



AMERICAN AKAUSHI ASSOCIATION RULES

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I. GENERAL

The American Akaushi Association has been created to promote and regulate the production and sale of cattle possessing Akaushi genetics derived from the full-blood Akaushi herd of HeartBrand Beef.

II. DEFINITIONS

The following definitions or descriptions shall apply when used in the Association Rules. Words, phrases or terms not defined here shall be given their normal meaning in the Akaushi cattle industry.

Akaushi Cattle – cattle which are eligible for certification by the American Akaushi Association. The definition or identification of such cattle shall be submitted from time to time to the American Akaushi Association by the President of HeartBrand Beef, Inc., which shall be the sole authority for the correct definition of Akaushi cattle for use by the American Akaushi Association. The definition may change from time to time as may be determined by HeartBrand Beef, Inc. to be appropriate, in its sole discretion.

American Akaushi Herd Book — the official record of animals registered by the Association.

Association-Approved Livestock Show — any Fair, Association, Livestock Show or Exposition to which funds are appropriated by the Association for the payment of premiums.

Association-Approved Testing — refers to any test or tests that are approved by the Board of Directors of the Association from time to time.

Breeder — a member who is the owner of record of a calf's dam on the date of service.

Date of Sale — the date on which an animal was offered for sale at public auction or, in the case of private transactions, the date on which a bona fide change of ownership took place.

Double Muscling (symptoms only) — symptoms include abnormally large, wide, rounded thighs with deep creases between the very prominent muscles with little fat covering.

Dwarfism (symptoms only) — symptoms include undersized, shortlegged, shortbodied animal, usually potbellied with noisy breathing. Several different types, including a broadheaded, bulging forehead kind and a long and mature-headed kind. X-ray of 2-3-week-old dwarf shows abnormal lumbar vertebrae.

First Owner — the owner of record or one of not more than three (3) co-owners of record of a calf's dam on the date of birth of the calf except in the case of embryo calves.

Full-Blood – An animal that is a 100% descendant of the original Full Blood Akaushi cattle that were born in Japan.

Genetic Factors — a term that refers to the presence of a recessive gene that may or may not produce a certain type of offspring.

Member of the Immediate Family — the husband, wife, children and their spouses, as well as, the mothers and fathers of the Owner(s) of Record of an animal.

Mulefoot (symptoms only) — symptoms include adhesion of toes; webbed toes.

Osteopetrosis (symptoms only) — symptoms often include calves with short lower jaw and impacted molars, born dead 10 to 30 days premature. Marrow cavity of long bones partially filled by two bony cones, whose points almost meet in the center of the bone. Bones often easily broken.

Owner of Record — the member (an individual, partnership, corporation, limited liability company, limited liability partnership, or other legal entity) in whose name an animal is registered.

Permanent Identification — ear tattoo marks, freezebranded marks or hot-branded marks.

Person – an individual, partnership, corporation, limited liability corporation, limited partnership or any other legally recognized entity

Progeny Testing — refers to those progeny tests approved by the Association to insure that a progeny of an animal determined to have a genetic defect or genetic factor is free of such.

Prohibited Structure and/or **Unethical Fitting** shall be defined as any of the following:

- (i) the injection, use, or administration of any drug that is prohibited by Federal, State or Local Law or any drug that is used in a manner prohibited by Federal, State or Local Law;
- (ii) the injection or internal or external administration of any product or material — whether gas, solid, or liquid to an animal for the purpose of deception, including concealing, enhancing, or transforming the true conformation, configuration, color, breed or age;
- (iii) tissue manipulation, removal, surgical attachment or otherwise to change, conceal, enhance, or transform the true conformation or configuration of the animal;
- (iv) attaching to the hide any foreign objects, including hair or hair substitutes, cloth or fiber for the purpose of deception (except false tail switches); and
- (v) any other physical or physiological attempt to alter the musculature or weight of an animal by use of injections or ingested material not conducive to the continued health or marketability of the animal or for purposes of deception.

Pure-Bred – an animal that possesses 15/16ths, or more, of its genes from Full Blood Akaushi cattle.

Regular Employee — a person whose principal occupation is full-time employment in connection with the agricultural or livestock business of the Owner(s) of Record of an animal.

Scur — any portion of horny tissue attached to the skin of the hornset of a polled animal.

Syndactyly (symptoms only) — symptoms include adhesion of toes; webbed toes.

Uncommon/Unidentifiable Blood Type — the presence of one of the following phenotypes:

- BG2K combinations without A2□ and (E23 or I22);
- G1 without Y2;
- I1;
- P without I2;
- Q without F2, I'□ or (I2 and E21);
- T (T1) without Y1, A2, E23, and either Y2□ or (G2 □ plus G22);
- B2□ without K and Y2;
- F2 without Q and I22;
- G2□ without G22;
- J2 □ without K 2□ and O2;
- T2 without T1(B22);
- Z2; or
- U22.

III. MEMBERSHIP

There are four categories of membership. They are:

FOUNDATION MEMBER

A Foundation Member is one that has purchased a Full-Blood Akaushi Cow and Bull.

CHARTER MEMBER

A Charter Member is one of the first five hundred regular members of the Association.

REGULAR MEMBER

A Regular Member is one who is a member of the Association and does not qualify for either Foundation or Charter Membership.

LIFETIME MEMBER

A Lifetime Member is limited to those applicants for regular membership who have paid the prescribed Lifetime Membership fee.

ASSOCIATE MEMBER

An Associate Member is one who provides services to the Association and/or members of the Association.

NON-MEMBER

A Non-Member is one who has had registered Akaushi cattle transferred to them, but have not yet become members of the Association. No Association services will be provided to non-members.

IV. WHOLE HERD REPORTING

The American Akaushi Association Whole Herd Reporting system is designed to improve the collection of performance information on all active animals in the breed and to equally spread the costs of promoting the breed across all active animals in the breed. Whole Herd Reporting uses an inventory-based fee structure or annual assessment charged on all reproductively mature animals. Whole Herd Reporting requires the reporting of annual production and performance records on all cattle within a herd, but the responsibility of selecting which calves are worthy of registration remains with the breeder.

a. Fee Structure and Registration Regulations

1. Assessment age is defined as females at least 24 months of age and males at least 24 months of age on the appropriate Inventory Date: Spring Herd Inventory Date is March 1; Fall Herd Inventory Date is September 1.
2. Payment of the annual assessment makes that animal 'active' for the following 12 months. Progeny may only be registered to dams that are 'active' during the birth year of the progeny and sires that were 'active' during the year the progeny was conceived.
3. Payment of the annual assessment on a female entitles the breeder to a) register one calf born to that female during that 12-month period; and b) transfer that calf to a new owner if the transfer occurs before the animal reaches 24 months of age, if female, or 30 months, if male.
4. Payment of the annual assessment on a bull makes that bull active for that service year. Calves may only be registered to bulls that were 'active' during the year of service (the year prior to birth in the case of ET calves). Registrations submitted for progeny by a sire that was under the assessment age at the time of service will not be completed until the annual assessment is paid on the sire for the year of service.
5. DNA test results must be submitted by the time the assessments are paid for AI sires and ET donor dams not previously tested.
6. The first transfer of a bull **under** 30 months of age and a female **under** 24 months of age will not be charged a transfer fee. Any subsequent transfer of such an animal will be charged the transfer fee on the current fee schedule. Transfers of bulls 30 months of age and older and females 24 months of age and older will be charged the transfer fee on the current fee schedule. Age at transfer will be determined by postmark on mailed in work and by work order date for online work.
7. Cattle of assessment age that are reactivated during the 12 months following the Inventory Date will be charged the full annual assessment.
8. Owners of A.I. sires will be invoiced for the sire's annual assessment when registrations are submitted for progeny of the sire, if the sire was not previously assessed for the service year. Association rules require that A.I. sires be DNA typed prior to their use.

