Del Mar Thoroughbred Club Terms and Conditions of Stabling and Racing ("Agreement")

PLEASE NOTE: This Agreement, as set forth below, contains among other provisions: (1) an express assumption of risk provision with respect to risk of bodily and property injury and a release of liability provision (Section 15) and (2) an individual (with waiver of class action) arbitration agreement provision (Section 25). <u>PLEASE READ THE ENTIRETY OF</u> <u>SECTIONS 15 AND 25 CAREFULLY AS THESE SECTIONS SIGNIFICANTLY</u> <u>AFFECT YOUR LEGAL RIGHTS</u>.

PLEASE NOTE: IF AWARDED STALLS, SUCH AWARD IS A REVOCABLE LICENSE THAT LIMITS THE HOLDERS' LEGAL RIGHTS.

You, trainer applicant ("Trainer"), hereby agree to each of the following terms and conditions in consideration for permission from Del Mar Thoroughbred Club ("DMTC") to race and stable horses at Del Mar during this year's Summer or Fall Race Meet, as applicable (each, individually referred to as the "Race Meet"), and to participate in the Race Meet. The terms and conditions set forth in this Agreement are hereby incorporated into and made part of the stall application for the Race Meet (the "Stall Application") as if fully set forth in the Stall Application:

- DMTC reserves the right, immediately, to: (a) refuse this Stall Application for stable space in whole or in part; (b) refuse to accept any entry in any race; (c) exclude/suspend Trainer from participating in racing and/or training at the Race Meet; or (d) refuse the transfer of an entry (collectively, an "Adverse Action"); provided, however, DMTC shall make the Adverse Decision in accordance with Exclusion Standard as set forth in Section 24 below.
- 2) If any horse is denied stable space or the privilege of registration for racing for any reason, all nomination fees and payments for eligibility to stake races that have been paid with respect to the horse shall be refunded and such sum will be deducted from the total amount subscribed for the particular race or races.
- 3) After Trainer's submission of the Stall Application, Trainer shall notify DMTC immediately of any change in stall requirements and, if stalls have been allocated, of any change in shipping plans.
- 4) Trainer acknowledges that Trainer has inspected the stalls at Del Mar and is familiar with such stalls and agrees to accept any stalls assigned to Trainer pursuant to the Stall Application. Such stalls shall be made available to Trainer in an appropriate condition for stabling.
- 5) Trainer agrees to vacate any stalls assigned at Del Mar, or any approved auxiliary training facility, and to remove all horses, equipment, and personnel from the premises of Del Mar, or any approved auxiliary training facility, within three (3) days after being requested by DMTC

to do so; provided, however, that DMTC's decision to exercise its rights under this Section shall be made in accordance with Exclusion Standard.

