

*WILLOW POND FARM
17077 WEST BRIDLE TRAIL ROAD
GURNEE, ILLINOIS 60031
ATTENTION: DANIEL D. BALYS
TELEPHONE: (224) 637-8258
E-MAIL: THEONLYESCAPEQH@OUTLOOK.COM*

BREEDING CONTRACT

THIS BREEDING CONTRACT (the "Contract") is made by and between Daniel D. Balys ("Stallion Owner") and _____ ("Mare Owner") and is dated as of the date set forth after Stallion Owner's signature on the signature page attached hereto.

Mare Owner has engaged Stallion Owner for one breeding to Stallion Owner's stallion: The Only Escape, AQHA Registration #4662646 ("Stallion") for Mare Owner's mare: _____, Registration # _____ ("Mare") for the 2017 breeding season at a breeding fee of \$ _____ (the "Breeding Fee"). Stallion shall be standing at DeGraff Stables, Inc., (the "Farm") located at 2734 NE Catawba Road, Port Clinton, OH 43452; Office Telephone: (419) 960-7447 or Cell Phone (419) 573-9098.

This Contract is subject to the following conditions:

Fees and Expenses

1. In consideration for the Breeding Fee a booking fee of \$500.00 (the "Booking Fee") is payable upon delivery of this Contract signed by Mare Owner to Stallion Owner. The Booking Fee shall be non-refundable and shall be applied against the Breeding Fee, resulting in a balance owed by Mare Owner to Stallion Owner of \$ _____. The balance of the Breeding Fee shall be due and payable by Mare Owner prior to the first shipment by the Farm of Stallion's semen. The Booking Fee may not be transferred to another mare owner or mare nor carried forward to a different breeding season.
2. In addition to the Breeding Fee, Mare Owner shall pay all shipping fees charged by the Farm.
3. The Breeding Fee paid is only for the above-referenced Mare. In the event that another mare is inseminated and a foal or embryo results, an addition Breeding Fee will be due and payable to Stallion Owner.
4. Should more than one embryo or foal result from the breeding to Stallion, Mare Owner shall pay an additional Breeding Fee for each additional embryo or foal resulting from the breeding within 90 days of the delivery of the resulting foal in order to receive a breeding certificate for any additional foal(s).
5. The first collection fee is included in the Breeding Fee. If Mare does not settle after being inseminated with the first shipped semen and requires additional shipments of Stallion's semen, Mare Owner shall be responsible for the collection and shipping fees charged by the Farm for each additional collection/shipment.

6. **PRIOR TO THE FIRST SHIPMENT OF STALLION'S SEMEN, ALL FEES MUST BE PAID IN FULL, INCLUDING, BUT NOT LIMITED TO, THE BREEDING FEE, COLLECTION FEE AND SHIPPING FEE.**
7. The shipping container (the "Shipping Container") in which Stallion's semen is shipped shall be returned to the Farm within 5 days of its delivery. Mare Owner shall be responsible for the cost to return the Shipping Container to the Farm undamaged. Mare Owner shall be responsible for paying to the Farm all costs and fees charged by the Farm in the event the Shipping Container is not delivered to the Farm within the time period required under this Paragraph.
8. Stallion's semen will not be shipped unless a current credit card number, expiration date and CVV/CSC is on file with the Farm.
9. Invoices are due and payable in full upon receipt. Any unpaid balance after 30 days from the date of the invoice shall bear interest at the rate of 1.50% per month (18% per annum) from the date billed until paid in full.
10. Rebreds will only be charged the \$250 Rebreed Booking Fee plus Standard Shipping fee for the following year as then currently charged by the Farm. **THERE SHALL BE NO LIVE FOAL GUARANTEE ON REBREEDS.**

