

McARTHUR FARMS

AUSTRALIAN STOCK HORSES

HORSE BREEDING CONTRACT

THIS AGREEMENT is between the individual or entity named in item 1 of schedule 1 (Stud) and the individual or entity named in item 2 of schedule 1 (Breeder).

BACKGROUND

- The Stud is the owner or manager of the stallion named and identified in item 3 of schedule 1 (Stallion).
- The Breeder is the owner or otherwise lawfully entitled to possession of the mare named and identified in item 4 of schedule 1 (Mare).
- The Breeder has booked the Mare for natural service by the Stallion (LIVE COVER) or for artificial insemination using fresh, chilled or frozen semen of the Stallion (AI program), as specified in item 5 of schedule 1.
- The LIVE COVER and the AI program (together breeding program) are governed by the terms of this agreement including schedules 1, 2 and 3.

THE STUD AND THE BREEDER AGREE:

1.CONDITION OF MARE

- 1.1 If the LIVE COVER or the AI program occurs on the Stud's premises:
 - (a) the Breeder promises that on arrival at the Stud the Mare will be:
 - (i) halter broken and able to be led;
 - (ii) currently vaccinated for tetanus and strangles;
 - (iii) free of illness and disease;
 - (iv) free of injury, except as disclosed in item 6 of schedule 1;
 - (v) not suffering any impediment to breeding that would be obvious to a reasonable person; and
 - (vi) totally unshod (LIVE COVER only);
 - (b) the Stud may engage a veterinarian to examine and evaluate the Mare's reproductive system, at the Breeder's cost, to determine the Mare's suitability for breeding to the Stallion; and
 - (c) the Stud may decide the Mare is not a likely breeder, in which case the Breeder:
 - (i) must remove the Mare within 5 days after receiving notice to do so; or
 - (ii) may, if the Stud consents, board the Mare at the Stud until the Mare becomes likely to breed.
- 1.2 If the AI program occurs off the Stud's premises, the Breeder must produce to the Stud, at the Breeder's cost, before the insemination, a report from a veterinarian who is experienced in artificial insemination and qualified to inseminate the Mare, stating that the Mare is suitable for breeding purposes.

2. SERVICE FEE, BREEDING COSTS AND GENERAL LIEN

- 2.1 The Breeder must pay the service fee specified in item 7 of schedule 1 when the Breeder signs this agreement and returns it to the Stud.
- 2.2 All other fees, charges and expenses relating to the breeding program, including board of the Mare, are payable at the rates specified in schedule 2.
- 2.3 The Breeder grants the Stud a general lien over the mare, as security for:
 - (a) any money owing to the Stud under this agreement; and
 - (b) any current liability to indemnify the Stud however arising.
- 2.4 The Stud may detain the Mare until all money owing by the Breeder to the Stud is fully paid and all other liabilities of the Breeder to the Stud are fully discharged.

3. SERVICE OF MARE

The Stud must:

- (a) in the case of the LIVE COVER, cause the Stallion to serve the Mare the number of times that are likely to result in a positive pregnancy test; or
- (b) in the case of the AI program:
 - (i) supply a dose to the Breeder or to whoever the Breeder directs in writing (AI program occurring off Stud's premises); or
 - (ii) inseminate the Mare with the dose.

4. TRANSPORT OF SEMEN

- 4.1 The Breeder must give the Stud at least 48 hours prior written notice of where and to whom the dose is to be transported (Destination Point).
- 4.2 Ownership of the dose does not pass to the Breeder until all money owing to the Stud under this agreement is fully paid.
- 4.3 Risk of loss and damage to the dose passes to the Breeder when the dose is delivered to the transporter for transport to the Destination Point.
- 4.4 The container in which the dose is transported belongs to the Stud or its contractor and must be returned to the Stud or the contractor, as the Stud directs, as soon as the dose is inseminated or transferred into a veterinarian's storage facility, whichever happens first.

