BREEDER'S GUARANTEE GUIDELINES

PARTIES OF GUARANTEE: All guarantees are between the buyer and the seller.

ROLE OF THE ASSOCIATION: The Canadian Simmental Association shall not be responsible for any guarantees given by a seller of Simmental cattle.

BULL BREEDING GUIDELINES: All bulls offered for sale as breeding bulls, except calves at side, must be guaranteed breeders.

At the time of sale all bulls must attain or exceed the minimum scrotal circumference measurements for their respective age as outlined here:

<table>
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<th>AGE (months)</th>
<th>MINIMUM SCROTAL CIRCUMFERENCE</th>
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<tbody>
<tr>
<td>12</td>
<td>32 cm</td>
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<tr>
<td>14</td>
<td>34 cm</td>
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<tr>
<td>15-20</td>
<td>35 cm</td>
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<tr>
<td>21-30</td>
<td>36 cm</td>
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All bulls sold after weaning and prior to 12 months of age must meet the minimum scrotal measurement of 32 cm when they reach 12 months of age.

Should any bull fifteen months of age or over fail to prove a natural breeder after being used on cows known to be breeders and free of any venereal disease, the buyer shall report in writing to the seller and provide a report of a complete examination by a qualified veterinarian. This notification shall be provided to the seller no later than four (4) months following the date of purchase or six (6) months after the bull has reached fifteen (15) months of age, whichever is later. The buyer shall return the bull to the seller at the buyer’s expense. The seller shall have the opportunity to have the bull examined by a veterinarian of his choice. In the instance of a fertility re-test by the seller the bull must weigh the same or more than his posted adjusted 365-day weight. If the bull falls short of this weight then he must be reconditioned to meet the weight and then be re-tested. The seller will then have 45 days to prove this bull a breeder. If this bull proves to be a satisfactory breeder the bull shall be returned to the buyer.

In the event the seller fails to prove the bull a satisfactory breeder the buyer has the option to either accept a replacement F.O.B. the seller’s ranch or a refund of the actual purchase price. No incidental expenses such as feed, veterinary charges, interest, etc. will be charged by either party. In no event shall the seller be responsible for reimbursing more than the purchase price.

FEMALE BREEDING GUIDELINES: Females represented as being “pregnancy tested safe in calf” are considered breeders without further guarantee. Cows and heifers represented as “bred” are not guaranteed safe in calf; but these, as well as open heifers selling as individual lots, are guaranteed to be breeders.

In the event a female is claimed to be a non-breeder after having been bred naturally to a bull known to be a breeder and after having been examined by a qualified veterinarian, the matter must be reported in writing and the veterinarian’s report should be provided normally no later than six (6) months after the sale date or prior to the heifer attaining eighteen (18) months of age. Assuming that the female is returned to the seller in adequate body condition, the seller shall have seventy (70) days following the date that the female was returned to the seller in which to prove such female a breeder. The seller may use any registered Simmental bull available to him/her, in which case the said female will be reclaimed by the purchaser at his/her expense.

Should the seller fail to prove the female a breeder, the buyer has the option to either accept a replacement F.O.B. to seller’s ranch, or a refund of the actual purchase price. No incidental expenses such as feed, veterinary charges, interest, etc. will be charged by either party, and in no event shall the seller be responsible for reimbursing more than the purchase price. In the event the buyer of an “OPEN” heifer finds that she was in fact in calf on sale day, he/she may return the heifer to the seller and at his option receive a satisfactory replacement or a refund of the purchase price. In the event a female sold as being safe in calf does not calve to the published and/or announced breeding date(s), the buyer, after notifying the seller in writing, may return the female and receive an immediate full refund of the purchase price.

EXCEPTION TO GUARANTEE: No guarantee is given that a pregnant female will deliver a live calf, nor that she will carry the calf full term. In cases where the animal is subjected to any growth hormonal treatment, embryo transfer, or surgical reproduction technique after the sale, the guarantee shall be null and void.

SUCKLING CALVES GUIDELINE: No guarantee of any kind applies to suckling calves less than six (6) months of age sold with their dam.

RIGHTS AND OBLIGATIONS: The above terms and conditions of the sale shall constitute a contract between the buyer and the seller and be equally binding to both. Resale of animals following purchase shall constitute a separate transaction and the rights and obligations of these two parties connected thereto are not covered by the terms and conditions of the sale.

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