

BROOKVILLE ARABIANS, LLC

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BROOKVILLE ARABIANS, LLC INSTALLMENT PURCHASE AND SECURITY AGREEMENT

INSTALLMENT PURCHASE AND SECURITY AGREEMENT, made the _____ of

_____ by and between _____ (the "Buyers"),

and _____ Whereas, the Seller hereby agrees to sell and the

buyer hereby agrees to buy, upon the terms and conditions set forth herein, the following horse:

_____ (name)

_____ (sire X dam) _____

(date foaled) _____ (sex) _____ (Reg. No.) _____

NOW, THEREFORE, in consideration of the premises and the mutual promises and covenants set forth below, the parties hereby agree as follows:

TERMS of Purchase:

1. Sale of Horse: Purchase Price. The Seller hereby sells to the Buyer and the Buyer hereby buys from the Seller the Horse(s), pursuant to the terms and conditions set forth herein. The total purchase price for the Horse(s) shall be _____ (the "Purchase Price"), which shall be payable as follows:

2. Disclaimer of Warranties: The Buyer understands and agrees that it is buying the horse AS IS. ALL WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY DISCLAIMED.

TERMS of Purchase: (continue)

3. AHRA Registration. Until the Buyer has paid the Purchase Price in full all papers evidencing the registration of the Horse with the Arabian Horse Registry of America, Inc. ("AHRA") shall be held by the Seller, and shall be in the Seller's name. Upon payment by the Buyer to the Seller of the entire Purchase Price and the performance by the Buyer of all of its obligations hereunder, the Seller shall deliver said papers to the Buyer, properly endorsed to effect the transfer of the Horse to the Buyer.

4. Delivery, Risk of Loss: Insurance. The Seller shall deliver possession of the Horse to the Buyer on _____ (the "Delivery Date") at the following premises. After the Delivery Date and signing of this agreement, all risk of loss of the Horse, including without limitation loss due to the injury, illness or death, shall be borne exclusively by the Buyer. Consequently, the Buyer will, at its expense, caused to be carried, as of the Delivery Date and until the Buyer has paid and performed all of its obligations hereunder, full mortality insurance for the Horse. Such insurance shall name the Seller as a loss payee, and shall be payable to the Seller and the Buyer as their interests may appear. The Buyer shall provide a copy of the policy to the Seller on request.

5. Grant of Security Interest etc. In order to secure the performance by the Buyer of its obligations hereunder the Buyer grants to the seller a security interests in the Horse and all proceeds hereof (the "Collateral"). The Buyer will, at its expense, execute, deliver, file and record, in such manner and form as the Seller may require, or permit the Seller to file and record, any financing statements or other documents that the Seller may request in order to perfect its security interests in the Collateral or to exercise and enforce its rights hereunder with respect to the Collateral. The Buyer hereby appoints the Seller as the Buyer's attorney-in-fact to execute in the name of and on behalf of the buyer such additional financing statements or documents as the Seller may request for such purpose,

6. Representations and Warranties. The Buyer hereby represents that (a) the buyer has not created or suffered to exist any liens, claims, security interest, conditions or encumbrances in or against the horse, or in or against the Buyer of this Agreement do not and will not constitute a violation or breach of any agreement, law, judgment, order to decree to which the buyer is subject or to which it is a party, do not and will not result in the acceleration of any obligation of the Buyer under any agreement to which it is a party or is bound, and (d) the Buyer's true and complete name and address are as set forth above, and it does not now, and has not within the last 5 years, used any trade name or any other name.

7. Covenants of the Buyer. The Buyer hereby promises that so long as it has not paid or performed its obligations under this Agreement in full (a) it will keep the Collateral free from any and all liens, claims, security interests, conditions and encumbrances of any kind whatsoever, except for the security interest granted herein, (b) it will defend the Collateral against all claims and demands of all persons at any time claiming or demanding any interest herein, (c) it will promptly pay any and all taxes, assessments and governmental charges upon the Collateral, (d) it will permit Seller at reasonable times to inspect the Collateral, (e) it will keep the Horse in good health and free from disease, (f) it will provide adequate feed, shelter, veterinary and blacksmith's care for the Horse.

