

BOVINE AGISTMENT AGREEMENT

THIS AGREEMENT, made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between Weathered Silos Farm, LLC., (Agister) and \_\_\_\_\_ (Owner).

Recitals

Agister possesses dairy facilities at 8930 Hanover Road, Hanover, MI 49241 (the “Dairy Facilities”), for the holding, caring for, and handling and milking of dairy cows. Mailing address for Agister is 8930 Hanover Road, Hanover, MI 49241. Owner is an end consumer with the following contact information: mailing address \_\_\_\_\_; email address - \_\_\_\_\_; and phone number - \_\_\_\_\_.

Owner has an undivided interest in a herd of dairy cows (the “Herd”) and desires to board the cows constituting Owner’s undivided interest in the Herd at the Dairy Facilities.

Agister has agreed to provide care and boarding for the Herd at the Dairy Facilities and Owner has agreed to pay a boarding fee of \$25.00 (Twenty-Five Dollars) per month per share or \$12.50 (Twelve Dollars and Fifty Cents) per month per half; for the care and boarding of the Herd, such fee being payable to Agister according to the terms of this Agreement.

NOW, THEREFORE, it is agreed as follows:

1. Definitions. In addition to other terms defined in this Agreement, for purposes of this Agreement, the words:

A. “Agister” shall mean Weathered Silos Farm, LLC., who will pasture and control the Herd at the Dairy Facilities; feed, maintain and care for the Herd; milk the Herd; and prepare the production of the Herd for pick up by Herd Owners or their agents.

B. “Agistment” shall mean pasturing and controlling the Herd at the Dairy Facilities; feeding, maintaining and caring for the Herd; milking the Herd and preparing the production from the Herd for pick up by Herd Owners or their agents.

C. “Arbitration” shall mean the process of settling a dispute with a third party arbitrator.

D. "Arbitrator" shall mean an independent third party appointed to settle a dispute.

E. "Herd" means the dairy cows referred to in the Recital above, augmented annually by any increases (male as well as female) and replacements, and diminished annually by any decreases.

F. "Herd Agreements" shall mean collectively this Agreement and all of the other substantially similar agreements signed by the owners of the remaining undivided interests in the Herd.

G. "Owner" shall mean the person who possesses an undivided interest in the Herd.

H. "Herd Owners" shall mean collectively all the owners of undivided interests in the Herd.

I. "Indemnification" shall mean the party who agrees to indemnify shall defend and pay costs associated with claims against the other party.

J. "Percentage Interest" shall mean the undivided percentage interest of Owner (or another person) in the Herd determined by dividing the total number of the Owner's (or other person's) shares in the Herd by the total number of shares authorized to be sold in the Herd.

2. Share(s) of the Herd.

A. As evidenced by **Exhibit A** to this Agreement, titled Bovine Bill of Sale, Owner has purchased \_\_\_\_\_ share(s) in the Herd.

B. Owner expressly disclaims any ownership rights to any meat that may be harvested from the Herd from time to time. This is in deference to federal and state meat slaughtering laws which may be violated unintentionally through the distribution of meat.

3. Boarding Fees.

A. For boarding his/her undivided interest in the Herd, Owner shall pay to Agister a monthly boarding fee of \$25.00 (Twenty-Five Dollars) per month per share or \$12.50 (Twelve Dollars and Fifty Cents) per month per half share owned by Owner. The first month's boarding fee is to be paid with the execution of this Agreement.

Thereafter, the boarding fee shall be paid by Owner to Agister, in advance, on or before the first day of each month during the time this Agreement is in effect. The parties agree that the amount of the boarding fee is a fair and reasonable charge for the services and supplies to be provided by Agister to Owner under this Agreement. Payment may be made by cash or check.

B. Agister may at his discretion adjust the boarding fee up to twice each year to cover any increased expense of boarding and caring for the Herd. Such increase will only go in effect after at least sixty (60) days' notice to Owner by Agister.

4. Distribution of Milk.

A. Owner shall be entitled to receive a percentage of the weekly milk production equal to Owner's Percentage Interest in the Herd.

B. Owner shall pick up milk on the days scheduled by Agister.

C. Owner shall be responsible for providing clean, dry containers in which to receive each milk distribution. Owner shall also bring a cooler with ice or an ice pack for the transporting of their milk. Failure to bring suitable containers, or an insulated container in which to transport the milk distribution may result in the Owner forfeiting that distribution.

