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CONTRACT FOR THE BREEDING OF STALLION BY DELIVERY OF FRESH STALLION SEMEN TO AUCTION WINNER

This Contract for the Breeding of Stallion by Delivery of Fresh Stallion Semen to Auction Winner ("Agreement") is made between AliBoo Farm, Inc. of Minooka, Illinois (hereinafter "SELLER"), and _______ of _______, (City and State) (hereinafter "WINNER") for WINNER's successful purchasing bid through auction of the limited right of WINNER to breed one of its mare(s) with SELLER's stallion, Carrasca Z (hereinafter "STALLION"), through the use of artificial insemination of STALLION's semen (hereinafter "SEMEN"). WINNER will inseminate a mare with the fresh SEMEN collected from STALLION, and provided by SELLER, in an attempt to produce one (1) foal (hereinafter "FOAL").

Agreement

In consideration of the terms, covenants and conditions contained herein, SELLER and WINNER agree as follows:

<u>1. Incorporation of Opening Recital</u>

The above opening recital is incorporated with and made part of this Agreement, but in no way should be construed as the entirety of this Agreement. In the event that anything in the main body of this Agreement conflicts with the opening recital, the main body of the Agreement shall control.

2. Payment of Service Fees and Costs

SELLER agrees to the provision of STALLION's services, and limited right to breed STALLION, as defined within this Agreement, to the WINNER in consideration of WINNER's successful bid at auction and WINNER's promise to abide by the terms and conditions as set forth in this Agreement. However, the WINNER is responsible for the payment of shipping, handling and delivery as described herein. The payment(s) by WINNER of any fees and costs in this matter are to be made as follows:

- a. All payments shall be made by cash, check, cashier's check, money order, direct wire transfer, or Paypal (add 3% fee) shall be in U.S. Dollars;
- b. The WINNER agrees to pay any and all additional fees and costs as required under the terms of this Agreement. This includes, but is not limited to, failure to timely return a Dry Shipper, damage to a Dry Shipper, shipping and handling of SEMEN, etc.
- c. The costs associated with the collection, evaluation, and packaging (hereinafter "Collection Costs") of each dose of Fresh SEMEN for purposes of delivery to the WINNER are to be paid by the WINNER to the SELLER; said cost for each collection, evaluation, packaging shall be \$300.00.
- d. WINNER will provide SELLER with a "Credit Card Information and Authorization Form" containing the credit card information of a valid credit card belonging to WINNER and authorizing the SELLER to charge said credit card for payments of fees and costs as described within this Agreement. SELLER shall notify WINNER prior to placing any charges on WINNER's credit card. WINNER has the option of using alternative methods of

payments for any and all fees and costs described within this agreement; however, the WINNER is still required to provide the SELLER with the "Credit Card Information and Authorization Form" as described within this paragraph. Should the provided credit card expire or otherwise become invalid, the WINNER shall immediately replace the "Credit Card Information and Authorization Form" with a valid credit card as described above.

3. Services to be Provided

WINNER has successfully bid at auction for the services of SELLER's STALLION for the limited right to breed STALLION for the attempted production of one (1) FOAL. The limited right to breed STALLION is provided as follows:

a. SELLER will collect, evaluate, package and deliver to the WINNER the SEMEN of STALLION. Each delivery of SEMEN to the WINNER will contain one (1) dose as defined in section 10 of this Agreement. The SEMEN is understood to be fresh transported semen. The SELLER is to attempt to provide a "live foal" as described below in Section 6 of this Agreement; upon fulfillment of Section 6, the SELLER's services under this Agreement shall be completed. As described above, the WINNER is responsible for the costs of collection, evaluation, packaging and delivery of the Fresh SEMEN.

4. Lineage and Ownership of Stallion

SELLER represents and guarantees that it is the owner of STALLION and that the SEMEN to be provided to SELLER has been collected from the STALLION. STALLION is identified as follows:

Stable Name:	Hank	USEF No.:	5175522
Registered Name:	Carrasca Z	Color:	Grey
Date of Birth:	4-13-10	STALLION's Sire:	Asca Z
Registered Breed:	Zangersheide/BWP	STALLION's Dam:	Carraleena

6. Live Foal Guarantee

The SELLER shall provide a Two (2) Year Term Live Foal Guarantee.

The term "live foal" shall mean a healthy foal free of material defects that will stand and nurse from a dam without assistance within twenty-four (24) hours of birth.

