



BREEDING SERVICE AGREEMENT

This Breeding Agreement ("Agreement") is entered into this date _____ by and between Valais Iowa, Scott Starkweather ("Provider") and _____ ("Customer").

In consideration of the mutual promises set forth herein and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Ovine Breeding Services. Provider will from time to time, upon Customer's request and at Provider's sole discretion, provide breeding services on Ewe(s) made available and presented by Customer to the Provider. Nothing herein shall be deemed to require the Provider to provide Customer with services for any specific animal. However, to the extent Breeding Services are provided, the Provider and Customer agree the terms of this Agreement shall apply. Customer shall assist in completing a breeding sheet as described in Section 27 of this Agreement. Breeding Services are to take place at Provider's facility unless otherwise noted in this Agreement.

2. Fees. In consideration for the breeding services and any other treatment the Provider deems necessary for the health, safety or well-being of any animal presented to Provider or while under Provider's care and supervision, Customer shall pay to Provider all fees and charges for services provided. Customer acknowledges and agrees that all fees and charges of Provider, are subject to change by Provider at Provider's discretion. Customer agrees to inquire as to fees and charges prior to the performance of any services by Provider. All fees and charges incurred in the Breeding Services shall be paid by Customer to Provider upon conclusion of the Breeding Services.

Basic cost breakdown per ewe:

Breeding Services - \$1000/ewe
Room & Board - \$3.00/day/ewe

3. Risk of Loss, Insurance. Ewe's undergoing Breeding Services are subject to various complications. Even though complications occur infrequently, they could include, but are not limited to, injury, or death. Customer hereby confirms and agrees that it assumes all risks of loss relating to the Breeding Services, including any and all liabilities for animal illness, disease, injury and/or death as a result of the Breeding Services. Customer further confirms and agrees that to the fullest extent provided by law and as not otherwise prohibited by law or regulation, Customer assumes all risks of loss relating to the animal presented by way of injury, refusal of food, illness or death while at the Provider's facilities or under the

Provider's care. Customer further acknowledges that it is Customer's responsibility to obtain any and all insurance on any animal subject to services under this Agreement, including mortality insurance.

4. Liability Limits. Notwithstanding anything to the contrary in this Agreement, but subject to applicable law and any prohibition or limitation by applicable law or regulation and further subject to any prohibition in any applicable ethical code, rule or regulation, to the extent Provider, each of its affiliates, each shareholder, member, director, officer, manager, employee and contractor of each of the foregoing, and each representative, trustee, estate, heir, spouse, ex-spouse, family member, insurer, agent, assign, predecessor and successor of each of the foregoing (hereinafter "Provider's Party"), are found to be directly or indirectly liable to Customer in connection with services referenced pursuant to this Agreement and such liability is covered by any insurance directly or indirectly benefitting such Provider Party in amounts reasonably prudent persons insure for such liabilities, Customer's recovery from all Provider Party will not exceed the aggregate proceeds received by the relevant Provider Party from the applicable insurer (or the proceeds such persons would have received but for their gross negligence), plus the amount of the applicable deductible(s). Subject to applicable law and any prohibition or limitation by applicable law or regulation and further subject to any prohibition in any applicable ethical code, rule or regulation, if no insurance covers such liability to Customer, Customer's recovery shall be limited to the sums paid by the Customer to Provider for services provided.

5. Termination. Any party hereto may terminate this Agreement and all services to be provided by Provider, by sending notice of termination to the other party as set forth in Section 7 of this Agreement, and such termination will be effective immediately. Termination shall not affect fees and charges then owing Provider by Customer, and Customer shall pay said fees and charges. Customer will, at its sole expense, collect any animals from Provider within five (5) days of termination and after payment of all fees and charges then owing Provider. Should Customer fail to do so, Provider may dispose of all animals in any manner it deems appropriate, in Provider's sole discretion. In no event will Provider be required to release any animal unless Provider has received all fees and charges owed to Provider with respect to such animal.

6. Indemnification. Customer will pay, reimburse, defend, indemnify and hold harmless each Provider Party from and against each direct or indirect claim, injury, damage, liability, loss and expense, whether or not from any third party claim, and including special, incidental and/or consequential damages, lost profits and reasonable attorneys' fees, costs and disbursements, incurred by any of them, arising out of, based upon, resulting from, by reason of or in connection with: (a) Customer's breach of this Agreement; (b) any liability; and (c) any payment any Provider Party is required to make in excess of the limits set forth in Section 4(c); unless otherwise prohibited by applicable law or regulation.

