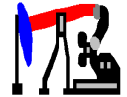


W. T. WAGGONER ESTATE



1700 Deaf Smith, P. O. Box 2130, Vernon, Texas 76385-2130
(940) 552-2521 Fax (940) 552-2523

STALLION BREEDING CONTRACT

This Stallion Breeding Contract ("Agreement") is made this _____ day of _____, between W.T. Waggoner Estate ("Ranch") and _____ ("Mare Owner"). Ranch is the W.T. Waggoner Estate in Vernon, Texas.

1. **Breeding Privilege.** Mare Owner agrees to breed its "Mare" _____ Registration No. _____ to the Stallion _____ standing at Whiteface Line Camp, Electra Texas, for the Breeding Season.

The STALLION SERVICE FEE is \$ _____ which includes a non-refundable BOOKING FEE of **\$250.00** payable upon execution of this agreement, or is subject to the additional terms of this contract, as listed below.

2. **Charges.** Mare Owner agrees to pay all board and other veterinary expenses payable within 30 days of the date of the invoice. Ranch may charge Mare Owner interest calculated at a monthly rate of 1 1/2% for any portion of the invoiced expenses not received by Ranch on or before the date due. The Mare will not be released until such time as the Stallion Service Fee, all veterinary expenses, board bills and any other charges incurred on behalf of the Mare have been paid to Ranch in full. To secure the payment of these fees and expenses, Mare Owner grants a security interest in the Mare and her foal(s) on the Ranch to the - (to be perfected by filing a copy of this agreement), and the Ranch has no obligation to release the Mare and her foal(s) to the Mare Owner or to issue a BREEDERS CERTIFICATE until the Mare Owner has paid all the fees and expenses incurred on behalf of the Mare and her offspring. Mare Owner assumes and agrees to pay all charges, expenses and attorney fees and related costs incurred in the collection of this balance. In the event this account is not paid within ninety (90) days of billing, the Ranch may foreclose on and sell the Mare and her foal(s), if any, pursuant to the Uniform Commercial Code at either public or private sale and apply the proceeds first to all bills or attorney fees and costs of sale incurred in relation to the foreclosure of the security interest and then to the balance. Further, in this event, the Mare Owner agrees to deliver to the Ranch the original registration papers and properly executed transfer papers on the Mare and her foal(s). If the Mare Owner refuses to execute all necessary transfer documents and deliver registration papers after default, the Mare owner agrees to pay \$500.00 to cover the cost of obtaining a new registration certificate or the amount(s) necessary to cover such costs.

3. **Condition and Treatment.** The Mare Owner agrees that when delivered to the Ranch, the Mare will be healthy and in sound breeding condition and registered with the American Quarter Horse Association or the Jockey Club or the American Paint Horse Association or the Appaloosa Horse Club. A copy of the registration papers of the Mare shall accompany her prior to or upon arrival at the Ranch. The Mare Owner warrants that it is the owner of record of the Mare. On or before delivery of the Mare to the Ranch, Mare Owner must provide Ranch with the following for each Mare: (a) **negative Coggins test dated within six months prior to delivery of the Mare to the Ranch** (b) **a photocopy of both sides of the Mare's registration papers, and** (c) **vaccination, deworming, farrier, and any other health and reproductive records reasonably deemed necessary by the Ranch for the care and health of the Mare and her foal. Failure to furnish such certificates will be authorization for the Ranch to perform such services as deemed necessary for the animal's well being at Mare Owner's expense.**

4. **Care of Mare and Foal(s).** Ranch shall prepare each Mare for breeding and shall conduct the breeding and post breeding care. Ranch shall exercise reasonable judgement in the breeding, care, and supervision of the Mare; however, Mare Owner waives all claims against Ranch for the sickness, injury or death of the Mare and her offspring from matters beyond Ranch's reasonable control or resulting despite the reasonable and ordinary care. Ranch shall diligently try to settle the Mare; however, if for any reason a Mare does not settle; Mare Owner waives any claim against Ranch. Ranch's veterinarian will examine the Mare for normal breeding conditions and will administer care as Ranch reasonably deems necessary for the health and safety of the Mare and her offspring. Mare Owner consents to the administering of all medical care for the Mare and her offspring that Ranch reasonably deem necessary, and Mare Owner grants to Ranch the right to exercise all reasonable authority and discretion with respect to the care of the Mare and her offspring. If any extraordinary health care is required for the Mare and her offspring, Ranch shall attempt to contact Mare Owner by telephone prior to taking any required action, but Ranch's inability to contact the Mare Owner does not abrogate the authority granted to the Ranch by the Mare Owner.

