



American Wagyu Association Rulebook & Handbook

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RULES OF THE AMERICAN WAGYU ASSOCIATION

Mission

The Corporation's mission is to promote, foster and encourage the development and popularity of Wagyu cattle in the United States, as well as promote and protect the improvement of Wagyu cattle; and to record and register Wagyu cattle.

Introduction to Rules

The following rules, calculated to promote the best interest of the breed, were adopted by resolution of the Board of Directors of the American Wagyu Association on April 18, 2017. These rules are currently effective and supersede all rules in effect prior to that date.

All life and regular members are eligible to register cattle in the American Wagyu Herd Book. Associate members of the Association shall not be entitled to the privileges of registration. Non-resident members of the Association shall not be entitled to the privileges of registration, except as otherwise provided by regulation adopted by the Board of Directors.

Section I. Registration of Animals in the American Wagyu Herd Book

Rule 1. Eligibility of animals

- A.** Registration shall be available to all bulls having not less than 87.5% Wagyu blood, and to all females having not less than 50% Wagyu blood, provided the sire of dam is appropriately registered or recorded in the AWA Registry. Females with 37.5% to 49.9% Wagyu blood and males with 50% to 87.4% which are progeny of a registered Wagyu sire or dam may be recorded in the AWA Registry.

- 1. Fullblood Wagyu:** Animals registered in the Japanese Wagyu Herdbook and animals whose sire and dam are registered as 100% Fullblood Wagyu, and progeny of registered 100% Fullblood Wagyu parents are classified as Fullblood animals. No animal may be registered on or after January 1, 2018, in the AWA Registry as Fullblood if such animal shows any white coloring above the flank or in front of navel, except birthmarks.

a. The Fullblood Grade will be divided further into the following categories.

1.1 Fullblood Black Wagyu - Animals registered in the Japanese Wagyu Herdbook and animals whose sire and dam are registered in the AWA Herdbook as 100% Fullblood Wagyu, and progeny of registered 100% Fullblood Wagyu parents are classified as Fullblood animals. These animals are primarily of “Black” coat color. All parentage is required to be DNA verified by an AWA approved lab or other AWA accepted facilities.

1.2 Fullblood Red Wagyu - Animals registered in the Japanese Wagyu Herdbook and animals whose sire and dam are registered in the AWA Herdbook as 100% Fullblood Wagyu, and progeny of registered 100% Fullblood Wagyu parents are classified as Fullblood animals. These animals are primarily of “Red” coat color. All parentage is required to be DNA verified by an AWA approved lab or other AWA accepted facilities.

1.3 Fullblood Red/Black Wagyu - Animals registered in the Japanese Wagyu Herdbook and animals whose sire and dam are registered in the AWA Herdbook as 100% Fullblood Wagyu, and progeny of registered 100% Fullblood Wagyu parents are classified as Fullblood animals. These animals are of “Red or Black” coat color. All parentage must be DNA verified by an AWA approved lab or other AWA accepted facilities. All progeny of any Fullblood Red/Black Wagyu will be designated as a Red/Black Wagyu as will all future progeny going forward.

2. Purebred Wagyu - Progeny of registered Wagyu sires and Dams with a minimum percentage of Wagyu blood of at least 93.75% (15/16 and above).

a. The Purebred Grade will be broken down into the following categories:

2.1 Purebred Black Wagyu

2.2 Purebred Red Wagyu

2.3 Purebred Red/Black Wagyu

When a male with at least 93.75% Wagyu blood enters the “Purebred” Registry they will be considered 100% Wagyu only when calculating the percentage of first, second, third and fourth generation offspring (1/2, 3/4, 7/8 and 15/16 offspring). Calculation of Wagyu percentage when mating, Purebred X Purebred or Purebred X Fullblood Wagyu will be shown on the Certificate of Registration as the true percentage based on the percentage values shown on the certificate of the two parents. No animal may enter the Purebred Registry until it has an identified sire and designated amount of Wagyu blood. Purebred animals cannot be upgraded to the “Fullblood” status. Purebred animals must be black or red in

coat color. No animal may be registered in the Purebred Registry if such animal shows any white coloring above the flank or in front of navel, except birthmarks. All Purebred animals applying for registration on or after January 1, 2018 must be DNA parent verified by an AWA approved lab or other AWA accepted facilities.