5. Duties of Agister. In addition to any other duties provided in this Agreement, Agister shall have the following duties in connection with the boarding of the Herd:

A. To board the Herd at the Dairy Facilities and to provide any other reasonable services required by this Agreement or requested by the Herd Owners;

B. To maintain and care for the Herd using sound practices in accordance with the herd health protocols attached with this Agreement (**Exhibit B**);

C. To manage the Herd for and on behalf of the Herd Owners and to acquire and dispose of cows as shall be necessary to maintain the health and productive capacity of the Herd; and

D. To provide reports to Owner as shall be appropriate to apprise Owner of the condition of the Herd and any other information that will be useful to Owner regarding the health and performance of the Herd.

6. Special Services. Should Agister determine that special services are reasonably necessary or should Owner request Agister to perform any special services beyond the boarding

required under this Agreement, Agister and Owner shall agree as to the amount of charges, if any, in addition to the monthly boarding fee, to be paid by Owner to Agister for the special services.

7. Michigan state law expressly prohibits the sales of raw milk to the ultimate consumer except a raw milk retailer who, prior to October 31, 1965, was engaged continuously in the business of selling or offering for sale raw milk directly to the ultimate consumers. Owner expressly agrees not to sell any of the milk it receives from any distribution.

8. Lien for Charges; Enforcement.

A. Owner shall timely pay the boarding charges and other charges contemplated by this Agreement. Agister shall have, and Owner hereby grants to Agister, a lien and security interest in Owner's undivided interest of the Herd for all unpaid purchase price, boarding and other charges that this Agreement obligates Owner to pay.

B. Owner agrees that in the event the payments for which Owner is liable are not paid within the time provided herein or otherwise agreed between Agister and Owner, Agister may dispose of Owner's interest in the Herd for any and all unpaid charges at public or private sale, with or without public notice, ten (10) days after having notified Owner in writing of Agister's intent to act, and apply the net proceeds, if any, to Owner's debt. In the alternative, Agister may acquire Owner's interest in the Herd in satisfaction of the debt.

9. Ownership; Responsibilities.

A. Owner specifically represents and warrants to Agister that Owner has acquired his/her interest in the Herd for Owner's own use and benefit and/or the use and benefit of Owner's family.

B. Owner shall at no time and under no circumstance sell or exchange any of Owner's interest in the milk production from the Herd and shall at all times use the Owner's share of milk production for Owner's own use and/or the use and benefit of Owner's family. Because all of the Herd Agreements are interdependent and cannot function without all interests in the Herd being covered by them, notwithstanding the foregoing, if any court orders a transfer or assignment of an interest, the Court is requested to make the transfer or assignment subject to the terms of the Herd Agreement.

C. Owner understands and agrees that ownership in the Herd does not entitle Owner to any rights in other real or personal property owned by the Agister or Farm, including farm equipment and fixtures. Owner further understands and agrees that it may only enter the Farm premises under the supervision of the Agister, or with the express permission of the Agister.

10. Owner's Assumption of Risk and Waiver of Claims.

A. Owner understands and acknowledges that raw milk may contain harmful pathogens and that its consumption is not recommended by the Centers for Disease Control (CDC), the Food and Drug Administration (FDA), or the Michigan Department of Agriculture and Rural Development (MDARD). Owner understands that Agister's dairy is not regulated by the State of Michigan and is not subject to inspection by MDARD. Owner agrees that Owner will educate Owner's family members about the risks associated with the consumption of raw milk and with the improper storage of raw milk and releases Agister from any responsibility for education of Owner's family members.

B. Owner understands and acknowledges that there are or may be risks of harm encountered in visiting or entering Agister's premises or any other premises where the Herd is located including but not limited to visiting and/or interacting with the Herd and/or other animals that may be found in the vicinity of the Herd.

C. By signing this Agreement, Owner hereby knowingly and voluntarily assumes the risk of any and all such harm and also hereby waives any and all right to make, file, or pursue any claims, demands, suits, actions, causes of action, damages, etc. against the other Herd Owners, Agister or any of Agister's agents, employees, representatives, principals, lessors, lessees, vendors, contractors, subcontractors, etc. that arise out of or in any way relates to any injury, illness, death, loss or damage caused, in whole or in part, by (1) the handling or consumption of raw milk produced by the Herd, and/or (2) visiting or entering upon Agister's premises or any premises where the Herd is located.

D. In addition, Owner hereby waives any and all right to make, file, or pursue any claims, demands, suits, actions, causes of action, damages, etc. against the other Herd Owners, Agister or any of Agister's agents, employees, representatives, principals, lessors, lessees, vendors, contractors, subcontractors, etc. that arise out of or in any way relates to any injury, illness, death,

loss or damage to the Herd caused, in whole or in part, by the care and/or boarding of the Herd by Agister.

