Equine Cryogenic Service

Division of Santolina Farm Inc.

Equine Biological Products Collecting, Harvesting Transferring and/or Storage Program

Agreement with Notice and Waiver of Liability

1. PARTIES. THIS AGREEMENT is made this_____ day of _____, 20_____, by and between "Santolina Farm Inc. or dba Equine Cryogenic Service", whose address is 31055 N 56th Street, Cave Creek, AZ Zip 85331, 480-251-8600 (hereinafter "Santolina or EqCS") and;

Your Business/Ranch Name: _____

"Recorded Owner" of Horse(s)-Donor(s) _____
(hereinafter "Customer"),

Address: _____

City: _____ State:_____Country: _____ Zip Code: _____

Business/Ranch Phone: _____ Home Phone: _____

This Agreement is Specific to Equine Biological Products Harvested, Collected, Transferred and/or Stored, from any horses owned, leased or owned Biological Products by the Signor of this Agreement, hereafter "Customer", until agreement is terminated in writing.

- Attach a copy of each horse(s) registration certificate with Donor Information and Service Request Forms.
- Biological Products to be Harvested, Collected and/or Transferred, are Equine Oocyte(s), Embryo(s) or Semen.
- Do you want Cryogenic Storage of your horse(s) Biological Products? (**circle**) Yes or No **_____(initial)**

This Agreement for Collecting, Harvesting, Transferring and Storage of Biological Products with "Notice and Waiver of Liability", pertains to Equine Semen, Oocytes and Embryos (hereinafter "Biological Products or Specimens") harvested, collected or transferred from horse(s) Owned or Leased by the Customer. This Agreement, is for the purpose of acknowledging the Equine Biological Products Waiver with Full Release of Liability for Services rendered to Customer for Collecting, Harvesting, Transferring and/or Storage of Biological Products. Further, Customer also acknowledges "Notice" that any Equine Biological Product, that is transferred, harvested, collected or stored by Santolina or EqCS, does not have any sustainable life, registration title or monetary value, (in itself), as an animal reproduction product. Any fees paid to Santolina or EqCS or veterinarian shall be for services rendered dealing with the service provided for your horse's biological products that have No Monetary Value. **_____ (initial)**

2. PROCESSING AND STORAGE of Biological Products.

Santolina or EqCS will make all efforts to keep Biological Products or Specimens safe. The facility is secured after hours and no unauthorized persons are allowed in the laboratory. There is No Guarantee that the Biological Products will survive transfer or long-term storage. Although there has been successful transfer and/or storage of Sperm, Embryos and Oocytes with subsequent foals, there is some evidence that there may be degradation in some biological products at some point in time. Furthermore, the possibility does exist that under unusual circumstances or situations beyond our control (such as failure of equipment or supplies, power failure, breakage of the storage tanks, loss of liquid nitrogen) specimens may be thawed and/or damaged, becoming Non-Viable. As Owner of Biological Products, I have been informed of these possibilities, discussed these issues with my Veterinarian and/or Legal Council and accept these risks upon entering into the program by agreeing to this document. I realize the lab staff checks the equipment and tanks on a routine basis and will make every reasonable effort to keep my horse(s) biological products safe. Evidence suggests that there is no increased risk of genetic defects in foals resulting from the use of frozen semen, frozen oocytes, frozen embryos or transplanted oocytes and embryos, however Santolina or EqCS or veterinarian cannot confirm any such evidence. All horse pregnancies established with any embryo/oocyte transfer, frozen semen, frozen oocytes, or frozen embryos are subject to same risks as a conventional pregnancy. All cryogenic processing procedure information and programs are the property of Santolina or EqCS and not open to public release.