- 3. Percentage Wagyu:** Percentage of registered Wagyu sires, or registered or recorded Wagyu dams. The percentage of the Wagyu blood is the “average” of the percentages of Wagyu blood of the sire and dam as recorded on the AWA Certificate of Registration, using 100% for any sire with at least 93.75% Wagyu blood. To enter the “percentage” registry, females must have at least 50% Wagyu blood, and males at least 87.5% Wagyu blood. Any percentage calf applying for registration on or after April 18, 2017, resulting from an out of herd parent must be DNA verified to that parent by an AWA approved lab or other AWA accepted facilities.
 - 4. Recorded Wagyu:** Females having from 37.5% to 49.9% Wagyu blood and bulls having from 50% to 87.4% blood.
- B.** A calf born less than 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 4 of this section of the rules.
 - C.** Whenever the eligibility for registration of any animal is in doubt because of uncertain or unknown parentage, DNA testing by the Association shall be required. If through DNA verification the animal is proven to have incorrectly listed parentage, the animal will not be eligible for registration until parentage is confirmed.
 - D.** Where the results of a DNA test reveal the presence of an uncommon type, an animal, otherwise meeting all of the registration requirements set forth in the Association Rules, shall not be eligible for registration unless both parents are DNA typed and no parentage exclusion exists, or unless the source of the uncommon DNA type can otherwise be determined. An owner whose animal is DNA ineligible for registration under Section I Rule 1.F by reason of a DNA test showing the presence of an exclusion may request a second DNA test at the owner’s expense before the animal’s ineligibility is final. Drawing of blood for this test shall be conducted under the supervision of American Wagyu Association Executive Director or appointed board member. Registration of an animal who has been found to possess an uncommon Wagyu DNA exclusion shall be suspended pending the results of the second DNA test.

E. An animal artificially conceived by: a) a non-owned bull or b) an embryo transplant donor dam, where the bull or dam possess an uncommon DNA 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 DNA testing, 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.

F. It is the responsibility of the breeder who sold the semen from a genetically defective carrier bull to inform the buyer of that semen. This does not include genetic recessives.

Bulls will be placed on the list of carriers of genetic defects or genetic recessives only after sufficient documentation has been received. Breeders have the right to a hearing before the Executive Committee to present evidence to establish that their bull is not a carrier of said genetic defect or genetic recessive.

If the breeder can establish that their bull has been incorrectly listed, then such bull will be removed from the list and notice printed in the Journal or breed publication.

G. The registration of any animal that does not conform to 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 cancellation.

Rule 2. Permanent Identification Marks

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.

A. All registered animals must carry a tattoo in one or both ears. That must consist of the owner's herd prefix, an individual animal identification (I.D.) number, and the appropriate year letter code. A maximum of nine (9) digits may be used, and no two animals may carry the same tattoo within the same herd. 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. Any combination of the above locations or methods may be used.

B. Herd Identification (Herd prefix)

Herd prefix are assigned to each member when application for membership is submitted. Herd prefix must be a minimum of two (2) and not more than four (4) alphabetical letters. No two members may have or use the same herd prefix.

1. When registering a calf born to its natural mother, the herd prefix of the owner of the dam at the time of birth must be used, and that individual must register the calf before it can be transferred.
2. An embryo transfer calf must be tattooed with and registered with the herd prefix of the owner of the calf at the time of registration.
3. Under no circumstances should an individual attempt to register a calf with herd prefix that have not been approved and assigned by the AWA Registry Office, or herd letter of another member or breeder.

C. Individual Identifying Number

This number should be such that no two animals may carry the same tattoo/brand, (herd prefix, I.D. numbers, and year letter code). A maximum of nine (9) digits may be used in the total tattoo (max 4 digit for herd prefix, max 5 ID and year letter code).