7. Notices. Each notice and other communication hereunder will be in writing and will be deemed to be effective only if delivered by confirmed facsimile transmission (with a copy promptly sent by first class mail), by hand, by overnight courier service or by prepaid registered or certified mail, return receipt requested, as follows:

Provider:
Valais Iowa
Attention: Scott Starkweather
2530 280th Street
Marshalltown, Iowa 50158
Telephone: (515) 509-4333

CUSTOMER: _____

STREET ADDRESS: _____

CITY/STATE/ZIP: _____

PHONE: _____

EMAIL: _____

or to such other address as a party hereto may specify by written notice to each other party in accordance with this Agreement. Each notice or other communication hereunder will be deemed to have been validly given upon receipt thereof, or in the case of facsimile transmission upon written confirmation of such transmission (if a copy has been promptly sent by first class mail).

8. Severability. The provisions of this Agreement are intended to be severable. If any provisions of this Agreement is held invalid or unenforceable in whole or in part, the provision will be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the remaining provisions of this Agreement.

9. Payment, Costs and Attorney's Fees. Customer agrees payment in full are due at the time services are rendered. Customer agrees that Provider may charge interest at the rate of 1.5% per month for any amounts owed by Customer to Provider that are not paid in full by the due date. Customer further agrees Provider shall be entitled to all costs and expenses incurred to enforce or interpret the terms of this Agreement, including reasonable attorney's fees and costs.

10. Complete Agreement. This Agreement, including any and all later executed schedules, constitutes the entire Agreement between the parties hereto with respect to the subject matter hereof, and supersedes all prior written and oral agreements and understandings between such parties with respect to such subject matter. This Agreement may be amended or modified only in writing executed by both Customer and the Provider.

11. Assignment. Customer may not assign (including by operation of law) this Agreement, Provider may assign this Agreement without Customer's consent in connection with any transfer of Provider's veterinary practice, in which case the practice transferee will assume all of Provider's obligations hereunder and Provider will be released from same without further action by any person. The rights and obligations created herein will respectively inure to the benefit of, and be binding upon, the successors, heirs and assigns (permitted assigns in the case of such rights) of the parties hereto.

12. Waiver of Breach. Each waiver of any provision or breach of this Agreement must be in writing executed by the waiving party and no waiver of any provision or breach hereof will waive any other

provisions and/or breach or be deemed another waiver of the same provision or breach, except as otherwise expressly specified therein.

13. Incorporation of Schedules. Each schedule referenced herein is hereby incorporated by reference herein. Customer and Provider acknowledge that future Schedules, including but not limited to, Program Summary, Minimum Health Standards Locations and Dates, as well as required Breeding Sheets referenced herein will be completed and executed by Customer, returned to Provider and shall become a part of this Agreement. Future Schedules may be sent to Customer by Provider via e-mail, facsimile or regular mail.

14. Representations and Warranties, Survival of Provisions. Each part hereto represents and warrants to each other party as of the date hereof that: (a) this Agreement has been duly authorized, permitted, executed and delivered by such party and is the valid and binding obligation of such party enforceable in accordance with its terms; and (b) such party is neither insolvent nor bankrupt. The provisions of this Agreement will survive the termination hereof to the extent necessary and appropriate to permit any party hereto to bring and maintain any action based on the breach hereof, including any breach relating to the termination or any breach of any obligation that either expressly or by its nature survives the termination hereof.

15. Law Governing, Jurisdiction and Venue. This Agreement and every claim arising out of, based upon, resulting from, by reason of, or in connection with any action or transaction contemplated in this Agreement, shall be governed by the laws of the State of Iowa, without giving effect to the conflict of law principals thereof. Provider and Customer agree that each suit, action or other legal proceeding arising out of or relating to this Agreement will be brought in the courts of record of Marshall County, Iowa, or the District Court of the United States nearest to such Marshall County, Iowa and Customer consents to the jurisdiction of each such court in any such proceedings and Customer knowingly, voluntarily, intentionally and irrevocably fully and forever waives any objection which Customer may have to such venue and jurisdiction.

16. Agent Warranties. If this Agreement is signed by an agent on behalf of the Customer, such agent hereby personally, individually, and severally represents, guarantees and warrants to Provider that such agent is fully authorized to validly execute and deliver this Agreement, and that such execution and delivery is effective for all purposes and shall bind the agent's principal and the owner of any animal presented. Customer hereby certifies that Customer owns or has financial responsibility for all animals presented to Provider for services. Such agent also hereby agrees to fully Indemnify (as defined in Section 6) each Provider Party (as defined in Section 4(b)) from and against any and all claims directly or indirectly arising out of such agent's lack of authority or failure to validly and effectively execute and deliver this Agreement.

