**Parties:** This agreement is made by and between 2L Performance Horses LLC, hereinafter “2L” and,

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ hereinafter “Client”.

**Horse(s):** This agreement pertains to the horse or horses, hereinafter “Horse”, any and all, past or present, owned by or represented to be owned by Client.

**Services Program:** Client agrees to pay 2L for all services rendered by 2L to Horse in accordance with the 2L Rate Schedule & Policy Statement (rates are subject to change with 30 days written notice), which Client acknowledges receiving and understanding. Client further agrees to pay 2L all other costs and expenses 2L incurs or expends, in connection with the Horse, in 2L’s sole discretion. Client shall be responsible for all of the foregoing fees, costs and expenses beginning with the arrival of the Horse at 2L, until 2L, to Client releases Horse. Client agrees to pay all such fees, costs and expenses before Horse is released. Client agrees that 2L shall be entitled to retain possession of Horse until all such fees, costs and expenses are paid. Client agrees that none of 2L fees, costs, and expenses, under this agreement, are subject to any set-off or counter claim.

**Training / Showing / Boarding:** Horse shall be trained, worked, shown, or cared for by 2L personnel, as chosen by 2L, in its sole judgement. 2L may change the personnel training, working, showing, or caring for Horse from time to time or at any time. Where, when, by whom and in what show or class Horse shall be shown will be decided by 2L, in its sole judgement, after consultation with Client. Acceptance of Horse by 2L does not obligate 2L to show Horse. 2L disclaims any obligation to show Horse in any particular show or class. Client acknowledges that 2L may own or have in its program, one or more, horses who may compete against Horse at shows, or in the same class at shows. If Client disagrees with any decision of 2L regarding

training, working, showing or care of Horse, Client’s sole remedy is the removal of Horse from 2L, which client agrees shall not terminate or alter Client’s obligation to pay any and all fees, costs, expenses, or other amounts already incurred pursuant to the agreement.

**Billing:** Interest at a rate of 2% per month, or highest legal rate, whichever is less, shall be charged and paid on all balances owned by Client and unpaid for 30 days. If Client fails to pay any amount due hereunder, for more than 30 days, 2L may immediately accelerate all amounts due under this agreement and under any other agreement between 2L and Client, or its affiliates, upon written notice.

**Sales Commission:** In the event Horse is sold while Horse is in 2L custody or within 30 days of leaving 2L custody, Client shall pay 2L a commission of 10% of final sale price, regardless of whether the sale was achieved through 2L effort. Any exception to the payment of sales commission by Client must be agreed to, in writing only, and a waiver of such signed by 2L.

**Veterinary Care:** 2L will provide Horse veterinary care as decided in 2L’s sole judgment, including, but not limited to, emergency treatment or surgery without notice to Client. Without limiting generality of the foregoing, 2L shall be entitled, without liability to Client, to vaccinate or test Horse or to take any action to comply with health requirements or advice of any governmental body, office, or agency. Client shall pay for all veterinary care provided Horse by or on behalf of 2L. Client warrants that Horse will be free of all illness and disease upon arrival at 2L. On, or prior to, arrival at 2L, Horse shall have current vaccination for Strangles, Equine Influenza, Rhinopneumonitis, Tetanus, Sleeping Sickness and have tested negative on Coggins test, performed within 6 months of arrival, at 2L and Client shall provide record of such vaccinations and test. If, upon arrival at 2L, Horse is not fully vaccinated or tested, or if Horse’s records do not reflect full vaccination or testing, 2L, may, at its sole discretion, not accept Horse or provide such vaccinations and testing to Horse at Client expense.

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**Insurance:** Client acknowledges that 2L is not obligated to carry any insurance covering Horse and that Client is to obtain, at Client’s sole cost, all insurance coverage of and concerning Horse, in amounts that Client deems appropriate, but is not obligated to obtain any such insurance. All insurance obtained by Client regarding or concerning Horse shall contain a waiver by the insurer[s] of a right of subrogation against 2L and its subsidiaries, affiliates, owners, servants, employees, representatives, contractors, or agents. Client releases 2L from all liability, damage or injury regarding, or in connection with, any information given, or not given, to Client’s insurer[s] or obtaining insurer[s] consent for surgical or other health related

services rendered, or to be rendered, to Horse, which shall remain Client’s responsibility.

**Release of Horse:** Client agrees that all outstanding balances due 2L for training, showing, board, care, breeding, foaling, veterinary care, farrier work and all other 2L fees, charges, and expenses, pursuant to this agreement, shall be paid prior to 2L release of Horse. Client shall make arrangement with 2L for Horse’s release at least 48 hours in advance. If Horse is being transported by a party other than 2L, including to a show or otherwise, Client agrees that the party transporting Horse is not an agent for 2L and agrees to look solely to such person, and not 2L, for any loss or claim arising out of the transportation of Horse.