The term "Two (2) Year Term Live Foal Guarantee" shall mean that the SELLER shall provide SEMEN, as requested by WINNER and in accordance with this Agreement, during the breeding season of 2017, and, if necessary, the subsequent breeding season for the purpose of attempting to produce one (1) live foal. A "breeding season" is defined within this Agreement as the months of March through August of any given year.

At WINNER's expense, an initial veterinarian examination of the FOAL will take place within 48 hours of birth of a FOAL and the results communicated to both the SELLER and WINNER. If FOAL is defective, still born, is not a live foal as defined in this Agreement, or is deemed not healthy as determined by a veterinarian, and WINNER does not accept the FOAL, WINNER is entitled to attempt a re-breeding during any remaining breeding seasons as allotted within the Two (2) Year Term Live Foal Guarantee.

If the breeding attempts during the second breeding season do not result in a live foal, SELLER shall be considered to have fulfilled all necessary conditions and obligations under this Agreement. No further attempts at re-breeding will be required under the terms and conditions of this Agreement. As the Agreement is for the sale of STALLION's services, and as the STALLION's services will have been provided at this point, both sides will have received ample consideration.

7. Condition of Mare Prior to Pregnancy

In the event that the WINNER's mare is not impregnated by STALLION after three (3) separate deliveries of STALLION'S SEMEN to WINNER, WINNER shall provide to SELLER an updated (within thirty (30) days) veterinary certificate indicating that WINNER's mare is in sound breeding condition, free of infection, is reasonably capable of impregnation through artificial insemination, and is reasonably capable of birthing the FOAL. SELLER is not obligated to collect and deliver SEMEN until WINNER has provided said veterinary certificate as described within this paragraph. In

the event that the veterinary certificate indicates that the WINNER's mare is not in sound breeding condition, is not free of infection, is not capable of impregnation through artificial insemination, or is not reasonably capable of birthing the FOAL, the WINNER shall proceed as follows:

- a. Wait until such time that the WINNER's mare is in better health and WINNER is able to provide a veterinary certificate as described above, so long as said time is within the Two (2) Year Term Live Foal Guarantee as defined within paragraph 6 of this Agreement; or
- b. Substitute the WINNER's mare for another mare owned by WINNER; or
- c. Forfeit the remainder of this Agreement and release SELLER from any further obligations under this Agreement. In WINNER choosing this option, all payments made to the SELLER shall remain the sole property and possession of SELLER.

8. Condition of Mare Once Impregnated

WINNER expressly agrees to reasonably maintain the WINNER's mare in good and healthy condition, as determined by industry standard, throughout the pregnancy of the WINNER's mare and birth of the FOAL. WINNER shall vaccinate the WINNER's mare for Rhinopneumonitis at three, five, seven and nine months of pregnancy, deworm WINNER's mare regularly with an FDA approved agent for pregnant mares, provide all other reasonably necessary vaccinations and procedures associated with the pregnancy of a mare and the birthing of a foal, and provide proper foaling assistance during the birthing process of the FOAL. Should it be determined that the WINNER failed to reasonably maintain the WINNER's mare in good and healthy condition during pregnancy as described within this paragraph, and should the pregnancy not result in a live foal as defined in paragraph 6 of this Agreement, it shall be considered a material breach of this Agreement; any and all payments made to the SELLER from the WINNER shall remain the sole property of the SELLER.

In the event that the WINNER's mare miscarries, the FOAL dies after birth, or the FOAL is born defective, the WINNER shall provide SELLER with all records of vaccinations, veterinarian examinations, and procedures performed on the WINNER's mare while pregnant with, and during the foaling of, the FOAL.

9. Responsibility of Inseminated Mare and Potential FOAL

WINNER expressly acknowledges and agrees that the condition, care, and maintenance of the inseminated mare, and any FOAL that a mare may become impregnated with, is entirely the responsibility of the WINNER.

<u>10. Quantity of Shipped Semen</u>

The delivery of SEMEN to the WINNER shall contain one (1) doses of fresh STALLION's SEMEN. A "dose" shall be defined as a quantity of stallion semen containing at least the minimum quantity of motile sperm, as defined by industry standard, deemed reasonably necessary to attempt a pregnancy in a mare through artificial insemination.

