

TERMS AND CONDITIONS FOR CONSIGNMENT SALES

Adopted December 31, 2005 by the American Jersey Cattle Association

TERMS: The terms of the sale are cash, check, or wire transfer for the full purchase price in U.S. funds on sale day. Parties unknown to the seller or sale management must furnish a statement or letter from his/her bank or a certified check. The seller, sponsor, or sale manager reserves the right to require payment by wire transfer, certified check, or in cash. If other arrangements for payment are made with the seller, a written agreement acknowledging such terms and signed by both parties must be filed with the sale clerk prior to release. All payments must be made to the sale clerk. No release will be given prior to a satisfactory settlement, whereupon a signed order from the clerk must be presented to the loading supervisor. Seller retains title until payment has been honored unless other arrangements are made. Buyers are entitled to warranties as listed below only after full compliance with these terms.

SALE POSITIVE: The highest bidder shall be the buyer. Every animal is pledged to absolute sale unless withdrawn for cause as determined by the sale manager. In case of dispute the animal shall again be put up for advance bids, and if there be no advance bid, the animal shall be sold to the person from whom the auctioneer accepted the last bid. If two or more claim the bid, the auctioneer shall indicate the party whose bid was recognized. Other claimants will be given an opportunity to increase the bid. Bidding directly or indirectly on an animal in which the bidder or any person for whom the bid is made has an ownership interest is prohibited unless the intention to bid is disclosed specific to each animal in the catalog or announced from the auction stand.

CERTIFICATES OF REGISTRATION: Certificates of registration or identification (whichever applies) showing transfer to the buyer on the records of the American Jersey Cattle Association will be furnished by the seller for each animal at no cost within a reasonable period of time. An animal may not be transferred back to the seller for a period of one year except at the discretion of the American Jersey Cattle Association. Registration certificates show registration on the records of the American Jersey Cattle Association, but are not documents of title.

CATALOG INFORMATION: The material in the sale catalog has been carefully edited. Any errors, omissions, or information noted after printing of the catalog will be announced from the auction stand. Such announcements will take precedence over printed matter in the catalog. In any event, neither the sponsor nor the sale manager shall be responsible for errors or omissions.

RISK: All animals are at the buyer's risk as soon as struck off, but will be cared for at no cost for 24 hours. Buyers must make arrangements for care of their purchases beyond the 24 hour period. Animals are solely at the seller's risk prior to being struck off, including that time while under the care and supervision of the sponsor or sale manager.

WARRANTIES:

- (a) **Title.** The seller warrants clear title to the animal and other items sold and the right to sell the same.
- (b) **Breeding.** The seller guarantees his/her animals to be breeders, but not beyond the purchase price, with the following understanding:
 - Males:** Should any bull within four months after the sale date or within four months after reaching the age of fourteen months, whichever is later, fail to prove a breeder after being used on a registered Jersey female known to be a breeder, the matter shall be reported in writing to the seller who shall have four months from the date the bull is returned to him/her to prove him to be a breeder, before refunding the full purchase amount or making other satisfactory settlement with the buyer.
 - Females:** Any female that has freshened normally within ninety days prior to the date of sale is, by that fact, considered to be a breeder. Should any other female when fresh over ninety days fail to become pregnant within four months of the sale date, or if she is less than sixteen months old when sold fail to become pregnant by the time she reaches the age of twenty months, after having been bred to a registered Jersey bull known to be a breeder and after having been treated by a licensed veterinarian, the matter shall be reported in writing to the seller within 90 days of the applicable limit, and the seller shall then have the privilege for four months after receiving the animal to prove her a breeder before refunding the full purchase price or making other settlement satisfactory to the buyer. Females bred when sold and pronounced in calf are presumed to be pregnant, but pregnancy is not guaranteed unless so announced. The seller makes no warranty that pregnant females will deliver calves or that they will carry them full term. Superovulation or flushing of a female after the sale negates any breeding warranty. Unless notice has been given to the sale manager prior to sale date and is noted in the catalog or announced from the auction stand that a female has been superovulated or flushed prior to sale date, the seller warrants that such is not the case. For animals that have been superovulated or flushed, a complete record of all embryo transfer offspring, pregnancies, and frozen embryos by service sire are to be given to the sale manager.
- (c) **Embryos.** Only Grade 1 embryos collected and processed by an embryo transfer business (ETB) certified by the American Embryo Transfer Association (AETA) will be sold. Sale manager will have a copy of the Certificate of Embryo Recovery and Certificate of Freezing (AETA Forms A and C) before and during any sale.
- (d) **Choice of Pregnancy.** Should an animal chosen from a specified flush fail to meet the breeding warranties, or should an animal of the sex specified by the buyer not result from a specified flush, the buyer and seller will take the following steps:
 1. Seller will offer the choice of remaining animals from the specified flush, and/or
 2. Seller will offer the choice of another flush already implanted or of a future flush. If the buyer accepts the choice of a future flush, unless otherwise agreed no interest will be charged to the buyer, but payment schedules will remain the same.
 3. If neither of the above options are acceptable to the buyer, the seller will make full refund of all payments received.
- (e) **Limited Warranties.** The Seller makes no other warranties, express or implied, including without limitation, merchantability or fitness for a particular purpose. All warranties cease when an animal is resold or transferred by the original purchaser.

HEALTH CERTIFICATE: The seller will provide to the buyer an official health certificate for interstate shipment of each animal. No warranty is made as to the condition or health of the animal or the result of any future health test or as to the condition of an animal's udder following calving. Herd and/or area accreditation and certification status and calfhood vaccination status will be printed in the catalog or announced from the auction stand. Health tests and condition for export sales to foreign countries or states with special health requirements are the sole responsibility of the buyer unless otherwise announced from the auction stand or otherwise agreed prior to sale between the seller and the potential buyer.

SHIPPING: Assistance will be given in loading and shipping animals after the sale but no risk is assumed by anyone associated with the sale when such assistance is given. All costs, risks and responsibilities are borne by the buyer, and transportation charges on all animals subject to adjustment shall be paid by the buyer, unless other arrangements are made.

ABSENTEE BIDDERS: While it is preferable for prospective bidders to attend the sale in person, for the convenience of those not present, members of the sales force will represent you at the sale. Others handling bids for absentee buyers should identify themselves to the sponsor or sale manager before the sale to ensure that the terms of the sale are complied with. Any person handling a bid for an absentee buyer does so as agent only and is not responsible to the buyer for any animal he may purchase in that capacity.

RESPONSIBILITY: The seller is solely responsible for all warranties, as to animals or other property offered for sale. The sale manager, auctioneer and sponsor are acting as agents only and are not responsible for the title, condition, quality, fitness, or productiveness of any animals or other items sold.

Examination of all purchases should be made immediately after purchase, and any complaint must be reported to the sale manager before the close of the sale. Neither the sale manager, the sponsor, the seller, the auctioneer, nor anyone associated with the sale shall be responsible for accident, injury or property loss to anyone attending the sale. The sale manager, sponsor, and auctioneer shall not be liable for payment of the purchase price of any animal or other item sold. In submitting entries and/or selling animals or other items, the seller agrees to the terms and conditions set forth herein and assumes full responsibility of his or her animals.

PENALTIES: Violations of these terms and conditions shall be considered unethical sales practices and shall subject the violator to such penalties as may be imposed by the American Jersey Cattle Association.