Breeding and/or Shipped Semen Contract for Bugs Valentino Registration No. 3538187

Stallion Owner -D. Wayne McDonnell / Silver Star Ranch P.O. Box 1241 / New Ulm, Texas 78950 / Cell 713-254-7156

<u>Breeding Facility - Washington Equine Clinic – Dr. Bruce Buenger, DVM</u> 2100 Hwy. 36 North / Brenham, Texas 77833 / 979-836-4531

This contract is made on this, the _____day of _____month, 2011 by and between D. Wayne McDonnell, Stallion Owner and Mare Owner as noted below;

A. Mare Owner:

Aare Owner's Name:	
Aare Owner's Mailing Address:	
Aare Owner's City, State, Zip:	
Aare Owner's Phone:	
Iare Owner's E-Mail Address:	
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D. Marc To De Dreu.			
Mare Owner agrees to breed a mare with the re	gistered name of:		;
AQHA Registration No.:	; Foal date of the Mare	; Mare Barn Name:	
Mare is currently: Open; In Foal;	or Foaled this current year on: Day	, Month	
Insurance Company Name and Contact (if appl	licable):		

C. Documents Required and/or that may be requested:

1. A copy of both sides of the Registration Certificate of the Mare must accompany a copy of this executed contract.

For on Site Breeding - A negative copy of a Coggins test dated within 12 months prior to the delivery of the Mare to the Breeding Facility.
For on Site Breeding - Health and reproductive records including vaccination, worming and farrier.

4. For all Breedings – If requested a true and complete Copy of veterinary and health records from any veterinarian who has treated the Mare.

Without providing requested records, at the choice of the Breeding Facility, any necessary health records required for the successful breeding of the Mare shall be performed and all expenses incurred shall be due and payable by the Mare Owner to the Breeding Facility.

D. Fees:

<u>1. Stallion Fee</u> – The fee for the breeding year of 2011 is \$1,500.00 which includes a non refundable **Booking Fee and Farm Fee** of \$450.00, the **Booking Fee** is payable upon execution and delivery of an executed contract to the Stallion Owner. The balance of the fee, if not paid in full at the time of the delivery of the contract, is due a minimum of ten days before the ordering of the first shipment of semen or upon delivery of the Mare to the Breeding Facility. The Stallion and Booking Fees are to be paid to D. Wayne McDonnell

<u>2. Breeding Fee (Chute Fee)</u> — The fee of \$480.00 is not included in the **Stallion Fee** and is an additional fee separate from the Stallion Fee and shall be paid upon delivery of the mare to the Breeding Facility for On Site Breeding or with the executed contract if Cooled Shipped Semen is to be used. The Breeding Fee is payable to the Breeding Facility.

<u>3. Shipping Fees</u> – For Shipped Semen the Breeding Fee includes the first two shipments of semen for next day delivery by Federal Express Priority Overnight Service. Additional shipments are \$250.00 per shipment for next day delivery by Federal Express Priority Overnight Service. Shipping Fees are to be arranged with and paid to the Breeding Facility. Additionally for Counter to Counter shipments the Mare Owner will be charged the airline expenses plus a courier fee. All semen shipped by air departs from Easterwood Airport in College Station, Texas.

4. Shipping Containers - A returnable container will be used for collection and shipping. The Mare Owner agrees to return the shipping container to the Breeding Facility within 7 days via Federal Express by the way of a prepaid Federal Express air bill label included with the shipment. Coolant cans, ballast bags and isothermolyzer must be returned in the container. Insemination certificates will be returned in an enclosed plastic bag. If the mare owner fails to return the shipping container, the mare owner will be billed for the shipping container a fee of \$300.00. At the option of the Mare Owner a disposable one time container that is not required to be returned may be used for a charge of \$50.00 for each shipment of semen.

E. Mare Owner's Representations and Agreements:

1. Mare Owner of the above named Mare declares he/she is the sole and lawful owner of the Mare and has unlimited rights to care, custody, sale, and breeding of the Mare.

2 Mare Owner represents and warrants that the above named Mare is in sound breeding health at the time of breeding and will continue to maintain the sound breeding health of the Mare at the time of any and all inseminations pursuant to this Contract.

3. Mare Owner agrees that he/she is totally responsible for monitoring Mare's heat cycles, ovulation and ordering semen.

4. Mare Owner agrees that the Mare will only be inseminated by a Licensed Veterinarian licensed in the state where the Mare resides.

5. Mare Owner agrees that the Mare Owner will be solely responsible for all costs and expenses attributed to the Mare due to the insemination and care of the Mare during breeding due to the breeding.

