

We understand the importance of the beefx calf's value on the dairy's bottom line and don't want to take away from that. However there is a growing need for good heifer calves in the marketplace. Why not make good heifers from great herds as long as they are priced accordingly? Introducing Dairy on Dairy UTR Sessions. The scion program is a made to order heifer calf program that is designed to help dairies enhance their bottom line through AVAILABILTY & selective breeding Our Focus is providing high-quality heifer calves from GOLD STAR dairies with a proven track record of productivity and performance.

Definition of UTR Session: Buyer is purchasing rights to control the breeding's on a group of cows. Buyer is guaranteed 35% Heifer calf delivery rate from the breeding's. Buyer keeps all resulting healthy heifer calves born from breeding's and pay's current BeefX calf price per calf at delivery. Buyer is responsible for the cost of the semen & mating sire decisions. Seller is responsible for all other repro and calf costs until delivery is made by 10 days of age.

Cooperator Herds (Seller): Our cooperator herds are progressive high production well managed herds. They have production and genetic information on the dams of the calves. They have strict vaccination and herd health protocols. Cooperating herds all have a well managed calf care program so your calves have a great start to life. Basically GOLD STAR HERDS.

Genetics: This is a sire focused genetic program. Calves can be sire by bulls that fit your desired goals (Hojo, Polled, a2a2, ETC). The bulls used are mutually agreeable between the buyer and seller. The selelrs only concerns are Breed, Fertility & Calving Ease. Other than that the buyer picks the bulls. The dams of the heifer calves are generally the older higher production cows in the herd. By prioritizing NM\$ this can be a huge opportunity to acquire heifers that can significantly improve farm productivity.

Availability: With the current shortage of heifers, this program allows a dairy the opportunity to grow there program starting at conception.

Identification & Individual Information: Calves will be identified with a management tag and a RFID tag. We recommend the buyer provides there herd management tags and they will be put in then calves so they do not have to be retagged. Sire, dam, & birthdate information will be provided on each calf.

Lower Health Risks & Delivery: We facilitate farm-to-farm movement to minimize health risks and ensure the well-being of the calves. Heifer calves will be picked up from the cooperator herd between 4-10 days of age. We will arrange delivery of your calves to your farm or grower.

Pricing: The UTR Session's which are the rights to make the calves will be auctioned once a month on dairySTOCKexchange. This is a flat fee & will be held in escrow until the calves are delivered. On the auction as a buyer you are purchasing the rights to control the breedings and secure the resulting heifer calves. At delivery the buyer will pay the current KCALF black calf contract price per calf for the resulting heifer calves. The buyer is only responsible to purchase healthy, live calves and the seller guarantees at least 35% delivery rate from the group sold.

Contract: The contract simply lays all the details out for both parties. When the contract is reviewed and signed the buyer will be required to place a non refundable down payment per contracted calf. The contract is tradeable if the buyer decides to sell the obligation.





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Frequently Asked Questions

What exactly am I Buying or Selling? We call it a UTR Session which is the rights to breed a set number of cows one service in a set time period to a mutually agreeable sire and all the resulting calves born from those breedings.

What Bulls Can I Use? Any breed and sire that has agreeable fertility and calving ease for the seller. Primarily sexed Holstein, but this is also a opportunity to make true F1 Hojo calves. This program is not tied to any AI company and we prefer to use bulls from the company that the seller is currently working with for logistic simplicity, but sires are mutually agreeable between the buyer and the seller.

Who pays for the semen? The buyer pays the semen cost. The seller pays all other repro cost.

Do I get to pick which cows I want a calf from? No, the seller will breed cows to the selected bull in the normal course of business.

When are the calves delivered? At least once per week

How are the calves priced? The seller is selling the UTR Session (The rights to breed a set number of cows) for a flat fee on auction. The buyer pays the flat fee for the UTR Session and when the calves are delivered the buyer will pay the current KCALF Black Calf contract price for each calf delivered.

Example: FWF Dairy agrees to breed 100 cows in May. The right to these breeding's is sold on the auction for \$2500 to PSO Dairy.

The proceeds from the sale are escrowed. The Black Calf price is \$725 when the calves are picked up in February. The seller is paid \$2500 plus \$725 per calf minus commissions or adjustments.

Why does the BeefX Price matter? Uternomics, In order to make more heifers we need to replace the beef calf in the uterus and the only way to do that is tie the heifer price to the black calf. We are using the contract price because it is based of the CME & follows the market.

What is the calf delivered guarantee? The seller agrees to deliver at least 35% of the total number of breeding's purchased in the UTR Session. If less are delivered an adjustment will be made on the buyers invoice.

Example: FWF Dairy sold the rights to breed 100 cows in May. The breeding's resulted in a 42% conception rate. FWF dairy will guarantee that they will have at least 35 good heifer calves to deliver from these breeding's.

What about calves with an issue? Only healthy sound calves will be delivered

Is there a down payment? Yes, the UTR Session price paid on the auction will be escrowed as a down payment and applied to the sellers settlement.

Transaction Example

Seller

5-20-25 | Sells UTR SESSION consisting of 100 Breeding's from (6-1-25 to 6-30-25)

Buyer

5-20-25 | Buys UTR SESSION consisting of 100 Breeding's from (6-1-25 to 6-30-25) for \$3000.

Buyer is invoiced \$3000 by Kreeger & Associates & Contract is signed. \$3000 is placed in Escrow until settlement.

Sires are selected and semen sent to Seller's Dairy

Seller

June 2025 | Breeds 100 cows to Buyers Semen

September 2025 | Confirms 42 cows are preg to the breedings.

March 2026 | Seller has 39 Heifer Calves are born and shipped weekly.

Settlement is made from Kreeger & Associates - \$3000 + current BXC\$ of \$700 per head minus any commissions or adjustments.

<u>Buyer</u>

March 2026 - Buyer receives 39 heifer calves and is invoiced for them at the current BXC\$ of \$700 per head plus trucking.

