



BORAMBIL PARK

Stallion Breeding Agreement

Between

**Borambil Pastoral Co. Australia as Management Agent for
A Tale Of The Cat Q-102417 (IS) #5385348 (US) aka TORCH**
of the one part

And

The Mare Owner
of the other part

CONTENTS

PARTIES:	3
BACKGROUND:	3
AGREEMENT:	3
1. INTERPRETATION	3
2. LIVE FOAL GUARANTEE & RE-BREED SERVICE	3
3. RIGHTS AND OBLIGATIONS OF THE MARE OWNER	4
4. RIGHTS AND OBLIGATIONS OF THE MANAGEMENT AGENT	4
5. ICSI AND EMBRYO TRANSFERS	5
6. BREEDING FACILITY	5
7. PAYMENT OF STALLION FEES	5
8. WARRANTY	5
9. RELEASE	5
10. RESOLUTION OF DISPUTES	6
11. SEVERANCE	6
12. GOVERNING LAW	6
13. FURTHER ACTION	6
14. ENTIRE AGREEMENT	6
15. INDEMNITY	6

STALLION BREEDING AGREEMENT

THIS AGREEMENT is made the day that the Mare Owner submits their application to breed to the stallion.

PARTIES:

B Kelynack & D R Kelynack T/As Borambil Pastoral Co. Australia ABN 97 293 521 354 of 'Borambil Park' 450 Warrah Ridge Road Quirindi, Liverpool Plains New South Wales 2343 Australia (the "Management Agent") and **ATOC Partners, LLC** of 7203 State Hwy 220 Hico, Texas 76457 United States (the "Stallion Owner"), and

The party named in the Application Schedule submitted and attached hereto (the "Mare Owner").

BACKGROUND:

- (a) The Management Agent has developed specialised equine management and breeding capabilities and operates an equine development business providing education and training programs specifically designed for various cow horse disciplines, specialising in cutting horses.
- (b) The Stallion Owner offers breeding services to the market via its Management Agent, and
- (c) The Mare Owner wishes to engage the services of the Management Agent on the terms and conditions set out in this agreement.

AGREEMENT:

1. INTERPRETATION

In this Agreement:

"Breeding Facility" means the specialist equine reproductive facility named in the Schedule.

"Contact" means the Mare Owner's contact person specified in the Schedule or such other person as notified by the Mare Owner from time to time.

"LFG" means live foal guarantee.

"Mare Owner" means the party named in the Schedule.

"Management Agent" means Borambil Pastoral Co. Australia ABN 97 293 521 354.

"PTIF" means Pregnancy Test in Foal.

"Stallion Owner" means ATOC Partners, LLC a Texas Corporation.

"Services" mean the provision of the said stud's semen to the Breeding Facility as described in the Schedule.

"Stallion Fee" means the amount/consideration to be paid to the Management Agent by the Mare Owner for breeding services as specified in the Schedule.

"Schedule" means the Application Schedule to this Agreement.

"Veterinarian" means the licensed equine veterinarian named in the Schedule.

2. LIVE FOAL GUARANTEE & RE-BREED SERVICE

- 2.1 This agreement offers a LFG for one foal.
- 2.2 The LFG cannot be assigned to another mare and is non-transferable unless approved by the Management Agent in writing.
- 2.3 To be eligible for the LFG your mare must receive a positive PTIF scan at 45 days and your Veterinarian must duly complete and submit the prescribed Artificial Insemination Certificate.
- 2.4 The LFG applies to mares that:
 - 2.4.1 Resorb the embryo or abort the foetus after the positive PTIF scan at 45 days and before foaling.
 - 2.4.2 Give birth to a foal which does not stand and nurse, and
 - 2.4.3 The Management Agent is notified within one (1) week of the abortion of the foetus or death of the foal. This notification must be accompanied by a statement from a Veterinarian, attesting that the mare resorbed the embryo or aborted or that the foal failed to stand and nurse and stating the cause of death. Pursuant to this

