

EMBRYO TRANSFER CONTRACT

Breeding Season: January to July 2010

The undersigned, _____ (“Client”), hereby engages Hagyard Equine Medical Institute (“Hagyard”) to provide the services described herein, agrees to pay to Hagyard all fees described herein and otherwise incurred in connection with such services and to be bound by all terms and conditions of this Agreement, and affirms that all information provided below is complete and correct.

DONOR MARE INFORMATION

Registered Name: _____ Age: _____ Breed: _____

Approximate height and weight of Donor Mare: _____

Type: Racing Cutting/Reining Halter Western Pleasure English

Pleasure/Hunter/Jumper Warmblood Other _____

Health Considerations and Treatments

Reproductive History: _____

Medical Problems: _____

Current Treatments: _____

Management Considerations: _____

Please check all that apply:

- Donor Mare will be brought to Hagyard for breeding.
- Donor Mare will be brought to Hagyard for on-site embryo flush and Hagyard will ship the embryo to the transfer site.
- Embryo is to be vitrified and transferred at a later date.
- Client will use recipient mare provided by Hagyard.
- Client will provide recipient mare.

CLIENT INFORMATIONCheck one: Owner Lessee Agent

Name: _____ Email: _____

Address: _____

Phone: _____ home _____ cell _____ other

Fax: _____

If Lessee or Agent, please provide the following Owner information and a copy of any Lease Agreement:

Owner Name: _____ Owner Email: _____

Owner Address: _____

Owner Phone: _____ home _____ cell _____ other

Fax: _____

Please provide a secondary emergency contact:

Name: _____ Phone: _____

METHOD OF PAYMENT Check one: Mastercard Visa American Express Cash Check

Account number: _____ Expiration date: _____

Card Security Code: _____

(For MasterCard or Visa, the three digits at the end of the signature strip on the back of the card. For American Express, the four digits appearing over the account number to the right on the front of the card.)**BREEDING/FLUSHING VETERINARIAN INFORMATION (where applicable)**

Name: _____ Phone: _____

CONTRACT FEES

\$1,000.00 Enrollment Fee due upon signing of contract, before embryo transfer. This non-refundable, non-transferable fee covers Hagyard's services provided in connection with embryo transfer to one Recipient Mare for the Breeding Season, subject to the additional fees set forth below. Each additional Recipient Mare shall require an additional Enrollment Fee for the Breeding Season.

\$3,000.00 Pregnancy Fee due when the recipient is confirmed 30 days in foal with the Donor Mare's embryo.

\$500.00 Recipient Fee due when the recipient is confirmed 30 days in foal with the Donor Mare's embryo, for lease of pregnant recipient mare.

\$60/day Board Fee for pregnant recipient mare beginning at day 45 - 55 days of gestation.

ADDITIONAL FEES (where applicable)

Embryo Flush - \$350 each (if more than one embryo is received from a single flush and Client elects to transfer the additional embryo(s) within 24 hours after the flush, Client will receive a 50% discount on the Enrollment Fee for each additional transfer)

Embryo Vitrification - \$450 per embryo

Embryo Transfer - \$250 for each transfer (applied when Client provides own recipient mare)

Liquid Nitrogen Storage - \$25 per month, for up to 4 embryos (billed beginning the month after embryos are frozen)

Hagyard reserves the right to adjust additional fees, but will notify Client in writing before the effective date of any fee adjustment.

In addition to the fees described herein, Client is responsible for customary veterinary charges for breeding management and board of Donor Mare, preparation of any recipient mare for departure, care of recipient mare more than 30 days after ovulation and all charges incurred for shipment of semen and embryos, including without limitation shipping media, air freight, courier delivery, and return container shipping. All such fees shall be invoiced by and paid to Hagyard.

1. Hagyard shall provide or procure the following services during the Breeding Season, subject to the fees set forth herein:
 - a. Transfer embryos from the Donor Mare to the reproductive tract of a Hagyard provided recipient mare
 - b. If recipient is provided by Hagyard, make reasonable efforts to provide recipient mares on demand for any scheduled Donor Mare flushes, unless conditions beyond Hagyard's control make such effort impossible.
 - c. If recipient is provided by Hagyard, prepare and maintain recipient mares for embryo transfer up to the day of the transfer.
 - d. Care for recipient up to 45 - 55 days of gestation.
2. Hagyard may retain Minitube International or other service providers to perform any services described in this Agreement as may be necessary or advisable in Hagyard's sole judgment. Such service providers may be located within or outside of Kentucky.
3. Client's breeding or flushing veterinarian must maintain timely communication with Hagyard regarding the Donor Mare's breeding status and ovulation dates. Client understands that failure to do so may result in unavailability of a recipient mare for an embryo flush.
4. If a recipient mare that is confirmed pregnant loses the pregnancy after 45 days of gestation, Client will receive a \$1,000 credit towards future embryo transfer services. To receive this credit, the recipient must be returned to Hagyard along with a letter from the examining veterinarian stating findings within 30 days after loss to be eligible for the credit. This credit is also subject to the following conditions:
 - a. If the recipient's failure to carry to term was due to an Act of God, sub-quality management practices and/or negligence on the part of the Client, all to be determined by Hagyard in its sole discretion, no credit will be given.
 - b. No credit will be issued if the loss is due to an inherited genetic defect such as lethal white syndrome.
 - c. No credit will be issued if Client fails to attend the foaling.
 - d. Hagyard reserves the right, at its sole discretion, to stipulate how any credit received under this paragraph is applied, including any decision to transfer the credit to another donor mare or to refund the credit to the Client.
5. Client shall notify Hagyard and pay all outstanding charges in full before removing any recipient. A recipient will not be released if insufficient notice is given or the bill is not paid prior to departure. Hagyard accepts VISA, MasterCard, American Express, cash and checks. Except as otherwise provided herein, all charges are payable within 30 days after the billing date, after which interest of 1.0% per month will be assessed on the outstanding balance. Hagyard reserves the right to refuse or suspend service when any of the Client's accounts with Hagyard are past due. Client agrees to pay all reasonable

