

The 2015 "Breeder's Choice" Salers Sire Futurity
Denver, Colorado – Sunday, January 18, 2015

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Purpose: The "Breeder's Choice" Salers Sire Futurity has been established to increase participation in the National Salers Show, the National Salers Sale and the American Salers Association meeting by ASA members. Furthermore, the "Breeder's Choice" Salers Sire Futurity is designed to identify the most useful young sires in the Salers breed.

GENERAL INFORMATION

The time and location to hold this annual event will be on Sunday, January 18, 2015 in conjunction with the 2015 National Salers Pen Bull and Heifer Show as a part of the National Western Stock Show in Denver, Colorado.

The "Breeder's Choice" Salers Sire Futurity Champion and Runners Up will be selected by scored balloting of the participating Futurity Members and not by a show judge.

The owners of the winning bulls will be awarded cash prizes based upon the combined totals of Futurity Membership Fees and Futurity Bull Entry Fees less the costs, expenses and other administrative fees used to conduct the Futurity. The total cash purse is dependent on the number of memberships sold and the number of bulls consigned to the Futurity.

The Futurity Champion Bull will be awarded to one Futurity Breeder Member who will be selected by a drawing prior to the announcement of the Futurity Champion Bull. Each Futurity Member (Except the consignor of The Futurity Champion Bull) will have one chance to be drawn.

52 Futurity Memberships can be sold. Memberships sold before November 20, 2014 will be \$500 for Individual Memberships and \$500 for Joint Memberships (two breeders purchasing a membership jointly). Memberships sold on November 20 and after will be sold for \$550 (US) for Individual Memberships and \$550 Joint Memberships (two breeders purchasing a membership jointly).

"BREEDER'S CHOICE" FUTURITY BREEDER MEMBERSHIPS

"Breeder's Choice" Salers Sire Futurity Memberships are made available on a first-come, first-served basis and are considered official upon receipt by and approval of the Futurity Chairman.

Additional Futurity Memberships may be sold at auction by the Futurity. The 2015 “Breeder’s Choice” Salers Sire Futurity will be limited to 52 Futurity Memberships.

Futurity Memberships may be purchased and owned by an Individual, a Partnership, a Corporation, an Organization, a Breeder Association or as a Two Party Joint Membership.

Partnerships, Corporations, Organizations, Associations and Joint Memberships must select, specify and submit in writing to the Futurity Chairman, the identity, title and mailing address of the person authorized to represent the aforementioned entity in all future meetings and functions. The designated person authorized to represent this entity must be an officer, director, stockholder, partner, member, employee or legally appointed representative of the entity in order to be designated as the authorized representative to the “Breeder’s Choice” Salers Sire Futurity.

All communications between the Futurity Chairman and the aforementioned entity shall be directed to and through the Designated Representative. Likewise, all distribution of funds and semen shall also be made to and through the Designated Representative on behalf of the entity. Delivery of funds, semen or communications to the Designated Representative shall relieve the Futurity Sponsor and the Futurity Chairman from any further duty or obligation to the parties involved in the aforementioned entity.

The aforementioned entity shall be entitled to one vote at any Futurity meetings or functions and the vote is to be cast only by the Designated Representative.

Once purchased, a Membership in the “Breeder’s Choice” Futurity becomes the property of the Futurity Member and ownership may be sold, transferred or awarded at the discretion of the original owner of the membership. However, the Futurity Membership may only be transferred one time in the year preceding the “Breeder’s Choice” Salers Sire Futurity. Any change in the Designated Representative or owner of the Futurity Membership must be submitted in writing to the Futurity Chairman and must be on file with the Futurity Chairman by the December 31st preceding the Futurity before the newly authorized Designated Representative or Futurity Member is eligible to represent the aforementioned entity in any manner or assume Futurity Member status.

Each Futurity Member will receive the following:

1. An Official Futurity Membership Card for confirmation and voting for the Futurity Champion Bull.
2. A chance to win the Net Sale Proceeds from the sale of the Futurity Champion Bull.
3. 30 units of semen produced by the “Breeder’s Choice” Salers Sire Futurity Champion Bull.