- clause the Mare Owner shall be entitled to a re-breed service in the subsequent breeding season at no charge.
- 2.5 The LFG does not apply:
- 2.5.1 Where a foal stands and nurses but subsequently dies, or
- 2.5.2 If the mare and foal die during pregnancy or birth.
- If this occurs the Mare Owner shall be offered a re-breed service in the subsequent breeding season at the discretion of the Management Agent, and an additional Stallion Fee will apply.
- 2.6 If after two (2) attempts at the service in the initial breeding season the mare does not receive a positive PTIF then a rebreed will be offered by the Management Agent. This will be done after consultation between the Mare Owner, the Veterinarian and the Management Agent, and a change of mare may also be requested by the Management Agent. If this occurs there will be an additional fee amounting to \$1,100 (incl. GST) payable by the Mare Owner.
- 2.6.1 If after two (2) further attempts at the service in the subsequent breeding season the mare does not receive a positive PTIF then a full stallion breeding service fee will become payable for a further service.
- 2.7 If the Mare Owner fails to attempt a re-breed in the following season, then any and all fees shall be forfeited and this agreement hereby cancelled.
- 2.8 In the event that the artificial insemination procedure is not performed by a Veterinarian as defined in this agreement, then this clause may be deemed null and void at the sole discretion of the Management Agent.

3. RIGHTS AND OBLIGATIONS OF THE MARE OWNER

- 3.1 The Mare Owner agrees to provide a full copy of the mare's Certificate of Registration (if requested).
- 3.2 All mares must be in good breeding health as well as tractable and handled to lead. The Management Agent reserves the right to refuse any mare for service. Diligent efforts must be made by the nominated Veterinarian to settle the mare, however, if a mare fails to settle for any reason, the Mare Owner agrees to hold the Management Agent and Stallion Owner blameless.
- 3.3 The Mare Owner agrees to use the entire dose of semen provided by the Management Agent for the mare named in this agreement and no other.
- 3.4 The Mare Owner agrees the Management Agent will not be responsible for any disease, accident, sickness or death to Mare Owner's mare or foal. The Management Agent reserves the right to request a change of mare if the mare listed on the Schedule to this agreement is deemed unfit to breed by the nominated Veterinarian.
- 3.5 The Mare Owner agrees to have the Breeding Facility's Veterinarian check the Mare Owner's mare for normal breeding condition, and to perform such other veterinary services that the Breeding Facility deems necessary, at the Mare Owner's expense. This includes worming, treating infections, preventative measures, original examination, pregnancy checking, treatment of any illness/injury, and alike.
- 3.6 The Mare Owner, unless otherwise stated in writing agrees to pay for any and all costs associated with the collection and shipping of the stallion's semen.
- 3.7 The Mare Owner agrees to pay for any and all veterinary costs associated with breeding their mare to the stallion including but not limited to, scans, artificial insemination, embryo transfer, injections and agistment. It is the Mare Owners responsibility to seek a schedule of costs from their nominated Veterinarian prior to breeding.
- 3.8 The Mare Owner agrees to notify the Management Agent in writing of the pregnancy status of the mare as soon as she is checked for pregnancy, but no later than the 24th day of the month of February following the season in which the service relates unless otherwise agreed in writing. This notification must include the last date of service, type of breed, and whether she received a positive or negative result.
- 3.9 If the Mare Owner fails to notify the Management Agent pursuant to 3.8 above then a Breeding Return will not be lodged with the Australian Quarter Horse Association. If the Mare Owner subsequently requires a Breeding Return to be lodged then a late lodgement fee amounting to \$200 may be imposed.
- 3.10 The Mare Owner may not assign or transfer the service to another mare or anyone else without prior consent of the Management Agent.

4. RIGHTS AND OBLIGATIONS OF THE MANAGEMENT AGENT

- 4.1 The right of breeding privileges may not be granted to mares leaving the Breeding Facility prior to the end of the breeding season before a positive pregnancy examination by the veterinarian is performed. The live foal guarantee referred to in this agreement may also

- become null and void if the Mare Owner returns the mare to work/competition after a positive pregnancy test.
- 4.2 The stallion's semen remains the property of the Management Agent and may not be collected, stored, distributed or sold by any other party. The Stallion Fee entitles the Mare Owner to the genetics of the Stallion listed in the Schedule. This amount is payable by the Mare Owner to the Management Agent on each and every foal created by the stallion's semen.
 - 4.3 The Management Agent "guarantees the highest quality semen"; however, we make no guarantees or warranties and cannot be held liable for contamination, damage of semen during or after shipment, loss of viability or any costs arising from delayed, damaged or lost in transit shipments.
 - 4.4 The Management Agent has the right to approve or deny all locations where semen is to be shipped and will only ship to locations that are trusted to handle and account for the semen properly.
 - 4.5 The Management Agent will provide an Australian Quarter Horse Association Breeding Certificate to the Mare Owner for all eligible mares upon successful foaling. If the Mare Owner wishes to seek registration with other breed societies they must purchase and provide the relevant breed certificate to the Management Agent for completion.

