

THE TRAINING AGREEMENT

Owner's payments:

1. The Owner will pay to the Trainer for each of the Owner's horses in the care of the Trainer (and pro-rata for a share of a horse)
 - 1.1 the basic training fee as set out on page 1 or as otherwise agreed between the parties
 - 1.2 additional charges (if any) as set out on page 1 : or as otherwise agreed between the parties, and Value Added Tax as applicable.
2. The Trainer will invoice the fees and charges monthly in arrears.
3. The basic training fee and/or the amount of any chargeable additional item may be varied by the Trainer from time to time but (in the case of an increase) on not less than one month's prior written notice. Any Owner who does not accept the charge must notify the Trainer within 21 days of receipt.
4. Unless the parties have adopted a different arrangement, the Owner will pay all amounts owed to the Trainer by monthly direct debit or by a monthly payment from the Owner's Weatherbys' account. In any event, the Owner will pay within one month following the delivery all invoices for fees and charges due.
5. Any payment received by the Trainer from the Owner which does not clear the full indebtedness of the Owner to the Trainer at the relevant time may be applied by the Trainer, irrespective of any instruction to the contrary, in or towards payment of such outstanding invoices issued by the Trainer to the Owner as the Trainer sees fit and towards interest in priority to principal.
6. Invoices unpaid after the expiry of one month from delivery shall carry interest calculated from day to day from the expiry of that month at the annual rate from time to time payable under the Late Payment of Commercial Debts (Interest Act) 1998.

Trainer's obligations

- 7.1 The Trainer shall take all reasonable care of the horse and undertake to use all reasonable endeavours to train it to race to the best of its ability
- 7.2 Nonetheless, the Owner accepts the speculative nature of the ownership of racehorses and unless given in writing no words used by the Trainer as to the ability of any horse or the chance of its winning a race shall be deemed a guarantee warranty assurance or otherwise (whether express or implied).

7.3 These terms have been prepared in recognition of the considerable cost to the Trainer of professional indemnity insurance. There is no obligation upon the Trainer to maintain professional indemnity insurance.

8. No liability shall attach to the Trainer for any damage to the horse or any resulting loss to the Owner whether direct or indirect or consequential or otherwise howsoever caused unless such loss is due to the proven negligence of the Trainer or his staff or to a breach of the terms of this Agreement

9.1 The Trainer must report on the well-being of the horse and progress in training to the Owner at least once in every calendar month or as otherwise agreed and must promptly inform the Owner of any injury to the horse which is likely to require a prolonged period of box rest

9.2 Save as otherwise expressly specified by the Trainer to the Owner, any horse trained by the Trainer for the Owner will at all times be kept at the Trainer's licensed premises.

9.3 The Trainer shall permit the Owner and anyone authorised by him to visit and inspect the horse at the Trainer's licensed stables on reasonable notice and at reasonable times.

10. Upon a sale to the Owner of a horse in which the Trainer has an ownership interest the Trainer shall make all necessary disclosures to the Owner in accordance with the British Horseracing Authority's Code of Conduct as laid down in Manual C, Schedule 4 of the Rules of Racing.

11. When acting as agent in the sale by or a purchase of a horse by the Owner, the Trainer will disclose to the Owner if he is acting simultaneously for the purchaser or the seller as the case may be in any capacity related to such transaction.

Authority to Act

12. The Owner hereby appoints the Trainer as his Authorised Agent for the purposes specified in the Rules of Racing. This appointment is subject to the following provisions:

12.1 The Owner and the Trainer shall sign and register the Authority to Act in accordance with the Rules of Racing

12.2 The Owner or the Trainer may at any time upon giving not less than 7 days notice in writing terminate this appointment

12.3 Under this appointment, the Trainer may decide which races to enter the horse for, including selling and claiming races and which jockey shall ride the horse subject to:

12.3.1 the best interests of the horse

12.3.2 obtaining the written consent of the lessor of a leased horse in accordance with Rule (F) 61 prior to entering the horse in a selling or claiming race

12.3.3 the Trainer providing the relevant information to the Owner not less than 2 days prior to the race (except in the case of a leased horse the subject of Rule (F) 61.

12.3.4 the Owner having the right to require (and the obligation to pay any related fines):

12.3.4.1 another jockey of his/her choice to ride the horse

12.3.4.2 the horse to be withdrawn from or not entered in a particular race and

12.3.4.3 the Trainer to enter the horse in a particular race.

Removal of the Horse

13. Subject always to the provisions contained in Clauses 14 – 17 hereof either the Trainer or the Owner may give to the other not less than 48 hours notice that the horse is to be removed from the Trainer's care and on the expiry of such notice and the payment of all outstanding invoiced fees due to the Trainer (or the ROA and NTF under clause 18(b) hereof) the Owner (or his authorised agent) shall at his own expense remove the horse from the Trainer's yard.

Disputes as to the condition of the horse

14. The Trainer reserves the right at his own expense to have the horse examined by a veterinary surgeon before the expiry of a notice given by either party requiring removal of the horse and the Trainer shall immediately inform the Owner if he has exercised this right.

