



BREEDING CONTRACT

This contract, made and entered into this ____ day of _____, 2008, by and among Gumz Farms, LLC Agent ("Agent" or "Farm") for _____, and Mare Owner or Lessee ("Mare Owner") _____. All rights and responsibilities between the parties for the 2008 breeding season are set forth in this contract.

1. Mare Owner agrees to breed the mare named _____, Registration # _____, Breed _____, (the "Mare"), to the Stallion, _____, Registration # _____ Breed _____, ("Stallion"), during the 2008 breeding season (commencing February 1, 2008 and ending on July 1, 2008).
2. Mare Owner shall pay a breeding fee of \$ _____ (USD) which includes a non-refundable booking fee of \$600.00 (USD) to have mare bred to Stallion in 2008 upon signing of this contract. In accordance with Kentucky law, a 6% sales tax will be assessed on the breeding fees for all in state mares. Mare Owner shall pay the breeding fee prior to receiving shipped semen or prior to the mare departing the farm.
3. Mare Owner agrees to pay for care and feeding while in the custody of Farm at \$18.00 per day for dry mares and \$22.00 for wet mares. Show mares may be boarded for breeding purposes at \$25.00 per day which includes daily grooming, exercise and/or turnout. A foaling fee of \$350.00 shall be charged if mare delivers a foal at the Farm. Invoices shall be sent on a monthly basis. Mare owner has inspected the Farm and is satisfied with same as evidenced by signing below.
4. If a rebreed occurs, a \$250 rebreed fee will occur
5. *The following charges apply to Domestic Cooled Shipped Semen. International charges by quote:*
 - A. Fed-Ex or UPS per next day shipments: \$225.00
 - B. Counter to Counter per shipment: \$300.00
 - C. Container deposit of \$300.00 for use of all Equitainers.
 - * These rates include all outbound Fed-Ex or UPS fees, container rental or disposable containers.
 - * All semen that is shipped by whatever method shall be fully tested and a control sample shall be maintained at the farm.
6. Mare Owner warrants that the mare is healthy, in sound breeding condition, is halter broke and registered with the breed association shown above. Agent retains the right to require a negative uterine culture or equine cytology with sensitivity test may be required for maiden and/or barren mares or any a mare requiring more than three (3) semen shipments in a breeding season. A current, legible copy of the mare's registration papers must be attached to, and will become a part of, this Agreement.
7. All parties agree to diligently try to settle Mare. Should Mare not settle, Mare Owner will hold Agent and Farm harmless from any resulting loss or damages. Farm shall not be liable for any injury, sickness, disease or death of Mare or her offspring arising from the exercise of the breeding rights and privileges granted herein. Insurance is the responsibility of the respective parties to this Agreement. Also, Mare Owner agrees by signing below that Agent is authorized to consult with and obtain direction of a licensed veterinarian with regard to the care of the mare. Further, Mare Owner hereby authorizes Agent to obtain and follow a licensed veterinarian's directions with regard to the mare and fully releases and holds harmless Agent, the Farm, their respective officers, directors, employees, agents representatives, assigns affiliated persons, and/or others acting on their behalf.

8. Unless approved by Stallion Owner in writing, the LFG "Live Foal Guarantee" shall be void and Stallion Owner released from liability if Mare is sold prior to foaling. Contractual guarantees can only be extended by Stallion Owner in writing to third parties. The LFG shall be conditioned upon compliance by Mare owner of all conditions set forth in this Contract. Stallion Owner hereby guarantees to Mare Owner that a single, live foal will result from the privileges granted herein. "Live Foal" means that the foal will stand and nurse. It is further agreed that should the mare die, prove barren, abort the foal, or if the foal is stillborn, Mare Owner is entitled to a return service for the subsequent breeding season only to Stallion, provided that Mare Owner has remained in compliance with the terms and conditions set forth herein and all outstanding accounts with regard to the rights and privileges granted herein are paid in full. If Stallion dies, sells or becomes unfit to breed before mare is bred, Stallion Owner shall have no liability to Mare Owner except notification of its occurrence. Should Stallion die, sell or become unfit to breed before mare is bred, then frozen semen shall be available to fulfill the contract. Refunds will be given at the sole discretion of Stallion Owner. If The Mare dies during breeding season, Mare Owner may substitute another mare upon written approval of alternate mare by both parties to this Contract. Stallion Owner shall be released from the LFG and the LFG shall be void if

- a. Mare Owner fails to notify Gumz Farms within forty-eight (48) hours after the time of foaling that a live foal was not produced; and
- b. Within fourteen (14) days after such event, Mare Owner has not provided certification that foaling was properly attended and produce a veterinarian's statement substantiating the failure of the mare to produce a live foal; or
- c. The Mare is sold without notice to Stallion Owner.

