

PARAGON CATTLE

WEANED CALF CONTRACT

This Agreement between PARAGON CATTLE SERVICES LLC, 18502 I-20 Cisco, TX 76437 hereinafter referred to as "PARAGON" and _____ or embryo owner hereafter referred to as "Client," is intended to describe the contractual relationship between PARAGON and the Client and clearly define each party's responsibilities and obligations. The client must sign the 'PARAGON Service Agreement' in addition to this contract and acknowledge that products and services are being provided under the terms and conditions outlined below. The internal laws of Texas govern this Agreement without regard to the conflict of laws, rules, provisions, or statutes of any jurisdiction.

Production Terms:

This contract is a five-year agreement between the Client and PARAGON. The client agrees to purchase weaned calves from PARAGON at the price stated in the current 'PARAGON Service Agreement.' Invoicing for weaned calves will occur as follows:

1. Year one (a) recipient setup fee; (b) wean calf payment.
2. After year one, the payment plan will be as follows: (c) recipient setup fee; (d) 60-day confirmed bred fee (e) live birth fee; (f) weaned calf fee.

The Client agrees to the following terms YEAR ONE:

1. The recipient setup fee (1a.) for each embryo implanted; this will reserve the transfer spot, recipient set up, transfer fee, and pregnancy check; this must be paid in full before embryos are transferred. The recipient set up fee (1a.) is nonrefundable based on pregnancy results.
2. Wean calf payment is due in full (1b.) at 60 days confirmed pregnant. In the case of a pregnancy lost between 60 and 100 days bred, Client agrees a credit will be placed on their account with PARAGON for the full wean calf payment (1b.) and will be utilized in the following years.
3. In cases that result in calf loss by calving complications related to excessive birth weights or calf deformity, the Client agrees to pay half of the wean calf payment (1b.). The remaining balance will be credited to Client's account. The Client agrees to pay additional fees once the obligation to achieve another pregnancy has been fulfilled. The client agrees to pay all fees as they are billed in full.

The Client agrees to the following terms AFTER year one:

1. The recipient set up fee (2c.) must be paid in full for each embryo the Client wishes to implant. This fee is due before the embryos are placed and is nonrefundable based on pregnancy results.
2. The 60-day confirmed bred fee (2d.) is due at the time of pregnancy check. If pregnancy is lost between 60 and 100 days, PARAGON will take the confirmed bred fee (2d.) and apply it as a credit to the Client's account.
3. The live birth fee (2e.) will be due when the calf is two weeks old.
4. The wean calf fee (2f.) is due once the calves have been weaned. Calves will be weaned for two weeks and then transported back to Texas or will be ready for pick-up in Iowa.

The Client agrees to pay all fees in full as they are billed.

- A. The Client will be responsible for providing all embryos and paying any fees associated with shipping and storage.
- B. The Client is responsible for having insurance on frozen genetic content (embryos), which is in storage with PARAGON or while in transit.
- C. The client is responsible for obtaining insurance coverage for live-born calves, to protect against accidents, sickness or disease. PARAGON cannot provide insurance coverage for specific perils related to the calf or pregnancy. However, cows and calves will be covered for basic perils such as acts of God, up to their fair market value. It is important to note that basic perils coverage insurance will not cover loss of life due to accidents, sickness or disease or cover pregnancy and is not a stated value policy.
- D. For this agreement's purposes, excessive birth weight refers to a calf birth weight equal to or greater than 110 pounds. Calf deformity includes all genetic and non-genetic deformities, as determined by a licensed veterinarian. In case the recipient cow is lost due to calving difficulties or cesarean complications while saving the calf's life, the client must take immediate possession of the calf.