D. Year letter code

Part of the required Wagyu Tattoo must be year letter code. Usually it is the last digit in the tattoo. Following are the year letter code codes from 2001 through the year 2030. (The letters, I, O, Q, and V are not used):

| | | | | |
|---------------|---------------|---------------|---------------|---------------|
| 2001-L | 2002-M | 2003-N | 2004-P | 2005-R |
| 2006-S | 2007-T | 2008-U | 2009-W | 2010-X |
| 2011-Y | 2012-Z | 2013-A | 2014-B | 2015-C |
| 2016-D | 2017-E | 2018-F | 2019-G | 2020-H |
| 2021-J | 2022-K | 2023-L | 2024-M | 2025-N |
| 2026-P | 2027-R | 2028-S | 2029-T | 2030-U |

If any tattoo is unreadable and you are the breeder, re-tattoo the animal in a different lobe and notify the Association Office. If you put the wrong tattoo in an ear, don't alter it. Send the Certificate of Registration to the Association for correction. If any tattoo in a purchased animal is not legible, or does not agree with the Certificate of Registration, contact the Association office for directions.

Rule 3. Calves of multiple birth

Twins or calves of other multiple births are eligible for registration, if other eligibility requirements are met, provided that the application for registry states that the calf is a twin, or of other multiple birth, and that the sex of the other twin or calf of

multiple birth is stated. If one such calf is registered without such statement, another calf of the same gestation cannot subsequently be registered unless a letter of explanation accompanies the registration application.

Rule 4. Eligibility of calves produced by embryo transplant

The following requirements shall apply to registration of calves resulting from an Embryo Transplant.

- A.** The Sire must be DNA parent verified and tested for genetic recessives and any known genetic defects.
- B.** The Embryo Transfer Donor Dam must be DNA parent verified and tested for all genetic recessives and any known genetic defects.
- C.** All Embryo Transplant calves applying for registration must be DNA parent verified.
- D.** The owner of record of the Donor Dam at the time of conception (flush) must be identified as the breeder. Date of flush must be submitted on registration application.
- E.** 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.
- F.** Registration of embryo transplant offspring shall be made on a regular form at the regular fee, plus additional fees as determined by the Board of Directors.
- G.** Each application for entry must be accompanied by an Artificial Insemination Service Certificate or stored electronically if required.
- H.** Registration of embryo transplant offspring resulting from the mixing of semen shall require that semen from not more than two bulls are used.
- I.** 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.
- J.** Certificates of Registration issued for offspring from embryo transplants shall be so designated. The Association may request additional information from the owners from time to time relating to embryo transplant animals.

The following requirements shall apply to registration of Purebred calves resulting from an Embryo transplant beginning on January 1, 2018, except for item "E" below which is effective immediately.

- A. Active sires must be DNA typed and tested for known recessive disorders.
- B. Active Embryo Donor Dams must be DNA typed and tested for known recessive disorders.
- C. Embryo calves born from active sires and active donor dams must be parent verified to the sire and dam before they can be registered.
- D. Embryo calves born from inactive sires and/or inactive donor dams must be DNA typed before they can be registered.
- E. If the sire and/or donor dam have DNA parent verification on file, the resulting embryo calf must DNA parent verify to the sire and/or dam.

Rule 5. Application for registration

- A. Form of Application: Application must be made on the most recently approved form obtained from the American Wagyu Association and contain the following information:
 - Indicate if animal is to be registered
 - List animal ID tattoo/brand
 - Location of ID tattoo/brand
 - Sex of animal to be registered
 - Date of birth
 - Weaning date
 - Weaning weight
 - CAR fee on dam, if applicable
 - Herd prefix of first owner
 - Name of the animal (no more than 28 characters)
 - Coat Color
 - Horned/Polled/Scurred
 - Service Code-AI, ET or Natural Service
 - Registration number of the Sire
 - Registration number of the Dam
 - Name and location and Member Number of the First Owner
 - Signature of the First Owner certifying accuracy of information
 - Completion, including signature, of the Breeder's Certificate, if required
 - Completion, including signature, of the Bull Permit, if required
 - Completed Artificial Insemination Service Certificate, if required

Rule 6: Calves resulting from cell cloned transplants.

- A.** Only replication cell-cloned animals shall be eligible for registration. Genetically modified animals shall not be eligible for registration.
- B.** The cell-donor animal and the cell-cloned animal must be DNA-marker-typed.
- C.** The breeder of the cell-donor animal must be identified as the breeder of the cell-cloned offspring.
- D.** 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 buyer may be identified as the first owner.
- E.** DNA-marker typing of the recipient dam may be required by the Association.
- F.** 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.
- G.** 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.
- H.** Certificates of Registration 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 Section I, Rule 6(H) 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.
- I.** A cell-donor that possesses notation on its pedigree (printed or electronic) indicating that it is a potential carrier of a genetic condition must be tested when a DNA test for that particular mutation is available. Upon the completion and submission of such DNA testing results to the Association, a cell-cloned animal shall be eligible for registration unless prohibited by a policy adopted to address the specific condition(s).