- 6) Trainer represents that Trainer has read and is familiar with the Rules of Racing and Regulations of the California Horse Racing Board ("CHRB"), all conditions applicable to the Race Meet, and the rules of DMTC which shall be published from time to time in the condition book(s), and Trainer agrees to be bound by and comply with the same. All stable reservations and entries in stakes and all other races shall be subject to all conditions, rules, and regulations of the CHRB and DMTC.
- 7) Trainer represents that Trainer is duly authorized to represent the owners of the horses listed on the Stall Application, for all matters where Trainer is acting as an agent for such horse owners. All references herein to Trainer or to Trainer's horses, equipment, agents, or employees shall include said owners and their horses, equipment, agents, and employees when applicable.
- 8) Trainer shall maintain an accurate Stable Employee Registration List and shall submit a copy thereof to DMTC within five (5) days of any change to the list. Trainer shall also submit a copy to the CHRB if required by CHRB rule.
- 9) All disputes, claims, and objections arising out of racing, or with respect to interpretation of any CHRB rules, shall be decided by the Board of Stewards of the Race Meet or the CHRB. Subject to all legal rights including appeal, Applicant agrees to accept and abide by all decisions of such officials.
- 10) In all stakes, acceptances may be made only through the entry box at the usual time of closing of entries, or at other times when the conditions for the race specifically so state.
- 11) DMTC reserves the right to cancel any stake or other race which has not filled prior to the actual running thereof without liability to any person, except for the return of nomination and entrance fees paid. DMTC reserves the right to divide the added money for any stake which is run in more than one division.
- 12) Horses claimed by, transferred to, or sold to, any person or stable which is not registered, and approved, for racing at Del Mar must be removed from the grounds within twenty-four (24) hours after they are claimed, transferred, or sold unless their continued presence is approved in writing by DMTC, in its sole and absolute discretion.
- 13) In no event, circumstance, or situation will DMTC be considered to have responsibility for the care, custody, control, or well-being of any horse kept at Del Mar while in assigned stalls, on any racing surface, or elsewhere on the premises. Trainer assumes full responsibility for the safety, care, and well-being of all horses stabled by them at Del Mar, and agrees to take all reasonable measures for the protection of such horses, including providing adequate supervision for such animals while on the premises, hiring competent personnel to take care of such animals at all times, cleaning and maintaining stalls assigned pursuant to the Stall Application, and removing any hazardous condition from such stalls which is known to Trainer or their employees, or if Trainer believes that such condition should be remedied by DMTC, promptly calling to the attention of DMTC in writing, any such hazardous condition.

14) Trainer agrees to properly supervise all of their employees, agents, invitees, and other persons known to them to be in the area assigned to them pursuant to the Stall Application, and hereby acknowledges that Trainer is responsible for the conduct of their employees, agents, and invitees. DMTC has no obligation to remedy any condition on the premises which may be caused by the negligence of, or willful conduct of, any such employees, agents, or invitees, unless it has prior written notice of the existence of such condition and has had a reasonable opportunity to repair such condition. Trainer agrees to be responsible and pay DMTC for any damage to tack rooms assigned to Trainer caused by Trainer, Trainer's employees, agents, or invitees. DMTC shall inspect the smoke detectors in the living quarters and shall make all necessary repairs. Notwithstanding the foregoing, Trainer or Trainer's employee or agent shall notify DMTC if the smoke detector's battery is low and needs to be replaced. DMTC shall be responsible for making all necessary repairs or replacements to said smoke detectors. DMTC shall inspect the sprinklers located in the stalls and shall make all necessary repairs.

PLEASE READ SECTION 15 CAREFULLY AS IT AFFECTS YOUR LEGAL RIGHTS.

- 15) Assumption of Risk and Release of Liability. Trainer acknowledges that participating in Thoroughbred horseracing and training and caring for and working with horses are inherently dangerous activities and knowingly, voluntarily, and expressly assumes all risks and dangers, known and unknown, associated with the foregoing. Trainer releases, waives, and covenants not to sue DMTC with respect to any and all claims, liabilities, losses, damages, or demands, known or unknown, that may arise in connection with, or relate in any way to, any such equine activity (collectively "Loss") to: (i) any horse owned, trained, or under the care of Trainer, Trainer's employees, or agents, while such horse is on the premises of Del Mar; (ii) Trainer or Trainer's employees, agents, or invitees while such person is on the premises of Del Mar; or (iii) which arose, directly or indirectly from training and racing activities while on the premises of Del Mar, whether caused by the negligence (in any form other than gross negligence) of DMTC or otherwise. The foregoing release of liability and covenant not to sue shall not apply if the Loss is caused by DMTC's gross negligence or willful misconduct.
- 16) <u>Transportation to Slaughterhouse</u>. Trainer shall not directly or indirectly participate in the transport of any horse from Del Mar to either a slaughterhouse or an auction house engaged in selling horses for slaughter.
- 17) Trainer acknowledges that stalls occupied by horses shall not be padlocked at any time and agrees to act in conformity with this requirement. Additionally, Trainer acknowledges that tack rooms shall not be locked when occupied and agrees to act in conformity with this requirement.
- 18) Trainer, or one of Trainer's employees, shall have a presence in the barn at all times that there are one or more horses in the barn. DMTC may enter and search living quarters so long as it has reasonable cause to believe that there is an activity taking place that is criminal, or a threat to the health or safety of other occupants of living quarters, or a threat to the health or safety of the horses. DMTC agrees to notify Trainer within 24 hours of any such entries.

