

This is a translation. Valid is always the text in German

REGULATION 5. SWISS INTERNATIONAL SALE

Saturday November 19, 2011, Suisse Tier, Lucerne (Switzerland)

1. Object

The exhibition Suisse Tier, Lucerne and Züchter-Service ZS AG, Chur (ZS-AG) will organize an international sale with high quality breeding animals from the breeds Holstein, Red Holstein, Jersey and Brown Swiss. The animals are originated from different countries. This sale event should be organized as well in a special atmosphere.

2. Goals

This auction should be a good sale platform with an international character. We will build up a very high image for the transfer of high genetic animals. This event should be as well an information source for the modern dairy farmer und dairy breeder.

3. Responsibilities

The main responsibility is by the exhibition ground Lucerne (Messe Luzern), who organize the exhibition Suisse Tier 2011 from November 18 to November 20, 2011 in Lucerne. ZS-AG is responsible for the whole coordination and organization from the sale event. The selection from the animals can be delegate to different partners.

4. Place, date and program

This event (Swiss international sale) will be on **Saturday, November 19, 2011 at 02:00 pm** in the exhibition hall 2a from the exhibition ground Lucerne (Switzerland). It is a part from the exhibition Suisse Tier 2011. The sale animals can be inspect during the official open time from the exhibition Suisse Tier.

5. Selection and preparation from the animals. What goes to the auction.

Only genetic- and typwise high quality young animals are to select.

Responsible for the selection is ZS-AG. She can delegate the selection to partners. With the written declaration confirmed the seller, knowledge of these regulations and that he accept these regulations.

The import from the animals will be done in coordination with the ZS-AG. All costs from this import till to the quarantine barn Switzerland (transport, customs, etc) has to be paid by the supplier.

The animals have to be announce by the ZS-AG until August 29, 2011.

The suppliers get free a place for a booth from 4 x 3 meters during the sale event and 1 page advertisement with a 50 % discount in the auction catalogue.

6. Zootechnique Regulations

The suppliers must sign a previous use confirmation. This confirmation confirm how the animal(s) is used over ET/IVP in advance of the sale. A model from this confirmation will send to the suppliers from ZS-AG.

Also till August 29, 2011 the suppliers provide ZS-AG with the DNA from the sale animals.

Also are the suppliers responsible that all results from the genomics tests / proofs are open declared and till August 29, 2011 get delivered to the ZS-AG.

7. Veterinarien regulations and conditions

The regulation from the official veterinary (veterinary of canton Lucern) are strictly to follow. The sale will be under control from the official veterinary. All animals must come from herds' official free from Tuberculosis, Brucellosis, IBR-IPV and Leucosis. Animals witch on the bringing day are older then 24 months, must have an IBR/IPV blood test witch is not older the one year.

All animals must have a negative blood test result for BVD-Antigen (Swiss animals out print from the animals database). The pregnancy from the animals can not be more then 7 months (Swiss BVD Eradication program) and Bluetongue Virus (PCR). The blood test must be done during 30 days before the auction will be. In behave of Bluetongue, all animals must be vaccinated (Basic immunisation)

Get animals after the sale exported, must stay the animals for 30 days on the same farm in Switzerland. During this time will be the BT-Test – according to the regulations in the delivery country – done.

The imported animals must fulfil the Swiss import conditions (Traces certificate, blood test for IBP-IPV, BVD-Antigen, BT-Virus PCR test or BT vaccination etc). Our schedule is, that the foreign animals get imported to Switzerland till October 14, 2011 (look to the attached time schedule)

The imported animals goes in Switzerland to a quarantine from least 3 weeks and after this, the imported animals get treated the same way like the animals from Switzerland. The buyer pays the costs from the Swiss quarantine and ZS-AG will coordinate this imports. The quarantine will be done by: Horni/Gmür, Bofelweg 4, 7310 Bad Ragaz. Register-Number 1101485.

8) Performance (Bringing) / Feeding / Care / Styling / pictures from the sale animal

All animals goes on Thursday November 17, 2011 in the afternoon to Lucern and get prepared to the sale. The final bringing schedule will be planed in collaboration with the supplier.

The transport after the auction will be done as agreed with ZS-AG (Sunday November 20, after 05:00 pm till latest on Monday 21.11.2011 at 08:00 am)

Feeding and animal care get organized through ZS-AG. ZS-AG is as well responsible for the styling of the animals and the presentation (lead) of the animals during the auction.

