



The Benefit of Co-owning a Herd Sire With French Hollow Alpacas

Why Co-own a Herd Sire? Co-owning is a convenient and cost effective way for farms to have ownership of top quality males and introduce new genetics into their herd.

What are the contractual terms of Co-owning a male with French Hollow Alpacas?

Under the terms of Co-ownership, French Hollow Alpacas would retain controlling interest of the male (51%). Both French Hollow Alpacas and the co-owning farm would maintain a mortality and fertility insurance policy on the co-owned male. In the event of mortality or loss of fertility the policy would be settled based on the 51% / 49% ownership terms. The farm co-owning the French Hollow Herd Sire would contractually agree to follow French Hollow's nutritional and care guidelines in the management of the herdsire while in their possession and further agree to follow French Hollow Alpacas' breeding and health management protocols. Under the contractual agreement, the co-owners would be given ample and flexible time frames in which the herdsire would reside at their farm based on their breeding requirements. Neither French Hollow Alpacas nor the co-owning farm will be able to sell a percentage of their ownership in the co-owned herdsire. This is strictly a 51% / 49% agreement solely between French Hollow Alpacas and the co-owning farm. French Hollow Alpacas reserves the right to inspect the co-owning farm's facility prior to agreeing to sell interest in a herdsire. A co-owned herdsire will not be leased out by either party. Co-owned males will remain at French Hollow Alpacas until their ability to successfully breed females is verified. All co-owned males are sold by French Hollow Alpacas with a reproductive guarantee.

Benefits of Co-owning a male with French Hollow Alpacas: Co-owning a male with French Hollow Alpacas would provide the co-owning farm with an exceptional herd sire at a reasonable cost. French Hollow Alpacas aggressively markets and promotes their animals at shows and in Alpacas Magazine. This would give the co-owning farm greater exposure at no additional cost. All promotional materials created by French Hollow Alpacas (at French Hollow's expense) would feature the co-owner's logo and contact information. French Hollow Alpaca contracts professional alpaca photographers to periodically photograph the herd. Copies of the photographs of the herd sire would be provided to the co-owning farm at no additional cost. In addition, to showcase their animals to their full potential, French Hollow Alpacas hires the best handlers to take their animals into the show ring. This would be an additional benefit that the co-owning farm would derive at no additional cost. The co-owning farm would also be provided with promotional photographs /show photographs of the herd sire and assistance with their marketing efforts of the herdsire at no additional cost. As clients/partners of French Hollow Alpacas, the co-owning farm would be entitled to attend all educational seminars

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offered by The Breeders' College at French Hollow Alpacas at no charge. The co-owning farm would also be entitled to savings related to the purchase of breedings to other French Hollow herd sires and/or the future purchases of breeding stock from French Hollow Alpacas.

How many females can be bred to the co-owned male? The co-owning farm can breed as many of their females as they desire to the co-owned herd sire. In order to protect the value of the herd sire and not over breed the bloodline, French Hollow Alpacas and the co-owning farm would mutually agree to the total number of outside breedings that they each would book in a calendar year. This number can be re-evaluated by both French Hollow Alpacas and the co-owning farm on an annual basis. The stud fee for the co-owned male would also be mutually agreed upon by both French Hollow Alpacas and the co-owning farm and can be re-evaluated annually. The co-owning farm is entitled to the full proceeds derived from outside breedings booked while the herdsire is at their farm and is responsible for providing breeding guarantees to their outside breeding clients.

Can the co-owning farm promote the herdsire? Yes. The co-owning farm can feature the herd sire on their website, and can design their own materials for publication or mailings to promote outside breedings. To protect the integrity and image of the herd sire, French Hollow Alpacas reserves the right to approve all promotional materials featuring the herdsire prior to publication or distribution. French Hollow Alpacas will provide available photographs of the herdsire and assist the co-owning farm with their promotion of the herd sire at no additional cost.

What are the financial benefits of co-owning a herdsire: Co-owning a herd sire provides a small farm with quality genetics at half the price. For example: A small farm with a \$20,000 budget can purchase an excellent male for \$20,000, or co-own and excellent male for \$10,000. Better yet, they can co-own two males for the same \$20,000, providing additional genetics to their herd and affording them the opportunity to derive income from outside breedings to these males.

Can the co-owned male be financed? Yes. The co-owning farm can finance the male for a one year period, interest free. The financing requires 4 equal quarterly payments. While the herdsire is being financed, it must remain at French Hollow Alpacas. During the financing period, the co-owning farm can bring their females to breed to the co-owned herd sire at no charge.

Many of our herd sires are available for co-ownership. For more information about our herdsires and co-ownership terms please **contact us.**