall be entitled to rescind this Agreement of Purchase and Sale through the Sale Holder in the event of the following:

- (I) If Buyer fails to pay the purchase price by the payment due date; or
 - (II) If Buyer breaches any provision of the Conditions of Sale.
- (2) In accordance with the provisions of the Conditions of Sale, Buyer shall be entitled to rescind this Agreement of Purchase and Sale through the Sale Holder in the event of the following:
- (I) If a claim submitted by Buyer pursuant to Article 24 Paragraph 2 of the Conditions of Sale is confirmed to be true; or.
 - (II) If a request submitted by Buyer pursuant to Article 25 of the Conditions of Sale is approved; or
 - (III) If Seller breaches any provision of the Conditions of Sale.
2. This Agreement of Purchase and Sale cannot be rescinded for conditions other than those stipulated in Article 24 Paragraph 3 of the Conditions of Sale, or in the event a claim is not submitted within the designated time period pursuant to Article 24 Paragraph 2 of the Conditions of Sale. In this regard, Seller shall have no responsibility to Buyer other than to accept the rescission of this Agreement for any applicable warranties.

Article 15. Penalty Fine

1. In the event this Agreement of Purchase and Sale is rescinded in accordance with Paragraph 1. (1) of the previous article, Buyer must pay to Seller through the Sale Holder a penalty fine equal to 50% of the purchase price.
2. Buyer shall not object to Seller requesting that the Sale Holder collect the penalty fine on Seller's behalf in accordance with Article 32 Paragraph 3 of the Conditions of Sale.
In such an event, Buyer shall pay said penalty fine to the Sale Holder.

Article 16. Court of Jurisdiction

Seller and Buyer agree that the Sapporo District Court will be the court having jurisdiction over any and all disputes arising out of or in connection with this transaction.

Article 17. Mutual Consultation

Any matters not stipulated in this Agreement of Purchase and Sale shall be amicably handled in each case through mutual consultation by and between Seller and Buyer.

Article 18 (Additional Explanation)

For the Selection Sale, mention of the Sale in Articles 3 and 7 in this Agreement of Purchase and Sale shall be interpreted as referring to "the Summer Sale of the same year".

(Date)

Seller:

Name: _____ [SEAL]

Address: _____

Telephone No.: _____

Buyer:

Name: _____ [SEAL]

Address: _____

Telephone No.: _____

Sale Holder:

Name: Hidaka Horse Breeders Association

Masakatsu Furukawa, Sale Director, Hokkaido Sales

Address: 1-1, Tsukiji 2-chome, Urakawa-cho, Urakawa-gun, Hokkaido