9. At Mare Owner's request, Stallion Owner may issue a breeding certificate after the Mare's sixty (60) day pregnancy check by a licensed veterinarian and determined to be "safe in foal." However, all charges must be paid in full prior to issuance of the breeding certificate. Mare Owner shall not sell or assign this breeding contract without prior written consent of Stallion Owner. There shall be no substitution of mares without the express written consent of Stallion Owner. Any attempt to assign or substitute without prior written consent of Stallion Owner will terminate this Agreement and release Stallion Owner from all obligations contained herein.

10. If more than one embryo results from a breeding during embryo harvesting, Mare Owner must pay an additional Stallion Service fee within sixty (60) days of confirmed pregnancy in order to receive a certificate for the additional foal(s). However, if Mare has a twin birth resulting in two foals that stand and nurse an additional breeding certificate will be issued.

11. **WARRANTY.** NO WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, SHALL ACCOMPANY A BREEDING TRANSFERRED BY THIS AGREEMENT. NO GUARANTEE OF DELIVERY OF SHIPPED SEMEN WITHIN A CERTAIN TIME PERIOD OR GUARANTEE THAT SHIPPED SEMEN WILL SAFELY REACH THE INSEMINATION POINT OR WILL BE THAWED WITHOUT LOSING SOME OF ITS INTEGRITY, QUALITY OR CHARACTERISTICS IS GIVEN BY THIS AGREEMENT.

12. **INDEMNIFICATION:** Mare Owner shall be solely responsible for all acts and behavior of Mare at all times during this Agreement. In no case shall Agent, Gumz Farms, LLC, and their respective officers, directors, employees, agents representatives, assigns affiliated persons, and/or others acting on their behalf be liable for the acts and behavior of Mare other than in the exercise of gross negligence or willful and wanton misconduct on the part of Agent in breeding, handling and/or keeping of the Mare. Mare Owner also hereby agrees to indemnify and hold Agent harmless against all damages sustained or suffered by any third person that were caused by the acts of the Mare or her foal.

13. **RELEASE AND HOLD HARMLESS:** Mare Owner understands that every reasonable effort to ensure a safe delivery will be utilized. Mare Owner agrees to release and hold harmless Agent and their respective agents, employees, representatives, assigns, affiliated persons, and/or others acting on their behalf from liability for ordinary negligence relating to any and all injuries, damages, personal property damages or losses that Mare Owner may sustain arising out of being on the premises of Gumz Farms, LLC (unless Stallion Owner or Gumz Farms, LLC caused the injury, damage or loss intentionally or in reckless disregard for the safety of the Mare Owner).

Mare Owner understands that every reasonable effort to ensure a safe delivery will be utilized. Mare Owner agrees to release and hold harmless Farm, Agent and their respective agents, employees, representatives, assigns, affiliated persons, and/or others acting on their behalf from liability for ordinary negligence relating to any and all injuries, damages, personal property damages or losses that Mare Owner may sustain arising out of the breeding, handling, foaling or keeping of the Mare at Gumz Farms, LLC that may accrue from any cause whatsoever including, but not limited to, theft, fire, escape, running away, accidents, illness, injuries or death during the term of this Agreement or while mare is in the care and custody of Gumz Farms, LLC.

14. This Agreement shall be construed in accordance with the laws of the Commonwealth of Kentucky and will inure to the benefit of the heirs, personal representatives, successors and permitted assigns of the parties. Mare Owner irrevocably and unconditionally submits to the personal and subject matter jurisdiction of Kentucky and to Union County in particular. All venue objections are waived. Should Gumz Farms, LLC resort to legal action to enforce the terms of this agreement, Gumz Farms, LLC shall be entitled to all legal fees, costs and expenses should a dispute arise between the parties.

15. This Agreement represents and constitutes the entire agreement between the parties. This Agreement shall not be altered except in writing and accompanied by the signature of both parties. The parties signing below represent that they are fully authorized to execute this Agreement.

16. The Mare will not be bred to the Stallion without a fully signed copy of this Agreement as well as the appropriate documentation having been received and approved by Agent.

17. Mare Owner understands and agrees that Farm shall assert a lien pursuant to Kentucky law and other applicable provisions of law. Mare will not be released from Farm's custody until fees are paid in full.

Stallion Owner or Agent	Date	Mare Owner/Agent	Date
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NOTE: A Copy of Both Sides of Registration Papers MUST accompany this Agreement.

