

BREEDING SERVICES AGREEMENT

This Agreement is made and entered into this ____ day of _____, 200__ by and between SPARKLE CREEK LLC (hereinafter referred to as "Stallion Owner" or "Sparkle Creek") as owner of Odyssey SC (AHA Registration #0566330) and the following mare owner (hereinafter referred to as "Mare Owner");

Mare Owner hereby purchased the right to breed the mare describe below to Odyssey SC (the "Stallion") subject to the provisions, limitations and terms of this Agreement:

NAME OF MARE OWNER(S) _____ TELEPHONE _____

FAX _____
ADDRESS _____ EMAIL _____
CITY, STATE, ZIP _____

NAME OF MARE _____

AHR # _____ AGE _____ COLOR _____

Insurance Information:

Note: All insurance renewals and deadlines are the responsibility of mare owner(s).

FOAL BY SIDE _____ FOALING DATE _____

COGGINS TEST _____ CULTURE _____

A negative culture by a certified veterinarian is required prior to servicing mare. If mare does not arrive at Shada Arabian Sanction ("Shada") with adequate culture SHADA, INC'S vet will perform service at owner's expense.

MEDICAL RECORD: The following immunizations are mandatory by SHADA: Eastern & Western Equine Encephalitis, Tetnus, Rhinopneumonitis, Strep and Negative Coggins Test (prior to arrival)

NOTES:

BREEDING FEE

BREEDING FEE FOR 200__ \$ _____

DEPOSIT (BOOKING FEE) _____

BALANCE DUE _____, 200__ \$ _____

TERMS AND CONDITIONS

1. The Breeding Fee Deposit shall be paid contemporaneously with the execution of this Agreement by Mare Owner and shall be non-refundable. The balance due shall be paid in full on or prior to the earlier of the date specified above or, if no date is specified, then prior to the date on which the Mare is to be serviced or semen transported to the Mare Owner. Any balance due which is reflected above shall be paid in full prior to the servicing of the Mare or transportation of semen to the Mare Owner.
2. Any past due balance shall bear interest at the lesser of 1.5% per month or the highest contract rate allowable by law.
3. Return services to Odyssey SC during the first breeding year shall be provided at no additional cost to Mare Owner with the exception only of payment of the collection and shipping fees set for the below..
4. Return services the following or each subsequent year will require a service charge in the amount of \$650.00 per year.
5. RESTRICTION ON ASSIGNMENT. This Breeding Agreement and the right of Mare Owner to utilize the breeding to Odyssey SC is

personal to Mare Owner and is not transferable without the prior written consent of Stallion Owner. In the event Stallion Owner consents to the transfer of the breeding rights provided for herein, Mare Owner shall pay a transfer fee in the amount of \$500.00 to Sparkle Creek LLC.

6. Sparkle Creek shall be permitted to withhold any certificates, forms or consents required in connection with the registration of foals by Mare Owner until such time as any fees (Breeding Fees, assignment or transfer fees or interest and other charges due hereunder) are paid in full.

7. In the event that the Mare is transported to the facility at which the Stallion is located for servicing, a health certificate must accompany each mare UPON ARRIVAL TO SUCH FACILITY.

8. All mares MUST be examined by veterinarian before breeding service at mare owner's expense and any treatments deemed necessary by mare owner's veterinarian are preferred to accompany mare.

9. If the Mare is boarded at a facility owned by Sparkle Creek or its agent, and in the event a veterinarian or farrier is needed, permission is granted to Sparkle Creek or its agent to request such services on behalf of the Mare Owner and the mare owner will pay all fees.

10. All breeding methods for mares at Stallion Owner's (or its agent's) facility will be at Stallion Owner's discretion.

11. Stallion Owner reserves the right to refuse service to any mare other than the mare specified herein.

12. Mare owner(s) agree for him (her) self and mare owner(s)' representatives, that neither mare owner(s) nor mare owner(s)' representatives will under any circumstances hold Sparkle Creek LLC, or SHADA, INC.'s (or their respective owners, employees, veterinarians, or farriers) responsible for injury, death, loss or damage of any kind whatsoever that may occur to horses, individuals, or equipment regardless of fault. Mare owner(s) or their representatives in addition to and in no way limiting the above, agree to hold Sparkle Creek, LLC, SHADA, Inc., and their owners, representatives, employees, veterinarians, or farriers harmless from any damages or liability by reason of the act or actions or conditions of any of said owners, stock individuals, or equipment. This release and covenant is expressly made a part of the consideration for the agreement of Sparkle Creek to enter into this agreement. Mare Owner covenants that it either shall insure its mare and should it elect not to provide insurance, then in any event it shall bear all risk of loss to the Mare described in this agreement.

13. LIMITATION OF MARE OWNER'S REMEDIES. In the event of the death or permanent disability of the Stallion named herein, Sparkle Creek shall have the right to substitute another purebred Arabian stallion for the breeding services provided hereunder. Under no circumstance shall any portion of the Breeding Fee(s) or payments hereunder be refunded to Mare Owner as a result of the death or disability (including breeding disability) of the stallion, Odyssey SC. Additionally, Mare Owner acknowledges and agrees that Sparkle Creek provides what is commonly referred to in the Arabian breeding industry as a "live foal guaranty", Sparkle Creek makes no other warranty or representation of any nature and disclaims any warranty regarding the production of offspring through the services hereunder. Sparkle Creek's sole liability to Mare Owner pursuant to the live foal guaranty shall be to provide return services during the same breeding year at no additional cost and return service during subsequent years upon payment of the fee set forth in section 4 hereinabove (in addition to the collection and shipping fees imposed by SHADA).