FUTURITY MEMBER SEMEN ALLOTMENT

Futurity Members shall have exclusive AI use of the Futurity Champion Bull for a period of two years. No semen is to be sold to non-Futurity Members by members of the Futurity on the Futurity Champion Bull. Only Futurity Members, the Consignor and the Buyer(s) of the Futurity Champion Bull in the National Salers Sale may register progeny that result from the Futurity Champion Bull for the two year term as specified in the Exclusive AI Semen Use Contract. However, the Consignor and the Buyer(s) of the Futurity Champion are not limited to semen for within herd AI use.

An Exclusive Artificial Insemination Semen Use Contract must be signed and returned to the Futurity Chairman by all Futurity Members before semen will be released. The Exclusive AI Semen Use Contract stipulates the terms and limitations by which the Futurity Member is to be governed in

the use of semen from the Futurity Champion Bull. The contract will be provided to the Futurity Member by the Futurity Chairman prior to the collection process on the Futurity Champion Bull.

AI Certificates must be procured from the Futurity Chairman who has the sole proprietorship to release all AI Certificates for the two year term of the Exclusive AI Semen Use Contract. AI Certificates will be sold at ASA cost to the Futurity Members to register calves resulting from the use of the Futurity Champion Bull during that two-year term of the Exclusive AI Semen Use Contract.

The Futurity Member is responsible for procuring the release of semen through the Futurity Chairman. Each Futurity Member is responsible for payment of all semen shipping costs upon receipt of the 30-unit allotment of semen, which will be shipped COD. To eliminate bookkeeping problems and to insure quality control of the semen, Futurity semen will not be released to the Futurity Members until all of the Futurity semen has been collected. A Futurity Semen Release Form will be sent to each Futurity member at the start of the semen collection process requesting semen shipping information and the Futurity Members intent for use of the semen from the Futurity Champion Bull. There will be no rush orders allowed for semen shipping prior to the release of all the Futurity semen. Futurity Semen will not be stored by the bull stud for an extended period of time. Any unclaimed Futurity Semen left in storage for twelve (12) months following the end of the Futurity Semen collection period will be disposed of and the Futurity Member will forfeit his rights to ownership and use of the semen from the Futurity Champion Bull.

FUTURITY BREEDER MEMBERSHIP RENEWAL

Original Futurity Members will have the first Right of Refusal to purchase a Futurity Membership in subsequent years of the “Breeder’s Choice” Salers Sire Futurity. The renewal of the Futurity for the “Breeder’s Choice” Salers Sire Futurity to be held in January 2015 (and for every proceeding year thereafter) will be as follows:

Renewal of Futurity Memberships for the 2015 “Breeder’s Choice” Salers Sire Futurity (And Each Year Thereafter), will be sold for \$500 (US) and are due in the office of the Futurity Chairman. The Unsold Futurity Memberships will be available. Any remaining Futurity Memberships will be sold at public auction at a time to be announced by the Futurity Chairman and prior to the drawing for the sale proceeds on the Futurity Champion Bull.

Following The Purchase Of A Futurity Breeder Membership:

- Upon receipt of the membership fee, a card will be drawn from a shuffled deck of playing cards by the Futurity Chairman and will be assigned to the purchaser of the Futurity Membership.
- The purchaser of the Futurity Membership will be sent an Official Futurity Membership Card that is to be used for identification purposes prior to balloting for the Futurity Champion Bull. This card will also indicate the purchaser’s playing card drawn from the deck. Cards will be drawn off the top of the deck and assigned to the buyer as Memberships are purchased.

BULL NOMINATION/ENTRY INFORMATION

Any individual Futurity Member, with the exception of a Two Party Joint Membership, may nominate a bull to the “Breeder’s Choice” Salers Sire Futurity by paying the voting Futurity Membership Fee of \$500 or \$550 (US), whichever applies based on earlier noted submissions dates and paying a Futurity Bull Nomination/Entry Fee of \$150 (US). One additional bull may be nominated from a Futurity Membership by paying an additional \$150 (US) Nomination Entry Fee,

All bulls must be registered with the ASA and the original paper must be submitted to the Futurity Chairman At The Time Of Entry to be considered an entry in the Futurity.

Nomination/Entry Forms can be obtained from the Futurity Chairman by request (See page 9). Only the Futurity Member who is a recorded owner of the bull at the time of nomination may nominate bulls.

