

This agreement ("Agreement") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ ("Effective Date"), by and between the owner, Seabreeze Pleasure Horses, ("Stallion Owner") of that certain registered stallion having the registered name of **Hot Lopin Sensation**, APHA Registration #807,540, ("Stallion"), the owner ("Mare Owner") of that certain registered mare having the registered name of \_\_\_\_\_, Registration # \_\_\_\_\_, Breed \_\_\_\_\_ ("Mare") and DeGraff Stables, Inc., ("DGS") the breeding facility. Stallion Owner and Mare Owner may sometimes be referred to herein individually as "Owner" and collectively as the "Owners". To complete the agreement, contracts for Shipped Cooled and/or On-Farm Breeding will be executed with DGS. Now, therefore, in consideration of the foregoing promises, covenants and other valuable consideration contained herein, the Owners and DGS agree as follows:

1. **Breeding Privilege and Fees.** Stallion Owner hereby grants Mare Owner the right to breed Mare to Stallion during the 2012 breeding season, which commences on February 13, 2012 and concludes on June 30, 2012 ("Breeding Season"). In exchange for this breeding privilege, Mare Owner agrees to pay Stallion Owner c/o DGS a total breeding fee of \$ \_\_\_\_\_ ("Breeding Fee"), which includes a non-refundable booking fee of \$250.00 USD ("Booking Fee"), but excludes any fees charged by DGS for breeding services provided in accordance with Section 2 below. Mare Owner may receive a discount from the Breeding Fee per the terms of this Agreement. The breeding privilege granted herein and the Breeding Fee pertains only to the "Mare" and no other mares.
2. **Breeding Services.** When checked or caused to be checked by Mare Owner below, DGS agrees to facilitate the breeding of the Mare in the manner checked below ("Breeding Services") and Mare Owner agrees to execute a separate corresponding contract to govern the terms of such breeding. In exchange for providing the Breeding Services, Mare Owner shall pay DGS those fees charged for such services in accordance with the separate corresponding contract to govern the terms of such services:
  - Mare to be Bred Via Shipped Cooled Semen ("Semen")
  - Mare to be Bred Via Haul-In Insemination On-Farm at DGS.
3. **Multiple Foals.** Should more than one embryo result from a breeding to the Stallion during embryo harvesting, Mare Owner must pay an additional Breeding Fee within ninety (90) days of a confirmed pregnancy in order to receive a breeding certificate for any additional foal that may result from the additional embryo(s). If the Mare carries and delivers multiple foals, an additional Breeding Fee will be due within thirty (30) days of both foals standing and nursing. Breeding fee would be subject to the multiple mare discount(s) in effect for season.
4. **Mare Owner Covenants, Representations and Warranties.** Mare Owner covenants, represents and warrants as follows:
  - (i) Mare is healthy and in sound breeding condition.
  - (ii) When checked or caused to be checked by Mare Owner below, Mare is:
    - Maiden
    - Barren in 2012
    - Expecting/Has 2012 Foal
  - (iii) If Mare is open, barren or maiden, Mare Owner shall provide negative uterine culture and equine cytology with sensitivity within thirty (30) days prior to either (x) the anticipated date the Semen will be shipped or (y) the date the Mare will be bred on farm;
  - (iv) Mare Owner shall provide with this Agreement a current copy (front and back) of Mare's AQHA, APHA, ApHC or other approved breed association registration paper(s), which shall identify Mare ownership;
  - (v) Mare is registered in Mare Owner's name, or provide a fully executed breed association lease authorization form.
5. **Live Foal & Color Guarantee ("LFG" & "CG").** Provided Mare Owner has complied with all the terms and conditions of this Agreement, which shall be determined in the sole discretion of DGS, if the breeding of the Mare does not produce a single Live Foal, Mare Owner shall retain the privilege to breed to the Stallion in the Breeding Season or Rebreed Season. Should Mare require to be rebred the subsequent breeding season after the Rebreed Season, Mare Owner must enter into another agreement with Stallion Owner and DGS, in which an additional Booking Fees and increased Breeding Fees may apply. No LFG applies on a 3<sup>rd</sup> year rebreed. If resulting foal does not have suitable color for full APHA registry, mare may be re-bred in the Rebreed year. \$250 Rebreed Fee for fillies or \$150 Rebreed Fee for colt foals plus Rebreed booking fee and shipping fees to breeding farm applies. Vet certification of foal sex is required. A substitution of Mare will be allowed with approval and written authorization from Stallion Owner.