Mare Owner Contact Information

Name: _____

Address: _____

City, State/Province: _____

Zip: _____

Daytime/Work Phone: _____

Home/Evening Phone: _____

Fax: _____

Cell/Mobile: _____

e-mail address: _____

Addendum A – Terms & Conditions For Shipped Cooled Semen

This Addendum is executed in conjunction with the 2008 Breeding Contract for The Stallion, _____ and The Mare, _____.

The following are Terms and Conditions for breeding The Mare to The Stallion via shipped cooled semen:

1. All Stallion Service Fees and booking fees as well as any other outstanding balances to Gumz Farms, LLC must be paid in full prior to the first shipment of semen.
2. Requests are filled in the order in which they are received. Orders for counter-to-counter shipments received after 8:00 am CST on the day of shipment cannot be guaranteed. Mare Owner is responsible for shipping charges for cancellations received after 8:00 am CST, if already processed.
3. The first standard overnight (Federal Express, Airborne, UPS overnight or similar type of service, not counter-to-counter) shipment shall be charged \$225. Airport courier fees of \$75 shall also apply.
4. A deposit of \$300 is required on an Equitainer. Equitainers are the preferred method of shipping container. Equitainer must be returned to Gumz Farms at Mare Owner's expense within twenty-four (48) hours after insemination. If Equitainer is not received within five (5) working days from shipment, Mare Owner shall be charged a \$25/day rental fee. Costs/deposits must be paid in advance of the shipment. Mare Owner may supply their own Equitainers provided it is well marked and is in good condition. Disposable containers are available for cooled, shipped semen from Gumz Farms.
5. Mare Owner certifies that Farm is obligated to transport cooled semen only to the address of record which Mare Owner has provided prior to any shipment. All shipments will be shipped to the address provided below, unless otherwise communicated in writing and confirmed by Gumz Farms staff. Mare Owner certifies that the address for shipment is a suitable facility for artificial insemination of Mare. Gumz Farms may refuse to make repeated shipments if, as determined by Gumz Farms, it will not reasonably lead to a successful breeding. Moreover, Mare Owner certifies that only the Mare who is the subject of the breeding contract shall be inseminated by the shipped cooled semen. If semen is used on a Mare not stated in the contract, Mare Owner shall owe additional fees to Stallion Owner.
6. Mare Owner agrees to comply with all breed association requirements concerning the use and handling of Cooled Shipped Semen. Mare Owner shall promptly send copies of the Collection/Insemination Certificate to the breed associations and to Gumz Farms.
7. The parties agree that the obligations of performance by Stallion Owner/Gumz Farms shall be met when the cooled semen shipment is accepted at Mare Owner's designated shipment address. Acceptance shall be defined as the parcel delivery carrier actually delivering the shipment container to the address of record and receiving a signature from a representative of the address of record on the shipment documents maintained during the ordinary course of business by the carrier. The parties understand and agree that risk of loss transfers to the Mare Owner upon acceptance of delivery.

Stallion Owner or Agent

Mare Owner or Agent

Date

Date

Address for Delivery of Shipped Semen

Name of Facility: Contact Person:

Street Address:

City, State, Zip Code:

Day Phone:

Fax:

Cell/Mobile:

Closest Airport:

Addendum B-Terms and Conditions for Frozen Semen

Mare Owner must notify Breeding Facility a minimum of one (1) days prior to shipment date Domestic frozen semen. The Stallion Service Purchase Price set forth above, includes up to 3 doses of frozen semen, with each additional dose to be purchased at _____. In addition to the Stallion Service Purchase Price set forth above, Mare Owner agrees to the following *for each shipment of frozen semen*:

A. Pay Breeding Facility before each semen shipment a transported frozen semen fee of \$300.00 (covering costs related to loading fees, handling, second day delivery, and return delivery). All frozen semen is shipped via Federal Express second day service. Priority next day delivery is available at an additional cost;

B. Return Dry Shipper to Breeding Facility within twenty-four (24) hours after unloading of straws. If Dry Shipper is not received within five (5) working days from shipment from Breeding Facility, Mare Owner will be assessed a \$ 25.00 daily rental fee; and

C. Pay Breeding Facility before each frozen semen shipment a \$ 800.00 deposit on the Dry Shipper. The deposit is fully refunded to Mare Owner when Dry Shipper is returned, without damage and all parts intact, to Breeding Facility.

D. Any unused semen must be returned to Gumz Farms or, with written permission, destroyed by a veterinarian.

Stallion Owner or Agent

Mare Owner or Agent

Date

Date

Address for Delivery of Shipped Semen

Name of Facility: Contact Person: _____

Street Address: _____

City, State, Zip Code: _____

Day Phone: _____

Fax: _____

Cell/Mobile: _____

Closest Airport: _____