

PERCOTT COMPANY, LLC / MERI-J RANCH
STALLION SHIPPED SEMEN AGREEMENT
2009 Breeding Season

THIS STALLION SHIPPED SEMEN AGREEMENT (AGREEMENT) is made and entered into by and between "Mare Owner", and PERCOTT COMPANY, LLC / MERI-J RANCH (as Stallion Owner or Stallion Manager, but which will hereinafter be referred to as, "Stallion Owner"), on the date designated below.

Mare Owner and Stallion Owner hereby agree as follows:

1. Purchase of Breeding:

Stallion Owner hereby sells and Mare Owner purchases a breeding utilizing shipped semen to the designated stallion (hereinafter referred to as "Stallion"), which entitles Mare Owner to breed Mare (defined in paragraph 7) to Stallion during the designated Breeding Season, (Breeding Season covers the period of February 1st through June 1st of the designated year), subject to the terms and conditions of this Agreement.

2. Breeding Fee Price:

- a) Mare Owner agrees to pay to Stallion Owner a nonrefundable breeding fee of \$ 2,000.00 (\$ 1,500.00 prior to January 31, 2009) in US funds (plus applicable sales tax, if any).
- b) Booking is guaranteed by remittance of 50% of the breeding fee with return of this agreement, properly signed by Mare Owner.
- c) Payment balance is due in full 48 hours before shipment of semen to the location designated by Mare Owner.

3. Ordering Procedure:

- a) Semen may be ordered by phone (608-362-6371). All paperwork and payments MUST be received in the office 48 hours prior to the first shipment. Orders MUST be received by 7:30 a.m. CST for same day collections. Orders received after 7:30 a.m. CST will be processed the next collection day. Orders may not be left on voice mail; you must speak with a representative of the Percott Company, LLC / Meri-J Ranch to confirm your order.
- b) Semen will be collected on our breeding days only. Stallions are collected Monday, Wednesday and Friday.
- c) Requests for semen orders will be honored in the order in which they are received. There is a possibility on some collection days that due to the number of mares being bred to a given stallion at the farm, we may not be able to ship cooled semen.
- d) Percott Company, LLC / Meri-J Ranch reserves the right to approve all locations where semen will be shipped.

4. Shipping Fees:

In addition to the Breeding Fee set forth above, Mare Owner agrees to each of the following:

- a) Mare Owner will pay Stallion Owner for all charges before each shipment. Fees for the first shipment, next day delivery, are included in the Breeding Fee Price. A semen collection, handling and shipping charge of \$300.00 will be assessed for each additional collection prepared for shipment or pickup at the farm.
- b) Normal shipping includes next day domestic delivery charges. If shipment is to a non-US destination, surcharges may apply. If same day delivery service is required, an additional \$200.00 air freight and handling fee will be assessed.
- c) Unless otherwise specified, all shipments will be made using an Equine Express Container. Upon special request, and subject to container availability, shipment will be made using an Equitainer. A fully refundable deposit fee of \$300.00 must be paid, in cash or by charge card,

before shipment using an Equitainer. The Equitainer MUST be returned immediately after removing cooled semen by the FASTEST courier available (Fed-Ex, UPS next day, etc.), freight pre-paid. Delay in return shipment of the Equitainer beyond two (2) calendar days from date of receipt will be cause for forfeiture of the deposit. Upon return of the Equitainer in good order, the deposit fee will be refunded or credited back. Damage to the Equitainer will cause a forfeiture, in full or in part, of the deposit.

5. Live Foal Guarantee:

If, after being bred to Stallion named herein, Mare is barren, aborts or fails to produce a single live foal that can stand up unassisted and nurse, Stallion Owner will allow Mare Owner another breeding privilege of the Mare (or a substitute mare if acceptable to Stallion Owner) to Stallion in the next breeding season only, provided that Mare Owner furnishes a satisfactory certificate issued by a licensed veterinarian attesting to said occurrence within seven (7) days thereof.

6. Stallion Owner's Warranties and Disclaimers:

Stallion Owner makes the following warranties and disclaimers, and Mare Owner accepts each one:

- a) Stallion Owner is the legal owner or agent for the owner of the Stallion referenced below and has full authority and power to enter into this Agreement.
- b) Stallion Owner, its agents, employees, representatives, and/or assigns shall **NOT** be responsible for any disease, injury, death, theft, or accident to the Mare (and foal, if any) resulting from the breeding arising out of this agreement.
- c) **Stallion Owner makes no warranties, express or implied, with respect to the health condition and fertility of the Stallion and specifically does not warrant the merchantability or fitness for any purpose of the semen purchased under this Agreement. Further, Stallion Owner makes no express warranties other than those in paragraph 6.**

7. Mare Owner Warranties:

Mare Owner makes the following warranties:

- a) Mare Owner is the legal owner or the authorized agent acting on behalf of the legal owner, of the Mare designated below.
- b) Mare Owner will be solely responsible for seeking registration of the resulting foal in the appropriate breed registry/registries and will pay all associated fees or expenses.
- c) Mare Owner will pay Stallion Owner's costs and expenses (including reasonable attorney's fees) incurred by Stallion Owner's enforcement of the terms and conditions of this Agreement.