2015 “Breeder’s Choice” Salers Sire Futurity Entries are limited to 50% Optimizer to Fullblood bulls calved between August 1, 2013 to March 31, 2014.

Bulls entered into the “Breeder’s Choice” Salers Sire Futurity must also be entered in and shown either in the Salers Pen Bull Show or the Salers Open Show of the National Western Stock Show in Denver, Colorado. Owners of nominated bulls are also encouraged to enter their bull(s) in the 2015 National Salers Sale.

The Following Requirements Must Be Met In Order to Complete Entry Of A Bull In The 2015 "Breeder's Choice" Salers Sire Futurity:

1. Bulls entered into the Futurity must be tested Negative for Beta Mannosidosis through the official ASA lab at Michigan State University and provide a Negative Beta Mannosidosis Test result to the Futurity Chairman At The Time Of Entry.
2. Bulls entered into the Futurity must pass Parental Verified DNA test through GeneSeek Inc. and provide proof of parental verification to the Futurity Chairman At The Time Of Entry. Any bull that does not have proof of Parental Verification provided At The Time Of Entry will not be accepted into the Futurity.

The Consignor agrees to sign and abide by the terms of an Exclusive Artificial Insemination Semen Use Contract that specifies the Consignors responsibility for semen collection, cessation of the sale of semen from the bull for a period of two years from the date of the Futurity and limiting the release of semen from the bull to thirty units of semen to each Futurity Member for a term of two years from the date of the Futurity. Any semen sold or released to any other party, other than the recorded owner(s) of the bull after the date of entry in the Futurity and before Futurity balloting will result in disqualification from Futurity and forfeiture of Futurity Nomination/Entry Fees.

The Futurity Nomination/Entry Form, the \$150 Nomination/Entry Fees (US), the Beta Mannosidosis and Parental Verification test results and all original Registration Papers must be received by the Futurity Chairman on or before the November 20, 2015 Entry Deadline to be considered as an entry into the Futurity. NO EXCEPTIONS. There will be No Refund of Nomination/Entry Fee once the Futurity Chairman has received the Entry.

Upon being named the Futurity Champion and winner of cash award, the owner agrees to transfer 1/2 interest, including full salvage value and full possession in the Futurity Champion Bull to the winner of the drawing. The owner will retain 1/2 semen interest in the bull for in-herd use only from then on and agrees to not sell any fractional semen interest in his retained 1/2 ownership for the two year term specified in the Exclusive AI Semen Use Contract. The owner also agrees to relinquish possession of all registration papers on the Futurity Champion Bull to the Futurity Chairman for the two-year term of the Futurity. Following the sale of the Futurity Champion Bull, transfer of ownership will be made by the Futurity Champion Bull to the winner(s) and to the "Breeder's Choice" Salers Sire Futurity. Once the two-year term has expired, the owner will assume full rights of ownership of his/her 1/2 interest for in-herd semen use in the bull under ASA Rules of Ownership.

Each Consignor of a Bull to the Futurity must agree to complete all health requirements and tests as specified in the aforementioned Futurity Bull Nomination/Entry Requirements.

WINNER OF THE "BREEDER'S CHOICE" FUTURITY CHAMPION BULL

The Winner(s) agrees to sign and abide by an Exclusive Artificial Insemination Semen use Contract prepared by the Futurity. The Buyer(s) of the bull are required to use the designated Futurity semen collection facility for the collection of semen for their own in-herd use for the first collection period. The Buyer(s) will assume possession of the bull once all the Futurity semen obligations have been met for disbursement of semen to Futurity Members.

The Futurity Chairman shall use his best efforts to obtain a standard mortality insurance policy for a three (3) month period of time (the estimated period of time for semen collection to meet the Futurity semen obligations) on the winning bull naming the Futurity Sponsor as beneficiary for the

benefit of the Consignor of the Futurity Champion Bull in an amount equal to the estimated net Futurity Funds to be awarded. The mortality insurance coverage shall be provided by the Futurity to cover any loss prior to the sale of the bull, for transportation to the stud and for the duration of the collection period to meet the Futurity semen obligation for the Futurity Members.