Preparation of Application of Registration:

Name

The Association's electronic data processing system is designed for efficiency. For this reason, members must name their calves according to the following rules for Wagyu naming.

An animal's name cannot contain more than 28 characters and spaces, and only English letters and Arabic numerals shall be acceptable.

Punctuation marks, diagonal lines, joint letters, brands, or other unusual marks or symbols will not be accepted. If a 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 official name of the animal will appear as follows:
Herd Prefix + given name by first owner + Herd ID tattoo/brand + year letter code.**

The Association reserves the right to change the name assigned to an animal on an application for registry if it is deemed advisable to do so. The Association will notify the breeder at time of change.

Breeder. The breeder of a calf is the owner of record of its dam on the date of service.

First Owner. The first owner of a calf is the owner of record or one of not more than three (3) co-owners of record of its dam on the date of birth of the calf except in the case of embryo calves as provided for in Section I Rule 4. 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 Section I Rule 4.

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 or record of the dam at the time of service) must execute the breeder's certificate on the application for registration of the calf.

If the sire of a natural serviced calf was not registered in the name of the owner of record of dam at time of service a Bull Permit or Lease form must be submitted with the registration application.

Rule 7. Certificate of Registration

- A.** A registration number shall not be assigned to an animal, or a certificate issued, until every requirement of the Rules in this Section I has been complied with.
- B.** The existence of more than one Certificate of Registration per animal shall not be permitted, except in cases of joint ownership and as provided in Section I Rule 11.

- C. The Certificate of Registration issued by the Association shall constitute receipt for the fee paid, but such Certificate shall not bind the Association in case of error.

Rule 8. Registration by Affidavit

- A. Except in the case of an animal specifically sold as “grade”, 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 neglects or refuses to:
 - 1. Apply for registration of a calf sold at side, or
 - 2. Complete an application to register a calf that 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, as in the case of a leased cow.
- B. Each affidavit must be accompanied by:
 - 1. 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;
 - 2. Evidence of agreement to breed the dam, and
 - 3. 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 as defined in Section VI, Rule 2, subparagraphs B and C of the Rules of the Association.
- C. After considering the evidence submitted to it, the Executive Committee or the Board of Directors may, by majority vote, approve an application to register by affidavit, provided the animal is otherwise eligible for registration in accordance with the provisions of Section I and VI of the Rules of the Association.

Rule 9. 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 10. Changes of Animals' Names

- A. The name of a registered animal may be changed for a fee established by the Board of Directors provided:

1. The first owner and all subsequent owners, if any, who are Association members in good standing, request the changes 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 the particular defect.
- B.** Names of animals originally registered in Herd Books other than that of the American Wagyu Association may not be changed.

Rule 11. Duplicate Certificates of Registration

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 Section II, Rule 7 of these Rules.
- C.** As a replacement Certificate of Registration as provided for in Section I Rule 7B of these Rules.

Rule 12. Correction of Errors in Certificates of Registration and Transfers

- A.** Errors in Registration or Transfers committed by the Association office shall be corrected free of charge.
- B.** Errors committed by applicants for Registrations or Transfers shall be corrected at fees as established by the Board of Directors.

Rule 13. Incomplete Applications for Registration

Whenever an application for registration is incomplete, and the applicant has failed to provide all of the information required by this Section I of the Rules, within four months of the date the Association received the application, such application shall be considered null and void. An application shall be considered incomplete if not accompanied by required fee.

Rule 14. Surrender of Certificates of Registration

When 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 endorsement to indicate the date and method of disposition. Animals sold as grade without registration papers may not be re-issued without seller's permission.

Rule 15. Accuracy of Registration Data

Whenever the accuracy of data contained in an application to register an animal is challenged, the matter may be referred to the Executive Committee of the Board of Directors for investigation.