17. Acknowledgment of Right to Legal Representation. Each party hereto hereby acknowledges that he has been advised, and hereby is advised, to have this Agreement reviewed by an attorney and has had the opportunity to do so prior to the execution hereof, and such party's failure to have this Agreement reviewed will not constitute a defense to the enforcement of this Agreement by any other party.

18. Consent to Further Treatment. Customer consents and authorizes Provider to provide any additional treatments Provider deems necessary for the health safety or well-being of any animal presented for services while such animal is under Provider's care and supervision and Customer agrees to pay for such services at the rate and fees customarily charged by the Provider.

19. Presented Animal Pick-up, Failure to Pick-up Presented Animal. Customer agrees to pick-up all Animals(s) upon completion of the Breeding Services. If Customer fails or refuses to pick up any presented animal that is ready for release within five (5) days of written notice of the animal's release, Provider may assume the animal is abandoned and Provider may dispose of said animal at Provider's discretion. Customer appoints Provider its agent for purposes of disposal of said animal.

20. Health Certificates. Ewe(s) crossing state lines prior to delivery and presentation to the Provider will require federal health certification upon arrival at the Provider. Failure to provide such federal health certification can result in Provider's refusal to accept such animal. Ewe(s) leaving the Provider and crossing state lines will also require a federal health certificate and Customer agrees to pay Provider its normal fee and cost to provide such health certificate.

21. Delivery Conditions of Animal. Customer agrees to deliver Ewe(s) that meet the health standards set forth by Provider. Provider's health standards outlined in Schedule A. These health standards are designed to best prepare the Ewe(s) for Breeding Services as well as exposure to new environmental pathogens.

22. No Guarantee of Success. Customer and Provider understand and agree that many factors impact the success of reproductive services and although Provider will use its best efforts to perform the services required by this Agreement, Provider does not guarantee success.

23. Transportation. All risks of loss and costs in the transportation of Ewe(s) shall be borne by Customer. All animals shall be delivered and picked up during regular business hours.

24. Security Interest in Animal. Customer hereby grants to Provider a security interest in the animal to secure Customer's full and timely: (a) payment of all amounts owed to Provider; and (b) performance of this Agreement. This security interest will be deemed perfected by Provider's possession of the animal. If any amount owed to Provider by Customer is not received by Provider upon completion of the Services, then the animal will be deemed to be abandoned by Customer and Provider may sale or dispose of said animals, in Provider's discretion. Any proceeds recovered from such disposition will first be applied to amounts owing Provider.

25. Miscellaneous. The headings contained herein are for convenience of reference only and will not be considered a part hereof nor used to construe any provisions hereof. Agreement in the singular or plural include the singular and plural and pronouns herein stated in either the masculine, the feminine or neuter gender will include the masculine, feminine and neuter; the words "including," "include," "includes" and/or "included" in this Agreement will be deemed to be followed with the words "without limitation;" the word "person" will include any type of corporation, company, partnership, trust or other entity. The language used herein is the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction will be applied against any party hereto because counsel to such party prepared this Agreement and/or any other document.

26. Confidentiality. All transactions and details related to transactions undertaken pursuant to this Agreement shall be deemed confidential and shall not be disclosed to any third party without the consent of each party to this Agreement or court order.

27. Breeding Sheets. Customer agrees to assist in providing information necessary to complete breeding sheets on all animals. Such breeding sheets shall be the property of the Provider and shall include, but not be limited to, information as to, inseminating animal and recipient animal.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement as of the date first above written.

Customer Signature

Date

Provider Signature

Date

SCHEDULE A

Minimum Health Standards

- A. 60 days prior to breeding:
 - a. Trim feet and eliminate all foot rot and foot scald
 - b. Administer Chlamydia, Vibrio, CD & T and any other necessary vaccines.
 - c. At 45 days prior to your program administer 1 ml Estrumate IM and 8 ml Nuflor SubQ.
 - d. Deworming or topical anthelmintic treatments
- B. Approximate body condition of 3/5
- C. Insert CIDR 10-14 days prior to bringing ewes to Marshalltown, Iowa
At CIDR insert, administer 3 ml Vitamin A & D.

CIDR INSERTION Insert Cidrs in a clean dust free area using extreme care to avoid injury to the ewe. Cut ball tip off from the CIDR string. Apply a dab of lubricant to the tip of the Cidr prior to insertion. Wash applicators in clean water and betadine solution. Do not wash Cidrs in disinfectant.

Customer assumes all risks of loss relating to the animal presented by way of injury, refusal of food, illness or death while at Provider's facilities or under Provider's care. Customer further acknowledges that it is Customer's responsibility to obtain ANY AND ALL INSURANCE ON ANY ANIMAL subject to services under this Agreement, including mortality insurance.

Customer Signature