5. ICSI AND EMBRYO TRANSFERS

Intracytoplasmic Sperm Injection ('ICSI') and embryo transfers will be considered, based on the Management Agent's approval in writing:

- 5.1 If ICSI procedure is used to produce multiple embryos, additional Stallion Fees are payable at a rate commensurate with the advertised stallion breeding fee for the year in which the embryo is utilised plus an Office Fee of \$300 each. Fees are due when the recipient mare receives a positive 60-day pregnancy check. All ICSI embryos must be used within two (2) years of the initial ICSI procedure.
- 5.2 If more than one foal results from an embryo flush an additional Stallion Fee will be due and payable when the recipient mare receives a positive 60-day pregnancy check.

6. BREEDING FACILITY

- 6.1 Semen will remain the property of/and under control of the Management Agent and will only be shipped to approved Breeding Facilities, or you may submit another Breeding Facility for consideration.
- 6.2 Semen is dispatched in one dose lots. All semen costs relating to freight to the Breeding Facility and for returning unused semen to the semen storage facility are separate from this agreement and payable by the Mare Owner.

7. PAYMENT OF STALLION FEES

- 7.1 The Stallion Fee referred to in the Schedule is non-refundable and becomes payable upon the Management Agent granting approval for this breeding service and must be remitted in accordance with the payment terms outlined in the Schedule.
- 7.2 Contemporaneously, this agreement should be signed and returned to the Management Agent along with a copy of the documents requested in the Schedule.
- 7.3 The stallion's semen will be shipped upon receipt of this agreement, any relevant mare documents, and when the Stallion Fee has been received in full.
- 7.4 All semen costs for freight and delivery to the Breeding Facility and for returning unused semen to the Semen Storage Facility (if applicable) are separate from this agreement and payable by the Mare Owner upon invoice.

8. WARRANTY

The Mare Owner warrants that they are authorised to enter into this agreement on the terms set out herein.

9. RELEASE

- 9.1 Upon the Mare Owner signing and returning this Agreement to the Management Agent the Agreement will become a binding contract on all parties subject to the above terms and conditions. This agreement is not transferable or assignable by the Mare Owner to another mare or where a mare is disposed of without prior written consent of the Management Agent. Any attempt to assign this contract is in violation of this provision and shall void the agreement resulting in no refund of any fees paid. If the stallion dies, is sold, transferred or becomes unfit for collection of semen be it fresh or frozen, this agreement will be cancelled and the Management Agent and Stallion Owner released from any further liability upon notice to the Mare Owner and a full refund of any monies paid in relation to the

Stallion Fee will be granted for the amount received by the Management Agent, payable by direct banking deposit less any monies outstanding.

- 9.2 It is agreed that if the mare dies before producing a live foal or becomes unfit to breed before being pronounced safe in foal a substitute mare will be allowed for the current breeding season or the following season only. No stud fee will be refunded.

10. RESOLUTION OF DISPUTES

The parties record their intention that, if any dispute or difference arises out of or in relation to this Agreement, the parties will attempt first to resolve the dispute in a spirit of good faith and on a commercially realistic basis by negotiation or mediation.

11. SEVERANCE

If all or any part of a provision of this Agreement is judged invalid or unenforceable, then all or that part of that provision is severed from this Agreement and the remainder of this Agreement continues in full force and effect.

12. GOVERNING LAW

This Agreement shall be construed in accordance with and be governed by the laws of the State of New South Wales and the parties agree to submit themselves to the jurisdiction of the Courts of that State.

13. FURTHER ACTION

Each party shall do or cause to be done all things necessary or desirable to give effect to, and shall refrain from doing all things that could hinder performance of this Agreement.

14. ENTIRE AGREEMENT

This Agreement, including the Schedule and Attachments:

- (a) constitutes the entire Agreement between the parties and supersedes all prior representations and agreements in connection with the Services; and
- (b) may only be varied in writing signed by the parties.

15. INDEMNITY

The Mare Owner indemnifies the Management Agent and Stallion Owner against all expenses, damages and costs (including without limitation, legal costs of a solicitor) that the Mare Owner may sustain or incur as a result whether directly or indirectly of any:

- (a) breach of this Agreement; or
- (b) negligent act or omission of the Management Agent or Stallion Owner, or any other employee, agent or contractor of the Management Agent or Stallion Owner.

This Agreement is deemed to be executed by the parties as an agreement upon the Mare Owner submitting an application to breed to the Stallion.