# **A.I. Total B.V.** | Bremmelerstraat 8 | 8131 PK Wijhe (NL) | KvK: 01179528 T: +31 570 589 900 | E: info@ai-total.com | W: www.ai-total.com



### Introduction:

## AiDol-agreement

A.I. Total B.V. offers livestock farmers worldwide the highest quality genetic solutions by providing access to the semen of the very best bulls through the 'AiDol programme'. Forward-thinking dairy farmers and breeders can therefore access the highest quality cattle genetics from exceptional bloodlines and proven cow families at an early stage.

To develop and obtain high-quality bulls, A.I. Total B.V. has invested a lot of money, time and knowledge. This agreement serves to protect these investments and intellectual property and to continue to provide livestock farmers with top cattle genetics in the future. Only after signing this agreement will you be granted access and allowed to use genetics of bulls from the AiDol programme.

### **User instructions**:

To gain access to AiDol bull semen, simply and quickly sign this agreement in advance. You request this at <a href="mailto:info@ai-total.com">info@ai-total.com</a>, after which you will receive further information and a link to 'DocuSign' by e-mail for the secure placement of a legally valid 'eSignature' signature. This agreement is for both conventional and sexed semen. Available AiDol bulls are listed at <a href="https://www.ai-total.com/aidol">https://www.ai-total.com/aidol</a>. The listing is regularly updated with new Aidol bulls added to the programme.

For all bull calves sired with the semen from the AiDol programme, you grant A.I. Total B.V. the exclusive and irrevocable first right of purchase. Bull calves with an expected value above the minimum level gTPI, gNM\$, PTAT or RZG must be offered for a genomic test as described in Article 3.2, but A.I. Total B.V. will decide itself whether the test will actually be carried out.

If A.I. Total B.V. wishes to exercise its first right of purchase based on the test result, you will receive the compensation as described in Article 3. Only if A.I. Total B.V. rejects the bull calf and after written permission from a legally valid representative of A.I. Total B.V., the contracting party has free disposal of the bull calf as described in the articles of this agreement. No restrictions apply to heifer calves born from AiDol bull semen.

### **Customer data / Contractor**

Company name :

Chamber of Commerce or VAT registration :

Name of legal representative :

Job :

Address :

Location :

Phone number :

Email :

### Whereas:

- A.I. Total B.V., upon signing this agreement, shall provide the contractor with access to the use of the semen of the AiDol bulls through the AiDol programme for the highest quality cattle genetics worldwide.
- Contractor voluntarily offers bull calves with an expected value above the minimum level gTPI, gNM\$, PTAT or RZG for genomic testing, exclusively and exclusively to A.I. Total B.V.
- The contractor grants A.I. Total B.V. the exclusive and irrevocable first right of purchase on all bull calves conceived with the semen from the Ai-Dol programme at pre-agreed prices and conditions.
- Contractor is prohibited from supplying bull calves born from the AiDol programme directly or indirectly to competing
  companies before they have been offered to A.I. Total B.V.
- Contractor is prohibited from supplying, selling or otherwise disposing of semen to third parties directly or indirectly of bull calves born from AiDol programme, including explicitly competing farms.
- Contractor is prohibited from supplying, selling or otherwise disposing of or making available embryos resulting from the AiDol programme directly or indirectly to third parties, including explicitly competing companies.
- Contractor is prohibited from producing cattle genetics or results thereof from the AiDol programme identical genetic copies, including clones.
- Contractor itself shall be and remain aware of the bulls covered by the scope of this agreement at the time of use, as found at <a href="https://ai-total.com/aidol">https://ai-total.com/aidol</a>.
- No restrictions apply to heifer calves born from AiDol bull semen.

This agreement consists of 4 pages and is available in several languages. The NL/ENG version is leading.

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# AiDol-agreement

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### Article 1. Obligations and rights A.I. Total B.V.

- 1.1. A.I. Total B.V., by signing this agreement, grants the contractor exclusive access to the AiDol programme for high-quality bull semen.
- 1.2. Only if A.I. Total B.V. determines to genomically examine a bull calf, the costs will be borne by A.I. Total B.V. as described in Article 3(2)(b).
- 1.3. A.I. Total B.V. has the right to resell and/or dispose of bulls if it exercises its purchase option as described in Article 6.

### Article 2. Contractor's obligations regarding the use of AiDol bull semen

2.1. Contractor only uses AiDol bull semen on cows wholly owned by him or, if there are multiple owners by financial interest, all parties who own agree to the AiDol agreement by attaching their names to this agreement and co-signing it.