8. Events of Default. For the purpose of this Agreement an Event of Default shall mean (a) the failure of the Buyer to make payment of the Purchase Price according to the terms hereof, (b) the death, dissolution, Termination of existence or insolvency of the Buyer or appointment of a trustee or receiver for the Buyer, (c) the institution of bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or proceedings for relief under any bankruptcy or similar laws for the relief of creditors, whether such proceedings are instituted by or against the Buyer, (d) the failure of the Buyer to perform, or the breach by the Buyer, of any of the terms of this Agreement, (e) if any representation or warranty made by the Buyer herein or in order to induce Seller to enter into this Agreement, or (f) if Seller, in good faith, deems itself insecure or believes that the prospect of due and punctual payment of the Purchase Price or any portion thereof is impaired.

9. Consequences of Default. Upon the occurrence of an Event of Default the Seller may, in addition to any other rights it may have at law or in equity (a) declare the entire Purchase Price to be immediately due and payable, without presentment, dishonor, notice of dishonor or any other notice or demand, and (b) exercise and enforce any and all of the rights and remedies available after default to a secured party under the Uniform Commercial Code as adopted in Arizona. For the purpose hereof, notice to the Buyer of any public or private sale or any other disposition of the Collateral or any other action shall be deemed commercially reasonable if given to least 10 calendar days prior to the date of such disposition or other action.

10. Termination of Security Interest. Upon the payment in full of the purchase Price the security interest created hereby shall terminate and all rights in the Collateral shall revert to the Buyer.

11. Miscellaneous.

11.1 Merger. This Agreement constitutes the entire agreement of the Buyer and the Seller with respect to the subject matter hereof and supersedes any prior negotiations, understandings or writings between the parties with respect to the subject matter hereof.

11.2 Amendments. This Agreement may be amended only by a writing signed by the Buyer and the Seller.

11.3 Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Arizona.

11.4 Remedies Cumulative:Waiver. No failure or delay by the Seller to exercise any right, power or privilege provided hereunder or by applicable law shall operate as a waiver hereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or future exercise thereof or the exercise of any other right, power or privilege. The remedies provided herein shall be commutative and not exclusive of any rights or remedies provided by law.

11.5 Assigns. This Agreement shall insure to the benefit of and be binding upon the successors and assigns of the parties hereto. The Buyer may not assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the Seller.

11.6 Notices. All notices and communications required hereunder shall be deemed effective if made in writing, and delivered or mailed, first class postage prepaid, to the address of the recipient set forth in the first paragraph hereof.

IN WITNESS WHEREOF, the parties have duly executed this Agreement on the date first above written.

(Buyer) _____

(Seller) _____

Owner hereby appoints BVA, LLC as a designated caretaker of the animal, to wit: the Horse, as the term “designated caretaker of the animal” and in acknowledgement thereof, Owner consents to the administration to the Horse BVA, LLC of oral and injectable medications, the application of tinctures, or other treatments for the care of the Horse. OWNER UNDERSTANDS AND ACKNOWLEDGES THAT BVA, LLC IS NOT A VETERINARIAN. BVA, LLC, DOES NOT MAKE ANY REPRESENTATION OR WARRANTY, AND HEREBY DISCLAIMS ANY AND ALL REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, REGARDING ITS CARE OF THE HORSE.

OWNER REPRESENTS THAT OWNER HAS CAREFULLY READ THIS AGREEMENT, FULLY UNDERSTANDS ITS CONTENTS AND HAS HAD AN OPPORTUNITY TO SEEK THE ADVICE OF LEGAL COUNSEL. OWNER IS AWARE THAT THIS IS A RELEASE OF LIABILITY AND A CONSENT, AND OWNER REPRESENTS THAT IT HAS SIGNED IT OF OWNER’S FREE WILL AND ACT.

IN WITNESS WHEREOF, This Release is executed as of the _____ day of _____, 20 _____

OWNER:

BVA, LLC

By: _____

By: _____

Name: _____

Name: _____

THIS AGREEMENT SHALL BE CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ARIZONA.