9. Any joint owner wishing to register and transfer progeny from a jointly owned female must maintain that female on his/her active inventory. In order to avoid a Reactivation Fee at least one owner must pay the annual assessment.
10. Assessments on leased animals will be charged to the lessee unless written instructions to the contrary are on file in the national office.
11. Embryo Transfer (ET) calves born to the same donor dam during the twelve month period are charged equivalent fees. The assessment fee must be paid on each ET calf unless the recipient dam is "active" (i.e., current year assessment already paid), in which case no additional assessment is due. If the annual assessment on the donor dam has been paid, the owner of the donor dam is allowed one calf registration, whether natural or ET.
12. In the case of a multiple birth (twins, triplets, etc.) no additional assessment beyond the cow's annual assessment will be incurred on the dam in order to register the resulting calves.

b. Reporting Requirements

1. During each 12-month period one of the following must be received for each 'active' female on inventory:
 - A calf record (regardless of whether or not the calf will be registered) with all required information, including weaning data or a pre-weaning disposal code for the calf.
 - A disposal code for the female indicating that she is dead or has otherwise been culled from 'active' inventory.
 - A reason code for the cow's failure to produce a calf (open, embryo transfer program, moved to the next calving season, etc.).
2. Assessment age females will be deactivated and removed from the breeder's inventory unless one of the above items is reported each year. A Reactivation Fee will be required for reinstatement. If a female is removed (either by a breeder designated disposal code, or by the Association for failure to meet reporting requirements) from a member's inventory and subsequently reappears in a later year, the Reactivation Fee plus the current year annual assessment will be required to reinstate the cow. Cattle may also be deactivated by the Association if a member's account becomes delinquent. The per head Reactivation Fee will be charged on each deactivated animal that is reactivated, even if the animal is sold to a new owner.
3. If the calf dies before weaning, the breeder is required to provide the appropriate calf disposal code plus sire information, calf sex, birth date, mating, color, and horn status code.
4. Bulls can be deactivated and reactivated without charge. Date of death will be required on dead bulls to terminate natural service registrations at the appropriate time.
5. Adjusted weights, ratios, and EPD calculations are part of services received through the WHR program.

c. Breeding Herd Inventory and Whole Herd Reporting Schedule

1. Spring Herd Inventory is defined as females calving January 1st - June 30th. The Spring Herd Inventory Date is March 1 of each year. Fall Herd Inventory is defined as females calving July 1st - December 31st. The Fall Herd Inventory Date is September 1 of each year. Bulls may be assigned to either herd as desired by the breeder.
2. At least thirty (30) days prior to each Inventory Date each breeder will receive an inventory report for his/her appropriate (Spring or Fall) inventory identifying all animals of assessment age in that herd.
3. Each breeder will identify by the use of disposal codes those animals to be removed from inventory, add new animals of breeding age not found on the inventory report (e.g., new purchases, leased animals, etc.), and return the completed inventory report to the national office prior to the Inventory Date. Disposal codes may also be submitted via the Association's data base system prior to the inventory date. Transfers made prior to the inventory date will automatically remove and/or add animals to breeder inventories when the transfer is processed.

4. On the Inventory Date for the appropriate herd, breeders will be invoiced for the WHR fee on all animals shown on inventory in that herd. No credit will be issued for animals disposed of after the Inventory Date, and a Reactivation Fee will be required on all previously removed animals that are returned to inventory after the Inventory Date.
5. If assessments are not paid within 60 days of the date of the invoice, no further services will be provided by Association until the account is paid in full.
6. A member may have both spring-calving and fall-calving herds. An animal may be moved from one herd to another only once in any 18 month period by designating the move as a Reason Code (moved to Next Calving Season) on the inventory report.
7. Having animals move back and forth between Spring and Fall inventories is a problem for members who calve in winter and/or summer. For herds affected by this problem, the system allows a 45 day window of opportunity for those animals that calve 45 days prior to or 45 days after their respective Spring and Fall inventories. Females calving within these windows will remain in the herd designated by the breeder.

V. RULES

REGISTRATION RULES

ALL FULL-BLOOD, PURE-BRED, AND AKAUSHI-CROSS

Rule 100: Registration Rules

Rule 101: Privileges of Registration

Rule 102: Registration — Form, Content and Methods

Rule 103: Animals Ineligible for Registration

Rule 104: Animals Eligible for Registration

Rule 105: Permanent Identification Marks

Rule 106: Registration for the Estate of a Deceased Person

Rule 107: Name Change

Rule 108: Duplicate Registration Certificates

Rule 109: Correction of Errors in Registration Certificates
and Transfers

Rule 110: Surrender of Registration Certificate

Rule 111: Certification

Rule 112: Fees

FULL – BLOOD ONLY

Rule 113: Skin color

Rule 114: Uncommon Blood Type.

Rule 115: Artificial Conception and Uncommon Blood Type.

Rule 116: Genetic Factors.

AKAUSHI-CROSS ONLY

Rule 117: Skin color.

Rule 100: Registration Rules

The official record of animal registrations of the Association shall be known as the American Akaushi Herd Book. It shall be kept in such form as the Board of Directors determines.

Akaushi Cattle as defined from time to time by HeartBrand Beef, Inc. are the only cattle eligible to be registered by the Association.

There shall be three categories of registrants: I. Full-blood, II Pure-Bred and III. Akaushi-Cross.

The registration of any animal which does not conform with the requirements set forth in these Rules shall become null and void and, in such cases, the Certificate of Registration shall be surrendered to the Association for official cancellation.

Whenever the accuracy of data contained in a registration application is challenged, the matter may be referred to the Board of Directors for investigation.

THE FOLLOWING RULES APPLY TO ALL FULL-BLOOD, PURE-BRED AND AKAUSHI-CROSS CATTLE:

Rule 101: Privileges of Registration

Foundation, Charter, Regular, Lifetime and Junior Members are eligible to register cattle with the American Akaushi Association.

Rule 102: Registration — Form, Content and Methods

The sire and the dam of any bred animal, for which application for registration is made, must be registered with the American Akaushi Association.

a. Form of Application.

