

HOPKINSON EQUINE MANAGEMENT

Scottsdale, AZ

BOARD AND TRAINING AGREEMENT

THIS AGREEMENT, is made effective the _____ of _____, by and between _____ (hereinafter referred to as the "Horse Owner") and Hopkinson Equine Management of Scottsdale, Arizona (hereinafter referred to as HEM, LLC)

WITNESSETH

IN CONSIDERATION of the mutual covenants herein contained, it is agreed as follows:

1. Employment. The horse owner hereby employs HEM, LLC and HEM, LLC hereby accepts employment on the terms and conditions hereinafter stated to board a certain Arabian horse know as _____ and described as follows: AHRA# _____ (_____ X _____) (Hereinafter referred to as the "Horse").

2. Responsibilities of HEM, LLC. In consideration of the compensation here after described, HEM, LLC agrees to perform the following acts on behalf of the Horse Owner:

2.1 Board. HEM, LLC agrees to keep, maintain, and care for the Horse in a prudent manner in accordance with approved boarding farm practices. HEM, LLC will order any and all veterinary and farrier care on behalf of the Horse Owner at HEM, LLC's discretion at the Horse Owner's expense. HEM, LLC agrees to provide for the Horse adequate feed, water, grooming, and exercise in accordance with good and proper animal husbandry practices.

2.2 Conditioning and Training. HEM, LLC agrees, in addition to the Board service as described in Section 2.1 above, to provide for the Horse additional grooming and exercise in order to bring the Horse to a condition considered to be suitable for showing and /or marketing purposes. Further, HEM, LLC agrees to train the Horse in one or both of the below categories as requested by the Owner:

_____Halter (AND/OR) _____Performance (OR) _____Board

3. Employment of Personnel. HEM, LLC will investigate, hire, pay, supervise, and discharge all personnel necessary to be employed in order to properly carry out the services as described herein. Such personnel will be employees of HEM, LLC and the Horse Owner will have no right to supervise or direct such employees and will incur no obligation or liability with respect to such employees.

4. Compensation of HEM, LLC. As payment for HEM, LLC's services rendered on behalf of the Horse Owner, HEM, LLC will be entitled to receive a monthly Board Fee and /or a monthly Training Fee, based on the type of service provided, in an amount in accordance with the current Schedule of Fees, attached and made a part hereof. Payment for any partial month shall be on a pro rata basis in accordance with the daily fees. Such Board and Training Fees, along with all other fees for services provided by HEM, LLC for Horse Owner in accordance with the Fee Schedule, are to be paid by Horse Owner to HEM, LLC by the tenth (10th) of the month for which such service is rendered. Any delinquent payments shall bear interest at the rate of 1.5% per month (18% per annum). Payments received by above date will have \$25 deducted from bill, per horse in training.

5. Payment of Expenses. HEM, LLC will pay expenses incurred in connection with the services rendered on behalf of the Horse on behalf of the Horse Owner, as listed in Section 2 of this Agreement. All farrier and veterinary expenses, as well as expenses for other services, in accordance with the current HEM, LLC Schedule of Fees, rendered by HEM, LLC will be paid by the Horse Owner. The Horse Owner hereby accepts the existing facilities of HEM, LLC and the staff of HEM, LLC as suitable for the intended purposes hereunder.

6. Marketing. In the event the Horse is sold to a third party while in the care of HEM, LLC under the terms of this Agreement, the Horse Owner agrees to pay to HEM, LLC a sales commission in an amount equal to 20% of the entire sale price due and payable to HEM, LLC at the time of the closing of such sale. All sales are subject to commission up to ninety (90) days after departure.

7. Related Services. Additional services, as requested by Horse Owner and performed by HEM, LLC such as transportation of the Horse, Showing, etc., shall be done so in accordance with the nature and scope of the terms of this Agreement, and the Horse Owner will pay for these services in accordance with the current HEM, LLC Schedule of Fees.

8. Show Expenses. Horse Owner agrees to pay to HEM, LLC the pro rata share (pro rate based on number of horses) of the expenses incurred while at horse shows and events in which the Horse is in attendance. Expenses are in accordance with the current Schedule of Fees. Note that placement of a horse in the HEM, LLC Board and Training program does not obligate HEM, LLC to show the Horse.

9. Insurance and Risk of Loss. The Horse Owner agrees to hold HEM, LLC harmless from any claims of injury to property, individuals, horses, and third parties resulting from the boarding, training, transporting, showing, or other services as rendered for the Horse on behalf of the Horse Owner by HEM, LLC. The Horse Owner shall have the responsibility of insuring against liability for damages arising out of the conduct of activities associated with the Horse as contemplated by this Agreement. It shall be the Horse Owner's sole responsibility, though HEM, LLC imposes no such obligation on the Horse Owner, to insure for the value of the horse, or any portion thereof, in the event of loss due to death, injury, stray, theft, or other during the term of this Agreement as a result of any service rendered by HEM, LLC hereunder. Any and all risk of loss is assumed by the Horse Owner for the term of this Agreement.