5. **Insurance.** Ranch will not carry insurance on the Mare or her offspring. Mare Owner may carry insurance on its horse as it so chooses. If Mare Owner elects to insure the Mare and her offspring. Mare Owner shall inform its insurance carrier of the location of the horses and provide Ranch with insurance carrier information.

6. **Live Foal Guarantee.** If any Mare fails to produce a live foal from the breeding covered by this Agreement, Mare Owner may return that Mare (or a substitute mare mutually agreed upon by Mare Owner and Ranch) for re-breeding during the next breeding season. **The Mare Owner may not assign this breeding contract or substitute any other mare for the Mare under this Agreement. Any attempted assignment without prior consent of the Ranch will at this option of the Ranch, terminate this Agreement and release the Ranch from all obligations hereunder.** For these purposes, "live foal" means that the foal resulting from the breeding stands and nurses without assistance and lives for twenty-four (24) hours. This return breeding privilege is conditioned upon the Mare Owner giving Ranch written notice within 14 days after the foaling or aborting that the Mare did not produce a live foal. This notice must be accompanied by (a) a certificate from the attending veterinarian that no live foal was born, and (b) a return of the breeder's certificate. No additional Booking Fee or Stallion Service Fee will be charged for the Mare on this return breeding privilege, but Mare Owner is responsible for paying Ranch all of the other charges listed in Paragraph 2 above that are incurred on behalf of the Mare and her foal. This return breeding privilege is void and the Stallion Owner will be released from all liability if: (1) the Mare is removed from the Ranch's premises before the Mare is checked in foal by the Ranch unless the removal is approved by the Ranch or (2) the Mare is sold by the Mare Owner prior to foaling unless the Ranch has been informed of the sale and approves the transfer of the live foal guarantee.

7. **Termination.** If the Stallion dies, is sold or becomes unfit for breeding in the opinion of the Ranch, this Agreement will, at the option of the Ranch, immediately terminate, but Mare Owner shall continue to be responsible for payment to Ranch for all expenses incurred by Ranch on behalf of Mare Owner prior to the Mare and her offspring being removed from the Ranch. The Stallion Service Fee (less the Booking Fee) will be refunded and the parties to this Agreement will be released from any further liability.

8. **Entire Agreement.** **The Mare will not be bred to the Stallion until a completed copy of this Agreement has been received and approved by the Ranch.** This Agreement contains the entire agreement between the parties as to the care and breeding of the Mare at the Ranch and may be amended only in writing signed by each of the parties. This Agreement is binding upon the parties; their heirs, personal representative, successors, and assigns, but this Agreement may not be assigned without the consent of the non-assigning party. This Agreement may be executed in one or more counterparts, each of which is deemed an original.

9. **Notices.** Notices under this Agreement must be delivered personally, by certified mail, return receipt requested, an overnight delivery service, or by telecopy with telephone confirmation of receipt to the addresses set forth below. Notices are deemed given when received. Either party may change its address by written notice to the other party.

ADDITIONAL TERMS _____

MARE OWNER (as listed on Registration Certificate)

Address _____

Telephone (Home) _____ (Office) _____ (Fax) _____

W.T. WAGGONER ESTATE
%RANCH
P.O. Box 2130
Vernon, TX 76385-2130

X _____
Signature of MARE OWNER or Authorized Agent

By: _____

INSTRUCTIONS: SIGN AND RETURN CONTRACT TO W.T.WAGGONER ESTATE. YOUR COPY OF THE FULLY EXECUTED AGREEMENT WILL BE RETURNED.