The Winner (s) will incur no expenses for the costs of the Futurity semen collection, semen storage or shipping of Futurity semen, nor for the cost of transportation to our housing of the bull at stud during the collection period required to fulfill the semen allotment obligations of the Futurity. Furthermore, the Futurity will pay the cost of CSS Health Tests on the bull upon arrival to the semen collection facility. The Winner(s) of the Futurity Champion Bull are responsible for and will assume all expenses of semen collection, semen storage and housing fees at the stud once the Futurity's semen obligations have been met and semen has been released to the Futurity Members.

Once the two year term of the Exclusive AI Semen Use Contract has expired, the 1/4 semen interest held by the Futurity will be transferred to the Winner (s) of the bull who will then own 1/2 interest, full possession, full salvage value and full revenue interest in the bull. The bidding on the Futurity Champion Bull in the National Sale is open to any person or group of people (this includes Futurity Members and Non-Members).

THE "BREEDER'S CHOICE" SALERS SIRE FUTURITY SHOW

Performance data to include, but not limited to, the information provided on the Performance Summary will be provided to each Futurity member on each bull entered into the Futurity. Additionally, current scrotal circumference, frame score, actual weight, weight per day of age and ultrasound information (Backfat, Ribeye and Marbling Score) will be provided on each bull entered into the Futurity.

If warranted, the Futurity Show will be broken into divisions that will be determined by the age of the bulls. The preliminary rounds, if required will produce a maximum of five nominated bulls per division to compete for the Futurity Championship, as determined by the tally of the Futurity Membership votes. A bull must receive at least one vote in order to proceed to the Futurity Championship.

Member Voting Procedure:

Voting for the Futurity Champion Bull will be conducted by eligible Futurity Members who must present their Official Membership Card to the Futurity Chairman to receive a ballot for voting. The Futurity Chairman will distribute ballots at the designated time of the Futurity Show. Futurity Members must be present at the Futurity Show to vote but need not be present to receive their semen allotment or to be awarded the sale proceeds on the Futurity Champion Bull.

Scoring Procedure:

Ballots will be provided to the Futurity Member for each round of judging. Each ballot for a preliminary round and the Futurity Championship round will allow for a selection of a 1st, 2nd and 3rd place vote by the Futurity Member and will be scored as follows:

1st – scored @ 3 points; 2nd – scored @ 2 points; 3rd – scored @ 1 point

In each round, Ballots must be designated a 1st, 2nd or 3rd place ranking. Those Ballots that do not designate a 1st, 2nd or 3rd place ranking will be considered "spoiled" and will not be considered in the voting tabulation. If a tie exists a second round of voting would occur with voting between the tied individuals.

Announcing the Winners:

Elimination cards will be drawn one at a time with the last card remaining to be deemed the winner of the sale proceeds on the Futurity Champion Bull. The Futurity Chairman will announce the Futurity 2nd and 1st Runners-up and then the Futurity Champion Bull.

FUTURITY CASH AWARDS

The Consignor of the Futurity Champion Bull will be awarded 80% of the net Futurity funds. The 1st and 2nd Runners-up will receive a cash award of 12% and 8% respectively of the net Futurity funds. Payment of the cash awards for the Futurity Champion Bull and the Runners-up will be made to the Futurity Member who nominated the bull.

The winner of the drawing shall receive possession of the Futurity Champion Bull after the collection process is complete for the Futurity members.

RESPONSIBILITY OF AND REIMBURSEMENT TO THE FUTURITY CHAIRMAN

The Futurity Chairman is responsible for the complete management and conduct of the “Breeder’s Choice” Salers Sire Futurity which includes but is not limited to the following:

- Promotion of the “Breeder’s Choice” Salers Sire Futurity
- Soliciting Futurity Memberships
- Communication and Correspondence with Futurity Members
- Coordinate all contractual arrangements with the Futurity Members, the Consignor and the Buyer(s) for exclusive semen use
- Coordinate all contractual arrangements with the bull stud
- Payment of all expenses incurred in the conduct of the Futurity and the semen collection process
- Soliciting Futurity bull entries
- Develop a brochure of Futurity Bull Entries and mailing to the Futurity members prior to the show
- Assist in the Processing and Data Collection of each Futurity Bull
- Conduct Futurity Member meetings (if necessary)
- Coordinate and conduct the Futurity Show
- Coordinate and conduct the Futurity awards
- Management and Coordination of Semen Collection process
- Payment of all expenses incurred in the collection of semen on the Futurity Champion Bull
- Coordinate release of Futurity Members Semen Allotment
- Cashiering and Disbursement of Futurity Cash Awards
- The sale and release of all AI Certificates through the two year term of the Exclusive AI Use Contract