A registration application must contain the following information:

- Sex of animal to be registered.
- Date of birth.
- Name of the animal.
- Indication of whether or not the animal is the product of Artificial Insemination.
- Permanent identification marks.
- Registration number of the Sire.
- Registration number of the Dam.
- Name, location and Member Code of the First Owner.
- Name, location and Member Code of the current Owner.
- Completion, including signature, of the Breeder's Certificate, if required [see Rule 102(d)(3)].
- Completion, including signature, of the Natural Breeding Certificate, if required [see Rule 102(d)(4)].
- Indication of whether the animal is a twin or of other multiple birth.
- Semen Bill of Sale, on file with the Association if out of herd AI.
- Copy of DNA test confirming Akaushi genetics
- Indication of whether the animal is a result of an embryo transplant.
- Completion date of embryo removal and transfer, if the calf is the result of an embryo transplant, as well as indication of whether the calf resulted from split or cloned embryos. If the embryo was purchased there must be an Embryo Bill of Sale on file with the Association. Each registration with the Association shall be assigned a registration number.

Only a member in good standing of the Association may submit an application for any registration of cattle with the Association. The member must have total ownership of the cattle for which the member is filing an application for registration.

b. Incomplete Application.

Whenever an application for registration is incomplete, and the applicant has failed to provide all of the information required by the Association's Rules within four (4) months of the date the Association

receives the application, such application shall be considered null and void. An application shall also be considered incomplete if not accompanied by the required fee.

c. Registration by affidavit.

1. Registration may be applied for by affidavit setting forth the facts and sworn to or affirmed before a Notary Public in the event that a member shall neglect or refuse (i) to apply for registration of a calf sold at foot or (ii) to complete an application to register a calf which is the result of a service offered by the seller of the dam or undertaken by agreement between the owners of the sire and the dam.
2. Each affidavit must be accompanied by:
 - A. Proof of sale and payment in full of the purchase price, or evidence of an agreement to sell, purchase or transfer the dam and/or the calf;
 - B. Evidence of agreement to breed the dam; and
 - C. Details of any understanding or contractual obligation relating to the artificial insemination of females owned by a member of the immediate family or an employee of the owner(s) of the sire.
3. After considering the evidence submitted, the Executive Director of the Association may approve an application to register by affidavit provided the animal is otherwise eligible for registration in accordance with the provisions of the Rules of the Association.

d. Miscellaneous

1. **Name.** An animal's name cannot contain more than 28 characters and spaces. All letters must be in English and all numerals must be in Arabic. Joint letters, brands, or other unusual marks or symbols will not be accepted. If an Akaushi family name is included in the name of an animal to be registered, it shall be the duty of the first owner to determine the correctness of such name before assigning it. The Association reserves the right to change the name assigned to an animal on an application for registry.
2. **First Owner.** The first owner must apply for registration of the calf, and the dam must be officially entered on the records of the Association under the exact same name as the first owner's membership on the date of birth of the calf, except in cases of embryo calves as provided for in Rule 104(b)(6).
3. **Breeder's Certificate.** When a cow has been transferred subsequent to being served but prior to the birth of her calf, and the service was not reported on the transfer application, the breeder (owner of record of the dam at the time of service) must execute the Breeder's Certificate on the application for registration of the calf.
4. **Natural Breeding Agreement.** In the event that the sire of an animal to be registered was not registered in the name of the owner of record of the dam at time of service, the owner of record of the sire must sign a Natural Breeding Agreement and this form should be submitted with the application for registration.

Rule 103: Animals Ineligible for Registration

a. Date of Birth Issue.

A calf born less than two hundred eighty-three (283) days after birth of its dam's last previous calf shall not be eligible for registration except in the case of embryo calves as provided for in Rule 104(b).

b. Uncertain or Unknown Parentage.

If through DNA-marker-typing the animal is found to have incorrectly listed parentage, the animal will not be eligible for registration unless parentage is confirmed.

c. Genetic Defects and other Abnormalities.

Subject to terms of Rule 103(d) and Rule 300, an animal determined to possess one of the following genetic defects or abnormalities shall not be or remain eligible for registration:

Dwarfism
Osteopetrosis (Marble Bone Disease)
Double Muscling
Syndactyly (Mule Foot)
Heterochromia Irides (White-Eye)
Uncommon Blood Type
Extra Appendages or toes
Any basic structural abnormalities.

Those particular genetic defects that would be considered will be determined by the Association's Board of Directors

d. Progeny of any Animal Determined to have a Genetic Defect.

When a bull or cow is determined to possess a genetic defect, progeny of such affected animals shall be ineligible for registration unless such progeny are tested in accordance with Association-approved guidelines and determined to be free of the genetic defect.

Rule 104: Animals Eligible for Registration

a. Generally.

All cattle which are descendants of Full-Blood Akaushi Cattle are eligible for registration.

b. Calves Produced by Embryo Transplant.

For calves resulting from an embryo transplant:

1. The Sire must be DNA-marker-typed.
2. The Embryo Transfer Donor Dam must be DNA marker-typed.
3. Embryo calves resulting from the mixing of semen must be DNA-marker-typed.
4. If the DNA-marker-typing analysis of the calf indicates an inconsistency, DNA-marker-typing of recipient dams may be required by the Association. If the recipient cow is DNA-marker-typed and cannot be excluded as the dam, the determination of eligibility for registration shall be made by the Association after considering DNA-marker-typing data, as well as other available information. The owner of record of the Donor Dam shall be responsible for all DNA-marker typing fees.
5. The owner of record of the Donor Dam at the time of conception must be identified as the breeder.
6. The owner of record of the Donor Dam on the date of embryo removal will be identified as the first owner, unless the calf is a result of a purchased embryo (fresh or frozen) or pregnant recipient, in which case the owner of the embryo or pregnant recipient may be identified as the first owner.
7. Registration of embryo transplant offspring shall be made on a regular form at the regular fee, plus an additional fee as determined by the Board of Directors.
8. DNA verification of ET calves will replace submitting an Embryo Recovery/Transfer Certificate.
9. Registration of embryo transplant offspring resulting from the mixing of semen shall require that semen from not more than two bulls be used and that the two possible sires have distinctly different DNA-type markers, as determined in advance of insemination with the approval of the

Association. Semen Bill(s) of Sale must be on file with the Association for Out-of-Herd Artificial Insemination.

10. Calves conceived after the death of the Donor cow shall be eligible for registration under the same conditions and provisions governing the eligibility of embryo calves prior to the death of said female.

11. Registration certificates issued for offspring from embryo transplants shall be so designated. The Association may request information from the owners from time to time relating to embryo transplant animals.

c. Calves Resulting from Cell-cloned Transplants.

1. Only replication cell-cloned animals shall be eligible for registration. Genetically modified animals shall not be eligible for registration.

2. The cell-donor animal and the cell-cloned animal must be DNA-marker-typed.

3. The breeder of the cell-donor animal must be identified as the breeder of the cell-cloned offspring.

4. The owner of record of the cell-donor, on the date of biopsy removal, will be identified as the first owner, unless the calf is a result of a pregnant recipient, purchased embryo, fresh or frozen, in which case the purchaser may be identified as the first owner.

5. DNA-marker-typing of the recipient dam may be required by the Association.

6. Calves conceived after death of cell-donor animals shall be eligible for registration under the same conditions and provisions governing the eligibility of calves prior to the death of said animal.

7. Registration of cell-cloned transplants shall be made on a special form, provided by the Association, at the regular fee, plus an additional fee as determined by the Board of Directors.