**Limitations of Liability, Assumption of Risk, Indemnification and Legal Action:** Client assumes all risk of loss and damage and hereby releases, discharges, waives and relinquishes any and all claims, liabilities, damages, or losses, of any nature whatsoever, Client has, may have or hereafter have, against 2L and its subsidiaries, affiliates, owners, servants, employees, representatives, contractors, agents, or successors and assigns, hereinafter collectively the “Released” by, of, or for any injury, accident, sickness, disease, estray, theft or death to Horse, wherever or however the same may occur, by reason of, or caused by, whether in whole or in part, any alleged negligent or grossly negligent act, omission, conduct or alleged breach of contract, by or of the Released.

Client shall have the burden of proof of establishing any claim, liability, damage, or loss. All special, incidental, and consequential damages, including, but not limited to, lost income or profits, are hereby excluded, disclaimed, and shall not be awarded or recovered by Client. In no event shall Client’s remedies exceed the amount of the fee paid for the service complained of. The Released shall also not be liable for any personal injury or disability, which Client or Client’s agents, representative, employees, invitees, or family may receive while on 2L’s premises, which risks, and liabilities are hereby assumed by Client. Client agrees not to sue or bring any other legal action against the Released in connection with any claim, liability, damage, or loss which is released, discharged, waived, or relinquished by Client hereunder. Client agrees to defend, indemnify and hold the Released, and each of them, harmless from any claim, liability, damage or loss, caused or contributed by, whether in whole or part, the Horse, including, but not limited to, all expenses and attorney’s fees incurred by the Released in defending all such claims, this defense, indemnity and hold harmless, shall be required regardless of whether any liability, loss, cost, damage or expense is caused or contributed to in part by the Released or any of them.

As a condition precedent to any legal action by Client, Client shall notify 2L in writing at least 30 days in advance of initiating any legal action against the Released, or any of them, regarding or concerning, in whole or in part, the Horse, the agreement, or any other claim against the Released. Within 20 days of receiving such notice, 2L, or any of the Released shall be entitled to require that any such action be resolved, by submission to binding arbitration, before the American Arbitration Association [‘AAA’], in accordance with the rules of the AAA, with such arbitration to take place in Denton County, Texas. If 2L or any of the Released elects binding arbitration, 2L, the Released and Client, to the fullest extent of the law, waives trial by jury or by court.

Notwithstanding anything herein to the contrary, any action, proceeding or arbitration against the Released regarding or concerning, in whole or in part, the Horse, this agreement or any other claim against the Released or any of them, must be filed with a court competent in subject matter with jurisdiction in Denton

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County, Texas or the AAA [if 2L or any of the Released so elects] no later than 120 days from the date of the

claimed loss or forever be barred. The prevailing party to any such action, proceeding or arbitration shall be entitled to collect all reasonable attorney’s fees and costs, in addition to all other relief, through any petitions or appeal.

**Lien:** Client grants 2L a lien upon and security interest in Horse and its Registration Papers to secure all obligations and amounts due under this agreement, or any other agreement, between Client and 2L and any of its affiliates. 2L may at any time, until all amounts due hereunder are fully paid, file a photocopy of this agreement in the county and state in which it believes any such Horse may be kept, or where Client resides and, when so filed, the copy shall be effective as a financing statement as well as a security agreement. At any time, Client’s balance with 2L is unpaid for 30 days or Client is otherwise in default of this agreement, or any other agreement, between Client and 2L and any of its affiliates, 2L may foreclose its security interest. 10-day notice shall be deemed reasonable on any foreclosure sale. The foreclosure sale may be held by individual Horse[s], in bulk or parcels, at wholesale or retail, in public or private, at any time and place and on any other terms selected by 2L.

**Release of Liability:** Client acknowledges and holds 2L harmless with regard to the health of Client, health of Client’s guests, and or health of Client’s horse(s). Client agrees to assume ANY AND ALL RISKS INVOLVED IN OR ARISING FROM CLIENT’S USE OF OR PRESENCE ON PROPERTY BELONGING TO 2L, Justin Schmidt, or Lisa Ligon, including but not limited to: the risk of death, bodily damage, falls, kicks, bites, collisions with vehicles, horses, animals of any sort or stationary objects, acts of nature, fire or explosion, the unavailability of emergency medical care, or the negligence or deliberate act of another person.

Client agrees to hold 2L, and Lisa Ligon and all of its successors, subsidiaries, franchisees, affiliates, officers, directors, employees and agents completely harmless and not liable and release them of all liability whatsoever. Client agrees NOT TO SUE 2L, including but not limited to Lisa Ligon on account or in connection with any claims, causes of action, injuries, damages, costs, or expenses arising out of Client’s use of or presence on property belonging to 2L, Lisa Ligon or Justin Schmidt.

**Acceptance:** By signing, Client’s signature attests to the fact that Client has read and understands all of the outlined herein and accepts this agreement, in its entirety, as a legal and binding instrument in the State of Texas.

In the event any section, paragraph, sentence, clause, or phrase contained in the agreement document shall be determined, declared, or adjudged invalid, illegal, unconstitutional, or otherwise unenforceable, such determination, declaration or adjudication in no manner affects the other sections and paragraphs.

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Client Signature / Date

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