For providing all these task involved in the management of the “Breeder’s Choice” Salers Sire Futurity, the Futurity Chairman will be paid a commission of 5% on all Futurity funds and 3% on the sale price of the Futurity Champion Bull in the National Sale. The Futurity Treasurer will be paid a commission of 1% on all Futurity funds collected.

ESCROW AND DISBURSEMENT OF FUNDS

All Futurity funds collected and the sale proceeds from the National Salers Sale will be held in escrow until the Futurity Champion Bull produces high quality and freezable semen, according to the accepted industry standards and in sufficient volume to fulfill the semen obligations of the Futurity. The Futurity funds, less Futurity expenses and the sale proceeds, less sale expenses will be dispersed once all the Futurity semen has been released to the Futurity Members.

Should the Futurity Champion Bull fail to produce high quality, freezable semen by the age of 15 months or by May 31, 2015, then no Futurity cash award will be made and the purchase price, all the membership fees and all entry fees will be refunded, less the Futurity and Sale expenses incurred by the Futurity and all membership contracts will be Null and Void. At this point, full ownership and full possession in the bull will be returned to the Consignor.

In the event of the death of the Futurity Champion Bull prior to completion of semen collection and release of semen to the Futurity Members and if the bull has met all Futurity qualification, then the net Futurity funds will be awarded to the Consignor, all membership contracts will become Null and Void and no refunds will be made to the Futurity Members.

DISCLAIMERS

The Futurity Chairman, assumes no responsibility for fertility or errors in labeling, handling, shipping or insemination of semen produced by the Futurity Champion Bull. The Futurity is sponsored by Mark Dixon and Scott Trueblood and is not related in any manner to the American Salers Association. The American Salers Association shall in no way be responsible for the interpretation of the Rules or Policies of the Futurity or the enforcement thereof.

All contracts, agreements and warranties, if any, shall be between the Consignor of the bull, the winner of the 1/2 interest and full possession of the Futurity Champion Bull and the Futurity members using the semen.

The Futurity Chairman, makes no guarantee as to the exportability of semen to any foreign country. Any Futurity Member desiring to export semen to a foreign country shall pay all fees, tariffs and health related expenses required for export of semen.

Futurity Membership Are Sold On A

“First-Come, First Served” Basis.

Don't Wait!! Join Today!!

Return This Futurity Membership Entry Form With Your Payment of
The Futurity Membership Fee to The Futurity Chairman to Become A
Member Of The "BREEDER'S CHOICE" SALERS SIRE FUTURITY

----- Clip and Mail To the Futurity Chairman Today -----

THE "BREEDER'S CHOICE" SALERS SIRE FUTURITY
FUTURITY MEMBERSHIP FORM

Individual or Joint Two Party Futurity Memberships - \$500 before
November 20, 2014 or \$550 November 20th 2014 and after.

Consider This As My Entry Into The "Breeder's Choice" Salers Sire
Futurity.

My Check for the \$_____ (US) Futurity Membership Fee Is Enclosed.

ASA Member No. _____

Farm/Ranch Name _____

Name _____

Address _____

City _____ State _____ Zip _____

Phone _____ Fax _____

E-Mail Address _____

Please Send Me A Nomination/Entry Form to Enter A Bull In The
2015 "Breeder's Choice" Salers Sire Futurity

Futurity Bull Nomination/Entry Deadline: November 20, 2014

I Have Read And Understand The Rules And Regulations Of The
"BREEDER'S CHOICE" Salers Sire Futurity and Certify That My Entry
Is Made With Full Knowledge Of These Rules and Regulations By Which
I Am To Be Governed.

Signature: _____

Return to:
Mark Dixon, 2015 "Breeder's Choice" Salers Sire Futurity Chairman
72199 Ave 337 • Benkelman, NE 69021 • 308.414.2274