Rule 16. Misrepresentation or Fraud

- A.** If an animal's registration has been obtained through willful misrepresentation or fraud, or if the date of birth, tattoo number, sire, dam or service by natural or artificial insemination has been misrepresented, the Board of Directors may, in accordance with Section X of these Rules, declare the registration null and void together with any registrations which may have been made of descendants of an animal so registered.
- B.** When a registration has been obtained by means of misrepresentation or fraud, or if the date of birth, tattoo number, sire, dam or service by natural or artificial insemination has been misrepresented, the Board of Directors may, in accordance with Section X of these Rules, instruct the Executive Director to refuse to receive subsequent applications of any kind signed by a person or persons implicated in said misrepresentation or fraud, and may take appropriate action as provided by Section X of the Rules.

SECTION II. Transfer of Cattle Registered in the American Wagyu Herd Book

Rule 1. Transfer of Registration

- A.** Every change of ownership of record of an animal used for registration breeding purposes must be recorded by official transfer on the records of the Association.
- B.** No entry on the transfer record of a Certificate of Registration shall be made except in the Association office, and any unauthorized entry shall render a certificate null and void subject to the issuance of a replacement certificate for an additional fee.
- C.** It shall be 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. A seller and the seller's 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 respond to the American Wagyu Association's request, their Association memberships will automatically be suspended temporarily with the temporary suspensions to expire on the Association's receipt of the requested statement, and the American Wagyu Association will not process any registration or transfer application executed by seller or said agent until the Association's receipt of requested 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 tattoo marks on its ears, corresponding to the tattoo marks entered on its certificate.
- E.** "Transferor" shall mean the individual, partnership or corporation in whose name the animal is registered. If all shares of a jointly owned animal are to be transferred, all certificates signed by each owner of record must be submitted for transfer.
- F.** "Transferee" shall mean the individual, partnership or corporation into whose name an animal is to be registered.
- G.** Transfer entries of jointly owned animals shall not exceed three (3) owners of record.
- H.** Animals submitted after sixty (60) days from the date of the sale will incur a late fee set by the AWA Board of Directors
- I.** If the current owner of record chooses to sell a registered animal without the registration rights to a new owner and this is made clear in the sale documents, the current owner must surrender the Certificates of Registration to the AWA office with registration rights denied declared on the certificate for registry records.

Rule 2. Application for Transfer of Registration

Application for Transfer shall be made on an approved form and signed by the transferor or the transferor's authorized agent. Evidence of authority to sign as agent on behalf of a transferor and the signature of any authorized agent must be filed in the office of the Association before a transfer application will be accepted for processing. The application must specify:

- A.** Name and location and Member Number of each transferee.
- B.** Date of Sale.

- C. 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).
- D. Signature and Member Number of individual, partnership, or corporation, in whose name the service bull is registered, indicating whether females have been served naturally or artificially inseminated.
- E. If sold with Artificial Insemination Breeding Privilege.

Rule 3. Omission of Data on Transfer Application

The execution of transfer applications with the names and addresses of transferees, date of sale or transfer, correct tattoo marks or other data omitted is prohibited except as otherwise provided in Section II.

Rule 4. Cows with Calf at Side

If a cow is transferred with a calf at side, the calf must be registered by the individual, partnership or corporation 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 5. Adjustment Transfers

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

- A. Transfers for the purpose of correcting certificate records to exact membership names as required by Section V, Rules 1 and 2.
- 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.

Rule 6. Errors in Recording of Transfers

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

Rule 7. Transfer by Affidavit

In case of neglect or refusal of a member or non-member of the Association to apply for transfer of registration, transfer may be recorded, except where an animal was specifically sold as "grade", if approved by a majority of the members of the Executive Committee of Board of Directors, on the basis of the transferees 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 and evidence of an agreement to sell, purchase or transfer, and, in the case of a female, including the terms conditions or service, if any.

Rule 8. Transfer Applications of Animals Consigned to Public Sale

Sale managers or their representatives may fill in buyers' names on applications for transfer of animals consigned to public sales; and, if authorized by the consignor, sign such application on the consignor's behalf. Such applications must indicate the name of the sale manager or agent representing the consignor and be signed such consignor. Applications executed under this Rule are subject to Section II, Rule 13.

Rule 9. Transfer of Exported Animals

Application for transfer of an animal exported to another country shall be made with a regular Transfer Application and subject to all applicable transfer rules.