F. Mare Owner's Use of Shipped Semen:

The Mare Owner agrees that all shipped semen shall be used for the sole purpose of inseminating the Mare named in this Contract.
Inseminating a Mare other than the above named mare will constitute a material breach of this Contract and will terminated all rights of Mare Owner and terminate all obligations of the Stallion Owner under this contract.

G. Breeding by On Site Breeding or Cooled Shipped Semen:

<u>1. On Site Breeding by Artificial Insemination</u> All Stallion Fees and Breeding Fees shall be payable no later than when the mare is delivered to the Breeding Facility for breeding. The Breeding Fee includes all palpations, ultrasounds, routine inseminations and record keeping. On Site Breeding is given priority on any given breeding day. Mares that are maintained during the breeding season by the Breeding Facility are given priority over mares hauled into the Breeding Facility with a breeding follicle. The Breeding Facility uses all reasonable care to minimize any lost breeding cycles in the Mare.

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a. Mares Maintained at the Breeding Facility - The Stallion Owner thru the Breeding Facility for Mares left at the Breeding Facility for On Site Breeding will provide facilities for the Mare for the care and feeding of the mare and resulting foal, if applicable, while the Mare is under the care of the Breeding Facility and will incur additional charges. The Mare Owner will be responsible for all charges for boarding and veterinarian expenses incurred by the Mare and/or resulting foal while in the care of the Breeding Facility. The expenses are due and payable monthly and no later than when the Mare and/or resulting foal is picked up from the Breeding Facility and before the Mare leaves the Breeding Facility.

b. Normal Breeding Conditions - The Breeding Facility reserves the right to refuse to accept any Mare which is not in proper condition or all requested and required records have not been received. The Mare will be examined for normal breeding conditions and if necessary the Breeding Facility will administer any care to the Mare deemed necessary to insure a successful breeding. The Mare Owner grants to the Breeding Facility full authority and discretion to exercise all reasonable care with respect to the care and treatment of the Mare. If any extra ordinary health care for the Mare is required, the Breeding Facility shall attempt to contact the Mare owner prior to taking any required action, but in any event the Breeding facility is granted full authority to provide any care to the Mare to insure the health of the Mare whether the mare Owner has been contacted or not.

Additionally the Breeding Facility will demonstrate all reasonable and ordinary care for the Mare while the Mare is in the possession of the Breeding Facility to insure a successful breeding. All reasonable judgment for the Mare in the breeding, care and supervision including all pre and post breeding care shall be conducted by the Breeding Facility. The Breeding Facility shall use all diligence to settle the Mare thru at a minimum of two heat periods as necessary. The Mare Owner waives any claims to the Breeding Facility or the Stallion Owner if the Mare cannot be settled.

Furthermore, the Mare Owner waives all claims against the Breeding Facility and the Stallion Owner for any sickness, injury, or death of the Mare and/or resulting foal while in the care of the Breeding Facility.

2. Cooled Shipped Semen – The Mare Owner is responsible for all facets of breeding the Mare with Cooled Shipped Semen and agrees to comply with AQHA requirements concerning the use and handling of cooled shipped semen. The Mare Owner is responsible for the blood typing and DNA testing as per rule AQHA rule 209 if required.

A request for shipment of cooled shipped semen must be made by 12:00 noon, Central Time on the day prior to the requested delivery day. Cancellation can be made by 3:00 pm, Central Time, on the day prior to the requested day shipment is scheduled to be made. Refer to calendar for regularly scheduled breeding days. A pre-notice for a shipment request of 48 hours to the Breeding Facility for Cooled Semen is not required but would be appreciated prior to the actual order of the Cooled Semen.

The Mare Owner, upon requesting a shipment of cooled shipped semen, is guaranteeing to the Breeding Facility that the mare is healthy, in sound breeding condition, and ready to be bred. The Mare Owner is responsible to diligently attempt to impregnate the Mare with all diligence and care in the insemination of the Mare. The Mare Owner agrees to use best efforts to perform insemination procedure within 24 hours, but not more than 48 hours after collection of semen from the Stallion. The Mare Owner agrees that a licensed veterinarian who is qualified and experienced in the use and handling of cooled semen will perform the insemination, preferably at an approved breeding farm or equine veterinary clinic.

No more than 2 shipments per cycle will be shipped with a total of four shipments per breeding season.

The Mare Owner agrees to use all cooled semen provided by this Contract for the Mare named in this Contract. The Mare Owner waives all claims against the Stallion Owner and the Breeding Facility of any sickness, injury or death of the Mare and any resulting foal arising from the breeding of the Mare by the Mare Owner as a part of this contract.

