

Stud Service Contract

Parties:

1. Stud Manager: PUCARA INTERNATIONAL
MUDDY VALLEY FARM
15204 Muddy Valley Rd,
McMinnville OR 97128
503 843 3939
pucara@earthlink.net

2. Dam Owner(s):

Date: 8/13/07

Recitals:

1. Stud Manager offers service to the stud alpaca males designated below owner of the listed dams.

2. The owner(s) of the dam alpacas desire **** breeding/s to these stud males;

Sire name	Sire number
*	1
*	2
*	3
*	4
*	5

These breedings are to be decided upon at the time of breeding unless designated in the dam table below by sire "Ref.no" and are limited to a choice from these herdsires and only if they are available at Pucara International's Oregon farm.

The dam owner's females that require one breeding each to which ever herdsire from above that they are matched to are:

Dam name	Dam name	Service Ref. no.
*	*	
*	*	
*	*	
*	*	
*	*	
*	*	
*	*	

3. The owner(s) of said dam alpaca(s) have simultaneously entered into a Boarding and Agistment Contract concerning said alpaca(s), the terms and provisions of which shall also apply during the period of time when the alpaca(s) is in the care, custody and control of Pucara International for purposes of breeding the dam pursuant to this contract;

Therefore, It Is Agreed As Follows:

1. Dam Owner(s) agree to pay the sum of \$*****per breeding for a total of \$*****. A deposit of 50% of each breeding requested is to be paid on signing this contract at a total of \$*****. This fee includes agistment up until the female is sixty days pregnant. In the instance that the female takes more than 90 days to settle agistment charges will apply from that day at the rate of \$4.00 per day. For each additional day after sixty days pregnant that the dam remains with Pucara International, a fee of \$4.00 per day will be charged.
2. Dam Owner(s) agree to deliver their dam in a healthy condition and free of known major genetic defects. Dam Owner will provide proof that the dam has received inoculations and worming consistent with the herd management practices of (stud farm)Pucara International. Dam Owners will provide a photocopy of ARI Registration. A copy of current Mortality insurance cover is also requested if in place. Pucara International is authorized to administer Ivermectin as a prophylactic measure upon arrival for stud service.
3. In consideration of this agreement, Dam Owner(s) represents the following facts as to the Dam:
 - a) Dam has no venereal disease;
 - b) Dam is free of any vaginal discharge;
 - c) Dam has not been exposed to any stud for at least 60 days before her arrival at Pucara International for breeding;
 - d) Dam is not pregnant;

- e) Dam has no difficulty in conception or in retaining a fetus upon conception;
 - f) Dam is free of all infectious and communicable disease.
 - g) Any maiden has had her hymen inspected and if needed eased to assist breeding.
 - h) Said females are all tested negative for BVDV.
4. If any of these representations are untrue, then the contract can be voided by Stud Manager, and no funds paid will be refunded. Furthermore, Dam Owner will be responsible for any damages caused to alpacas belonging to Stud Manager or his principals by such misrepresentation.
 5. During the service period, Pucara International is given full discretion to manage breeding of the dam to achieve pregnancy.
 6. The balance of the stud fee will be due and payable upon Pucara International providing evidence of pregnancy greater than 30 days gestation by means of ultrasound.
 7. Dam Owner(s) authorizes emergency veterinary care and agrees to pay all necessary and reasonable veterinary charges for services rendered to the dam while in the care of Pucara International.
 8. Dam Owner(s) acknowledges that Pucara International will have a lien upon the dam to secure payment of all charges and monies that may become due and owing pursuant to this contract and that Pucara International will have the right to retain possession of dam until all charges are paid in full, or to sell dam pursuant to Oregon law to enforce their lien rights.
 9. Stud Manager guarantees a live cria will be born to Owner's dam as a result of this stud service. The live birth guarantee is satisfied if the cria survives 48 hours after birth. If Dam Owner(s) claims the guarantee is not fulfilled, then Dam Owner shall provide proof from a licensed veterinarian that the cria died within 48 hours after birth and the cause of death in the event that the pregnancy produces a viable fetus. If the dam loses the fetus prior to delivery by absorption or miscarriage, proof of such event shall be required within 11 months of the departure of the dam from Pucara International, or within 30 days of discovery the dam no longer is carrying a viable fetus, whichever occurs first.
 10. If the conditions of paragraph 9 are satisfied to show the live birth guarantee has not been satisfied, the Dam Owner(s) shall be entitled to either a refund or a free rebreeding, with the Stud Manager exercising

the choice of which option will be provided to Dam Owner(s). Dam Owner(s) will bear all costs associated with the rebreeding option. Notice of non-satisfaction of the conditions in paragraph 9 shall be given by Dam Owner(s) within 14 months from the date Pucara International shall have earned the stud fee under paragraph 5 and any rebreeding option shall be exercised by Dam Owner(s) within 18 months after the stud fee was earned, or said rebreeding option shall be deemed to be waived by non use.