8. Registration certificates issued for cell-cloned transplants shall be so designated. The registration number of the animal, which is being cell cloned, shall also be stated on the certificate of registration. Nothing set forth in this Rule 104(c) should be construed as an indication that the Association takes any position as to the ownership rights, if any, of retained cell material. That is a separate matter reserved for discussion or negotiation between the buyer and seller.

Rule 105: Permanent Identification Marks

a. Application and Method of Permanent Identification.

Each breeder shall be responsible for ensuring that the animals they register bear a form of permanent identification prior to application for registration.

b. Composition of Permanent Identification Marks.

Each breeder shall devise a plan or system of permanent identification, utilizing a series of numbers, a series of letters or a combination of both, provided however that permanent identification marks shall be limited to a maximum of six (6) characters per animal. In connection with the arrangement of those six characters, breeders may use only Arabic numbers and capital letters. The use of any other characters, including joined letters, reversed letters, bars, punctuation marks and other types of symbols shall not be allowed under these Rules.

c. Prohibition on Use of Identical Permanent Identification Marks in a Calendar Year.

No two animals of the same sex, born in the same calendar year and registered under the name of the first owner, shall be given identical permanent identification marks in the same calendar year.

d. Locations of Permanent Identification Marks.

In the event that a breeder utilizes tattoos as a permanent identification mark, such mark shall be placed in either ear of each individual animal. In the event a breeder utilizes freeze-brand marks as a permanent

identification mark, such mark shall be placed once on either side of each individual animal. In the event that a breeder utilizes a hot-branded mark as a permanent identification mark, such mark shall be placed once on either side of each individual animal.

e. Illegible Permanent Identification Marks.

In the event that a permanent identification mark on an animal becomes illegible or unreadable, the same marking shall be placed in a new and separate location from the original permanent identification mark or in a location authorized by the American Akaushi Association. In no event, however, shall the breeder attempt to alter, or overprint the original permanent identification mark.

f. Inspection of Permanent Identification Marks.

In the event the results of an inspection of permanent identification marks by an authorized representative of the Association reveals that permanent identification marks are absent, illegible or not in conformity with registration, the following action may also be taken by that representative:

1. In instances where a registered animal is inspected with permanent identification marks absent, the first owner shall be required to document accuracy to the Association. DNA-marker-typing may be required before registration is validated and new permanent identification marks are recognized.
2. In instances where a registered animal is inspected with two or more sets of conflicting permanent identification, DNA-marker-typing may be required in order to validate registration.
3. In instances where a registered animal is inspected with permanent identification not in agreement with registration, the first owner shall be required to document accuracy to the Association. DNA-marker typing may be required to validate registration.

Rule 106: Registration for the Estate of a Deceased Person

In the event of the death of one who normally would apply for registration of cattle, the Association requires that there shall be filed in its office all papers and documents necessary to show that the person requesting registration is legally authorized and entitled to request such registration.

Rule 107: Name Change

- a. The name of a registered animal may be changed at a fee established by the Board of Directors, provided:
1. The first owner and all subsequent owners, if any, who are current Association members request the change in writing;
 2. In the event that progeny has been recorded and the change is administratively feasible;
 3. No name of any animal descended from a genetic defect carrier may be changed unless the animal with the name change has been tested free of that particular defect.
- b. Names of animals originally registered in Herd Books other than that of the American Akaushi Association shall not be subject to change.

Rule 108: Duplicate Registration Certificates

The existence of more than one registration certificate per animal shall not be permitted, however, a duplicate Certificate of Registration may be issued:

- a. In the event of loss or destruction of the original, upon application of the owner of record made on an approved form obtained from the Association;
- b. In connection with a transfer by affidavit as provided in Rule 406; or
- c. As a replacement Certificate of Registration as provided for in Rule 403(a).

Rule 109: Correction of Errors in Registration Certificates and Transfers

- a.** Errors in Registrations or Transfers committed by the Association office shall be corrected free of charge.
- b.** Inadvertent errors committed by applicants for Registrations or Transfers shall be corrected at fees as established by the Board of Directors. It is the responsibility of the breeder, first owner, subsequent owners and current owner(s) of record participating in the sale of any animal, semen, embryos or progeny of any animal to notify any purchaser thereof regarding a change in parentage, as represented by the Certificate of Registration.

Rule 110: Surrender of Registration Certificate

Whenever a registered animal is lost by death, destruction, or other means, or is disposed of for slaughter or as a common grade animal, it shall be the obligation of the holder of the Certificate of Registration to return it to the Association for cancellation endorsed to indicate the date and method of disposition.

Rule 111: Certification

In addition to registration, all animals that are F-2 (75%) or more must be certified by the Association as having 75% or more Akaushi genetics. An F-1 (50%) animal must be certified unless the animal is in a terminal program and will not be used to produce offspring.

Rule 112: Registration Fees & Whole Herd Reporting Fees

The Board of Directors will establish a Fee Schedule for the members of the Association. The fees will be reviewed by the Board from time to time and are subject to change.

THE FOLLOWING RULES APPLY ONLY TO FULL-BLOOD:

Rule 113: Skin color.

The skin color of all animals for which application for registration is made must be RED; the exception being those animals having birthmarks. An animal whose ancestor(s) are red in color, with white skin above the underline, in front of the navel or on leg, foot, or tail, shall not be eligible for registration. In the event that a registered animal is discovered to have ineligible white skin or white markings, its registration shall be null and void as a Full-blood, and the Certificate of Registration must be returned to the Association for cancellation.

Rule 114: Artificial conception and uncommon blood type.

An animal artificially conceived by (a) a non-owned bull or (b) an embryo transplant donor dam, where the bull or dam possesses an uncommon blood type or is a carrier of an uncommon blood type, shall be eligible for registration provided claimed parentage of the non-owned bull or embryo donor dam is not excluded following parentage blood-typing, and provided further that the animal, the sire and the dam meet all of the otherwise applicable registration requirements set forth in the Association Rules.

Rule 115: Genetic factors.

The Association monitors two genetic factors: the White Color factor and the Wild Type Color Gene factor. Both are monitored because they may, if present, result in the unintended birth of calves with white markings. While red calves with white markings are not eligible for registration under the rules of the Association as a Full-blood or Purebred, they are not defective genetically. The Association permits the registration of animals with either of these factors but it places the designation “W” or “WT” following the animal’s registration number. Further progeny or animals determined to be carriers of

genetic defects are not eligible for registration as Full-blood or Purebred. In the case of progeny of the two genetic factors, White Color gene and Wild Type Color Gene, testing is also available to determine whether an animal carries one of these genetic factors. Registration certificates for such progeny will record that the affected animal tested free of a particular defect or gene.

THE FOLLOWING RULES APPLY ONLY TO PURE-BRED

Rule 117: Skin color.

The principal skin color of all animals that are F-4 (93.75%) and beyond for which application for registration as a Pure-Bred is made must be RED; the exception being those animals having birthmarks.

REGISTRATION OF ANIMALS ORIGINALLY RECORDED IN HERD BOOKS RECOGNIZED BY THE ASSOCIATION AND IMPORTED INTO THE UNITED STATES

Rule 200: Export Certificate

Rule 201: Application for Registration

Rule 202: Registration of Calves Imported in Dam

Rule 203: Registration of Calves Imported at Side

Rule 200: Export Certificate

Registration of an animal originally recorded in a Herd Book recognized by the American Akaushi Association and imported into the United States shall be accepted, subject to the discretion of the Association's Executive Director, only if an export certificate or embryo transplant certificate issued by the recognized registry organization of the country from which the animal is actually exported has been received by the American Akaushi Association and the animal otherwise conforms to the requirements set forth in these Rules.