<u>**3. Semen Collection**</u> – Standard Semen Collection days are Mondays, Wednesdays, and Fridays. Saturday requires hand pickup or shipment by counter to counter. Sunday Shipments are not available. Semen collection and shipment starts on February 2^{nd} . and ends on July 8^{th} . without special arrangements. All requests for semen are to be by telephone and a valid physical shipping address and method of shipment are to be confirmed.

<u>H. Fertility Testing -</u> If the Mare is not in foal after shipment of semen for two cycles or three shipments of semen, a culture indicating the condition contributing to the failure of the mare to get in foal is required and the Mares reproductive status evaluated by a veterinarian. The Stallion Owner is under no obligation to ship additional semen until such evaluation is complete and a copy of the veterinarians report is delivered to the Breeding Facility. After a third shipment of semen, a decision is to be made by the Breeding Facility with the Mare Owner on how to continue with efforts to breed the Mare.

<u>I. Pregnancy Testing</u> – The Mare Owner agrees following each insemination of the Mare to have the Mare checked for pregnancy at 14--18 days following insemination. If Mare is determined to be in foal at this time then, the Mare Owner will have the Mare checked again following the applicable insemination at 40-45 days. Mare Owner agrees that the Mare will only be checked by ultrasound by a Licensed Veterinarian licensed in the state where the Mare resides. All pregnancy check results will be delivered promptly to the Stallion Owner in writing.

J. Embryo Transfers – All embryo transfers resulting from semen shipped will require the Stallion Owner's notification. If an embryo transfer, from a single flush, result in multiple pregnancies, the Mare Owner agrees to pay the Stallion Owner an additional Stallion Fee as listed in this agreement or a Breeders Certificate will not be issued for the additional pregnancy.

K. Live Foal Guarantee - Live Foal Definition is the resulting foal from the breeding stands and nurses without assistance and lives for 24 hours. On shipped semen, the Stallion Owner and Breeding Facility must receive confirmation of the Mare being in foal by a Veterinarian in writing within 45 days of ovulation before the Live Foal Guarantee is issued otherwise the Live Foal Guarantee is Void. Any mare bred at the Breeding Facility will be given a pregnancy check, and is found to be in foal then a Live Foal Guarantee will be issued.

Upon Mare foaling the Mare Owner will notify the Stallion Owner of the birth within 7 days of foaling.

The Live Foal guarantee is non-transferable and non-assignable upon the Mare being sold prior to the foaling by the Mare without a written consent by the Stallion Owner. If the Mare fails to produce a live foal from the breeding as per this Contract, the Mare Owner may rebreed the Mare or a substitute mare mutually agreed up by the Mare Owner and the Stallion Owner during the subsequent breeding season.

L. Returned Breeding - A returned breeding is conditioned upon the Mare Owner notifying the Stallion Owner in writing within 7 days accompanied by a certificate from an attending veterinarian that no live foal was born after foaling and/or aborted during the term of the pregnancy and thus the Mare did not produce a live foal. In the event of a rebreed, a certificate will be issued by the Stallion Owner of the return breeding privilege which only includes the Stallion Fee; a Breeding Fee will be due and payable on any rebreed. A Rebreed is only for the following breeding year.

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M. Breeders Certificate -. The Mare Owner will notify the Stallion Owner prior to Oct. 1^{st.} of a live foal still is alive, then a Breeders Certificate will be issued for the foal of the Mare and will be released after all fees and expenses have been paid in full. Registration of resulting foal is the responsibility of the Mare Owner.

N. Termination by the Stallion Owner – If the Breeding Stallion becomes decease or becomes unfit for breeding then this contract becomes null and void. The Stallion Owner will refund the Stallion Fee in the event the Breeding Stallion is the cause of the termination.

O. Stallion Sale by the Owner – In the event the Stallion Owner sells the Stallion during the Breeding Season, this mare contract will be transferred to the new stallion owner with all rights and privileges granted under this contract to the Mare Owner.

P. Termination by the Mare Owner - If the Mare becomes deceased or unfit for breeding in the breeding year before foaling a Live Foal, and Stallion Owner does not approve a substitute mare for the following breeding season, then the Stallion Owner will refund the Stallion Fee less the booking fee and any outstanding expenses. In any event all expenses and fees incurred by the Mare during the breeding become due and payable by the Mare Owner for the Mare on termination of the Contract.

<u>O. Mare Substitution</u> - The Mare Owner may not assign this breeding contract or substitute any other mare for the Mare named under this Contract without the prior written consent of the Stallion Owner. The Contract will be terminated if prior approval is not obtained by the Mare Owner. The Stallion Owner has sole discretion whether to accept any substitute mare.