2a. Frozen Semen and or Sperm viability testing

Semen collected or received by courier will be examined for reproductive use. Semen/Sperm collected for cryogenic storage will be thaw tested for sperm viability on each batch frozen semen, if possible. Additional testing on stored Specimens (which would also reduce the amount of Specimen Stored), may be tested again to perform additional post-thaw evaluation of the Specimens for which Santolina or EqCS will determine in its sole and absolute discretion whether the Specimens are suitable for storage or whether as a result of such analysis or any other testing or veterinarian evaluation of the Specimens, are unsuitable for freezing and/or storage. In the event of a negative determination for the Semen/Sperm collected, received and/or stored by Santolina or EqCS, Santolina or EqCS will notify the Customer by written notice of the results of evaluation, for determination of storage by the customer.

2b. Frozen Oocytes and Embryo(s) viability testing

NO Transfer Testing or Thaw Testing will be performed on Oocyte(s) or Embryo(s) unless transplanted into an approved recipient mare.

3. TRANSFER, SHIPPING, REMOVAL OR RELEASE OF BIOLOGICAL PRODUCTS

Subject to any instructions provided by Donor Owner in his/her consent, Santolina or EqCS shall release Biological Products or Specimens only to Customer or to others as specified in the Authorization to Release Biological Product Form, in the form attached hereto as Exhibit A ("Authorization") (which must be signed by the Customer). Santolina or EqCS shall ONLY TRANSFER or RELEASE the Specimens to Owner or such authorized person, upon Ten (10) days' prior written notice and receipt by Santolina or EqCS of the Authorization, duly executed by the Customer. Customer shall pay a Frozen Specimen/Semen retrieval fee at the then current rates for retrieval, for each retrieval time of Frozen Specimens, in addition to any costs involved in shipping of Specimens, which will be determined by the then-current shipping costs. In addition, Customer may be required to provide a security deposit as well as a daily usage fee for the specialized transport container. Customer may provide their own container.

5. Liquid Nitrogen Storage Tank Failure Notice.

Liquid Nitrogen Storage Tanks have a Maximum Warranty of 5 years from manufacture's date. This Warranty only includes the Tank Replacement Cost, If Failed and NOT Any Biological Products inside the Tank. Manufactures report that at least (1) One Tank Will Fail in 10,000 tanks manufactured, As Normal. It is Recommended that the Owner of Biological Products should buy their own Insurance Coverage for their Risk of Loss for any loss of Biological Products. Companies such as Jarvis Insurance provide such insurance. Santolina or EqCS Does Not Provide any customer biological products insurance. Furthermore, the possibility does exist that under unusual circumstances or situations beyond our control (such as failure of equipment or supplies, power failure, breakage of the storage tanks, loss of liquid nitrogen for any reason), specimens may be thawed and/or damaged, becoming Non-Viable. As the Owner of the Biological Products, I have been informed of these possibilities, discussed these issues with my Veterinarian and/or Legal Counsel and as customer, accept these risks entering into the Santolina or EqCS Storage Program, by signing this document. _____ **(initial**)

4. LIQUIDATED DAMAGES, if any

It is acknowledged and agreed that there are substantial risks of loss, damage or destruction of Biological Products transferred. harvested, collected, stored and/or delivered by the Donor Owner to Santolina or EqCS and that in the event of such loss, damage or destruction, it would be impractical or extremely difficult to determine the nature and extent of the damage which the Customer(s) may claim to sustain as a result of any alleged breach of contract, negligence, or any other cause attributable to Santolina or EqCS or veterinarian service(s) associated with biological products. Accordingly, the parties agree that in the event of any such loss, damage or destruction of the Specimens, for any reason whatsoever, after Collecting, Harvesting, Transferring and Storage of and/or delivery to Santolina or EqCS, a reasonable liquidated damage for Santolina or EqCS to pay in response to any such claim of liability by Customer, (if any valid claim), (including any third party or partner) is a sum equal to the storage fee paid by the Customer, to Santolina or EqCS for the storage of Specimens for the period in which such loss, damage or destruction occurred. Customers' recovery is therefore limited to a maximum damage award in said amount, for any valid claim. Where there is a Third Party or Partner, amounts paid hereunder to one Customer shall be deemed to be payment in full to all Customers.