Collection

1. Stallion's breeding season begins on February 7 and ends on June 30 of each calendar year.
2. Stallion's semen is collected by the Farm on Monday, Wednesday and Friday and will not be shipped by the Farm on any non-breeding days.
3. One dose of semen will be included in each shipment unless otherwise specified by the Farm.
4. Mare Owner shall place all shipped semen orders directly with the Farm on the form provided by the Farm and such orders shall be placed no later than 5:00 p.m. Central Time on the business day immediately preceding the day required for the shipping of the semen. All counter-to-counter shipment orders must be made directly to the Farm on the form provided by the Farm no later than 3:00 p.m. Central Time on the business day immediately preceding the day required for the counter-to-counter shipping of the semen.
5. Mare Owner acknowledges that all requests and orders for semen are subject to semen availability.
6. Mare Owner is solely responsible for ordering and confirming availability of semen for shipping. Confirmation must be received from the Farm in the manner required by the Farm.
7. Semen that is picked up from the Farm by Mare Owner will be subject to any fees charged by the Farm and any container provided by Mare Owner must be acceptable to the Farm.
8. This Contract and the Breeding Fee cover a maximum of 3 shipments of semen. If Mare doesn't conceive on the 3rd shipment of semen, Mare Owner agrees to have Mare's reproductive status evaluated by a licensed veterinarian, and Mare Owner must deliver to the Farm the written results of such evaluation. Stallion Owner or the Farm may require a negative uterine culture

prior to sending any further shipments of semen.

9. In the event that Mare dies or becomes unsuitable for breeding, it will be at the sole discretion of Stallion Owner whether to accept any substitute mare owned by or lease to Mare Owner. In all events, no refund of the Breeding Fee shall be given.
10. Mare Owner agrees to inseminate Mare within 24 hours of receipt of the semen shipment.
11. Mare Owner agrees to have Mare checked by an ultrasound no later than 18 days after insemination, or by a licensed veterinarian within 30 days of insemination. Mare Owner agrees to provide the Farm and Stallion Owner with the results of exam within 5 business days of the date of the ultrasound or the exam, whichever the case may be.

Live Foal Guarantee

1. This Contract provides for a single Live Foal guarantee. “Live Foal” means that the foal shall stand and nurse within 48 hours after foaling. Should Mare prove barren, aborts foal, or if the foal is stillborn, rebreeding privileges shall be honored for the same breeding season or the immediately following breeding season only to Mare and provided Stallion is still standing for breeding.
2. Property written notification shall be given by Mare Owner to Stallion Owner, which shall include a written certification by a license veterinarian within 5 business days of Mare aborting or a foaling resulting in a stillborn foal, as the case may be.
3. In all events, including, in the event that Stallion dies prior to any rebreeding, no refund of the Breeding Fee shall be given.
4. In connection with any rebreeding, Mare Owner shall be responsible for the collection and shipping fees charged by the Farm for each collection/shipment.
5. In Mare Owner fails to either notify Stallion Owner as specifically required under this Contract or to rebreed Mare within the breeding season for which this Contract has been entered into or the immediately following breeding season, Mare Owner’s right to rebreed shall be deemed terminated and of no further force or effect, and Stallion Owner and the Farm shall each be released from any and all obligations under this Contract, unless Stallion Owner agrees in writing otherwise.

Breeder’s Certificate

1. A breeder’s certificate shall be delivered to Mare Owner upon notification of the foaling of the foal and upon payment of all fees and expenses due. Mare Owner shall not sell, gift, donate, transfer, encumber or assign this Contract in any manner.
2. Mare Owner may not substitute any other mare for Mare without the written consent of Stallion Owner. Any attempt by Mare Owner to substitute a mare for Mare without Stallion Owner’s written consent shall render this Contract terminated and of no further force or effect, and Stallion Owner and the Farm shall each be released from any and all obligations under this Contract.