### Article 3. Contractor's rights and prohibitions concerning bull calves born from the AiDol programme

- 3.1. A bull calf must be offered for genomic testing if:
  - a. The sire of the bull calf is a current AiDol bull; and
  - b. The expected value of the bull calf at least meets the genetic criteria as described at <a href="https://ai-total.com/aidol/explained">https://ai-total.com/aidol/explained</a>.
- 3.2. Contractor is entitled to the following voluntary choices for a bull calf from an 'AiDol bull' that meets the minimum genetic criteria:
  - a. Sale of the bull calf for slaughter specifying the provision as described in Article 8.2;
  - b. Submit bull calf for genomic examination within 7 days of birth at <a href="https://www.ai-total.com/aidol/submission">https://www.ai-total.com/aidol/submission</a>. Exclusively if A.I. Total B.V. decides to test a bull calf, the costs will be borne by A.I. Total B.V. If a bull calf is reported for a genomic test, the possibility of slaughter will be cancelled, unless an exception is made by written consent by A.I. Total B.V.
- 3.3. The contracting party is forbidden without the written consent of a legally valid representative of A.I. Total B.V. on penalty of an immediately payable fine without notice of default being required of EUR 25,000, excluding damages to be determined by the court:
  - a. Bull calves resulting from the AiDol programme without written permission from A.I. Total B.V. to be sold, delivered or otherwise traded directly or indirectly to third parties for any purpose whatsoever, unless the bull calves are sold for rearing for slaughter and the provision as described in Article 8.2;
  - b. To produce, sell, deliver or otherwise trade directly or indirectly semen from bull calves / bulls born from AiDol bulls or embryos arising from the AiDol programme for any purpose whatsoever, irrespective of how it came into the possession of the contractor.
- 3.4. Previous article 3.3. applies in particular to the prevention of selling and/or supplying directly or indirectly to (competing) companies operating in the same line of business of A.I. Total B.V. worldwide. If this violation is detected, an additional immediately payable fine of EUR 25,000 will be imposed without notice of default being required.
- 3.5. Upon receipt of the genomic test results, A.I. Total B.V. shall have an option period of 60 working days to inform the contractor whether or not it will exercise its purchase option.
- 3.6. The contractor has an irrevocable obligation to deliver when A.I. Total B.V. wishes to exercise its purchase option on bull calf born from the AiDol programme. Before the transfer of ownership, the contractor will receive an agreement specifying the veterinary and physical requirements applicable at that time. A sample agreement can be requested at aidol@ai-total.com.
- 3.7. If A.I. Total B.V. exercises its exclusive and irrevocable purchase option, the transaction prices can be found in Article 3 of this agreement. However, A.I. Total B.V. has no purchase obligation.
- 3.8. The contractor has no obligations to A.I. Total B.V. for heifer calves born directly from AiDol semen.

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3.9. If the contractor independently decides to dispose of a genomically approved bull calf without the written consent of A.I. Total B.V., including selling, slaughtering or otherwise disposing of it, the contractor shall owe A.I. Total B.V. an immediately due and payable penalty of EUR 50,000 without notice of default being required, exclusive of damages to be determined by the court.

### Article 4. Contractor's ban on pregnant cows fertilised with AiDol bull semen

4.1. The contracting party may sell pregnant cows fertilised with AiDol bull semen to third parties only with the written consent of a legally valid representative of A.I. Total B.V. The purchasing party for the pregnant cow must therefore sign a three-party agreement with the contracting party and A.I. Total B.V. stipulating the rights for A.I. Total B.V. with regard to the unborn calf. If a breach is detected then the contracting party shall owe A.I. Total B.V. an immediately payable fine of EUR 25,000 without notice of default being required, excluding damages to be determined by the court.

### Article 5. Contractor's ban on embryos produced from AiDol bull semen

5.1. The contracting party may only sell embryos produced with AiDol bull semen to third parties with the written consent of a legally valid representative of A.I. Total B.V. The purchasing party for the embryo must therefore sign a three-party agreement with the contracting party and A.I. Total B.V. setting out the rights for A.I. Total B.V. with regard to the unborn calf. If a breach is detected then the contractor shall owe A.I. Total B.V. an immediately payable penalty of EUR 25,000 without notice of default being required, excluding damages to be determined by the court.