15. If following removal of the horse, the Owner shall consider the condition of the horse to be unsatisfactory and if the Trainer has given to the Owner notice that he has had the horse examined then the Owner may bring into effect the provisions of the next following clause 16

16. If this clause comes into effect

16.1 The Owner shall have the horse examined by a veterinary surgeon within 72 hours of its leaving the Trainer's yard

16.2 Immediately following receipt the Owner shall send a complete copy of the report of his veterinary examination to the Trainer and in return the Trainer will immediately send a complete copy of the report of his veterinary examination to the Owner

16.3 On the written application of either the Owner or the Trainer accompanied by copies of both veterinary reports the Secretaries shall jointly appoint (as agents for the parties) a veterinary surgeon independent of either party or of their veterinary surgeons but the Secretaries shall not be obliged to make this appointment until their requirements under sub-clause 16.4 have been complied with

16.4 The Owner and the Trainer shall give to the ROA and the NTF such payments or security as undertakings as the Secretaries shall require in respect of the fees and expenses of the independent veterinary surgeon and the proper expenses of the ROA and the NTF.

16.5 The independent veterinary surgeon shall examine the horse and report in writing to the Secretaries or to the parties and in doing so he shall give due consideration to the reports of the veterinary surgeons appointed by each of the parties

16.6 The report of the veterinary surgeon shall be final and binding on the Owner and the Trainer on all questions of fact relating to the condition of the horse but not further or otherwise

16.7 The fees and expenses of the independent veterinary surgeon shall be paid as one half each by the Owner and the Trainer (unless the independent veterinary surgeon shall state otherwise in writing).

16.8 For the avoidance of doubt the Secretaries can refuse any application made under this clause 16 where the Trainer is not a member of the NTF and the Owner is not a member of the ROA.

Trainer's lien

17.1 The Trainer shall have in addition to any statutory, common law or other implied rights of lien, a general lien over the Owner's horse(s) and a right to sell Owner's Horses (and any one or more of them) for the purposes of recovering fees and charges (as referred to at Clause 1) which have not been paid.

17.2 Once an invoice is outstanding and unpaid for more than one month after delivery, the Trainer shall be entitled on the expiry of 21 days notice to the Owner sent recorded delivery to the Owner's last known address to dispose of one or more of the Owner's horses and apply the proceeds towards (i) all unpaid invoices (ii) keep of Owner's Horses during the period of retention under the lien and (iii) other costs including the reasonable costs of valuations pursuant to clause 17.3 and the costs and expenses of the sale. Thereafter the Trainer shall account to the Owner for any surplus and upon so doing shall subject to clause 17.4 be discharged from all liabilities under this Agreement.

17.3 The Trainer shall use his reasonable endeavours, acting in good faith, to obtain a fair and reasonable price for any horse(s) being sold having regard to the prevailing market conditions and the circumstances of the sale. If the Trainer sells any of the Owner's horse(s) other than at public auction and the Trainer has obtained two contemporaneous Qualifying Valuations, then a sale at the higher of such Qualifying Valuations will constitute conclusive evidence that the price obtained for the horse(s) was fair and reasonable save in the case of manifest error or flagrant unreasonableness. For the purposes of this Clause a "Qualifying Valuation" shall be a valuation carried out either by a Bloodstock Agent who is a Member of the Federation of Bloodstock Agents (GB) Limited or by any of Brightwells Limited, Doncaster Bloodstock Sales Limited or Tattersalls Limited.

17.4 The Trainer hereby expressly acknowledges that the purpose of this Clause 17 is to permit a Trainer to whom an owner is indebted to apply assets belonging to that owner which are in the Trainer's possession as security for that debt and to realise that security. Accordingly the Trainer acknowledges that he will be liable to the Owner (on a full indemnity basis) if and to the extent that any exercise under this Clause 17 by the Trainer of any rights against the Owner asserted by him are wrongfully asserted or exercised.

17.5 The Owner hereby irrevocably confers upon the Trainer all necessary authority to exercise the power of sale conferred upon the Trainer by this Clause 17 and to do and carry out all such ancillary acts that may be necessary for the purposes of the exercise by the Trainer of such power of sale and the Owner agrees that if the Trainer is required to become the Registered Owner of the horse(s) so as to facilitate the exercise by him of the power of sale under this Clause 17 then the Owner shall sign all documents and do all necessary acts which may be necessary to ensure proper and effective exercise by the Trainer of his power of sale hereunder.

17.6 The Trainer cannot take a commission from a sale under the procedure set out in this clause 17.

Disputed debts

18.1 if (whether before or after delivery of a Notice under clause 17.2, the Owner disputes the amount claimed by the Trainer or has an alleged claim against the Trainer in connection with any horse or any other matter relating to the Trainer's business as a racehorse trainer and

18.2 if the Owner pays the amount claimed by the Trainer to the Joint Account of the ROA and the NTF and

18.3 if the Owner gives notice of that payment to the Trainer then

18.3.1 the Trainer shall not be entitled to sell the horse

18.3.2 the Trainer's lien on the horse shall be at an end and

18.3.3 the Owner may exercise his rights under clause 13.