11. No guarantees or warranties are provided by Stud Owners or their agents beyond those expressly stated herein. The sole remedies of Dam Owner(s) are those contained herein. The parties further agree that no express or implied warranties apply to this transaction, and none have been made by Pucara International. No warranties have been made that the sire is in fact free from cosmetic, phenotypic, genetic, conformational, or aesthetic defects, nor that the offspring of this breeding of sire and dam shall be free of such defect(s). Pucara International and Dam Owner(s) have jointly inspected the sire and find him free of any known defects that make a breeding of sire and dam inadvisable.
12. This is a contract for service, and not for the sale of "goods" within the meaning of the Uniform Commercial Code. The UCC warranties of merchantability and suitability for a particular purpose do not apply as a matter of law; however, if the parties operate under a mistake of law, then Dam Owner(s) acknowledges that all UCC warranties are waived as a matter of fact. Accordingly, no remedies under the UCC applicable to the sale of goods are available to Dam Owner(s).
13. Dam Owner(s) is responsible for all costs of transportation of their dam alpaca(s) to and from Pucara International.
14. Dam Owner(s) release, discharge and agree to hold Stud Manager, his agents and principals, harmless for all claims that may arise as a result of this stud service contract, and the attendant boarding of dam alpaca(s) (and any cria at her side) unless injury or damages is caused to dam alpaca(s) (or her cria) by an act of gross negligence. Dam Owner(s) represent either that the dam (and any cria at her side) are insured with a "full mortality" insurance policy or that the Dam Owner(s) are acting as their own self-insurer, both as to mortality, and also as to any injury, damage or any event causing a loss of value of dam (and any cria at her side) that may occur. Dam Owner(s) further agree that their sole remedy, in the event of damage, loss or any event causing a loss of value to either dam (or any cria at her side), shall be to make claim against any insurance policy that they have acquired. If Dam Owner(s) fails to acquire such insurance and hence act as their own self-insurer, they

shall be deemed to have waived any claim against stud manager, his agents and principals.

15. In the event any lawsuit is initiated by either party, the prevailing party shall be entitled to recover their reasonable attorney's fees and costs of suit. Jurisdiction and venue of any lawsuit arising out of this contract shall be in the District Court, Yamhill County, Oregon).

Stud Manager,

Date

Dam Owner(s)

Date

Dam Owner(s)

Date

APPENDIX 1: AOBA SHOW RULES – CONFLICT OF INTEREST

Pursuant to the current AOBA Show Division Handbook rules, an Exhibitor or Handler, including his/her immediate family members, is prohibited from personally showing in front of a judge if:

1. During the nine months prior to the show, he/she has received from or paid to the Judge any fees, salary, commission or any kind of remuneration, including like-kind exchange or barter, for selling, buying, boarding or breeding any alpacas.
 - a. This nine-month period begins from the final date where fees, salaries or commissions were paid. For example, an Owner, and his/her immediate family members, who purchased an alpaca, or a breeding, from a judge where the judge financed the purchase would not be eligible to show any alpacas in front of this judge until nine months after the final payment had been made.
2. They co-own an alpaca with a judge.
3. They are an immediate family member.
4. They are a domestic partner.
5. They are a business partner.
6. They are an employee or employer of the judge.
7. The Exhibitor is disqualified from personally showing in front of the Judge, he/she may appoint a Handler to show an eligible alpaca on their behalf.

An Exhibitor is prohibited from entering an alpaca's fleece in a Fleece Show and showing fleeces in front of any Judge judging at that fleece show if:

1. They co-own the alpaca with a judge judging at that fleece show.
2. They are an immediate family member of a judge judging at that fleece show.
3. They are a domestic partner of a judge judging at that fleece show.
4. They are a business partner of a judge judging at that fleece show.
5. They are an employee or employer of a judge judging at that fleece show.

Pursuant to the current AOBA Show Division Handbook rules, an alpaca/fleece is disqualified from competition if:

1. Any Judge judging at the show has a share of ownership in or stands to make any gain, financial or otherwise, from the alpaca.
2. The alpaca/fleece, during the nine months prior to the date of the show, has been:
 - a. boarded on a property under the Judge's control.
 - b. purchased from the Judge
 - c. trained by the Judge
3. The Judge has acted as a consultant or agent for the alpaca's Owner, assisted in the purchase of, or brokered the alpaca during the nine months prior to the date of the show. Disqualification applies to any alpaca acquired through an auction, either live or Internet-based, where the Judge participated in any way in the buying or selling of that alpaca or participated, in any capacity, in the auction in which the Owner purchased the alpaca.
4. A shorn fleece is disqualified from ever showing in front of a Judge if the fleece was skirted by the Judge or if the Judge acted in any capacity to display, present or promote the fleece.