If ZS-AG get from the sale animal a picture in good quality (resolution, animal presentation etc) and this pictures is for promotional purposes available, the advertising contribution will be reduced by CHF 100 - . The corresponding picture material is to delivery up on August 29, 2011 to ZS-AG.

9) Transport - shipment

The shipment is in charge of the seller / selection partner and the buyer from the animals.

10) Insurance

The animals for the auction are insured through ZS-AG from the arrive time until the depart time on the sale ground.

11) Advertising / Order of the auction/sale

- ZS-AG will make an auction catalogue. Each animal gets presented in the Catalog with the pedigree and an advertising part (text and pictures). The suppliers / selection partners are responsible, that all documents (text, pedigree) and pictures for the sale catalog are given to ZS-AG until August 29, 2011 (sending electronically jpg, eps, pdf file). **It is obvious that by the promotion for the sale (example holstein International) those sales offers to be preferred by those early good information and picture material is available**
- ZS-AG make a clear presentation from each animals in the barn
- The auction will be on a big stage in the hall 2a, exhibition Lucerne. As well we make a nice VIP-Lounge for the selection partners and selected buyers. For the entry to this VIP-Lounge is a ticket necessary. All sellers and selection partners get 3 tickets. The distribution from the other VIP-tickets make ZS-AG (total around 200 tickets)
- Went the auctioneer the object to somebody is the object (animal) sold and use and danger goes to the buyer. The buyer is obligate to take the bayed animal over. ZS-AG take the animal not back and make no discounts on the price
- **Minimum prices get not fixed.**
- By the imported animals will be done a clear declaration in the sale catalogue, that the buyer has to pay additionally the cost from the import from the animal (fodder cost Swiss quarantine, veterinarian, registration by the Swiss breeding federation, transport etc). The ZS-AG reserves the right to a fair value corresponding to the deposit for the import cost in addition to the sale price to rise.
- The buyers from Switzerland get an invoice for the animals and have to pay this invoice within 10 days. The foreign buyer has to pay the animals before we export them. All buyers have to pay a handling fee from 4 percent from the price.
- The animals get paid to the selection partners when the guarantee time is run off (normal 9 working days) or if any guarantee cases are finished.

12. Guarantees

The seller give to the buyer the guarantee for healthy and goodness of the animals (Swiss expression) for the time from 9 days (Swiss law). The declaration in the auction catalogue is as well guaranteed. If something changed, by the presentation from the animals by the auction, the person witch present the animals, will announce the changes and this announcements are as a well a change of the guarantee

The guarantee time start on the selling days. The seller give no guarantee for mangles witch are coming from after the auction is over.

The ZS-AG takes no risk and gives no guarantees for animals witch goes to the auction.

13. Imported animals, sales to foreign countries

The imported animals get imported to Switzerland with the carneate and have at the moment from the auction a duty-free status. Stays an animal in Switzerland, ZS-AG

will make the necessary customs work. **The buyer has to pay as well the costs for the Swiss import quota, the veterinary, the customs and the administration to pay (with deposit)**

For the animals which get sold in foreign countries, ZS-AG will make the exportation. Get animals after the sale exported, must stay the animals for 30 days on the same farm in Switzerland. During this time will be the BT-Test – according to the regulations in the delivery country – done.

The buyer has to pay all the export costs (with deposit).

14. Costs

For the seller

- Advertising fee from sFr. 150.-
(sFr. 100.- less when we get a picture follow to point 8)
- Commission from 8 % from the selling price
- Selection and shipment costs follow to the rules from the selection partners
- By foreign animals all cost till the Swiss quarantine barn (Transport, Carnet ata, etc)

For the buyer

- Price on the auction
- Commission from 4 % from the selling price
- Deposit import – export costs follow to the description under point 13 (fodder Swiss quarantine, Import quota, Import – Export custom fees, blood tests, veterinarian, registration fees breeding federation, federation fees, transport). The amount of bail is in a sales catalogue declares

15. Booths, advertising and sponsoring

A special regulation describe this points detailed and the regulation can be downloaded under <http://www.zs-ag.ch> The seller from animals can make advertising with a discount from 50 % to the normal price in the sale catalogue

16. Lawsuit

For the settlement from the difference of opinion, a court of arbitration will be insert. A representative from the buyer and seller and a representative from the court of canton Lucerne as chief will be member from this court of arbitration. The decisions from the court of arbitration will be definite.

Chur, July 20, 2011

For the Suisse Tier
sig. Werner Fluder

For the ZS-AG
sig. Peter Bosshard

Attached to this regulation is the time table for the animal movement. The time table are an integral part of these rules