- 19) In submitting this Stall Application for stalls or to otherwise participate in the Race Meet, it is understood that a background report may be made whereby information is obtained through personal interviews with third parties.
- 20) <u>Trainer acknowledges that Trainer's stable personnel are employees of Trainer, and that no employment relationship exists between such stable personnel and DMTC</u>. Trainer agrees that Trainer's stable personnel shall be covered under the prevailing and applicable statutory employee benefit programs such as Workers' Compensation, Disability, Unemployment, Social Security, and the like, and at Trainer's sole cost and expense—since the employees are employees of Trainer and not DMTC. Additionally, Trainer shall be responsible for complying with all OSHA regulations as they may pertain to Trainer's employees. Without limiting the generality of the preceding set forth in this Section, Trainer shall be responsible, at its sole cost and expense, for complying with all laws applicable to Trainer as the employee of Trainer's employees.
- 21) A public or private auction of a horse shall not be noticed, advertised, nor conducted on the premises of Del Mar unless written consent is first obtained from DMTC, which consent will not be unreasonably withheld, provided that in the sole and absolute judgment of DMTC, the seller has taken reasonable steps to ensure the safety of the public, patrons, and backside workers, the sale will not lead to the horse subsequently being sent to a slaughter house or an auction house engaged in selling horses for slaughter, and the auction does not interfere with the orderly course of racing, training, or the business of DMTC.
- 22) DMTC shall provide to Trainer a copy of its Emergency Action Plan.
- 23) If horses accepted for racing at the Race Meet are assigned to another facility (other than Del Mar), then the provisions of this Agreement shall also apply to such other facility. However, Trainer shall be responsible for receiving the emergency action plan (or similar document)— if such other facility has an emergency action plan—applicable to that other facility from such other facility. Additionally, Trainer shall be required to comply with any other rules and conditions that such facility may have.
- 24) Exclusion Standard.
 - <u>Bases for Exclusion</u>. DMTC's authority to make decisions in the ordinary course of business to limit or deny stalls based upon eligibility or quality of horses included in a stall application, shall not be limited or effected by the provisions of this Agreement. Without limiting the foregoing, DMTC may make an Adverse Action so long as DMTC reasonably believes that:
 - i) A horse under Trainer's care tested positive for a CHRB defined Class 1 through Class 3 drug substance;
 - ii) Trainer has engaged in conduct (or failed to take action) which compromises the health and/or safety of animal or human;
 - iii) Trainer does not have the fitness or competence to train thoroughbred racehorses;
 - iv) Trainer's conduct falls below the prevailing industry standard of care for training thoroughbred racehorses in California;

- v) Trainer has committed serious, or repeated material (meaning, not purely technical), violation(s) of regulatory protocols, rules, or regulations, or serious, or repeated material (meaning, not purely technical), violation(s) of DMTC protocols, rules, or regulations, provided such DMTC protocol, rule, or regulation does not conflict with any CHRB Rule or the Horseracing Integrity and Safety Act of 2020;
- vi) Trainer's conduct (or failure to take action) including serious misconduct unrelated to racing (for example, sexual or other harassment, domestic or other violence, theft, substance abuse, etc.) or Trainer's participation (continued or otherwise) in the meet, compromises the integrity of horse racing or is likely to cast horse racing or DMTC in a negative light; or
- vii) Trainer has engaged in conduct (or failed to take action) which, or Trainer's continued participation, compromises the successful conduct or promotion of horse racing.
- b) <u>Legal Standard</u>. DMTC's decision must: (i) be made in good faith; (ii) be supported by a fair or substantial reason; and (iii) not be discriminatory. Additionally, the Adverse Action taken against Trainer may not be manifestly disproportionate to the grounds relied upon for the Adverse Action taken.