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- E. If calving assistance is required, PARAGON will use reasonable efforts to address common cases of dystocia. Complex dystocia cases and all cases that invoice or may involve the conduct of cesarean delivery (C-sections) will be performed by a licensed veterinarian. If the DVM decides vaginal delivery is not an option, a C-section will be performed. All vet costs associated with the C-section will be charged to the Client and \$1800 to replace the cow. In the event the cow does not dilate, or C-section is required because of conditions unrelated to the calf, PARAGON will accept responsibility for the C-section and cow cost.
- F. If the client does not pay for or pick up calves when they reach six months and three weeks of age, a boarding fee will be charged. The cost of boarding will be detailed in the 'PARAGON Service Agreement'.
- G. The Client agrees to give PARAGON a secured interest in any embryos and calves born that belong to the Client. This is to ensure that the Client pays for the services provided by PARAGON in full. The secured interest is connected to the cost of the services, and PARAGON may file a financing statement to ensure this security interest is valid. If the Client cannot pay for the services provided once the calves are seven months old, PARAGON will exercise its rights as a secure party by selling the calves privately. PARAGON may also file or perfect any other liens that are created by law.
- H. If twins are born, due to embryo split. Client agrees to immediately take custody of calf the recipient is not able to or willing to care for.
- I. Although the Client can collect the calf before 150 days of age, they will still be obligated to pay the full wean calf payment.
- J. A licensed veterinarian can provide de-horning or castration services at the Client's request. The client is responsible for all costs. These services are not mandatory, and the Client agrees to pay any additional fees associated with infection or pain management that may result from procedures. PARAGON will not be held liable for loss of life.
- K. The Client is responsible for any charges associated with delivering calves after weaning, including trucking, health papers, etc. The client agrees that calves will not leave until payment is made in full.
- L. PARAGON will provide the Client with a record of the embryo transfer, including the recipient's ID, calf's date of birth, sex, and a photo of the calf at birth.
- M. PARAGON commits to adhering to the best practices in animal husbandry to ensure the well-being of the recipient and her calf. If the calf falls ill, PARAGON will immediately inform the Client and share the treatment plan approved by a licensed veterinarian. If the Client refuses treatment, a liability waiver will be signed, and the calf will be released to the Client for pickup.
- N. PARAGON will be responsible for all routine costs of producing a viable and healthy calf, including routine vaccinations, worming, creep feed, and quality forage.
- O. PARAGON cannot provide assurance on the health, disposition, or physical appearance of calves for any specific purpose.
- P. PARAGON cannot guarantee the conception rate of embryos used in the weaned calf program.
- Q. PARAGON shall not be responsible for the future marketability of calves resulting from this agreement.
- R. In case of a breach of this Agreement, PARAGON's liability is limited to refunding the fees paid for the calf in question.
- S. This Agreement shall be governed by the laws of the State of Texas.
- T. In the unlikely event that disputes arise, the parties agree to negotiate in good faith any material disputes. Notification of disputes may be communicated orally but are deemed official disputes only if made in writing (letter or email). If, after notice by either party within 30 days of dispute notification, the dispute remains unresolved, the parties agree to enter Arbitration. Arbitration shall be conducted by a mutually agreed upon professional based in Abilene, Texas. Fees for such arbitration shall not exceed \$10,000 or 50% of the total value of the contracted services, whichever is less. Such fees will be shared equally by the parties without regard to the final arbitrated resolution.
- U. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements and understandings, whether written or oral.
- V. Apart from routine courtesy status updates via phone, inquiries or Notices of Dispute, invoicing and the availability for calf pickup shall be made via email or mail at the business address provided in paragraph one of this agreement.
- W. The parties have executed this Agreement as of the date next to Client signature.
- X. All payments shall be processed exclusively through the Automated Clearing House (ACH) system. Invoices will be issued with a 15-day grace period. Authorization to process the ACH transactions after the billing period shall be communicated via email. It is mandatory to accompany the Service Agreement with a completed ACH form.

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PARAGON CATTLE SERVICES, LLC
PARAGON CATTLE
18610 1-20
Cisco, TX 76437

Phone: 319-240-7449
Email: amanda@paragoncattle.com

Client Name: _____

Client Address: _____

Client Phone: _____

Client Email: _____

_____ Date

_____ Date