5a. LIMITATION OF LIABILITY for "BIOLOGICAL PRODUCTS"

Customer, has been advised and understands that there are inherent risks in the process of transferring, harvesting, collecting, freezing and thawing Biological Products or Specimens, including but not limited to, destruction of or damage to the sperm, oocytes, embryos, reducing capacity for possible viability or fertilization, due to the nature of the chemicals and equipment required. Further, Customer hereby acknowledges there is a risk of destruction of the Specimens as a result of equipment malfunction or damage to the Specimen vials. Specimens may be damaged or destroyed due to factors beyond the control of the Santolina or EqCS, such as theft, natural disasters or acts of God. In consideration of the foregoing and except for any possible remedy of liquidated damages, (if any), as set forth in Section 4 hereof, Customer, their heirs, spouse, executors, administrators, agents, representatives, successors and assigns, hereby releases and forever discharges Santolina or EqCS, its owners, veterinarian(s) directors, officers, employees, agents and representatives from, and hereby waives all, actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities, defense, offsets or demands, whatsoever arising out of or relating to, directly or indirectly, the harvesting, collection, freezing, storage, transfer, loss, damage or destruction of Biological Products. It is the intention of the Parties hereto that this foregoing General Release shall be effective as a full and final accord and satisfaction of and as a bar to all actions, (including any unknown customer third party), causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities, defenses, offsets or demands referred to hereinabove and shall survive termination of this Agreement for any reason whatsoever. This General Biological Products Release shall extend to and cover any claim based on any alleged act or omission of Santolina or EqCS, whether known or suspected at the time of the execution of this release, or which becomes known to or suspected by the Customer at any time in the future. _____ **(Initial)**

5b. LIMITATION OF LIABILITY AND INDEMNIFICATION by Customer.

Customer fully understands and assumes the special risks inherent in Harvesting, Collecting, Transferring, Storage of, or transporting Biological Products, and hereby acknowledges Customer's Insurance, (if any), will be Customer's only source of indemnification in the event of any loss that Customer may suffer in connection with the services provided by Santolina

or EqCS, excepting a claim for Liquidated Damages as agreed. Santolina or EqCS is unaware of any Insurance Company that provides such insurance.

INDEMNIFICATION OF THIRD PARTY ACTIONS OR CLAIMS.
Customer, or, where there is a Third Party, Partner or other Owner of mare receiving biological products, whereas Customer agrees to indemnify, defend and hold harmless Santolina or EqCS, its owners, veterinarian, shareholders, directors, officers, employees, agents and representatives from and against any loss or damage, including, without limitation, expenses, attorneys' fees, claims, liabilities, defenses, offsets or demands, whatsoever, sustained by Santolina or EqCS as a result of or relating to the transferring, harvesting, collection, freezing, storage, processing, loss, damage, destruction, use of, or other disposition of Biological Products. **CUSTOMER AGREES THAT SANTOLINA OR EqCS, IT'S OWNERS AND SUBSIDIARIES, VETERINARIANS, AFFILIATES, AGENTS, AND SERVANTS, INCLUDING EMPLOYEES SHALL NOT BE LIABLE FOR AND ARE HEREBY RELEASED FROM ALL CLAIMS FOR HARVESTING, COLLECTING, TRANSFERRING, FREEZING AND/OR ANY STORAGE TANK LOSS, DISEASE, THEFT, OR INJURY THAT MAY BE DAMAGED, VIABILITY LOSS OR SUFFERED BY CUSTOMER'S BIOLOGICAL PRODUCTS WHILE IN SANTOLINA OR EQCS'S CUSTODY**, including any other loss for damage or injury arising out of or connected with breeding, boarding, transporting, other storage or other services provided by Santolina or EqCS. **ALL IMPLIED WARRANTIES, INCLUDING SURVIVABILITY AND MERCHANTABILITY, ARE HEREBY EXCLUDED.**