PLEASE READ SECTION 25 CAREFULLY AS IT AFFECTS YOUR LEGAL RIGHTS.

25) Arbitration Agreement & Class Action Waiver.

AGREEING TO ARBITRATION IS AN IMPORTANT DECISION. Arbitration will resolve disputes that would otherwise be resolved in a court of law. By agreeing to arbitrate, Trainer and DMTC are giving up their right to sue in court and are giving up their right to have a jury trial.

<u>Trainer and DMTC agree that any disputes which are not able to be resolved</u> <u>informally shall be resolved in accordance with the following mandatory arbitration</u> <u>and class action waiver provisions ("Arbitration Agreement")</u>.

a) <u>Arbitration</u>. Unless otherwise prohibited by law, <u>TRAINER AND DMTC AGREE TO</u> <u>ARBITRATE ALL CLAIMS AND DISPUTES</u> relating in any way to: (i) the Trainer's submission of the Stall Application, (ii) any and all decisions made by DMTC regarding the Stall Application (e.g., rejecting the Stall Application in whole or in part), (iii) revocation of stalls previously assigned to Trainer, (iv) Trainer's participation in or attendance at the Race Meet, including without limitation, Trainer's exclusion from participating in the Race Meet and/or training at the Race Meet, (v) this Agreement, (vi) any and all dealings, actions, or inactions between DMTC and Trainer, (vii) any claim by either DMTC or Trainer based on contract, tort, equity, regulation, rule or statute, and (viii) the determination of the validity, interpretation, or scope of the parties' agreement to arbitrate (individually and collectively the "Arbitration Claims"), <u>through binding individual arbitration</u> (the "Arbitration"), <u>which precludes Trainer or DMTC, from bringing any class, collective, or representative action against DMTC or multiple trainers, as applicable</u>.

- b) <u>General Arbitration Provisions</u>. The following provisions (the "General Arbitration Rules") shall apply to all Arbitrations except those Arbitration Claims set forth in Section 25(d)(iv):
 - i) <u>Venue</u>; <u>Arbitrator Section Process</u>. The Arbitration shall be heard in San Diego County by a single retired Federal or State Judge in the State of California. The same Arbitrator shall preside over the entire Arbitration. The Arbitration shall be conducted by JAMS and JAMS shall select a retired Federal or State Judge in the State of California, who has a background in complex business matters, to serve as the Arbitrator using its otherwise standard method for appointing an Arbitrator (See Rule 15 of the JAMS Rules).
 - ii) <u>Arbitration Rules; Cost</u>. All substantive and procedural matters of the Arbitration shall be in accordance with California law. The Arbitration shall be administered pursuant to JAMS' Comprehensive Arbitration Rules and Procedures and in accordance with the Expedited Procedures (the "JAMS Rules") in those rules, except as modified by this Agreement. The costs of the Arbitration shall be paid fifty percent (50%) by DMTC, and fifty percent (50%) by Trainer, provided that each party shall bear its own attorneys' fees and expenses. If the Trainer can successfully demonstrate to the Arbitrator that Trainer is financially unable to pay the Arbitrator's fees, then DMTC shall pay such fees in their entirety, and any amount of Arbitration fees that DMTC paid on behalf of Trainer shall be repaid from any Arbitration Award awarded Trainer, if any.
 - iii) <u>Arbitration Award</u>. The Arbitrator shall have the power to award any relief that would have been available in a court of law, provided that each party shall bear their own attorney's fees and costs, and as such, the Arbitrator shall not be entitled to award attorney's fees and costs to the prevailing party unless attorney's fees and costs could be awarded by statute if the case were brought in Court as opposed to through Arbitration.
 - iv) <u>Arbitrator's Decision; Appeal Procedure</u>. The Parties will request that the Arbitrator issue a brief written statement of decision within ten (10) business days after the conclusion of the hearing; however, the Arbitrator on its own motion may take up to the 30 days to issue a decision per Rule 24 of the JAMS Rules. The Arbitrator's decision shall be final and binding and effective upon rendition; provided, however, that the Parties adopt and agree to implement the JAMS Optional Arbitration Appeal Procedure (as it exists on the effective date of this Agreement) with respect to any final award in an arbitration arising out of or related to this Agreement (the "Appeal"), provided that the Appeal Panel's standard of review on appeal is whether the Arbitrator's decision following the Appeal, shall be final and binding and effective upon rendition subject only to appeal (other than the JAMS Optional Arbitration Appeal Procedure) as permitted by California law of Arbitration Awards. If a Party