11. Shipment of Semen

The SEMEN shall be shipped to the WINNER within a Dry Shipper. A Dry Shipper is a packaging device specifically designed for the containment of fresh horse SEMEN. WINNER agrees to ship the Dry Shipper back to SELLER, clean and undamaged within three (3) consecutive business days of receipt. A late fee of \$__15.00_____ per day will apply if not timely returned. If the Dry Shipper is not returned to the SELLER, or if it is returned damaged, WINNER will be charged \$__275.00_____ for the cost of replacing the Dry Shipper. The SELLER will provide a Dry Shipper for shipment, however, the WINNER will pay any and all shipping and handling costs for the delivery of the Dry Shipper to and from the SELLER.

12. Notification of Readiness for Stallion's Service

WINNER acknowledges that the STALLION's availability may be limited due to show scheduling, other breeding engagements, or other scheduling conflicts. However, SELLER will provide WINNER, upon request, with notice of any known scheduling information needed to assist WINNER, and WINNER's veterinarian, in bringing the WINNER's mare in to season at the appropriate time. Upon the WINNER's determination that the WINNER's mare is ready for

insemination of STALLION's SEMEN, the following procedure is to be performed by WINNER in notifying the SELLER of WINNER's request for collection and delivery of STALLION's SEMEN to WINNER:

- a. WINNER may only make a request for delivery of SEMEN during the breeding season(s) as defined in section 6 of this Agreement, Live Foal Guarantee.
- b. WINNER will reasonably notify SELLER as the WINNER'S mare approaches readiness to breed. WINNER's request for delivery of SEMEN must be received, and acknowledged, by SELLER through use of e-mail AND a telephone call at least forty-eight (48) hours prior to the date WINNER wishes to be in receipt of the SEMEN. No subsequent deliveries of SEMEN will be sent to the WINNER until it has been determined if the previous SEMEN provided to the WINNER has resulted in the pregnancy of the WINNER'S mare.
- c. If WINNER requests delivery of SEMEN during a time which STALLION's breeding services were previously reserved by another party outside of this Agreement, the SELLER will fulfill the requests in the order in which they were received. SELLER will only ship SEMEN that contains at least the minimum quantity of motile sperm, as defined by industry standard, deemed reasonably necessary to obtain a pregnancy in the WINNER'S mare. Should the SELLER be unable to obtain SEMEN containing the minimum quantity of motile sperm due to multiple reservations of the STALLION, and due to the placement in order in which WINNER is to receive SEMEN, WINNER must request another date for delivery of the SEMEN.
- d. If WINNER requests delivery of SEMEN during a time which STALLION is scheduled to show, or is otherwise reasonably unavailable, WINNER must request another date for delivery of the SEMEN.
- e. The delivery of SEMEN from SELLER to WINNER will be through Federal Express next day AM delivery. The WINNER shall pay the costs of shipping and handling of the SEMEN.

<u>13. WINNER's Attempt to Breed</u>

The WINNER expressly agrees that the STALLION'S SEMEN will be used for the sole purpose of artificially inseminating a mare in an attempt to breed one (1) FOAL.

- a. WINNER acknowledges and agrees that any fees and costs associated with any attempts to artificially inseminate a mare with STALLION's SEMEN, and any fees and costs associated with a resulting pregnancy, shall be the sole responsibility of the WINNER.
- b. Upon confirmation of pregnancy of the WINNER'S mare through the artificial insemination of STALLION's SEMEN, any remaining SEMEN in possession of the WINNER is to be destroyed unless the WINNER and SELLER enter in to a separate agreement for additional breeding.
- c. SELLER agrees to provide all customary breeding documentation associated with the FOAL to the WINNER and/or customary equine registering body. Said documents may include, but are not limited to, the breeding certificate, any registrations papers required to identify the parentage of the FOAL, STALLION registration papers, pedigree, and health records. It is expressly understood that this Agreement is only for the limited purpose of attempting to breed one (1) FOAL between a mare and STALLION and that SELLER will not provide breeding documents for any further foals produced through unauthorized use of the STALLION's SEMEN, except as permitted within this Agreement. However, this subparagraph does not prevent the WINNER and SELLER from entering in to a separate breeding agreement to obtain further foal(s).
- d. If the breeding attempt is successful, the WINNER shall solely own the one (1) FOAL produced from the artificial insemination a mare with STALLION'S SEMEN.