6. **Death of Stallion.** In the event that the Stallion becomes incapable of breeding, dies or is sold, this contract shall become null and void and none of the parties hereto shall have any further rights or obligations, unless expressly set forth herein. In the event of the Stallion's death prior to the delivery of a Live Foal, the LFG shall become null and void and have no further effect on this Agreement. At Stallion Owner's sole discretion, the Semen or another stallion may be provided by Stallion Owner to Mare Owner to fulfill the terms of this Agreement. The Breeding Fee less the Booking Fee shall be refunded to Mare Owner in the sole discretion of the Stallion Owner and only if alternative arrangements may not be made. Under no circumstances will the Booking Fee be refunded.
7. **Death of Mare.** Should the Mare die or become unfit to breed prior to breeding, Mare Owner shall be required to breed a substitute mare to the Stallion. Substitute mare shall be owned or leased by Mare Owner and approved by Stallion Owner. No refunds shall be permitted. No other fees or charges are refundable except as described herein. No fees related to board or settling the Mare or substitute mare are refundable.
8. **Certificate and Parentage Verification.** Mare Owner agrees to comply with all AQHA, APHA or other breed association requirements as contained in the Rules of Registration in breed's Official Handbook concerning the use and handling of Transported Cooled Semen and shall comply with any parentage verification required. Mare Owner acknowledges that Stallion Owner, not DGS, will issue a breeder's certificate upon receiving notification of the birth of a Live Foal. Mare Owner acknowledges that Mare owner must pay DGS and Stallion Owner all fees, costs and expenses in full before Stallion Owner will issue a breeder's certificate to Mare Owner. Mare Owner acknowledges and agrees that a breeding certificate shall only be issued for Mare and only if the fees set forth in this Agreement and any other related contract are paid in full.
9. **Substitution/Transfer.** Substitute mare will not be allowed without prior written approval from Stallion Owner.
10. **Payment of Fees.** Mare Owner shall pay the Breeding Fee before Stallion Owner or DGS is obligated to perform their respective obligations under this/these Agreement(s). Mare Owner shall pay DGS the Fees, Refundable Deposit and all costs and expenses set forth in the Shipped Cooled and/or Haul-In On-Farm breeding Agreement(s) before DGS releases the Semen to Mare Owner. DGS's release of the Semen without first receiving payment for the Fees, Refundable Deposit and all costs and expenses shall not constitute a waiver on the part of DGS to collect any unpaid Fees, costs and expenses. If paid by credit card, Mare Owner agrees that DGS will add a 3% credit card convenience charge to cover bank fees. If payment is not made when due, DGS shall have a lien against the Mare until such time as any and all charges are paid in full and said lien shall survive any transfer of possession. Additionally, DGS may suspend all future delivery and other performance without liability or penalty and, in addition to all other sums payable hereunder, Mare Owner shall pay to DGS (i) a \$25.00 handling fee; (ii) the reasonable costs and expenses incurred by DGS in connection with all actions taken to enforce collection or to preserve and protect DGS's rights hereunder, whether by legal proceedings or otherwise, including without limitation reasonable attorneys' fees, court costs and other expenses; and (iii) interest on all amounts unpaid charged at the monthly rate of 1-1/2% or the highest rate permitted by law, whichever is lower. DGS may also, in it's discretion, compel Stallion Owner to withhold the breeder's certificate until payment is received in full.
11. **Waiver of Liability.** EACH OWNER AGREES THAT DGS, AND ITS REPRESENTATIVES, AGENTS, EMPLOYEES, MANAGERS, MEMBERS, LESSOR, AFFILIATED PERSONS, AND OTHERS ACTING ON DGS'S BEHALF (COLLECTIVELY "DGS REPRESENTATIVES"), SHALL NOT BE LIABLE FOR ANY DAMAGES INCLUDING BUT NOT LIMITED TO ANY CLAIM, DEMAND OR LOSS ARISING FROM ANY SICKNESS, DISEASE, ESTRAY, THEFT, INJURY OR DEATH TO THE STALLION, MARE, OR SEMEN OR LOSS OF PROFIT OR REVENUES, DAMAGE FOR LOSS OF USE OF THE SEMEN OR THE STALLION OR MARE, DAMAGE TO PROPERTY, CLAIMS OF THIRD PARTIES OR ANIMALS, INCLUDING PERSONAL INJURY, DEATH OR SICKNESS ON ACCOUNT OF THE USE OF THE SEMEN OR THE ACTS OF THE STALLION OR MARE.
12. **Release and Indemnification.** Each Owner hereby releases and agrees to indemnify, defend and hold harmless DGS and DGS Representatives from any claim, charge, debt, demand, lawsuit, loss and expense, including but not limited to attorneys' fees, which may be imposed upon or incurred, directly or indirectly, as a result of the services performed pursuant to this Agreement, arising out of or attributable to the Semen, or resulting from the acts and behavior of Stallion or Mare. This indemnification shall extend to the successors and assigns of DGS and DGS's lessor.
13. **Risk of Loss.** Each Owner agrees to assume all responsibility for the Semen and the Stallion or Mare, even if in the physical possession of DGS, and shall bear all risk of loss or damage to the Semen, Stallion or Mare, whether by loss, disease, injury, infection, theft or by any cause whatsoever, and agrees to hold DGS (or any person employed by or associated with DGS) harmless on any and all damages associated therewith.