8. Release/Hold Harmless:

Mare Owner agrees to hold harmless and release Stallion Owner, Percott Company, LLC / Meri-J Ranch, and their respective agents, employees, representatives, assigns, affiliated persons, and/or others acting on their behalf from any liability whatsoever, arising by law or in equity, relating to any act or omission, any and all injuries, damages, personal property damages or losses that Mare Owner may sustain arising out of the breeding of the Mare to the Stallion designated below. Mare Owner agrees to hold Stallion Owner harmless if Mare does not settle.

9. Wisconsin Law Warning Notice:

Under Wisconsin law, an equine professional is not liable for an injury to, or the death of, a participant in equine activities resulting from the inherent risks of the equine activities.

10. Indemnification:

Mare Owner shall be solely responsible for all acts and behavior of Mare at all times . In no case shall Stallion Owner, Percott Company, LLC / Meri-J Ranch, and their respective agents, employees, representatives, assigns, affiliated persons, and/or others acting on their behalf, be liable for the acts and behavior of the Mare. Mare Owner agrees to indemnify Stallion Owner, Percott Company, LLC / Meri-J Ranch, and their respective agents, employees, representatives, assigns, affiliated persons,

and/or others acting on their behalf for all losses sustained as a result of claim asserted against Stallion Owner by Mare Owner, on behalf of Mare Owner, by a third party claiming a right arising under this agreement or any party claiming a loss or injury resulting from breeding of Mare to Stallion.

11. Embryo Transfer Donor Mare:

The Mare Owner acknowledges that only one foal per paid stud fee shall be registered in the event the Mare is an Embryo Transfer Donor.

12. Substitute Mare:

In the event of the death or incapacity of the Mare, Mare Owner may be allowed to breed a Substitute Mare to the Stallion. The Substitute Mare must be owned by the Mare Owner, not a third party. A written application of substitution must be made to the Stallion Owner specifying the name, breed registry, registration number and ownership of the Substitute Mare. Stallion owner is under no obligation to grant a request for a breeding of a Substitute Mare.

13. Stallion Owner's Refund Policy:

No refunds shall be required by this Agreement. However, the Breeding Fee Price will be refunded if prior to the first shipment of semen under this Agreement the death of the Stallion occurs or the Stallion is determined by a licensed veterinarian to be unfit for breeding.

14. Stallion Service Certificate:

Stallion Owner reserves the right to withhold issuance of a Stallion Service or Breeder's Certificate applicable to the breeding hereunder until Mare Owner is current on all payments and obligations to Stallion Owner.

15. Entire Agreement:

This Agreement contains the entire Agreement between the parties with respect to its subject matter. All prior promises or understandings (either oral or written) between Mare Owner and Stallion Owner shall be null and void unless contained in this Agreement. Modifications to this Agreement will only be valid if in writing and signed by both Mare and Stallion Owners.

16. Assignment:

This Agreement is not assignable by Mare Owner.

17. Waiver of Terms and Conditions:

The failure of Stallion Owner in any one or more instances to enforce or insist upon performance of any of the terms or conditions contained herein, or to exercise any right or privilege hereunder, shall not be construed as a waiver of any of Stallion Owner's rights or privileges hereunder.

18. Severability:

If any portion of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

19. Governing Law:

This Agreement shall be construed in accordance with the laws of the State of Wisconsin.

This Agreement is for the 2009 breeding season (designated year).

Mare Owner's Name: _____

Shipping Address: _____

Phone Number(s):
(Include Ship To Phone Numbers
& Mare Owner Phone Numbers) _____

Date You Wish Semen Shipped: _____

Mare's Name: _____

Breed Registry: _____

Registration No.: _____

Stallion's Name: _____

We stand multiple Stallions. Specify above, the name of the stallion you are breeding your mare to.

I authorize Percott Company, LLC / Meri-J Ranch to charge my credit card for the following:

Booking Fee: _____ Balance of Breeding Fee: _____ Add'l Shipping Fees: _____

Credit Card #: _____ Exp. Date: _____

Check One Visa: _____ Mastercard: _____ Security Code: _____

Authorized Signature: _____

Credit Card Billing Address: _____

Address City State Zip

Accepted by: _____ Home Mailing Address and Phone Numbers (If different from above)

Mare Owner

Date

Return, **WITH A COPY OF MARE'S REGISTRATION PAPERS**, to:

Percott Company, LLC
P.O. Box 211
South Beloit, IL 61080