11. Indemnification.

A. Owner shall indemnify and defend Agister and all other Herd Owners and shall hold harmless Agister and all other Herd Owners against any and all demands, claims, suits, actions, causes of action, etc. for any injury, illness, death, loss or damage that arises out of or relates in any way to (1) any handling, consumption, or use of any milk produced by the Herd after it has been retrieved or otherwise obtained by Owner, (2) the visit of any person that Owner brings to or causes to visit Agister's premises or any premises where the Herd is located, and/or (3) any failure on the part of Owner to comply with the terms of this Agreement or with any rules, procedures, directions, orders, etc. of Agister that are authorized or permitted by this Agreement.

B. Owner shall also indemnify, defend, and hold harmless Agister's agents, employees, representatives, principals, lessors, lessees, vendors, contractors, subcontractors, etc. against any and all demands, claims, suits, actions, causes of action, etc. for any injury, illness, death, loss or damage that arises out of or relate in any way to (1) any handling, consumption, or use of any milk produced by the Herd after it has been retrieved or otherwise obtained by Owner, (2) the visit of any person that Owner brings to or causes to visit Agister's premises or any premises where the Herd is located, and/or (3) any failure on the part of Owner to comply with the terms of this Agreement or with any rules, procedures, directions, orders, etc. of Agister that are authorized or permitted by this Agreement.

C. Agister shall indemnify, defend and hold harmless Herd Owners for any loss, death, injury, damage, liability or expense caused by any animal in the Herd, in which Owner has an interest, to the person or property of any third parties.

12. Claims. In the event that either party to this Agreement seeks to assert any claim against the other party for any reason in connection with this Agreement or the activities of the other party under it (other than a claim of nonpayment as contemplated by **Section 8** of this Agreement), the party asserting claim shall, within sixty (60) days of learning of the circumstances giving rise to the claim, reduce it to writing (stating the nature of the claim and amount of relief sought) and serve it on the other party.

Any claim for liability under this Agreement not made in compliance with this **Section** is waived.

13. Arbitration of Disputes. All disputes, claims, and questions regarding the rights and obligations of the parties under the terms of this Agreement (other than a claim of nonpayment as contemplated by **Section 8** of this Agreement) are subject to arbitration. Either party may serve on the other a written demand for arbitration within ninety (90) days after the dispute first arises. Any demand for arbitration of a claim served in compliance with **Section 12** above shall be contained within and served with the written claim. The arbitration shall be conducted by three arbitrators (one appointed by Agister, one by Owner, and a third by the other two arbitrators) in accordance with the rules of commercial arbitration of the American Arbitration Association. Each party shall pay its own costs in connection with the arbitration, and costs of the arbitrators shall be paid in equal amounts by the parties.

14. Effective Date and Duration. This Agreement shall be effective upon execution and shall continue in effect until terminated by either Agister or Owner pursuant to **Section 15** hereof.

15. Termination.

A. This Agreement may be terminated by either party by written notice provided to the other party. Unless agreed upon by both parties, such notice shall be given not less than sixty (60) days prior to the date of termination. Such notice shall expressly state the date that the termination is effective.

B. Upon termination of this Agreement, Agister shall purchase shares at the price originally paid.

16. Force Majeure. Notwithstanding anything to the contrary in this Agreement, neither Agister nor Owner shall be responsible for any delay or failure of its performance under this Agreement if the delay or failure is caused by any matter beyond the control of either party, including, but not limited to, government regulations, public emergency or necessity; legal restrictions; labor disputes and actions related thereto; riot, war, or insurrection; and windstorms, rainstorms, snowstorms, floods or other acts of God.

17. Contra Proferentem. Each and every provision of this Agreement shall be construed as though parties participated equally in the drafting of same, and any rule of construction that a document be construed against the drafting party, including without limitation the doctrine commonly known as contra proferentem, shall not be applicable to this Agreement.

18. Miscellaneous.

A. Construction. When necessary for proper construction, the masculine of any word used in this Agreement shall include the feminine and neuter gender; the singular, the plural; and vice versa.

B. Governing Law. This Agreement is being executed and delivered in the State of Michigan and shall be construed in accordance with and governed by the laws of such state.

C. Severability. If, for any reason, any provision or provisions of this Agreement are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation or affect those portions of this Agreement which are valid.

D. Notice. Any notice required by this Agreement shall be in writing and served by registered mail (return receipt requested) to the recipient's address shown on this Agreement or contained in Agister's business records. Receipt shall be effective as of the day after mailing.