wishes to Appeal, the Party must file the notice of appeal within fourteen (14) calendar days after the Arbitrator's decision.

- v) <u>Enforcement of Judgment</u>. Any judgment upon any award rendered by the Arbitrator may be entered by any state or federal court having jurisdiction thereof.
- vi) <u>Confidentiality of Arbitration</u>. Except as otherwise required by, or prohibited by, law, the parties agree that the Arbitration will be confidential, and all conduct, statements, promises, offers, views, and opinions, oral or written, made during the Arbitration by any party or a party's agent, employee, or attorney will remain confidential and, where appropriate, will be considered work product and privileged, and the existence and the results of the Arbitration will be maintained by the parties and their respective agents, employees, and attorneys as confidential at all times.
- vii) <u>Emergency Relief</u>. Either Trainer or DMTC shall be able to seek emergency relief under the Emergency Relief Procedures provided for in the JAMS rules as of the effective date of this Agreement; provided, however, that the granting of emergency relief shall be governed consistent with the standards for granting a Temporary Restraining Order or Preliminary Injunction under *California Code of Civil Procedure* §525, et seq.
- viii) <u>Order of Precedence</u>. This Arbitration Agreement shall take precedence over the JAMS Rules in the event of any conflict.
- c) <u>Non-Exclusion Claims</u>. All Arbitration Claims other than those relating to: (i) Trainer's submission of the Stall Application, (ii) any and all decisions made by DMTC regarding the Stall Application, (iii) revocation of stalls previously assigned to Trainer, and (iv) Trainer's participation in or attendance at the Race Meet, including without limitation, Trainer's exclusion from participating in the Race Meet and/or training at the Race Meet (collectively, "the Exclusion Claims") shall be conducted in accordance with the General Arbitration Rules. Any Arbitration which contains both Exclusion Claims and non-Exclusion Claims shall be governed in accordance with subsection (d) below.
- d) Suspension/Exclusion Claims.
 - i) Exclusion Claims shall fall into one of two categories, a 'Short-Term Exclusion" and a "Non-Short-Term Exclusion." A "Short-Term Exclusion" is an exclusion or limitations on training or racing at Del Mar for a number of days that is less than the full duration (or full remaining dates) of the Race Meet. A "Non-Short-Term Exclusion" is an exclusion from participating in racing in training at Del Mar which does not qualify as a "Short-Term Exclusion."
 - ii) For all Arbitration Claims which are Exclusion Claims (or a mix of both Exclusion Claims and non-Exclusion Claims), the Arbitration shall be conducted in accordance with the following:
 - (A)<u>Burden of Proof</u>. DMTC shall have the initial burden to establish that (A) it had a reasonable belief that one or more specified grounds existed, (B) it acted in good faith, (C) it acted on the basis of a fair and substantial reason, (D) it did not discriminate, and (E) the Adverse Action was not manifestly disproportionate to

the grounds relied upon. Trainer may then present evidence to rebut those grounds or to support any affirmative claims.