3. A breeder's certificate shall be issued on for Mare and for no other mare.

Warranties

1. In the event that Stallion dies, is sold, or becomes unfit or unable to breed Mare, then at the sole option of Stallion Owner this Contract may be (a) fulfilled by substituting another stallion owned by Stallion Owner for Stallion, or (b) terminated by Stallion Owner, in which case 50% of the amount of the Breeding Fee exceeding the Booking Fee shall be refunded to Mare Owner.
2. No stallion substitution or refund of any portion of the Breeding Fee will be provided if Mare has been bred and settled at least one time. Additionally, no portion of the Breeding Fee will be refunded beyond the breeding season for which tis Contract has been entered into.
3. Mare Owner acknowledges that there is no color guarantee if Mare is registered with any color-breed, including, but not limited to the American Buckskin Registry Association, American Paint Horse Association, Appaloosa Horse Club, International Buckskin Horse Association, Palomino Horse Breeders of America, Pinto Horse Association or Pony of the Americas Club, Inc.
4. Should Mare die or become unfit or unable to be bred, Mare Owner may submit the registration papers for a substitute mare owned by Mare Owner to Stallion Owner for Stallion Owner's review and consideration. If Stallion Owner approves the substitute mare, "Mare" as defined in this Contract shall then mean the substitute mare approved by Stallion Owner, and Mare Owner and Stallion Owner shall enter into an amendment to this Contract memorializing the substitute mare and all information, terms and conditions relevant, in Stallion Owner's sole opinion, to such substitute mare and the breeding thereof. In no event will a refund of the Breeding Fee be given.
5. Stallion Owner and the Farm make no representations, warranties or covenants regarding delivery of any shipped semen of Stallion with respect to delivery within a certain time period or that the shipped semen of Stallion will reach the point of insemination or will be thawed without losing some of its integrity, quality or characteristics.
6. Mare Owner acknowledges that Stallion's semen shall be collected and shipped on a first-call, first-served basis. Stallion's semen shall be collected only on the days stated in this Contract and only during the breeding season stated in this Contract. No representations or warranties are made by Stallion Owner or the Farm nor shall be implied with respect to the quality of the Stallion's semen when received by Mare Owner.
7. Stallion Owner represents and warrants that Stallion Owner is the legal owner of Stallion as of the date of this Contract.

Health/Other Requirements

1. Mare Owner assumes all responsibility for the health and condition of Mare.
2. Mare Owner bears all risk of loss, injury and/or damage to Mare whether by death, disease, injury, infection or otherwise and agrees to hold harmless Stallion Owner and the Farm, and their respective agents, contractors and employees for any and all losses, injuries and/or damages associated therewith.

Governing Law

1. This Contract shall be governed by and construed under the laws of the State of Illinois. Any and all legal action must be brought in Lake County, Illinois.

Miscellaneous

1. This Contract shall not be binding on Stallion Owner until signed and delivered by Stallion Owner.
2. This Contract constitutes the entire agreement of the parties hereto with respect to the breeding of Mare and supersedes all prior or contemporaneous written or oral agreements, whether express or implied.
3. This Contract may be executed in any number of identical counterparts, any or all of which may contain the signatures of less than all of the parties, and all of which shall be construed together as a single instrument. Any such counterpart may be delivered by facsimile or Electronic-mail (in PDF format) and any such counterpart so delivered shall be deemed an original for all purposes.
4. No modification, amendment, extension, discharge, termination or waiver of any provision of this Contract, shall in any event be effective, unless the same shall be in a writing signed by the party against whom enforcement is sought, and then such waiver or consent shall be effective only in the specific instance, and for the purpose, for which given.
5. All notices, consents, approvals and requests required or permitted hereunder shall be given in writing and shall be effective for all purposes if hand delivered or sent by (a) certified or registered United States mail, postage prepaid, return receipt requested or (b) expedited prepaid delivery service, either commercial or United States Postal Service, with proof of attempted delivery, and by Electronic-mail (with receipt acknowledged), addressed as follows (or at such other address as shall be designated from time to time by any party hereto, as the case may be, in a notice to the other parties hereto in the manner provided for in this Paragraph to the address set forth below each party's signature on the signature page to this Contract.
6. The section headings in this Contract are included herein for convenience of reference only and shall not constitute a part of this Contract for any other purpose.
7. Time is of the essence of each provision of this Contract with respect to Mare Owner's performance hereunder.

[Signature page follows.]

IN WITNESS WHEREOF, this Contract has been duly executed upon the day and year written by Stallion Owner's signature below.

MARE OWNER:

STALLION OWNER:

By: _____
(Signature of Mare Owner)

By: _____

Printed Name: _____

(Signature of Stallion Owner)

Address of Mare Owner:

Printed Name: Daniel D. Balys
Address of Stallion Owner:

17077 West Bridle Trail Road
Gurnee, Illinois 60031

Telephone Number(s) of Mare Owner:

Telephone Number(s) of Stallion Owner:

Home: _____

Farm: (224) 637-8258

Farm: _____

Cell: (773) 230-8247

Cell: _____

Office: _____

Other: _____

E-mail of Mare Owner (REQUIRED):

E-mail of Stallion Owner:

TheOnlyEscapeQH@outlook.com or
DanBalys@hotmail.com

AQHA Number: _____

Other Breed Numbers (if applicable):

(Breed Organization & Number)

(Breed Organization & Number)

(Breed Organization & Number)