5. VETERINARY SERVICES

The Breeder authorises the Stud, as agent for and in the name of the Breeder, and at the Breeder's cost, to engage a veterinarian to examine, test or treat the Mare:

- (a) without prior notice to the Breeder:
 - (i) in the case of emergency concerning the Mare's welfare; or
 - (ii) if the total of previous veterinary bills does not exceed \$300 (excluding GST) and the next veterinary service will cost less than \$150 (excluding GST); and
- (b) in all other cases, with the express prior approval, oral or written, of the Breeder.

6. SERVICE RETURN

If the Breeder does not owe any money and has no current liability to the Stud, the Stud must provide the Breeder with a service certificate no later than 28 days after receiving proof of a positive pregnancy of the Mare.

7. FREE RETURN

7.1 If the free return applies then, subject to clause 7.2:

- (a) the Breeder is entitled to a repeat of the same breeding program, on the terms of this agreement;
- (b) the Breeder may rebook the Mare or a replacement mare for the same or next breeding season; and
- (c) the Stud will not charge a service fee for the breeding program, but the Breeder must pay all other breeding costs.

7.2 The free return is conditional on the Breeder:

- (a) giving the Stud a veterinarian's report addressed to the Stud confirming that the Mare failed to produce a live foal and stating the probable cause;
- (b) proving to the Stud's reasonable satisfaction that the Breeder did not contribute to the probable cause of the Mare's failure to produce a live foal; and
- (c) assuming the Mare is alive, the Breeder remaining the breeder of the Mare.

7.3 If the Stallion is unable to serve the Mare at any time during the course of 2 cycles of the Mare, the Stud is taken to have given the Breeder a free return and clauses 7.1 and 7.2 apply.

8. LIMITED LIABILITY

The Stud and its employees, agents and contractors, whether acting in their own right or as agent of the Breeder, are not liable to the Breeder as a result of, relating to or in any way arising out of:

- (a) death, injury, illness or disease of the Mare;
- (b) death of, or harm to, the Breeder; or
- (c) loss of or damage to personal property belonging to the Breeder,

however caused, including (but not limited to) the negligence or default of the Stud or its employees, agents or contractors.

9. STUD MAY SELL MARE

9.1 It is a default event if:

- (a) any money remains owing to the Stud; or
- (b) any current liability of the Breeder to indemnify the Stud remains discharged, for 21 clear days after the money was due and payable or the liability was incurred.

9.2 If a default event occurs, the Breeder irrevocably authorises the Stud, as agent for the Breeder and in the Breeder's name or otherwise on the Breeder's behalf, to:

- (a) sell, dispose, or otherwise deal in any way with the Mare; and
- (b) do all things and execute all transfers and other documents necessary for or incidental to the sale, disposal or other dealing.

9.3 The Stud may sell the Mare by private contract, public tender or public auction, to any person on any terms that the Stud considers appropriate.

9.4 The Stud must apply the proceeds of sale, disposal or dealing with the Mare in this order:

- (a) all costs of and incidental to the sale, disposal, or dealing;
- (b) any money owing to the Stud;
- (c) any current liability to indemnify the Stud; and
- (d) any residue to the Breeder.

9.5 The Stud as agent may do any thing and execute any transfer or other document even though it involves or might involve a conflict of interest for, or confers or might confer a benefit on, the Stud. In those circumstances, the Stud is not liable to the Breeder or any other person because of the conflict or benefit or for any other reason.

10. INDEMNITY

The Breeder indemnifies:

- (a) the Stud against costs and expenses of and incidental to exercising any right or power under this agreement or conferred on the Stud by law; and
- (b) the Stud and the Stud's employees, agents and contractors against any claim, expense, loss, liability, damage or legal costs (on an indemnity basis) that any of them suffer, incur or are liable for, arising out of or relating to:
 - (i) any negligence or misconduct of the Breeder; or
 - (ii) the breeding program.