Rule 201: Application for Registration

Registration may be applied for only by a member of the Association entitled to registration privilege who imported the animal and whose name appears as purchaser on the export certificate or embryo transplant certificate issued by the registry organization of the country from which the animal was exported at the fee established by the Board of Directors.

Rule 202: Registration of Calves Imported in Dam

If a cow was bred prior to importation and a record of service does not appear on the export certificate, the owner of the bull on the date of service must certify to the particulars of service through the recognized registry organization of the country from which the animal was exported.

Rule 203: Registration of Calves Imported at Side

a. Registration of a calf imported at side of a cow recorded in the recognized registry organization of the country from which the animal was exported shall be accepted only if the calf is also registered in the same recognized registry organization and an export certificate has been received by the American Akaushi Association.

b. A separate registration fee shall be required for each calf imported at side.

Please see rule 700f for horn/poll test for polled purebred cattle.

GENETIC DEFECTS

Rule 300: Policy and Related Rules

Rule 301: Notification to the Association

Rule 302: Cooperation with the Association

Rule 303: Genetic Determination Process

Rule 304: Notice to the Owner Member(s)

Rule 305: Right to Contest the Determination

Rule 306: Hearing

Rule 307: Publication of Genetic Defect to the Membership

Rule 300: Policy and Related Rules

a. Abnormalities and Genetic Defects.

Abnormalities are present in all species, including all breeds of cattle. Some abnormalities are physical and some are functional. Abnormalities are frequently referred to as defects. Defects can be caused by a number of factors. Some are genetic in origin and some are environmental, caused by such factors as nutrition or sickness. The policy and the rules that follow relate to those abnormalities that are determined to be genetic defects.

There are two classifications of genetic defects recognized by the Association: Class I defects, which are viewed as lethal, seriously disabling or capable of negatively affecting reproductive performance, and Class II defects, which, while not necessarily fatal or known to affect the reproduction, growth or beef producing ability of an animal, result in abnormal characteristics that are deemed economically undesirable.

The Association recognizes the following as Class I genetic defects:

1. Dwarfism
2. Osteopetrosis (Marble Bone Disease)
3. Double Muscling
4. Syndactyly (Mule Foot)

Additionally, the Association recognizes Heterochromia Irises (White Eye) as a Class II genetic defect. The Association does not allow registration of animals determined to have any of these genetic defects. A brief description of the symptoms common to these defects is found in the Definition section of these rules.

b. Policy Overview.

This policy is designed to protect and to promote the best interests of the breed and the membership. It has always been and remains the responsibility of every member to make a written report to the Association concerning any unusual abnormality so identified in an animal. The Association shall, in turn, oversee a process by which a scientific determination can be made whether the abnormality is genetic in nature. If a genetic defect determination is reached, the Association shall promptly notify the owner of the impacted animal. Following a brief period of time for the owner to contest such a determination, the animal's identity shall be published to the membership, on the Association Web site.

Future progeny of animals determined to be carriers of genetic defects are not eligible for registration unless owner members of the affected cow or bull are tested in an Association-approved test that can be supervised by the Association. In the event that such progeny are determined to be free of the genetic defect or specific gene in issue, they will be registered

Previously registered progeny of animals determined to be carriers of genetic defects, and genetic factors will remain registered but the animal determined to be such a carrier will be denominated as such in subsequent three-generation pedigrees.

If a member is interested in pursuing or becoming familiar with an Association-approved test for any of the two genetic factors, please consult the Director of Member Services for copies of the particular test format.

This policy and the rules that follow require the member, in the first instance, to initiate the detection and determination process by providing the Association notice of the abnormality.

Rule 301: Notification to the Association

Any member who becomes aware of an unusual physical abnormality in an animal registered with the Association or, in a calf of a registered animal, is required to promptly notify the Association of that finding, in writing, by completing the form located on the Association's Web site. If a member has any questions concerning whether or not to complete this form, they should contact the Executive Director at his address at 732 Jeff Davis Road, Harwood, Texas.

Rule 302: Cooperation with the Association

Following receipt of a member's written report, the Association will request that the member provide certain information, including but not limited to, photos, tissue and DNA, so that officials designated by the Association may examine the abnormality in issue. Members shall provide the information and materials requested of them.

Rule 303: Genetic Determination Process

The Association will normally direct that the requested information and materials be transmitted to a designated specialist, selected and approved by the Board of Directors. That designated specialist shall thereafter provide the Association with a report indicating whether there is, in such person's professional opinion, a basis to conclude that the abnormality in issue is a genetic defect within the meaning of these rules.

Rule 304: Notice to the Owner Member(s)

In the event that parentage is confirmed and the abnormality is, in fact, a genetic defect, the Association will notify all owner members of record of that determination as soon as practicable.

Rule 305: Right to Contest the Determination

The owner member(s) of the animal determined to have a genetic defect recognized by these rules shall have fourteen (14) days following receipt of the determination to notify the Association of an intent to contest that determination. Notice must be in writing and directed to the Executive Director of the Association. This fourteen-day notification period may be voluntarily waived by the owner members, in which case the determination shall become final and the animal shall be identified and listed as a carrier in the manner provided by these rules.

Rule 306: Hearing

In the event that an owner of the animal timely notifies the Association of an intent to contest the determination that the animal carries a genetic defect, that notice will be forwarded to the Board of Directors which shall schedule proceedings.

Rule 307: Publication of Genetic Defect to the Membership

Following a final determination that an animal is a carrier of a genetic defect, that animal's name and registration number will be published on the Association's Web site. Any further notice or publication is the sole responsibility of the owner and owner members of the affected animal.

TRANSFER RULES

Rule 400: Transfer Rules

Rule 401: Content of Application for Transfer

Rule 402: Errors in Recording of Transfers

Rule 403: Transfer of Registration

Rule 404: Transfer of Cow with Calf at Side

Rule 405: Adjustment Transfers

Rule 406: Transfers by Affidavit

Rule 407: Transfer Applications of Animals Consigned to Public Sale

Rule 408: Transfer of Exported Animals

Rule 409: Transfer from the Estate of a Deceased Person

Rule 410: Responsibility for Legal Title

Rule 411: Disclosure of Information Related to Cloning

Rule 412: Slaughter

Rule 413: Fees

Rule 400: Transfer Rules

Every change of ownership of record of a registered animal must be recorded with the Association.

Rule 401: Content of Application for Transfer

a. An Application for Transfer to another member must state:

1. Name, location, and Member Code of each transferee.

2. Date of sale.

3. Service date, natural or artificial, and registration number of bull, if animal being transferred has been served. (The date of service and registration number of the bull may be entered only if service was prior to the date of sale of the animal being transferred. If the cow was pasture-exposed and the exact date of service is unknown, the word “pasture” may be entered instead of the date.)