attorney's fees and other costs incurred by Hagyard in attempting to collect any outstanding balance. Client hereby grants and acknowledges all liens afforded to Hagyard by state law and hereby irrevocably grants to Hagyard a lien as described therein with respect to Donor Mare, any recipient and/or in-utero foal as Hagyard may elect for purposes of securing payment on Client's account(s).

6. Hagyard will accept returns of recipient mares during the months of October through December of foaling year, and Client agrees that any such return shall constitute a transfer of ownership to Hagyard. If Client returns any recipient to Hagyard following a pregnancy in good health and flesh (to be determined at Hagyard's sole discretion), and such recipient passes Hagyard's disease inspection and routine breeding soundness examination Hagyard will apply a \$500 credit towards Client's account for future embryo transfer services. Hagyard reserves the right, at its sole discretion, to determine how such credit is applied, including any decision to transfer the credit to another Donor Mare or to refund the credit to Client.
7. Hagyard reserves the right at its sole discretion to refuse service, including the right to discontinue embryo attempts, and may terminate this Agreement for any reason following 10 days notice to Client.
8. Hagyard recommends to Client that Client insure Donor Mare, any recipient and any embryos against all losses and risks of every kind, nature and description. Any insurance desired on the Donor Mare, any recipient and/or in-utero foal is the sole responsibility of Client, Client agrees and acknowledges that all risk of loss shall remain with Client and Hagyard is not and shall not be liable for any disease, accident, injury, death or loss of Donor Mare, any recipient, any embryo or any in-utero foal, or any special or consequential damages or lost profits arising therefrom. Client hereby releases and shall indemnify and hold harmless Hagyard with respect to any and all claims, demands or losses described herein or arising from the services provided pursuant to this Agreement.
9. Hagyard will exercise its best judgment in supervising all horses' care while such horses are at Hagyard's facility. Client hereby grants to Hagyard all right and authority to treat or have treated or have shod Donor Mare and any recipient if necessary in Hagyard's sole judgment, and will reimburse Hagyard for all costs of doing so. Hagyard will attempt to reach Client before providing any non-routine treatment but Client agrees and acknowledges that it may not be possible for Hagyard to notify Client before taking action.
10. Client is solely responsible for parentage recordkeeping on embryo transfer foals. Hagyard will exercise its best judgment in maintaining records and identification on each Donor Mare and recipient.
11. Client represents and warrants that Client has full authority to enter into this Agreement and to make any and all decisions regarding the care of Donor Mare, and is the party responsible for all terms and conditions hereof, including prompt payments of all charges.

The person signing this Contract represents and warrants that (1) Client is the true and lawful owner of the Donor Mare; or (2) if a lessee, Client has entered into a valid, binding, currently effective lease agreement concerning the Donor Mare; or (3) if not the owner or lessee, Client has actual authority to act as Owner's agent for purposes of entering into this Agreement.

12. This Agreement (including any schedules and exhibits attached hereto) contains the entire understanding of the parties with respect to its subject matter. This Agreement supersedes all prior discussions, agreements and understandings, written or oral, between the parties with respect to the subject matter hereof. This Agreement may be amended only by a written instrument duly executed by the parties.
13. Client may not assign this Agreement without the prior written consent of Hagyard. Subject to the foregoing, this Agreement will be binding upon, inure to the benefit of, and be enforceable by, the respective successors, heirs, legal representatives, and permitted assigns of the parties hereto. This Agreement constitutes an agreement solely among the named parties and none of the agreements, covenants, representations or warranties contained herein is for the benefit of any third party not a named party to this Agreement.
14. This Agreement will be governed by and construed in accordance with the internal laws of the Commonwealth of Kentucky (without giving effect to its laws regarding conflicts of laws).
15. Any provision of this Agreement may be waived only by a written instrument executed by the party to be charged with such waiver. The waiver by any party of a breach of any provision of this Agreement will not operate or be construed as a waiver of any subsequent breach.
16. Each party irrevocably and unconditionally:
 - a. consents to submit to the exclusive jurisdiction of the courts of the Commonwealth of Kentucky and of the United States of America located in the city of Lexington for any actions, suits or proceedings arising out of or relating to this Agreement and the transactions contemplated hereby;
 - b. agrees not to commence any action, suit or proceeding relating thereto except in such courts;
 - c. agrees that service of any process, summons, notice or document by U.S. registered mail to the address set forth above will be effective service of process for any action, suit or proceeding brought against such party in any such court;
 - d. waives any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the transactions contemplated hereby, in the courts of the Commonwealth of Kentucky or the United States of America located in the City of Lexington; and

- e. waives and agrees not to plead or claim in any such court that such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.
17. If any provision of this Agreement, or any portion thereof, is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other provisions of this Agreement, or remaining portions thereof, will nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any such provision, or any portion thereof, is invalid, illegal or incapable of being enforced, the parties hereto will negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are consummated to the fullest extent possible.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered on the date first above written.

CLIENT: _____
By: _____

HAGYARD: Hagyard Equine Medical Institute
By: _____