- (B) <u>CTT Participation and Attendance</u>. If the Trainer requests, and the California Thoroughbred Trainers ("CTT") agrees, the CTT may represent Trainer in the Arbitration. If the CTT does not represent Trainer in the Arbitration Hearing, the CTT may attend the Arbitration Hearing provided that the CTT representatives that attend the hearing agree to be bound by the confidentiality provisions set forth in Section 25(b)(vi) above.
- (C) <u>Attendance of Meeting and Reconsideration Meeting</u>. Trainer shall not be entitled to file an Arbitration Claim or otherwise seek Arbitration unless the Trainer has participated in both the Meeting and Reconsideration Meeting, as those terms are defined in DMTC's Trainer Exclusion/Suspension Process, a copy of which is available in the DMTC's racing office.
- iii) <u>Non-Short-Term Exclusions</u>. For all Non-Short-Term Exclusions, the Arbitration shall be conducted in accordance with the General Arbitration Rules except as modified by the following: The Arbitrator will commence a hearing within 180 days of Trainer's filing and receipt by JAMS of the Notice of Arbitration. The hearing will occur on consecutive days without interruption until completion, Saturdays, Sundays and Holidays excepted, and will not encompass more than five (5) full business days, unless otherwise extended by the Arbitrator based on good cause.
- iv) <u>Short-Term Exclusions</u>. The Arbitration for Short-Term Exclusions shall be conducted as follows:
 - (A)<u>No Emergency Relief</u>. If the Adverse Action results in a Short-Term Exclusion, Trainer shall not be entitled to seek any emergency relief or provisional remedies (e.g., a Temporary Restraining Order or Preliminary Injunction) either through the Arbitrator or through filing an action in superior court.
 - (B) <u>Selection of Arbitrator</u>. Trainer shall notify DMTC in writing that it wishes to formally challenge DMTC's Adverse Action. Within two (2) business days of DMTC's receipt of Trainer's notification, DMTC and Trainer will meet and confer to try to agree upon the appointment of an Arbitrator. If the Parties cannot agree on the Arbitrator, the Arbitrator will be appointed on the third business day by random lot, drawing from a pre-approved list of four (4) Arbitrators which had been previously selected by DMTC and the CTT.
 - (C) Exchange of Documents; Discovery. DMTC and Trainer will exchange all relevant documents within seven (7) calendar days of the appointment of the Arbitrator. Other than this exchange of documents, no other forms of discovery will be permitted, including depositions.
 - (D)<u>Hearing Date</u>. The Arbitrator will convene a hearing within ten (10) calendar days of the Arbitrator's appointment, provided, that the Arbitrator may for good cause extend the date of the hearing past ten (10) calendar days of the Arbitrator's appointment.

- (E) <u>Purpose of the Hearing</u>. The sole purpose of the hearing will be to determine whether Adverse Action was made in with the Exclusion Standard set forth in Section 24 above. The hearing will be informal, with each side providing a concise summary of their positions. The Arbitrator may allow brief testimony from witnesses. The hearing will occur during the course of a single business day. The Arbitrator may choose whether to issue an oral statement of decision at the end of the hearing, or instead, issue a brief written statement of decision within two (2) business days after the conclusion of the hearing. Additionally, the Arbitrator shall resolve any claim seeking a determination of the validity, interpretation, applicability, enforceability, or scope of this agreement to arbitrate
- (F) <u>Arbitrator's Decision</u>. The Arbitrator's decision shall be final and binding and effective upon rendition subject only to appeal as permitted by California law of Arbitration Awards.
- (G) <u>Arbitration Award</u>. If the Arbitrator finds that DMTC's Adverse Decision was not made in accordance with California law, the Arbitrator may order DMTC to reinstate Trainer. The Arbitrator shall not be entitled to grant any additional relief. Each party shall bear their own attorney's fees and costs, and as such, the Arbitrator shall not be entitled to award attorney's fees and costs to the prevailing party unless attorney's fees and costs could be awarded by statute if the case were brought in Court as opposed to through Arbitration.
- (H) <u>Cost</u>. The costs of the Arbitration shall be paid fifty percent (50%) by DMTC, and fifty percent (50%) by Trainer, provided that each party shall bear its own attorneys' fees and expenses. If the Trainer can successfully demonstrate to the Arbitrator that Trainer is financially unable to pay the Arbitrator's fees, then DMTC shall pay such fees in their entirety, and any amount of Arbitration fees that DMTC paid on behalf of Trainer shall be repaid from any Arbitration Award awarded Trainer, if any.
- (I) <u>Enforcement of Judgment</u>. Any judgment upon any award rendered by the Arbitrator may be entered by any state or federal court having jurisdiction thereof.
- (J) <u>Confidentiality of Arbitration</u>. Except as otherwise required by law, the parties agree that the Arbitration will be confidential, and all conduct, statements, promises, offers, views, and opinions, oral or written, made during the Arbitration by any party or a party's agent, employee, or attorney will remain confidential and, where appropriate, will be considered work product and privileged, and the existence and the results of the Arbitration will be maintained by the parties and their respective agents, employees, and attorneys as confidential at all times.
- e) <u>Class Action Waiver ("Class Action Waiver"</u>). The Parties agree that in any Arbitration Claim to be resolved by Arbitration, neither Trainer nor DMTC will be able to participate in a class action or class arbitration. Each Party understands and agrees that by requiring each other to resolve all disputes through individual arbitration, <u>each Party is waiving</u> <u>the right to a court or jury trial</u>. <u>ALL DISPUTES SHALL BE ARBITRATED ON</u>