Customer understands that, by entering into this Agreement, Customer is giving up a legal right to pursue any claim against Santolina or EqCS, its owners, veterinarians, agents, servants or employees responsible for their own negligence if Customer suffers any loss, damage or injury as a result of, or in connection with the services provided by Santolina or EqCS, excluding agreed Liquidated Damages, (if any). _____ (initial)

6. FEES for HARVESTING, COLLECTING and/or STORAGE of Biological Products
Customer agrees to pay Santolina or EqCS compensation for its storage of Biological Products ("Unit Storage Fee") in an amount equal to the Santolina or EqCS's current rate per Storage Period, payable as billed or billed in advance. Customer also agrees to pay any veterinary fees billed direct to customer as services rendered for harvesting embryo(s) or oocyte(s) at customers request and as agreed in this agreement.

7. BILLING. All billings are payable on a Net 10 day basis from the first of the month or date of billing from Santolina Farm Inc. A $25.00 Re-billing fee, per customer, is charged additional to fees charged, when not paid by the 10th of the Month. Interest at the rate of 2% per month shall be charged and paid on all balances unpaid by the 25th of the month. A Collection Fee of $400 per Customer, will be assessed to all delinquent accounts in any foreclosure action at 61 days past due, to collect the Debt. In the event that Biological Products are foreclosed on and sold for satisfaction of Judgment, the Buyer of such Judgment against my horse's Biological Products, Is Hereby Authorized by me to sign any registration documents or process any registration requirements on my behalf, as Owner of horse(s) from which these Biological Products originated, having all rights to sign for registration of foals. This is My Power of Attorney for Santolina to process any registration requirements as needed, in the event of foreclosure. The 10-day Notice shall be noticed at 45 days past due. Customer agrees that all outstanding balances due for fees, charges and expenses pursuant to this Agreement for Service(s) Requested shall be paid prior to Santolina or EqCS's release of the Biological Products. Customer shall make arrangements with Santolina or EqCS for the Biological Product's release 10 days in advance. Upon Release of the Biological Products, Customer Assumes Full Responsibility for Biological Product and Container, Releasing Santolina or EqCS From Any Responsibility and Liability. All Service program fees are subject to change upon (30) day's prior notice.

8. LIEN. Customer grants Santolina or EqCS a lien upon and security interest in the Biological Products(s) or any Other Owned Biological Products or Property Located at Santolina or EqCS, to Secure All Obligations and Amounts Due under this Agreement with Notice and Waiver of Liability. Santolina or EqCS may, at any time until all amounts due hereunder are fully paid, file a photocopy of this Agreement in the county and state of Arizona or where the Customer resides, and when so filed the copy shall be effective as a financing statement as well as the security agreement for (Registration Authority and/or Title Authority) to Biological Products. At any time the Customer's balance is unpaid when due, or Customer is otherwise in default of this Agreement with Santolina or EqCS, Santolina or EqCS may foreclose its security interest in the Biological Products(s) and storage property. Upon Foreclosure of Biological Products/Property, if sold, the Sale Proceeds shall be applied to the Default, with Any Balance Owing, remaining due Santolina or EqCS Or any surplus proceeds paid to Owner within 90 days. Ten (10) days notice shall be deemed reasonable notice of any foreclosure sale. Time is of the essence.

9. NONASSIGNABILITY. Customer may not assign any rights or delegate any duties under this Agreement with Notice and Waiver of Liability without the written consent of Santolina or EqCS. This Agreement with Notice and Waiver of Liability shall not terminate, unless terminated in writing by either party.