11. GENERAL

- 11.1 If the Stud considers that the Mare poses a danger to its handlers or the Stallion, the Breeder must remove the Mare within 5 days after receiving notice to do so.
- 11.2 The Stud may assign the benefit of this agreement to any person at any time. The benefit of this agreement is personal to the Breeder and cannot be assigned by the Breeder.
- 11.3 The Stud is not obliged to hold or keep current an insurance policy covering death of or injury to the Mare or loss of or damage to the dose.
- 11.4 If the Breeder is not the owner of the Mare, the Breeder warrants that the Breeder is expressly authorised by the owner, as agent for the owner and in the owner's name or otherwise on the owner's behalf, to irrevocably authorise the Stud to do the things specified in clauses 9.2 (a) and (b).
- 11.5 If any term of this agreement is illegal, void or unenforceable for any reason, the offending part is to be disregarded and does not affect the rest of this agreement.
- 11.6 The terms of this agreement constitute the entire agreement of the parties concerning its subject. The only enforceable obligations and liabilities of the parties in the relation to the subject are those expressed in this agreement or necessarily implied into it by statute. Any prior representations, statements or promises in relation to the subject are merged in and superseded by this agreement.
- 11.7 Any addition to or variation of the terms of this agreement must be written and signed or initialled by the parties.
- 11.8 An individual signing this agreement for a Breeder, which is a company, warrants that he or she does so with the express authority and on behalf of the Breeder.

12. GOVERNING LAW AND JURISDICTION

- 12.1 The laws of the Province or State in which the Stud's premises are located apply to this agreement.
- 12.2 The parties submit unconditionally to the non-exclusive jurisdiction of the courts and tribunals of that Province or State in respect of any claim or dispute between them under this agreement.

13. MEANING OF WORDS

The following words have the meanings alongside them:

- 'dose' – the number of inseminations specified in item 8 of schedule 1.
- 'Mare' – the Mare and any foal alongside the Mare.
- 'natural service' – breeding by copulation.

I HAVE READ, UNDERSTOOD AND AGREE TO THE ABOVE:

SIGNATURE OF BREEDER

DATE MM/DD/YYYY

SCHEDULE 1

ITEM 1: STUD'S CONTACT INFORMATION

McArthur Farms Australian Stock Horses
Box 54, Site 2, RR2 Okotoks, AB T1S 1A2
Jacquie: (403) 660 3211
stud@australianstockhorse.ca

ITEM 3: STALLION NAME AND IDENTIFICATION

STONEBROOK FINNO (AUS)
1995 15.0HH BROWN ASH STALLION
ASHS Registration 135329

ITEM 2: BREEDER'S CONTACT INFORMATION

NAME

ADDRESS

CITY/PROVINCE (OR STATE)

POSTAL/ZIP

PHONE

ALT PHONE

EMAIL/WEBSITE

ITEM 4: MARE'S (AND ANY FOAL'S NAME) AND IDENTIFICATION

ITEM 5: CHOOSE PROGRAM

LIVE COVER PROGRAM

ARTIFICIAL INSEMINATION PROGRAM

FRESH

CHILLED/COOLED

FROZEN

SUPPLY ONLY

INSEMINATION

ITEM 6: MARE'S PRE-EXISTING INJURIES (IF NONE, SAY NIL)

ITEM 7: SERVICE FEE (INCLUDING GST)

\$1000 CAD

ITEM 8: NUMBER OF INSEMINATIONS IN A DOSE

TWO

SCHEDULE 2

BOARD/AGISTMENT: WET MARE DRY MARE
PRIVATE PADDOCK: \$ _____
SHARED PADDOCK: \$ _____
STABLE: \$ _____
YARD: \$ _____

BOOKING NOMINATION FEE (DEDUCTIBLE AND NON-REFUNDABLE)

\$300 CAD

DENTISTRY _____

FARRIER _____

HANDLING _____

MARE TRANSPORTATION _____

SEMEN COLLECTION AND TRANSPORTATION

Please contact McArthur Farms for costs (contact information is listed on SCHEDULE 1).

VETERINARY _____

WORMING _____

OTHER _____

SCHEDULE 3

SPECIAL PROVISIONS (if none, say nil):

SIGNATURES AND DATE

SIGNED BY OR ON BEHALF OF THE STUD

DATE MM/DD/YYYY

SIGNED BY OR ON BEHALF OF THE BREEDER

DATE MM/DD/YYYY

PRINT NAME OF PERSON SIGNING FOR THE BREEDER