R. Warranty and/or Guaranty - The Breeding Facility and/or the Stallion Owner makes no warranty or guaranty, express or implied, with respect to cooled semen. The Breeding Facility will use all due diligence to insure shipped semen is delivered timely and with all integrity intact but makes no guarantee of delivery of semen within a certain time period and makes no guaranteed that the cooled semen will safely reach the insemination point without losing integrity, quality or characteristics.

The Stallion Owner and the Breeding Facility sole liability under this contract is in the event the stallion should become deceased or unfit for breeding, at which time the contract shall terminate and any fees paid for the stallion, except non-refundable fee, shall be refunded.

Furthermore, the Stallion Owner and/or the Breeding Facility shall not be responsible for any sickness, disease, theft, death, or injury suffered by the Mare while in the care of the Breeding Facility or to any other loss or damages arising out of or connected with breeding, boarding or other services pursuant to this Contract. In no event shall the Mares Owners remedy exceed the amount of all fees paid for services to date by the Mare Owner.

This Agreement contains the entire agreement between the parties. Texas law governs this Contract and all of the terms and provisions of which are performed in Austin County, Texas. This contract shall be binding upon the parties hereto, upon execution and may not be amended except by written consent of the parties.

Agreed to this the ____ ___day of ___ ____, 2011.

Stallion Owner:		
D. Wayne McDonnell		
(Signature)	 	
Physical Address:		
Silver Star Ranch		

The execution of this contract stipulates that the individual executing this contract for the Mare as named in this contract is the record owner of the Mare.

Mare Owner:

Printed Name:

(Signature)

Destination of Cooled Shipped Semen:

Name of Facility:
Physical Address:
Shipping Address:
Shipping City, State, Zip:
Name of Contact:
Phone No.:
Name Of Veterinarian:
Phone No. of Veterinarian:

If payments are made by Credit Card:

Type of Credit Card :(MC, Visa)	
Name on Credit Card:	
Credit Card No.:	
Credit Card Expiration Date:	

An equine professional is not liable for an injury or death of a participate in equine activities resulting from the inherent risks of equine activities.

22418 FM 1094 New Ulm, Texas 78940

Mailing Address:

D. Wayne McDonnell P.O. Box 1241 New Ulm, Texas 78940

Breeding Facility:

Washington Animal Clinic PLLC

Dr. Bruce Buenger, DVM

2100 Hwy. 36 North Brenham, Texas 77833 979-836-4531

Forms a Part of the Contract

List	of Payments, Documents, and Actions:]
No:	Description:	Payment Amount:	Check No. or Payment I.D.	Date Received	Yes	No
1	Executed Contract					
2	Stallion Fee - Booking Fee and Farm Fee – \$450.00 – Received					
3	Stallion Fee – \$1,500.00 less any previous payment – Received					
4	Breeding Fee - \$ 450.00 – Received					
5	Shipping Fee Received – First – Included in Stallion Fee					
6	Shipping Fee Received – Second– Included in Stallion Fee					
7	Shipping Fee Received – Third - \$250.00					
8	Counter to Counter Shipping Fee - \$250.00 plus Counter Charge and Courier Service @ \$1.00 per mile					
9	Semen Pick Up @ Breeding Facility - \$100.00					
10	Equitainer deposit - \$300.00					
11	On Site Breeding Fees					
11a	Paddock Rate / Day - \$15.00					<u> </u>
11b	Dry Run Rate / Day - \$17.00					<u> </u>
11c	Stall Rate / Day - \$20.00					───
11d	On Site Foaling Fee - \$500.00					
	On Site Breeding – Documents					
1	Copy of both sides of the Registration Certificate of the Mare					
2	Negative copy of Coggins test date within 12 months prior to the delivery of the Mare to the Breeding Facility for On Site Breeding – Date:					
3	Health Certificate - Date:					
4	Vaccination Records					
	EWT					
	Rhino / Flu					<u> </u>
	Strangles					<u> </u>
	Rabies					<u> </u>
	West Nile					<u> </u>
	Strip					
5	Negative Culture for open mare or maiden mare					
6	Worming Records					<u> </u>
7	Farrier Records					

	2011 Semen Collection Calendar																				
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Stallion Breeders Service Certificate for Foals of Bugs Valentino										
Request for Foal Born on Month	; Day;	;Year:2011								
Mare Name:										
Foal Sex: Male; Female:										
Foal Color:										
Mare Owner Name:										
Mare Owner Address:										
Mare Owner City, State, Zip:										
Mare Owner E-Mail Address:										
Comment or Request:										

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