### Article 6. Transaction prices and payments

- 6.1. If A.I. Total B.V. wishes to exercise its option to purchase a bull calf as described in Article 3, the contractor will be paid the transaction prices as set out in Article 6.7.
- 6.2. A.I. Total B.V. provides a bonus payment based on the GTPI index as described in Article 6.7. The bonus payment is determined when the bull calf has reached the age of 450 days. Only bull calves with a NAAB code (www.naab-css.org) and qualified semen for the European or North American market are eligible for a bonus payment. When the bull calf is exactly 450 days old, the bull calf is compared with all bulls of the breed that are 450 days and older and hold a NAAB code.
- 6.3. The purchase price and health test fee (if applicable) will be paid to the contractor within 7 working days of delivery.
- 6.4. The bonus payment will be paid to the contractor within no later than 60 working days after the bonus is determined.
- 6.5. For payment of the bonus by A.I. Total B.V., the bull calf must have passed the health and semen production test and produced a minimum of 2,000 doses (at 0.25ml).
- 6.6. If the bull meets the veterinary requirements, but dies or is otherwise disposed of before the minimum number of 2,000 doses is achieved, there is no entitlement to the bonus and no payment follows for it.
- 6.7. Purchase allowances and bonus payments are as follows:

Ranking (GTPI)	Health test	Purchase price	Bonus	Total
Top 10	€ 500	€ 2.000	€ 97.500	€ 100.000
Top 50	€ 500	€ 2.000	€ 47.500	€ 50.000
Top 100	€ 500	€ 2.000	€ 22.500	€ 25.000
Top 250	€ 500	€ 2.000	€ 7.500	€ 10.000
Outside Top 250	€ 500	€ 2.000	€ 2.500	€ 5.000

- Prizes are not cumulative within ranking categories. Example: for a Top 250 GTPI bull, the owner receives only the Top 250 bonus. The Top 1000 bonus is not applicable for this bull.
- 6.8. Red and Polled bull calves that are 450 days old and have a NAAB code ranked at the top of all available Red Carrier, Red & White and/or Polled worldwide may be eligible for an additional bonus payment. This bonus will be paid together with the first mentioned bonus under the conditions described in articles 3.4. to 3.6. if the bull calf is part of the classification below. The amount of these bonuses are as follows:

Ranking (GTPI)	Heterozygous Polled (Pp)	Heterozygous Red (RC)	Homozygous Polled (PP)	Homozygous Red (RR)
Top 3	€ 3.000	€ 10.000	€ 20.000	€ 20.000
Top 10	€ 1.000	€ 3.000	€ 5.000	€ 5.000

6.9. If A.I. Total B.V. does not exercise the right to purchase, the owner is free to sell and/or test the bull calf with third parties, but only with the written consent of a legally valid representative of A.I. Total B.V.

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### Article 7. Transfer of ownership

7.1. A.I. Total B.V. and the contractor agree that A.I. Total B.V. irrevocably acquires ownership of the bull calf at the time that A.I. Total B.V. has notified the contractor that it wishes to purchase the bull calf under the condition as described in Article 3 of this agreement and under the condition that the bull calf meets the veterinary requirement as described in the bull calf purchase process in Article 3.6., 6.5. and if applicable Article 6.6 of this agreement.

### Article 8. General provisions

- 8.1. Any use of a (rejected) bull calf without the written consent of A.I. Total B.V. is in breach of the obligations under this agreement and will be treated as breach of contract, or default. If a breach is established, article 3.3. and/or 3.4, or article 3.9., 4.1. or 4.2. shall apply immediately.
- 8.2. The Contractor shall transfer all previous provisions regarding the alienation in whatever form of each bull calf to the legal successors and/or users by way of a chain clause. If a breach is established, Article 2.3. and/or 3.4. or Article 3.9. shall apply immediately.
- 8.3. Upon termination of this agreement, all rights and obligations accrued during the term of this agreement shall continue to exist for A.I. Total B.V. at the time of settlement.
- 8.4. The obligations under this agreement start immediately after signing this agreement.
- 8.5. In addition to the rights described in the previous articles, no other rights are granted to the contractor.
- 8.6. Written consent from A.I. Total B.V. must always be given per unique bull calf and signed with a legal signature by a legally valid representative of A.I. Total B.V. The Contractor must actively check for this himself.
- 8.7. A.I. Total B.V. may invoke termination or suspension, including for reasons of force majeure. If A.I. Total B.V. wishes to terminate this agreement, this will be communicated in writing without giving reasons with a notice period of 30 days.

### Article 9. Applicable law and competent court

- 9.1. This contract is exclusively governed by Dutch law. If individual provisions of this contract are or become ineffective, the remaining provisions shall remain in force and the statutory provisions shall apply .
- 9.2. Foreign laws, treaties and/or other conditions of the buyer are excluded in advance.
- 9.3. Disputes arising from this agreement shall be settled exclusively by the competent court of Zwolle, the Netherlands.