4. Signature and Member Code of individual, partnership, corporation, or other legal entity in whose name the service bull is registered, indicating whether females have been served naturally or artificially inseminated.

b. Transfer applications will not be processed if any of the required data is omitted, except as otherwise provided in Rule 407. Transfer applications will also be considered incomplete if not accompanied by the required fee.

Rule 402: Errors in Recording of Transfers

The Association shall not be bound by errors in its recording of transfers.

Rule 403: Transfer of Registration

a. No entry on the transfer record of a Certificate of Registration shall be made except by the Association, and any unauthorized entry shall render a Certificate null and void, subject to the issuance of a replacement Certificate at an additional fee.

b. It is the duty of the transferor to apply for transfer and to pay the transfer fee unless it is otherwise specifically agreed between transferor and transferee, in which case the transferor must execute an application for transfer in favor of the transferee.

c. A seller and his sales agent (if any) who fail to furnish a buyer of a registered animal with a transferred Certificate of Registration, within forty-five (45) days of date of sale or receipt of full payment, will be contacted by the Association for a written statement on fifteen (15) days' notice as to the basis for the failure. If the seller and said sales agent do not timely respond to the Association's request, the rights and privileges of their membership(s) in the Association will automatically be temporarily suspended. The temporary suspension(s) will expire on the Association's receipt of the transferred Certificate of Registration or the written statement. During the temporary suspension(s), the Association will not process any registration or transfer applications executed by seller or said agent until the Association's receipt of the transferred Certification or the written statement.

d. It shall be the duty of the transferor before offering a registered animal for sale, or applying for transfer, to verify that the animal carries legible permanent identification marks, corresponding to the permanent identification marks entered on its certificate.

e. Transfer entries of jointly owned animals shall not exceed three (3) owners of record.

Rule 404: Transfer of Cow with Calf at Side

If a cow is transferred with a calf at side, the calf must be registered by the person in whose name the cow was registered on the date of birth of the calf, and a separate transfer of the calf is required.

Rule 405: Adjustment Transfers

The following types of transfers not classified as transfers in the ordinary usage of the term may be made at fees established by the Board of Directors.

a. Transfers for the purpose of correcting certificate records in accordance with Rules 901 and 902.

b. Transfers from estates to heirs under terms of wills or court orders.

c. Transfers to individuals of partnerships.

d. Transfers to stockholders upon the dissolution of corporations or to members or stakeholders of other legal entities upon the dissolution of such entities.

Rule 406: Transfers by Affidavit

In case of neglect or refusal of a member or nonmember of the Association to apply for transfer of registration, transfer may be recorded, if approved by the Association's Executive Director, on the basis of the transferee's affidavit setting forth the facts and sworn to or affirmed before a Notary Public. Each such affidavit must be accompanied by proof of sale and payment in full of the purchase price of the animal or by evidence of an agreement to sell, purchase or transfer including the terms and conditions of service, if any, in the case of females.

Rule 407: Transfer Applications of Animals Consigned to Public Sale

Seller or their representatives may fill in buyers' names on applications for transfer of animals consigned to public sales and, if authorized by the consignor, may sign such application in his stead. Such applications must indicate the name of the sale manager or agent representing the consignor and be signed by him.

Rule 408: Transfer of Exported Animals

Application for transfer of an animal exported to another country shall be made with a regular Transfer Application.

Rule 409: Transfer from the Estate of a Deceased Person

In the event of the death of a transferor, all papers and documents necessary to show that the person requesting transfer is legally authorized and entitled to request such transfer must be filed with the Association.

Rule 410: Responsibility for Legal Title

A transfer of registration entered on an application or a Certificate of Registration, or on the records of the Association, shall not be construed as the conveyance of legal title by the Association. The Association shall in no way be involved in or assume liability for the purchase, sale, or terms of sale of registered animals, or the passage of legal title thereto.

Rule 411: Disclosure of Information Related to Cloning

If a transferor keeps or intends to keep cell material or other DNA material from a transferred animal, for the purposes of cloning the transferred animal, the transferor must disclose that fact to the transferee, prior to completion of the sale or transfer.

Rule 412: Slaughter/Death

When a member is transferring an animal to slaughter, or upon death of an animal, the member shall notify the Association so that the animal's registration can be cancelled reflecting the death of the animal.

Rule 413: Fees

The Board of Directors will establish a Fee Schedule for the members of the Association. The fees will be reviewed by the Board from time to time and are subject to change.

ARTIFICIAL INSEMINATION**Rule 500: Ownership****Rule 501: DNA-Marker-Typing****Rule 502: Semen Bills of Sale****Rule 503: Recording of DNA-Marker-Typing****Rule 504: Labeling of Semen****Rule 505: Death of Bulls Used Artificially****Rule 500: Ownership**

The breeder of a calf which is the product of Artificial Insemination must also be the owner of record of the sire at the time of service, or one of not more than three (3) co-owners of record of the sire in order for the calf to be eligible for registration, except that:

- a. Calves that result from Artificial Insemination of females owned by a member of the immediate family of the owner(s) of record of the sire shall be eligible for registration provided written consent of the owner of record, a member of whose immediate family has applied for registration, is submitted with the application to register.
- b. Calves that result from Artificial Insemination of females owned by a regular employee of the owner(s) of record of the sire shall be eligible for registration provided written consent of employer is submitted with the application to register.
- c. Transfers marked "sold with AI breeding privileges" allow the transferee to register the first calf born after transfer of the dam without a Semen Bill of Sale when bred via Artificial Insemination to a sire owned by the transferor at the time of conception.

d. The Association shall not be involved in disputes arising from semen offered or received in conjunction with dams sold with AI breeding privileges.

Rule 501: DNA-Marker-Typing

All bulls that are the source of semen used for the purpose of Artificial Insemination must be DNA-marker-typed.

Rule 502: Out of Herd AI Service and Semen Bills of Sale

The following rules apply to registration of calves conceived artificially when the owner of record of the female is not the owner of record, or one of the owners of record, of the sire at time of conception:

- a. Upon the sale of semen, the seller will provide an Association Semen Bill of Sale to the Buyer. A copy should be sent to the Association, where upon receipt of the Bill of Sale, the Association will record the sale information accordingly. When Semen Bills of Sale are electronically stored in a breeder's membership file, the Semen Bill of Sale need not accompany the application for registration. In the case of multiple births, only one Semen Bill of Sale is required.
- b. If the Association receives an approved Semen Bill of Sale, the progeny produced from the purchased semen will be eligible for registration/certification.

Rule 503: Recording of DNA-Marker-Typing

A record of the DNA-marker type of all bulls that are the source of semen for the purpose of Artificial Insemination must be filed with the Association before calves that are sired artificially by such bulls shall be eligible for registration or before "Out of Herd" AI Service Certificates may be obtained from the Association.

Rule 504: Labeling of Semen/Embryos/Clones

- a. It shall be the responsibility of the owner of record or each individual co-owner of record of a bull used artificially to require each person or organization collecting, processing, and freezing semen to identify the semen and permanently label it before freezing. Identity must include the registered name and registration number of the bull and date of collection for the resulting calves to be eligible for registration.
- b. When semen is not properly identified by name and registration number of the bull and/or date of collection, the seller of the semen shall immediately inform the buyer(s) of the semen of the error.