**2012 Stallion Breeding Contract ~ Hot Lopin Sensation**

**14. Inherent Risks and Assumption of Risk.** Each Owner acknowledges there are inherent risks associated with equine activities, including breeding, and hereby expressly assumes all risks associated with participating in such activities. Mare Owner acknowledges that a Haul-In Insemination On-Farm service may be performed by either a DGS employee or a DGS facility veterinarian. The inherent risks include, but are not limited to the propensity of equines to behave in ways such as, running, bucking, biting, kicking, shying, stumbling, rearing, falling or stepping on, that may result in an injury, harm or death to persons on or around them; the unpredictability of equine's reaction to such things as sounds, sudden movement and unfamiliar objects, persons or other animals; certain hazards such as surface and subsurface conditions; collisions with other animals; the limited availability of emergency medical care; and the potential of a participant to act in a negligent manner that may contribute to injury to the participant or others, such as failing to maintain control over the animal or not acting within such participant's ability. **WARNING:** Under Kentucky 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 equine activities, pursuant to section 247.402, Kentucky Revised Statutes.

**15. Termination.** DGS reserves the right to discontinue service at its sole discretion and may terminate this Agreement upon 10 days notice directed to the Stallion Owner and Mare Owner at the addresses below or any other manner reasonably calculated to provide notice. Such termination shall not prejudice or impair DGS's rights herein, including but not limited to its right to seek payment for any services rendered.

**16. Miscellaneous.** Each Party agrees to comply with all applicable federal, state and local laws, codes, regulations, rules, and orders. No services other than those expressly stated in this Agreement will be provided by DGS without an express, written and signed amendment to this Agreement. This Agreement is not assignable by Stallion Owner or Mare Owner. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction. No failure by DGS in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power, or privilege. This Agreement shall be governed by the laws of the Commonwealth of Kentucky, and any legal action relating in any manner to this Agreement or the relations of the parties shall be brought in a state or federal court sitting in or encompassing Woodford County, Kentucky. The parties agree to submit to the personal jurisdiction of said courts pursuant to KRS 454.210, and hereby waive any objection to venue and any claim that the action has been brought in an inconvenient forum. If it is determined that a brand inspection ticket is required in order to authorize any transfer or transport of Stallion or Mare under this Agreement, Each Owner hereby authorizes and appoints DGS to execute any required documents on behalf of such Owner. The Parties agree that a facsimile or other electronic transmission of a counterpart of this signed Agreement constitutes an original counterpart and shall be a valid and binding document for all legal and other purposes. This Agreement may be executed in multiple counterparts by the Parties. All of such counterparts shall be construed as if all signatures were appended to one document.

