

CUSTOM SEMEN COLLECTION AND STORAGE SERVICE AGREEMENT

This Agreement is made and entered into this ___ day of _____, _____, by and between **REPRODUCTION ENTERPRISES, INC.**, an Oklahoma corporation engaged in custom semen collection/storage services, hereinafter referred to as "REI" and [OWNER/AGENT], who desires to retain REI and by this Agreement, contracts for said custom semen collection, processing, freezing, and/or storage services, as follows:

1. Services and Fees

(a) Owner/Agent and REI have discussed the various semen collection programs available, including the associated fees and charges, and both parties will be bound by the fee schedule in effect as of the date of this agreement, as witnessed by the signing below. A copy of the current fee schedule for services and service policy are attached to this Agreement and incorporated by reference. Terms of payment are net due upon receipt of invoice. Finance charge of 1.5% per month (18% annual) on all outstanding balances, shall apply to all accounts that are 30 days past due. In the event of multiple ownership of Sire(s), an agent must be declared by the Owner/Agent, to conduct all business with REI as only one party will be invoiced during the term of this contract. Proof of designation of an agent shall be provided by the owner/agent.

(b) REI shall collect, process, freeze, store, and ship semen according to the attached fee schedule. REI reserves the right to alter its fee schedule and shall notify the Owner/Agent at least 30 days in advance of the effective date. Unless the Owner/Agent removes the Sire(s) and/or all semen stored prior to the effective date, the new fee schedule shall apply.

(c) Owner/Agent agrees to furnish, or allow REI to secure, any credit history, or payment capability of Owner/Agent applicable to this Agreement.

(d) As provided for in this Agreement, REI will use its best efforts to collect, process, freeze, store and ship when applicable, semen of the highest possible quality; however, the services to be provided hereunder by REI shall be provided in accordance with generally accepted animal husbandry practices.

2. Blood Typing or DNA Marker Typing

It may be necessary for sire(s) to be blood typed or DNA marker typed in accordance with their respective breed association rules. Arrangements can be made for REI to submit the appropriate samples to the breed registry's designated laboratory. Owner/Agent will be responsible for the costs associated with the blood typing or DNA marker typing.

3. Registration Certificate Required

Purebred registry associations as well as REI [being a member of the National Association of Animal Breeders (NAAB) and Certified Semen Services (CSS)], require that the Sire(s)' registered name and registration number, as well as the collection code, appear on each frozen unit of semen. Therefore, Owner/Agent shall provide a copy of the Sire(s)' registration papers before collection.

4. Health Status Testing

(a) Owner/Agent shall provide to REI, before collection, a health certificate signed by an accredited veterinarian, certifying negative results for Brucellosis, Tuberculosis, Bovine Viral Diarrhea (if applicable), Leptospirosis, Trichomoniasis, and Campylobacteriosis within the 30 days prior to delivery. In lieu thereof, REI has the right to secure such tests and bill the Owner/Agent for those charges. Any other veterinarian expenses incurred will be billed according to the price schedule.

(b) In addition to the foregoing, Owner/Agent hereby consents to and authorizes REI to test any Sire(s) subject to semen collection procedures, for health status utilizing serology, culture and other veterinary examination procedures. Resulting information may be used by REI for such purposes as it deems appropriate including, but not limited to management decisions, and may be disclosed by REI to third parties or entities within REI's sole discretion.

(c) Notwithstanding the foregoing, nothing contained herein shall obligate REI to utilize or disclose information acquired in the course of, or as a result of, such health status testing. Owner/Agent hereby releases any and all claims, now, or in the future, that may result from health status testing or the disclosure of the results of such testing.

5. Warranties

(a) Owner/Agent understands and acknowledges that there are multiple risks inherent in cattle production, including the feeding and boarding of cattle, processing, freezing and storage of semen, in the transportation of cattle and semen, and the techniques of semen collection, processing, and freezing. Owner/Agent also recognizes the possible risk of complications related to semen collection procedures. Under no circumstances shall REI be liable for direct or special damages, nor any indirect or consequential damages, or any other damage or loss resulting from the use, handling, removal, transfer and storage of semen, the care, handling, or collection of the Sire(s) sought to be collected under the terms of this Agreement, the health status testing, or the use and/or disclosure of test results or related information.

(b) **NO WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, NOR OF MERCHANTABILITY OF SEMEN OR SERVICES, OR ANY OTHER EXPRESS OR IMPLIED WARRANTY, SHALL EXIST.**

(c) REI makes no guarantee as to the fertility of Sire(s) sought to be collected hereunder, nor of the fertilizing capacity of any semen collected thereby. Owner/Agent agrees to, and does hereby, waive any claim against REI and agrees to hold REI harmless against any liability for injury, illness, or death of animals or persons from causes related to the collection of the Sire(s) covered by this Agreement, or loss or damage to semen.