Rule 505: Death of Bulls Used Artificially

Calves conceived after the death of a bull shall be eligible for registration under the same conditions and provisions governing the eligibility of calves conceived by artificial insemination prior to the death of said bull.

COMPLIANCE

Rule 600: Duty to Comply

Rule 601: Maintenance and Verification of Accurate Breeding, Herd and Program Records

Rule 602: Maintenance of Accurate Records

Rule 603: Submission of Accurate Information to the Association

Rule 604: Questionable Submissions of Information to the Association: Cooperative Resolution

Rule 605: Unwillingness to Cooperate with the Association to Clarify Questionable Submissions

Rule 606: Elimination of Questionable Submissions from the Database

Rule 600: Duty to Comply

It is the duty of every member, affiliate, their employees, agents and others acting on their behalf to comply with all policies or guidelines related to any program of the Association.

Rule 601: Maintenance and Verification of Accurate Breeding, Herd and Program Records

It is the responsibility of every breeder to have and maintain accurately kept records by which, if necessary, the Association can verify any information or data submitted to it in connection with any activity or program of the Association, including but not limited to the breeding, showing, registration, purchase or sale of Akaushi cattle or any program sponsored by the Association.

Rule 602: Maintenance of Accurate Records

Every breeder shall maintain accurate verifiable records, including any records established or required separately under these rules or any program of the Association.

Rule 603: Submission of Accurate Information to the Association

All members who apply for registration or transfer of animals in the American Akaushi Herd Book and all members participating in any Akaushi program shall submit only accurate information, based upon properly maintained and verifiable records.

Rule 604: Questionable Submissions of Information to the Association: Cooperative Resolution

Whenever the accuracy of any information (including data) submitted to the Association in connection with the registration or transfer process or any Akaushi program is deemed questionable by Association staff, the Association staff may attempt to resolve the matter informally in accordance with this rule or it may refer the matter to the Board of Directors. The Association staff may request that the submitting member resolve such concerns by cooperating with Association staff and, upon written request, agreeing to any reasonable request of the Association, which may include one or more of the following:

- a. the member's consent to allow an on-site examination of all relevant animals,
- b. the member's consent to an on-site examination of all breeding and herd records,
- c. the member's consent to an on-site examination of all Akaushi records,
- d. the member's consent to the on-site DNA marker-type or blood-type testing of all relevant animals,
- e. any other actions deemed appropriate by the Executive Committee.

Rule 605: Unwillingness to Cooperate with the Association to Clarify or Resolve Questionable Submissions

If a member is unwilling or refuses to cooperate with the Association staff in response to a written request to do so, the Executive Director shall notify the Board of Directors of such fact in writing and the Board may, in its discretion, take such action as it deems appropriate.

Rule 606: Elimination of Questionable Submissions from the Database

Notwithstanding any provision of these Rules, the Board of Directors may, in its discretion, direct the Association's staff to eliminate from a database any questionable submissions that it determines impact the integrity of any Akaushi program. Such elimination may take place only after the Association has provided written notice to the submitting member of its intent to do so. Such notice shall contain an explanation for the action taken and afford the impacted member a subsequent opportunity to be heard, pursuant to the hearing provisions of these Rules.

TESTING

Rule 700: DNA-Marker

- a.** Each animal for which a Registration or Transfer application is or has been received by the Association and each animal owned by a member participating in any Association program shall be subjected to a DNA-markertype test to verify accuracy of parentage to determine that the animal or related animals are pure.
- b.** The Board of Directors may require that a DNA-marker tests be made, by such agencies as it may designate, of any animal the purported sire or dam of which has been alleged to have been incorrectly recorded.
- c.** The owner or owners of record of any animal in question and the owner or owners of record of the purported sire and dam shall afford representatives of the Association reasonable opportunity to secure DNA material from the animals involved in any such investigation, including granting such representatives the right to enter their property.
- d.** The Executive Director of the Association may determine who shall pay the costs of any such investigation, including laboratory fees, undertaken pursuant to the provisions of Rule 700(b).
- e.** If a member of the Association or an owner of record refuses reasonable opportunity to representatives of the Association, or its designated agents, to secure DNA material as set forth in this Rule, the Board of Directors may in their discretion take action under these Rules.
- f.** All polled purebred cattle will need a horn/polled genetic test in order for their registration paper to state they are a polled animal.

SHOW

Rule 800: Show Rules

Rule 801: Ownership of Animals Presented for Exhibition

Rule 802: Age Classification of Animals Presented for Exhibition

Rule 803: Identification of Animals Presented for Exhibition

Rule 804: Conformation and Structure of Animals Presented for Exhibition

Rule 805: Alteration of Conformation and Structure by Use of Prohibited Substance or Unethical Fitting

Rule 806: Carriers of Class I Genetic Defects

Rule 807: Submission of Cattle for Inspection

Rule 808: Enforcement of Association Rules at Association- Approved Livestock Shows

Rule 809: Exhibitor Conduct

Rule 810: Relationship Between These Rules and Show- Specific Rules

Rule 811: Certain Junior Shows

Rule 800: Show Rules

The Association may appropriate funds toward the payment of premiums at certain Fairs, Shows and Exhibitions. These funds are appropriated for the purpose of rewarding member exhibitors or member owners of those animals whose conformation is most desirable and properly attained. In the case of breeding stock, it is for the additional purpose of recognizing conformation most likely to add value to breed improvement. In order to carry out these purposes, the Association has established these Show

Rules. Simply stated, these rules have been drafted to ensure that all animals presented for exhibition at Association-approved livestock shows shall be in their natural conformation and structure, free of any alteration or modification by injection or internal or external administration of any Prohibited substance or by any involvement in Unethical Fitting.

Rule 801: Ownership of Animals Presented for Exhibition

- a. Each registered animal entered for competition at any Association-approved livestock show must:
 - 1. be exhibited in the name of the member owner of record of the animal at the time it is presented for exhibition; and in the event that there is more than one owner of record, in the name of at least one of such owners of record, who is a member of the Association; and,
 - 2. be exhibited in compliance with the Rules or Regulations governing the ownership of animals at the Fair, Livestock Show or Exposition at which the animal was exhibited.
- b. The exhibition of any animal, the legal title to which has passed by public or private sale subject to a reservation of the privileges of exhibiting such animal subsequent to its sale and prior to its transfer on the records of the Association, shall not be deemed a violation of the provisions of paragraph (a) (1), of this Rule.

Rule 802: Age Classification of Animals Presented for Exhibition

Each member exhibitor or member owner is responsible for having each animal entered in the proper class or classes in which it belongs according to the birth date of such animal.

Rule 803: Identification of Animals Presented for Exhibition

- a. Each member exhibitor or member owner is responsible for having each animal identifiable at check-in time by legible permanent identification marks corresponding to the Certificate of Registration of such animal, the original of which must be available for inspection prior to exhibition at each such show.
- b. If inspection of permanent identification marks by an authorized representative of the Association reveals that permanent identification marks are absent, illegible or not in conformity with registration, the animal shall be barred from exhibition at the show where examined.
 - 1. In instances where a purchased animal is presented for exhibition with permanent identification marks absent, DNA-marker-typing may be required before registration is validated and the new identification marks are recognized.
 - 2. In instances where a registered animal is presented for exhibition by the original member owner with permanent identification marks absent, a written statement may be required to be filed with the Association office documenting proper identity and confirming the fact that re-application of permanent identification marks has been accomplished.
 - 3. In instances where a registered animal is presented for exhibition with two or more sets of permanent identification marks, DNA-marker-typing may be required in order to validate registration.
 - 4. In instances where a registered animal is presented for exhibition with permanent identification marks not in agreement with registration, the original owner may be required to document accuracy to the Association. DNA-marker-typing may be required to validate registration.