10. ACCEPTANCE. This Agreement with Notice and Waiver of Liability is not effective until approved and executed by Santolina or EqCS. Santolina or EqCS reserves the right to reject any Biological Products service request at its sole discretion, and to return any Biological Products at Customer's expense. Santolina or EqCS reserves the right to discontinue any Service program. Customer agrees that any information concerning their Biological Products, the status of their Biological Products and its status condition, is solely the Customers Responsibility. Santolina or EqCS shall attempt to inform Customer; however, Customer should contact Santolina or EqCS on a regular time schedule, to be informed of Biological Products status.

11. TERMINATION AND WAIVER. Service programs may be terminated by Santolina or EqCS upon thirty (30) days written notices, except in the event of a default or as provided. No delay or failure by Santolina or EqCS to exercise any right or remedy shall be deemed a waiver of that or any other right, or remedy. This Agreement with Notice and Waiver of Liability shall commence on the date hereof and shall continue for a period of **twelve (12) months** ("Storage Period") following the first transfer, harvest, collection and/or deposit of a biological products into storage, subject to earlier termination as hereinafter provided. Thereafter, this Agreement will be automatically renewed for successive Harvesting, Collecting, transferring and Storage Periods with timely payments as billed, **Unless**, at least thirty (30) days prior to the commencement of the next Storage Period, either Party provides written notice (the Customer must have his/her/their notice to the Santolina or EqCS notarized) *of intent not to renew this Agreement*. This Agreement shall terminate upon the happening of any one of the following events ("Terminating Event"): (a) removal and/or release of all Biological Products; (b) written direction to Santolina or EqCS authorizing destruction of all Biological Products; (c) failure of Customer(s) to pay fee when due; or (d) either Party delivers thirty (30) days written notice to the other terminating this Agreement. Upon the occurrence of any Terminating Event, all obligations of Santolina or EqCS for testing and storage of Customer Donor's biological products, shall cease and Customer shall make arrangements for release, use of or other disposition of the Specimens within ten (10) days. Notwithstanding any provision to the contrary in this Agreement, if Customer fails to pay a Storage Fee due hereunder and such fee has not been paid for forty five (45) days from the date due, Santolina or EqCS may foreclose on stored biological products. Upon foreclosure and non payment of Judgment by the expiration of judgment payment period, this Agreement shall be deemed terminated with the sale of Biological Products. See Lien Clause.

DISPOSITION OF SPECIMENS ~In the event of the death of Customer, Customer hereby instructs Santolina or EqCS to:

- Destroy All Biological Products / Specimens within 30 days. Please Initial: _____
  -or-
- Comply In accordance with written instruction of Customer's Estate Manager or_____
- _____ **Please Initial: _____**

12. ENTIRE AGREEMENT; CONSTRUCTION, JURISDICTION, ATTORNEYS' FEES. This Agreement with Notice and Waiver of Liability is (Open Ended) which contains the entire understanding of the parties concerning its subject matter and may be modified only in writing. Headings are for convenience only and not a part of the Agreement with Notice and Waiver of Liability. The invalidity or unenforceability of any term or provision shall not affect the validity or enforceability of the remainder. The Agreement with Notice and Waiver of Liability shall be construed and governed by the laws of Maricopa, Arizona. Jurisdiction and venue for all disputes between the parties shall be proper only in Maricopa County, Arizona. If there is a lawsuit filed between the parties with respect to Santolina or EqCS's services, or Santolina or EqCS forecloses its security interests, the prevailing party shall be entitled to collect reasonable attorneys' fees and costs incurred in connection with resolving the dispute, including expenses that are not-taxable by the court.

Customer has Read this Agreement for Notice and Waiver of Liability, Understands Agreement with Notice and Waiver of Liability, Reviewed with Customer's Own Veterinarian and or Legal Council, Accepting the Terms of "This Agreement".

Date _____

Santolina Farm Inc. or dba Equine Cryogenic Service

_____ By_____

Customer

04-21

Notes:

Complete a current Board Contract even if your horse is off site and you are delivering biological products to us.

Complete the ET program selection if ET is wanted.