
EQUINE ASSOCIATES, LLC

Horse Purchase Consulting Agreement

This Horse Purchase Consulting Agreement (the "Agreement") is entered into as of the _____ day of _____, 20____ by and between Jontelle Forbus, d/b/a Equine Associates, LLC, an individual residing at 104 N Snead Street Ashland Virginia 23005 ("Forbus") and

_____ an individual residing at:

_____ (the "Client"), for services in connection with the identification and evaluation of a horse for the Client. Whereas the Client seeks to purchase a horse suitable for Client's purposes and goals as agreed between Forbus and the Client; and whereas Forbus is an experienced trainer of dressage horses and riders and is willing to assist the Client in the identification and evaluation of prospective horses;

The parties hereby agree as follows:

1. Services provided: In exchange for the compensation set out in Section 3, below, Forbus will provide services in connection with the purchase of a horse, which may include some or all of the following as the situation indicates:

a) Discussion with the Client regarding age, type, breeding and other parameters for suitable prospects and the questions Client can ask upon initial inquiries to sellers of potential horses in order to "weed out" clearly unsuitable prospects;

b) Inquiries to other trainers and brokers who regularly deal in the types of horses suitable for Client's purposes, provided that Forbus will not obligate the Client to compensate any other party for helping to locate a suitable horse for Client without Client's express advance consent;

c) Review of video of and other information regarding prospective horses and discussion with the Client regarding the apparent suitability of each prospective horse for the purpose of determining whether it seems productive for the Client and Forbus to try the horse in person. Client acknowledges that video is best used to rule out horses that are clearly not suitable and that imaging alone does not make possible a complete enough evaluation to determine whether the Client should proceed to purchase the horse;

d) Discussion with the selling owner, any trainers and/or agents of the selling owner to further investigate the suitability of the horse for the Client's purposes and to investigate the history of the horse, especially including factors relevant to the Client's abilities and purposes;

e) In person evaluation of the horse including evaluation of the horse's conformation and way of going and if the horse is in work, watching the horse's customary rider ride the horse, Forbus riding the horse and Forbus evaluating the Client riding the horse if the evaluation progresses to that point;

EQUINE ASSOCIATES, LLC

- f) Negotiation of purchase arrangements including price, veterinary examination of the horse, transport of the horse after purchase and other details of the transaction;
- g) Arrangement for and attendance at a pre-purchase veterinary evaluation of the horse; and
- h) Arrangement for transport of the horse to the stable where Client intends to keep the horse.

2. Additional Due Diligence: Client acknowledges that Forbus's investigation into the horse's history and behavior is limited to anecdotal reports and observation of the horse. Client is advised before remitting any funds for purchase of the horse to do or have done the following:

- a) Have a comprehensive pre-purchase veterinary examination of the horse, including completed blood testing for pharmaceuticals present at the time of examination and for testable illnesses present in the area in which the horse is stabled which might not be evident upon external clinical evaluation, including but not limited to Equine Infectious Anemia and Lyme disease;
- b) View documentation evidencing the current ownership of the horse and if applicable a valid power of attorney from the actual owner of the horse empowering the seller to convey good title;
- c) Run a UCC-1 and tax lien search regarding the owner to determine whether any other party has a legal interest in the horse as a result of the owner's debt;
- d) Verify the horse's competition record as represented by the Seller through relevant horse show and breed associations;
- e) Have prepared and executed before funds are paid to a seller a Purchase and Sale Agreement that includes warranties to the Client that the history of the horse as represented to the Client and Forbus is accurate, that the seller knows of no undisclosed conditions or behaviors relevant to the horse's soundness, health or temperament, and that the seller has and can convey clean title to the horse free of other claims.

3. Compensation: For services provided pursuant to this Agreement Client agrees to compensate Forbus as follows:

- a) For time spent by Forbus identifying and evaluating potential horses for purchase, Client agrees to pay Forbus an hourly rate of \$100 per hour, up to \$1000 per day. Forbus will invoice client monthly for time spent, and payment of such invoices is due within one week of the receipt of invoice.
- b) Client agrees to pay up front or to reimburse Forbus for any out of pocket costs incurred as a result of Forbus traveling at Client's request to evaluate prospective horses and for any other out of pocket costs generated as a result of Forbus evaluating or assisting with the purchase of prospective horses. Client is expected to pay directly to providers for significant travel expenses such as airfare and hotel costs and for any agreed expenses in excess of \$100. Mileage for trips using Forbus's vehicle will be billed at \$.50 per mile. For mileage and other expenses that Forbus pays directly, reimbursement is due upon presentation of documentation for the same.
- c) Client understands that the custom of the equine industry is for clients to pay trainers

EQUINE ASSOCIATES, LLC

assisting them with the purchase of horse a commission of 10 % of the purchase price of the horse. Upon the successful purchase of a horse by the Client under this Agreement, Client agrees to pay Forbus a purchase commission equal to 10% of the gross purchase price paid to the seller. Forbus agrees that compensation for time spent as per Section 3(a) above shall be credited toward the purchase commission, and that should the compensation paid for time spent exceed 10% of the gross purchase price of the horse, the entire commission shall be

waived. Any commission amount due under this Section 3(c) is due not later than four business days after Client acquires a new horse pursuant to this Agreement.

4. Payment Arrangements: Forbus's role in the Client's purchase of a new horse is that of a consultant only, and other than incurring travel expense agreed to by the Client in advance, this Agreement does not empower Forbus to make or accept payments with regard to a horse purchase transaction. For any horse that Client is purchasing, Client shall pay the purchase price directly to the Seller, and shall pay any amounts due to Forbus under Section 3, above, directly to Forbus.

5. No Warranty of Suitability: Forbus promises to use her best efforts to effectively evaluate prospective horses for Client, but Client acknowledges that even with the most diligent efforts on the part of Client, Forbus and the examining veterinarian it is not possible to predict a horse's reaction to new situations and further recognizes that conditions and/or behaviors may become apparent after purchase that could not reasonably be discovered before purchase. Client assumes the risk that the horse may exhibit or develop physical or training issues after purchase that were not foreseen before purchase.

6. Term: This Agreement shall continue until the earliest of the following:

a) The successful purchase of a horse by the Client pursuant to the terms of this Agreement and payment of all amounts due hereunder;

b) Notice by either party to the other of intent to terminate and payment of any amounts accrued hereunder and not yet paid or reimbursed, provided that if within 90 days of termination of this Agreement by the Client, the Client purchases a horse that Forbus has located and/or helped client to evaluate to any extent, the commission set out in Section 3(c) shall become an amount due under this Agreement and this Agreement shall survive until such amount is also paid.

Agreed and executed as of the date first set out above by and between

The Client

Jontelle Forbus