Rule 804: Conformation and Structure of Animals Presented for Exhibition

Each member exhibitor or member owner is responsible for having each animal fitted and presented in the show ring in its natural conformation and structure without improper alteration.

Rule 805: Alteration of Conformation and Structure by Use of Prohibited Substance or Unethical Fitting

- a. Each member exhibitor or member owner is prohibited from altering the conformation or the structure of an animal by injection or internal or external administration of any Prohibited Substance or by involvement in an Unethical Fitting. The member exhibitor and/or member owner is responsible for the acts of any nonmember fitter found to have altered an animal in violation of these Rules or the Rules and Regulations of any Association-approved livestock show.
- b. At any show for which the American Akaushi Association appropriates funds toward the payment of premiums, no exhibitors, individuals assisting exhibitors or member owners at such show shall be allowed to use any coloring agents, on any animal exhibited.
- c. The Association may adopt and implement various tests designed to monitor this prohibition, including but not limited to a “white towel” or “white glove” test. No aerosol cans or other pressurized containers will be allowed in designated make up areas.

Rule 806: Carriers of Class I Genetic Defects

Any animal that is a carrier of a genetic defect shall be barred from any Association-approved livestock show.

Rule 807: Submission of Cattle for Inspection

Each member exhibitor or owner shall: (1) submit any registered Akaushi cattle to such tests and examinations by authorized representatives of the Association or of the relevant Association-approved livestock show as may be requested thereby; (2) release the Association, its officers, directors, employees and agents from any and all claims for damages arising in connection with the administration of any such test or examination and any and all decisions based upon or otherwise using or incorporating the results thereof; and (3) in the event such member exhibitor or member owner desires to dispute or challenge the results of any such test or examination applied to his animals, do so only in accordance with the procedures established by the Rules of the Association.

Rule 808: Enforcement of Association Rules at Association-Approved Livestock Shows

Authorized representatives of the Association have the authority to enforce the rules set forth herein, including barring a registered animal from a livestock show at which it is to be shown, if there are reasonable grounds to believe a violation has occurred.

Rule 809: Exhibitor Conduct

Member exhibitors and member owners, as well as their representatives and employees, shall act in a sportsmanlike and professional manner in the show ring. Judges and show officials shall be treated with courtesy and respect. Exhibitors shall not engage in or direct any abusive, threatening or obscene conduct toward judges, show officials or other exhibitors.

Rule 810: Relationship Between These Rules and Show-Specific Rules

These Rules supersede the Show Rules published by an Association-approved livestock show, to the extent that there is a conflict.

Rule 811: Certain Junior Shows

The Board of Directors may, from time to time, also adopt and disseminate rules and guidelines to be used at selected junior shows at which the Association appropriates funds toward the payment of premiums. Such rules and guidelines may be enforced by authorized representatives of the Association.

TRANSFER MEMBERSHIP

Rule 900: Membership Transfers

Memberships may be transferred only once, upon request, to:

- a. A joint membership with a spouse or other immediate family member(s) not the subject of any prior suspension or expulsion, if originally issued to an individual.
- b. To an immediate family member who is not the subject of any prior suspension or expulsion.
- c. To an heir designated by will or, if intestate, by designation of other heirs. The transfer to an heir will be completed upon the Association's receipt of a letter from the executor of the estate or receipt of a Court Order, directing the transfer to take place.
- d. To a surviving partner of a partnership.
- e. To one of the individuals of a dissolved partnership, designated by transfer endorsement signed by the other partner or partners.
- f. To a stockholder of a corporation designated by transfer endorsement of the corporation, properly executed by an authorized agent of the corporation.
- g. To a member or stakeholder of any related legal entity, if properly authorized by an appropriate agent of the entity.
- h. If originally issued as a joint membership, from a joint membership to an individual membership upon agreement of all joint members or (in the case of a divorce), upon the Association's receipt of a divorce decree or other Court Order, directing the Association to change the owner of the membership. Only one transfer will be permitted.

GUARANTY

Rule 1000: Sale Guarantees

The American Akaushi Association is not liable for any warranties made by the seller of cattle.

FEES

Rule 1100: Association Fees

- a. All fees of whatever nature due the Association shall be paid in advance, accompanying requests for services.
- b. Nonpayment of fees is sufficient cause for:
 - 1. Withholding the processing of registrations or transfers, performance data or other types of work being performed by the Association;
 - 2. Cancellation of registrations or transfers which have been processed but not paid for, removal of performance data from the Association's database; and/or,
 - 3. Temporarily suspending a member's rights and privileges of membership in the Association until such time as the fees are paid.

c. There shall be an annual membership fee which will be set by the Board of Directors and is subject to change.

COMPLIANCE

Rule 1200: Compliance with These Rules

Rule 1201: Submissions of Information to the Association

Rule 1202: Failure of Members to Comply

Rule 1203: Failure of Nonmembers to Comply

Rule 1204: Notices to the Membership of Disciplinary Action Taken

Rule 1200: Compliance with These Rules

It is the duty of every member, affiliate, their employees, agents and others acting on their behalf to comply with these Rules.

Rule 1201: Submissions of Information to the Association

Whenever under these Rules there is a duty or requirement for a member to submit or provide information to the Association, such submission shall be truthful, accurate and verifiable.

Rule 1202: Failure of Members to Comply

- a. The failure of any Member of this Association to comply with its Rules shall be grounds for discipline, including suspension of some or all privileges and rights of membership or expulsion, in accordance with the Rules of the Association and subject to the discretion of the Board of Directors.
- b. Any suspension shall set forth a specific time period for such suspension, following which the Board of Directors may entertain a request for reinstatement to the full rights and privileges of membership.

Rule 1203: Failure of Nonmembers to Comply

The failure of any nonmembers to comply with the Rules of this Association shall be grounds for prohibiting such individuals from participation in any event or program sanctioned, funded or authorized by the Association or taking any other action, which, in its discretion, the Board of Directors may take.

Rule 1204: Notices to the Membership of Disciplinary Action Taken

- a. In the event that a member has been expelled or disciplined, the Association shall publish such fact to the membership.
- b. In the event that a suspension of a member has been terminated by the Board of Directors, the Association shall publish such fact to the membership.

LITIGATION

Rule 1300: Litigation Forum and Expenses: Agreement of All Members

- a. All members shall not commence any civil action, whether in law or in equity, against the Association in any courts other than those Federal or State courts located in the State of Texas.

b. Following judicial review of any final decision, action or Rule of the Association contested by said member, whereby the member fails to have the Association's decision, action or rule reversed or overturned, said member shall reimburse the Association for the reasonable attorney's fees, court costs and other expenses incurred by the Association in defense of the lawsuit.