14. Sparkle Creek, LLC may impose such other terms and conditions as it may in its discretion deem reasonable and necessary under the particular circumstances involved. Any difference in disputes involving the interpretation of any or all of the terms of this contract shall be interpreted in a manner most reasonable considering the nature of the business involved, and in accord with the generally accepted standards, practices and procedures of stud servicing of this nature throughout the United States. In making such interpretations, no special import or emphasis shall be placed upon the fact that the contract herein is prepared by or provided by Sparkle Creek.

15. This written contract herein shall be the whole of the contract between the parties and no alleged oral alterations or additions or amendments shall be given any force or effect without said alterations, additions or amendments having been reduced to writing and signed by both of the parties to this contract and attached to the contract. It is specifically understood and agreed that all terms and conditions and negotiations prior to the execution of the contract have been consolidated and are embodied in the contract itself, and that this contract has been entered into following negotiations, consideration and understanding by all of the parties hereto.

16. In the event of breach of this contract or any part thereof, mare owner(s) agrees to pay any and all reasonable and necessary attorney fees or other expenses of any kind incurred, or which may be incurred by or on behalf of Sparkle Creek or SHADA, INC.

17. A copy of mare's registration papers is required prior to execution hereof and shall be furnished upon execution of this Agreement by Mare Owner.

18. This contract and the terms thereof shall be governed by the laws of the State of Tennessee.

SHIPPED SEMEN AGREEMENT AND TERMS

1. RELATIONSHIP OF SPARKLE CREEK AND SHADA, INC. This following provisions of this agreement relate to reserving shipped semen from Sparkle Creek LLC and/or SHADA, INC. Mare owner acknowledges that SHADA, INC. is the agent for Sparkle Creek for the limited purpose of execution of this Breeding Agreement provided however that SHADA shall have no authority to make any modifications to the pre-printed form which shall bind Sparkle Creek without the express written consent of Sparkle Creek. Further, no

representations of SHADA which are not reduced to writing and agreed to by Sparkle Creek shall be binding upon Sparkle Creek, it being understood and agreed by Mare Owner that SHADA has no authority to bind Sparkle Creek to any provisions, agreements, obligations or covenants which are not expressly set forth in this printed form.

With respect to the collection and shipping of semen of Odyssey SC to Mare Owner, Mare Owner acknowledges that SHADA is operating as an independent contractor for Mare Owner and the following fees are paid by Mare Owner to SHADA in consideration of the services of SHADA as such an independent contractor (and not as an agent for Sparkle Creek).

2. MISCELLANEOUS FEES

In addition to the agreed booking fee and stud fee, Mare Owner shall pay fees to SHADA to handle the shipped semen fee which fees are as follows:

- a. The shipped semen fee of \$300.00 includes 1 shipment(s) via Federal Express and is due in full prior to shipping semen.
- b. A container deposit of \$250.00 is due prior to expected shipment. It is imperative that the container be returned to SHADA, INC. within 72 hours. The container deposit will be returned to you only if the following conditions are met:
 - i. The complete, undamaged shipping container is returned within 72 hours of insemination.
 - ii. The shipping container and its components are returned in good condition. If any of the components are damaged or missing, the cost of replacement will be deducted from the deposit.
 - iii. The mare has been checked in foal at 45 days or it is determined that the mare will not be re-bred by shipped semen during the remaining season.
- c. PLEASE NOTE: Any unpaid shipping costs will be deducted from the container deposit.

3. BREEDING ARRANGEMENTS

- a. Call for shipping days. SHADA, INC. ships every other day, including weekends. The mode of semen transportation will be at the discretion of SHADA, INC. Should Mare Owner request a method of transportation other than Federal Express, then Mare Owner shall pay any additional costs incurred for such shipping method.
- b. You must give a 24 hours advance notice to SHADA, INC. for shipment. All shipment requests must be canceled by 8:00 a.m. the day the next shipment is scheduled to be sent.
- c. In the case of subsequent shipment, the shipping container, and any additional shipping fees must be received by SHADA, INC. before the next shipment is sent.
- d. Federal Express shipping is included in the shipped semen fee. The use of other transportation to be the responsibility of the mare owner.
- e. Courier fee to Mpls./St. Paul airport to be \$75.00 per shipment.
- f. Shipments out of the United States to have additional charges.
- g. Semen to be shipped to the following address:

Contact Person: _____ Telephone: _____

Address: _____ City, State, Zip _____

SPARKLE CREEK LLC

Mare Owner or Agent

By: _____

Sparkle Creek LLC
645 Pisgah Road
Eads, TN 38028
901-753-8261
Date _____

(If mare is jointly owned, both signatures are necessary. Otherwise, the individual executing this agreement assumes all responsibility and agreement to this contract for joint owner).