**17. Authority of Mare Owner.** The undersigned hereby individually represents and warrants that the undersigned is the true and lawful owner of the Mare or, if not the owner of the Mare, the undersigned is duly authorized by the Mare Owner to execute this Agreement on behalf of the Mare Owner. The undersigned represents and warrants that undersigned has the actual authority to make any and all decisions regarding the Mare and its veterinary care. All references in this Agreement to the Mare Owner shall be deemed binding upon the undersigned and the Mare Owner. The undersigned hereby agrees to indemnify, defend and hold harmless DGS for any and all claims made by the Mare Owner based upon a breach of the above representations and warranties.

**18. Authority of Stallion Owner.** The undersigned hereby individually represents and warrants that the undersigned is the true and lawful owner of the Stallion or, if not the owner of the Stallion, the undersigned is duly authorized by the Stallion Owner to execute this Agreement on behalf of the Stallion Owner. The undersigned represents and warrants that undersigned has the actual authority to make any and all decisions regarding the Stallion and its veterinary care. All references in this Agreement to the Stallion Owner shall be deemed binding upon the undersigned and the Stallion Owner. The undersigned hereby agrees to indemnify, defend and hold harmless DGS for any and all claims made by the Stallion Owner based upon a breach of the above representations and warranties.

**MARE BREEDING FEES, DISCOUNTS, OPTIONS & MARE LOCATION FOR THIS CONTRACT:**

Mare Breeding Option – <i>Check One:</i>	<input type="checkbox"/> Mare to be bred via Shipped Cooled Semen	<input type="checkbox"/> Mare to be bred On-Farm at DeGraff Stables
Mare Physically Located for Breeding in KY– <i>Check One:</i>	<input type="checkbox"/> YES in KY (6% Sales Tax Applies) <input type="checkbox"/> NOT in KY	If to Farm-Enter Expected Date for Arrival to Farm:
\$ 750	Stallion Service Fee – NOTE: First Standard Shipment INCLUDED with Paid Breeding - Does Not Apply to Futurity or Donated Breeding	
\$ 250	Current Year Booking Fee (non-refundable) and Applies to 2012 Stallion Service, Futurity or Donated Breeding	
\$	Less Stallion Service Fee for Futurity or Donated Breeding – Futurity/Donation Name:	
\$	Less Discount(s):	
\$	Less Discount(s):	
\$	Total Breeding Fee	
\$	6% Sales Tax for Kentucky Breeders Incentive Fund; If Applies <input type="checkbox"/> 6% Sales Tax Applies <input type="checkbox"/> 6% Does Not Apply	
\$	3% Credit Card Convenience Fee for Visa/MC Payments, If Applies <input type="checkbox"/> 3% CC Fee Applies <input type="checkbox"/> 3% Does Not Apply	
\$	Total Breeding Fee ~ <input type="checkbox"/> YES, Please Charge My Credit Card    Or, <input type="checkbox"/> No, Do Not Charge My Card, I Will Pay by Check	

**MARE OWNER/LESSEE INFORMATION:**

Mare Owner/Lessee Name:			
Address:			
City, State/Province, Zip:			
Daytime Phone:		Evening Phone:	
Fax Number:		Cell Phone:	
<b>REQUIRED e-mail address:</b>			

**IN WITNESS WHEREOF the Parties have executed this Agreement as of the day and year set forth first above:**

_____		_____	
<b>Signature of Mare Owner or Authorized Agent</b>	<b>Date</b>	<b>Signature of Stallion's Authorized Agent</b>	<b>Date</b>
_____		DeGraff Stables, Inc., PO Box 4350, Midway KY 40347	
<b>Print Name</b>	<b>Date</b>		