<u>AN INDIVIDUAL BASIS, AND NOT AS A CLASS ACTION, representative</u> <u>action, class arbitration or any similar proceeding</u>. The arbitrator(s) may not consolidate the claims of multiple parties unless such parties share common ownership.

- f) If any term, condition, or provision of this Arbitration Agreement is held to be illegal, invalid, or unenforceable, such term, condition, or provision shall be severed from this Arbitration Agreement and the remainder of this Arbitration Agreement will not be affected by such illegality, invalidity, or unenforceability, but will continue to be valid and enforceable to the fullest extent permitted by law.
- 26) <u>Water Usage Warning</u>. DMTC is working to reduce water usage. All Trainers and their employees are required to minimize water usage. Routine inspections may be made to determine if there is excessive use, such as unattended flowing hoses and similar practices.
- 27) Additional Terms.
 - a) <u>Governing Law</u>. This Agreement, including all matters of construction, validity, and performance, shall be governed, construed, and enforced in accordance with the laws of the State of California and any applicable federal law as applied to contracts executed and to be fully performed in California by citizens of California and without reference to principles of conflicts of law. Without limiting the effect of the Arbitration Agreement, each party hereby expressly waives any and all rights that it may have to make any objections based on jurisdiction, venue, or sufficiency of process to any Arbitration brought to enforce the terms of this Agreement, and each party hereto agrees to venue in San Diego County, California.
 - b) <u>Severability</u>. If any term, condition, or provision of this Agreement is held to be illegal, invalid, or unenforceable, such term, condition, or provision shall be severed from this Agreement and the remainder of this Agreement will not be affected by such illegality, invalidity, or unenforceability, but will continue to be valid and enforceable to the fullest extent permitted by law.
 - c) <u>Waiver; Remedies</u>. The failure by one party to require performance of any provision of this Agreement shall not affect that party's right to require performance at any time thereafter, nor shall a waiver by one party of a breach by the other party be considered a waiver of any or all subsequent breaches by the breaching party. All rights and remedies provided in this Agreement are cumulative and not exclusive of any other rights or remedies that may be available to the parties, whether provided by law, equity, statute, in any other agreement between the parties, or otherwise.
 - d) <u>No Third-Party Beneficiary, Reliance, or Enforcement</u>. The provisions of this Agreement are not intended to be for the benefit of, or enforceable by, any party other than DMTC or Trainer. Except for DMTC and Trainer, no party shall have any right to rely upon or enforce any of the terms and provisions of this Agreement.
 - e) <u>Survival</u>. In addition to any other survival clause set forth elsewhere in this Agreement, Sections 15 and 25 of this Agreement shall survive the termination of this Agreement.

###