10. Security Interest and Lien for Payment. The Horse shall not be removed by Horse Owner, nor by anyone at Horse Owner's instruction, until payment in respect to all charges, including charges for services of others as ordered by HEM, LLC on behalf of the Horse Owner, such as veterinary, shall have been made. HEM, LLC shall have a general lien upon the Horse for payment of the sums owing for the services contemplated by this Agreement. Such lien shall continue even if Horse is removed from the care, custody, or control of HEM, LLC, and may be enforced as provided for enforcement of liens by the laws of the state of Arizona. In the event it becomes necessary for HEM, LLC to commence litigation to enforce any of the terms of obligations of the Horse Owner under this Agreement including the enforcement of any lien, HEM, LLC shall be entitled to recover all costs incurred, including reasonable attorney's fees and any cost of repossession. Further, to secure performance of all obligations of this contract, Horse Owner grants HEM, LLC a security interest in the Horse.

11. Term. This Agreement will extend for a term commencing on the date hereof and ending on the Horse's departure, unless terminated pursuant to the provisions in subparagraphs A, B, or C as set forth below in paragraph 11:

A. Default. If the Horse Owner or HEM, LLC defaults in the performance of their respective obligations hereunder, and such default continues for thirty (30) days after written notice specifying such default, then, in that event, this Agreement, at the option of the non-defaulting party, may be terminated by written notice at any time thereafter while such default continues; provided however, that if such default is cured, or, with respect to defaults requiring action other than the payment of money, if action to cure such default is undertaken within said thirty (30) day period and diligently pursued to completion, then this Agreement will continue as if the notice of default had not been served.

B. Mutual Agreement. This Agreement may otherwise be immediately terminated prior to the specific termination date, as described herein, by mutual agreement of the Horse Owner and HEM, LLC. In the event, Horse Owner and HEM, LLC shall mutually arrange and agree upon the terms of such termination.

C. One Party Termination. This Agreement may also be terminated by the Horse Owner or by HEM, LLC with thirty (30) day advance written notice by certified mail made by the party seeking termination to the other party. HEM, LLC will, upon termination of this Agreement, at the Horse Owner's sole expense:

(a) Surrender to the Horse Owner the records, if any, associated with the boarding and/or training of the Horse.

(b) Surrender the Horse to the Horse Owner. The Horse Owner will, upon termination of this Agreement:

(a) Make prompt and immediate payment in the form of cash, cashier's check, or bank money order, in the amount equal to any and all remaining expenses due on account relating to the Horse which are due and payable up to and including the date of the Horse's departure from HEM, LLC prior to HEM LLC required release of the Horse.

(b) The Horse Owner shall, upon termination of this Agreement, release HEM, LLC from all further obligations of any sort relating to the Horse and/or the Horse Owner.

12. Assignment. This Agreement may not be assigned by HEM, LLC without the prior written consent of the Horse Owner. It is understood that the Horse Owner has placed reliance on the expertise, reputation, and knowledge of HEM, LLC, in execution of this Agreement and that this Agreement is intended to be a contract for the personal services of HEM, LLC. In the event that the Horse is sold or leased to a third party, or for any other reason whatsoever, this Agreement is not assignable to the third party by the Horse Owner without the written consent of HEM, LLC.

13. Miscellaneous. It is further agreed as follows:

13.1 Business Opportunities. It is understood that HEM, LLC will have the right to engage in any activity for profit or advantage of HEM, LLC, including but not limited to such activities as boarding, training, showing, and/or marketing of other horses, or any other activity otherwise, without the consent of the Horse Owner. However, activities which involve Horse Owner's Horse are only conducted by HEM, LLC with prior consent from Horse Owner.

13.2 Notices. All notices required hereunder will be served personally or by registered or certified mail with postage prepaid, addressed to the parties at the addresses set forth above or at such other address as may from time to time be designated by written notice by either party.

13.3 Binding Effect. This instrument, together with the attached current HEM, LLC Schedule of Fees, constitutes the entire Agreement between HEM, LLC and the Horse Owner for the boarding and related services of the Horse as provided by HEM, LLC on behalf of the Horse Owner. This Agreement may not be amended or supplemented except in writing approved by HEM, LLC and the Horse Owner. All other oral or written agreements in relation to the subject matter of this Agreement are hereby rescinded. This Agreement will be binding on the Horse Owner and HEM, LLC and on their respective successors and assigns, provided that HEM, LLC will have no right to assign this Agreement. If any part of this Agreement is held to be unenforceable, the balance of the Agreement will nevertheless be carried to effect.

13.4 Indemnification. HEM, LLC and its agents, employees, representatives, trainers, or owners shall not be liable for any sickness, disease, stray, theft, death, or injury that may be suffered by the Horse in HEM, LLC'S custody, nor for any other loss, damages, or injury arising out of, or connected with the services pursuant to this Agreement or for any other services as may be performed by HEM, LLC at the Horse Owner's request. The Horse Owner acknowledges that mortality, and/or insurances relating to a loss of the Horse in any way, are solely at the Horse Owner's responsibility. HEM, LLC shall also not be liable for any personal injury or disability which the Horse Owner and/or the Horse Owner's agents, representatives, family members, clientele, and/or employees may receive while on the premises of HEM, LLC. The Horse Owner agrees to indemnify and hold harmless HEM, LLC, its agents, employees, representatives, trainers, and owners from any claim related to damages, illness, or injury caused by the Horse.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date as written above.

HOPKINSON EQUINE MANAGEMENT

By: _____ Date: _____

Horse Owner:

By: _____ Date: _____