19. It is intended that any money paid in accordance with clause 18.2 shall be held by the ROA and the NTF as stakeholder until resolution of the dispute between the Trainer and the Owner. Any interest shall be credited to the capital but the ROA or the NTF shall be entitled to deduct a reasonable administrative charge from any such interest.

Resolution of Disputes

20. The ROA and NTF endorse and recommend that owners and trainers try to resolve disputes through a dispute resolution process and details of mediators experienced in bloodstock matters can be obtained from the NTF and the ROA.

Insurance of the Horse

21. It is the responsibility of the Owner to arrange insurance cover on his horse or horses direct with an insurance intermediary authorised by the Financial Services Authority. The Trainer does not accept any responsibility for effecting this on behalf of the Owner.

Trainer's Commission

22. The Trainer reserves the right, when acting as the Owner's buying agent to charge a commission of 5 % on the purchase price of any horse in respect of which the Trainer assists in the purchase. Where an independent agent is also entitled to charge a commission in respect of the same purchase, the aggregate of such agent's commission and the Trainer's commission shall not exceed 5 % [the same rate as above] and the Trainer is hereby specifically authorised to split commission with any such agent in respect of any such purchase. If a horse trained by the Trainer is sold by the Owner (whether or not with the assistance of the Trainer) the Trainer shall be entitled to charge a commission of 5 % of the sale price.

If the rate of commission is not inserted in this clause, then the clause will be deemed not to be in the agreement. See notes on completion of agreement.

OWNERSHIP BY COMPANIES, STUDS, CLUBS, PARTNERSHIPS AND JOINT OWNERSHIPS

23. This clause does not apply where a horse is owned by a single individual as the Owner.

23.1 The "Owner's Representative" is hereby appointed and authorised to act on behalf of and to bind the Owner and for the purposes of clauses 10 11 12 13 14 15 16 and 17.2 the Owner shall be interpreted and operate as the Owner's Representative and service upon the Owner's Representative shall be service upon the Owner. The Owner's Representative shall be as follows:

Ownership Entity	Owner's Representative
Recognised Stud Company	A Registered Nominee in accordance with Rule (E) 36
Recognised Company	A Registered Agent in accordance with Rule (E) 41
Recognised Club	A Registered Trustee in accordance with Rule (E) 56
Recognised Business Partnership	A Business Partner in accordance with Rule (E) 49
Racing Partnership	A Nominated Partner in accordance with Rule (E) 63
Joint Ownership	A nominated joint owner or joint owners (not to exceed two in total)

23.2 The Owner's Representative may be changed (but only in accordance with 26.1) by written notice from the current Owner's Representative, or as otherwise authorised, to the Trainer.

Notices

24. The Owner shall give to the Trainer written notice of any change of the Owner's address

25. Any notice provided for in this Agreement shall be properly served and any invoice will be properly delivered if sent in writing:

25.1 In the case of the Trainer to his/her current licensed place of business and

25.2 In the case of the Owner or the Owner's Representative to the last address which he has in writing notified to the Trainer or the last known permanent address which the Trainer has for him in default of either but only in the case of an owner not normally resident in the United Kingdom to any agent or third party whom the Trainer reasonably believes has continuing contact with the Owner.

26. Any written communication provided for in this Agreement shall be deemed properly served or delivered in the normal course of transmission unless there is evidence to the contrary if it has been sent by pre-paid first class letter post (by air mail in the case of a letter posted from or to an address outside the United Kingdom) or transmitted by facsimile machine to a number which (in the case of the Trainer) is the number of his current place of business and which (in the case of the Owner) is at the address referred to in clause 25.2 provided (in either case) that the sender has a record of an effective transmission produced by the sending facsimile machine.

Miscellaneous

27. Where the context of this Agreement so admits or requires any reference in these conditions to the singular shall include the plural and to the masculine shall include the feminine or the neuter and the obligations of more than one person shall be joint and several

28. The law governing these conditions and the relationship between the Trainer and the Owner shall be the law of England

29. The terms of this Agreement do not place any binding legal obligations upon the NTF or the ROA.

Meanings of words and phrases

30. In these terms and conditions the following expressions shall have the following meanings:

Authority to Act as defined in the Rules of Racing from time to time in force

"ROA" means the Racehorse Owners Association

"NTF" means the National Trainers Federation

"BHA"	means the British Horseracing Authority
"the horse"	means any horse belonging to the Owner (in whole or in part) which has been or is to be placed into the care of the Trainer (whether a thoroughbred or not and whether a horse, colt, mare, filly or gelding and whether in training or not)
"invoice"	means (where the context so requires) the total of that invoice and any interest accrued
"licensed"	means licensed by the BHA
"Owner"	means the person who is a party to this Agreement. It may however include a lessee of a horse.
"the Rules of Racing"	means the rules of the British Horseracing Authority from time to time in force and if the context of these terms shall so admit any words used herein and defined in the Rules of Racing shall bear the meanings so defined.
the Secretaries	means the Company Secretaries or other Chief Administrators of both the ROA or their respective deputies