<u>14. Certification of Pregnancy or Non-Pregnancy</u>

Within twenty-one (21) days of artificial insemination of the WINNER'S mare, the WINNER, at its own expense, shall have the WINNER'S mare examined by a licensed veterinarian to determine if the WINNER'S mare is pregnant. Should it be determined that the artificial insemination did not result in the pregnancy of the WINNER'S mare, the WINNER

shall provide to the SELLER a certification letter from the examining licensed veterinarian stating that pregnancy did not occur. WINNER may not request any further collection and delivery of SEMEN from SELLER until said certification letter has been provided to SELLER.

<u>15. Exclusive use of Semen</u>

WINNER agrees and understands that the SEMEN collected from STALLION and provided by the SELLER is to only be used for the exclusive purpose of inseminating WINNER's mare and producing one (1) FOAL as defined by this Agreement.

16. Acknowledgement of Risk and Disclaimer of Warranties

The WINNER acknowledges and agrees that an inherent risk is present within this Agreement that the WINNER may potentially not obtain a FOAL, despite all parties intent that this Agreement hopefully results in the WINNER acquiring a FOAL. The WINNER acknowledges and agrees that it shall in no way hold the SELLER liable, responsible, or accountable should the Agreement not result in the WINNER acquiring a FOAL.

All parties waive any and all rights to all Implied Warranties of Fitness, Merchantability, or other such similar warranties in regard to the STALLION's SEMEN other than those guaranties or warranties which have been provided within this Agreement.

17. Waiver of Claims, Limitation of Liability, and Indemnity

- a. WINNER expressly waives any and all claims against SELLER, its agents, assigns, contractors, and employees, for any and all injury to WINNER, its business, agents, contractors, employees, and owners, for losses of any kind including, but not limited to, loss to business, damage to property; injury, illness, death to a mare or death to FOAL; injury, illness, or death to any other horse of WINNER; injury, illness or death to WINNER, its agents, employees, invitees, or any other person, for any cause whatsoever, but particularly through SELLER's actions taken in furthering the performance of this Agreement;
- b. WINNER expressly waives any and all claims against SELLER, its agents, assigns, contractors, and employees, for any and all injury to WINNER, its business, agents, contractors, employees, and owners, for losses of any kind including, but not limited to, loss to business, damage to property; injury, illness, death to a mare or death to FOAL; injury, illness, or death to any other horse of WINNER; injury, illness or death to WINNER, its agents, employees, invitees, or any other person, caused by STALLION or SEMEN;
- c. WINNER assumes full liability for FOAL. Liability includes, but is not limited to, injury or damages caused by the FOAL;
- d. WINNER agrees that SELLER and its affiliates, agents, contractors, and employees will not be liable for any personal injury, damages, or liability which the WINNER, or its agents, representatives or family may suffer while on the SELLER's premises.
- e. WINNER shall indemnify, defend, and hold harmless SELLER and its owners, agents, contractors, and employees, from any and all damages caused by the WINNER; said damages include, but are not limited to, claims for bodily injury, death, or property damage caused by the WINNER;
- f. WINNER agrees to indemnify and hold SELLER and its affiliates, agents, contractors, and employees harmless from any claim related to damages, illness, or injury caused by any horses owned by WINNER, the FOAL, STALLION or SEMEN or for any claims arising from any actions taken in furthering the performance of this Agreement;

18. Miscellaneous

a. Controlling Law: This Agreement contains all of the terms and conditions made between the SELLER and the WINNER as concerns this sale and purchase of service. This Agreement shall be construed under the laws of the State of Illinois. Should a lawsuit arise regarding the terms and conditions contained within this Agreement, Kendall County Illinois will be the venue for the action and will have jurisdiction over same action.

- b. Integration: This Agreement represents the entire agreement between the parties. WINNER shall not assign, in whole or in part, any part of this Agreement without the prior written consent of SELLER;
- c. Modification and Amendment: This Agreement may only be amended in writing, signed by SELLER and WINNER;
- d. If any part or section of Agreement shall be determined to be void, the remainder of Agreement shall remain in full force and effect;
- e. This Agreement shall be binding upon and inure to the benefit of the respective Parties, their heirs, executors, administrators, successors and assigns.

This contract is entered into on ______ (date) in Illinois and the parties acknowledge that the laws of the State of Illinois shall apply hereto.

SO AGREED:

SELLER

____ Date:_____

Janet A. Flury, as President of AliBoo Farm, Inc. AliBoo Farm, Inc. 13753 McKanna Road Minooka, Illinois (815) 475-4524 jaflury@aliboofarm.com

_____ Date:_____

Emily Tarr

WINNER

emtarr@gmail.com