E. Captions. The captions of sections and subsections contained in this Agreement are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

F. Entire Agreement. This Agreement constitutes the entire contract between the parties and may not be modified or amended except in writing signed by both parties.

G. Waiver. No assent or waiver, expressed or implied, to any breach of any one or more of the covenants or agreements hereof shall be deemed or taken to be a waiver of any succeeding breach.

H. Incorporation by Reference. All schedules, exhibits and attachments referred to in this Agreement are incorporated by reference and made a part of this Agreement.

I. Assignment. This Agreement and each of its provisions shall inure to the benefit of and be binding upon the parties, their successors and permitted assigns. Owner may assign its interests with Agister's approval only.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates shown below to be effective on the date or dates described above.

For Agister \_\_\_\_\_  
Date

Owner \_\_\_\_\_  
Date

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

## Exhibit A

### BILL OF SALE of an Undivided Interest in a Herd

Weathered Silos Farm, LLC., (“Seller”), whose address is 8930 Hanover Road, Hanover, MI 49241, for and in valuable consideration of the sum of \_\_\_\_\_ dollars (\$ \_\_\_\_\_) at \$75.00 (Seventy-Five Dollars) or \$37.50 (Thirty-Seven Dollars and Fifty Cents) per share received upon execution of this instrument by \_\_\_\_\_ (“Buyer”), has bargained and sold, and by these presents does sell, grant and convey unto the Buyer the following property, goods and chattels, to wit:

An undivided interest of \_\_\_\_\_ (\_\_\_\_) share(s) in a herd of dairy cows (“Herd”) whose ownership is divided into three hundred (300) shares. The Herd is located at 8930 Hanover Road, Hanover, MI 49241 and presently consists of fifteen (15) cows valued at \$22,500.00 (Twenty-Two Thousand and Five-Hundred Dollars) and any increases or replacements. Cows may be culled or removed from the Herd, when such removal or culling is deemed necessary.

TO HAVE AND TO HOLD the same unto Buyer, his/her personal representatives, successors and assigns. Seller covenants and agrees with Buyer, his/her personal representatives, successors and assigns, to WARRANT AND DEFEND the sale of the undivided interest in the Herd against all and every person or persons whomever.

Seller warrants that Seller has full legal and equitable ownership of the Herd and that the Herd is not subject to any liens or security interests (recorded or unrecorded) of any lender or other third party.

Buyer’s interest in the Herd includes a share of the weekly milk production from the Herd. The amount of milk production attributable to Buyer’s undivided interest shall be an amount that is equivalent to Buyer’s percentage ownership interest in the Herd.

Risk of loss concerning the Herd sold under this Agreement will pass from Seller to Buyer upon the signing of this Agreement.

This Agreement shall be construed exclusively in accordance with the laws of the State of Michigan.

The receipt and sufficiency of this Agreement is hereby acknowledged.

IN WITNESS whereof Seller has executed this Bill of Sale this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Buyer's Name:

\_\_\_\_\_

Address:

\_\_\_\_\_

\_\_\_\_\_

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\_\_\_\_\_

—

Phone(s):

\_\_\_\_\_

\_\_\_\_\_

—

Email:

\_\_\_\_\_

**Buyer's Signature:**

\_\_\_\_\_

Date

**Seller's Signature:**

\_\_\_\_\_

Date

Seller's Name:

\_\_\_\_\_

Exhibit B

**Farm Operating Standards and  
Herd Health Protocols**

Weathered Silos Farm, LLC. hereby agrees to operate the dairy facilities, located at 8930 Hanover Road, Hanover, MI 49241 (the "Farm"), under the current "Farm Operating Standards and Herd Health Protocols", in relation to the "Bovine Agistment Agreement" entered into by individuals (the "Herd Owner(s)") with the Farm. The current version as of the execution of this document is as follows but is subject to change:

Agister agrees to the following:

1. Dairy animals shall be kept clean and milked in clean stables/parlors free of rodents; flies and manure shall be controlled; and the Farm shall not be littered with dead livestock or have persistent standing water or mud near milking areas. Milk shall never be produced for consumption from any dairy animals with any apparent illness or from any drug-treated animals.
2. Dairy animals shall be fed a predominantly pasture- and/or hay- or forage-based diet depending on climate conditions.
3. The Farm shall, upon request, advise Herd Owner concerning the appropriate handling of milk produced by animals boarded at the Farm.
4. If provisions herein are not met, it shall not constitute a breach of contract.

These are aspirations.

For Agister \_\_\_\_\_  
Date

Owner \_\_\_\_\_  
Date

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_