6. Insurance

(a) Owner/Agent hereby agrees to maintain any and all insurance as Owner/Agent may deem appropriate on resident Sire(s) and any frozen semen stored on, or shipped to or from, REI's premises. Owner/Agent understands that insurance may or may not be available for shipping of semen by common carrier, and expressly assumes the risk of loss therefore. **Owner/Agent further agrees that REI will not provide any insurance coverage on any of Owner/Agent's property and that REI is released from any and all liability for risk of loss** for any reason including but not limited to tank failure, death, acts of God, injuries or damages resulting from care and handling, and natural disasters.

(b) It is further agreed that Owner/Agent will not subrogate any claim or damages against REI. Owner/Agent further agrees to, and does hereby, waive any claim or demand against REI, and agrees to hold REI harmless from and against any and all liability and/or damages for injury, illness, or death of animals or persons while said Sire(s) are at the facilities of REI and after they have left the facilities of REI.

7. Transportation

Owner/Agent shall be responsible for the transportation of Sire(s) and/or semen both to and from REI facilities. REI shall ship semen from designated animals upon authorization of Owner/Agent subject to the regulations of the state or country of destination. Expenses of the shipment, title, and risk of loss shall at all times be in the Owner/Agent. All shipments shall be made freight collect from REI and received freight prepaid to REI. If other arrangements are to be made,

Owner/Agent is responsible to establish in writing the specific requirements of transfer, which must be approved by REI.

8. Governing Law to Apply and Arbitration Required

- (a) This agreement shall be governed by the laws of the State of Oklahoma. All obligations of the parties are to be performed in Payne County, Oklahoma.
(b) Any controversy arising out of this Agreement or any amendment hereto, shall be resolved by binding and enforceable arbitration in Payne County, Oklahoma according to the rules and regulations of the American Arbitration Association. Owner/Agent and REI agree that any such arbitration must be instituted within two (2) years after any such controversy arises. Failure to institute arbitration proceedings within two (2) years shall constitute an absolute bar to such proceedings and an absolute waiver of all claims relating to this Agreement.
(c) Nothing in this Agreement shall be construed as a waiver of immunity or consent by REI, to the filing of any suit or demand for arbitration against REI.

9. Term of Agreement

This Agreement shall remain in effect for as long as REI has possession of the Sire(s) sought to be collected hereunder, or for so long as REI maintains semen in storage, and/or for as long as charges remain unpaid for which REI has provided services.

10. Security Interest/Lien

- (a) In addition to any lien arising by operation of law, Owner/Agent hereby grants to REI a continuing security interest lien in and to all property of the Owner/Agent in the possession of REI or which is/are otherwise the subject of this Agreement [including Sire(s) made the subject of this collection Agreement, as well as stored semen] to secure the just value of all services rendered and expenses incurred by REI hereunder, as well as for expenses incident thereto such as attorney fees, court costs, and other expenses relating to the enforcement of this Agreement. Such security interest shall be superior to any and all pre-existing security interests and/or liens, and shall remain in effect until all charges are paid.
(b) Owner/Agent consents to this Agreement, or a copy thereof, to be filed as a financing statement should that be necessary to otherwise perfect any such security interest granted hereby.

11. Remedies in the Event of Default

- (a) In the event of a default by Owner/Agent, said Owner/Agent agrees that REI shall have the right to retain possession of all Sire(s), as well as frozen semen until outstanding charges are paid in full. As prescribed by law under 42 Okla. Stat. Annot. §91 (or any successor statute), REI has the right to sell any products in it's possession that REI deems of value and apply the proceeds to the debt. Owner/Agent shall remain liable to REI for any unpaid balance including attorney fees, court costs, and other charges relating to the enforcement of this Agreement.
(b) In addition to the foregoing, REI shall have all remedies available to a secured creditor under the Oklahoma Uniform Commercial Code.

Stud Information

Stud Name: _____ Breed: _____
Reg. # _____ Birthdate: _____ or Approx. Age _____
Permanent ID: _____ Number of Units Needed: _____
REI Stud Code: _____

12. Representations by Owner/Agent

Customer No. _____

Name: _____ Ranch Name: _____
Address: _____
City: _____ State: _____ Zip Code: _____
Phone Number: (Home) _____ (Cell) _____ Email Address _____

The person signing this Agreement as Owner/Agent covenants and warrants that he/she represents the interest of, or is the owner of the below designated animal(s) and is duly authorized to enter into this agreement and assumes full responsibility for the obligations consistent within.

I CERTIFY THAT I REPRESENT THE INTEREST OF, OR AM THE LEGAL OWNER OF THE SIRE(S) LISTED BELOW, AND HEREBY APPLY FOR CUSTOM COLLECTION, PROCESSING, FREEZING AND STORAGE OF SEMEN UNDER THE TERMS OF THIS AGREEMENT.

The above terms are agreed to by the undersigned.

Reproduction Enterprises, Inc.
By: _____

Owner/Authorized Agent:
Print Name: _____
Signature: _____
Date: _____

Billed / Did Not Bill

1 Day Col Fee 1 @ \$ _____ = \$ _____

Health Fee @ \$ _____ = \$ _____