Rule 10. Transfer from the State of a Deceased Person

In the event of the death of a transferor, the Association requires that there shall be filed in its office all papers and documents necessary to show that the person requesting transfer is legally authorized and entitled to request such transfer.

Rule 11. Incomplete Applications for Transfer

Whenever an application for transfer is incomplete, and the applicant has failed to provide all of the information required by this Section II of the Rules, within four months of the date the Association received the application, such application shall be considered null and void. An application shall be considered incomplete if not accompanied by required fee.

Rule 12. Responsibility for Legal Title

A transfer or 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 13. Misrepresentation or Fraud

- A.** If an animal's registration has been transferred through misrepresentation or fraud, the Board of Directors may, in accordance with Section XI of the Rules, declare such transfer null and void together with any registrations of purported descendants of the animal which may have been recorded during the period of such misrepresented or fraudulent transfer.
- B.** A transfer application, upon which the date of transfer has been falsely entered for the purpose of complying by technicality or evasion with the ownership requirements of Section II of the Rules of the Association, shall be null and void.
- C.** When a transfer of registration has been obtained by means of misrepresentation or fraud, the Board of Directors may take appropriate action as provided by Section X of the Rules, and instruct the Executive Director to refuse to receive subsequent applications of any kind signed by any person or persons implicated in said misrepresentation or fraud.

SECTION III Foreign Registry and Cattle Imported into the United States

FOREIGN REGISTRY: Registration of animals owned by parties located outside the United States, or animals which are located outside the United States owned by U.S. citizens or U.S. legal residents, or someone outside of the United States must adhere to the following rules in order to be eligible for registration in the American Wagyu Association.

- A.** Animals are eligible for registration in AWA regardless of where they are located.
- B.** Must be an active AWA Member, but U.S. residency or citizenship is not required.
- C.** Animals located in foreign countries owned by active AWA members must meet the same rules for registration as animals located in the United States.
- D.** Animals born or registered outside the U.S. may be eligible for registration in the AWA if the registration in their country of origin is with an Association or Registry who has requested and received AWA approval for recognition as "reciprocal" with AWA policies and procedures.
- E.** Animals born outside the U.S. by parents not registered in the AWA or by parents not registered in an Association with "reciprocal" cross-recognition may be registered only after review by the AWA Executive Committee and

majority approval by the AWA Board of Directors.

If such an animal is pregnant when transferred, the service information must be verified by the recording association, in which the service sire is recorded or registered, for the progeny to be eligible for registration.

SECTION IV Association Fees

Rule 1. Establishing Fees

The Board of Directors establishes all fees.

Rule 2. Payment of Fees

All fees of whatever nature due to the Association shall be paid in advance and shall accompany requests for services, except that state institutions and similar agencies shall be exempt as determined by the AWA Board of Directors.

Rule 3. Non-payment of Fees

All fees for services shall be on a cash basis; check, money-order or credit card information must be provided and all accounts current prior to the AWA providing services.

Non-payment of fees, regardless of cause, shall be sufficient cause for:

- A.** Withholding the processing of registrations, transfers, and other services.
- B.** Cancellation of registrations, transfers, and other services which have been processed but not paid for.

Membership will be inactivated by the Association:

- A.** At the end of each fiscal year, if the account has a past due balance with no payment activity in excess of 120 days.
- B.** An inactive member may reinstate their membership by paying the membership reactivation fee, all charges billed within the fiscal year of reactivation, and any existing debt owed to the Association for services rendered.

Rule 4. Complete Animal Reporting

The AWA uses the Complete Animal Reporting (CAR) system for herd inventory and registration management.

- A.** Complete Animal Reporting (CAR) fees will be charged at the current rate for females within their respective calving seasons.
- B.** CAR fees are billed in conjunction with selected calving season.
 - a. CAR fees must be paid by corresponding due dates.
 - b. A reactivation fee will apply to all animals that were disposed, deactivated for non-payment of herd assessment fees, or when applicable.
 - c. CAR credit is tied to the cow each year with no expiration date and stays with the cow throughout the corresponding year regardless of owner.

SECTION V. Membership

American Wagyu Association shall have charter members, active members, associate members, junior members, and honorary members and emeritus members as described in the AWA's Bylaws. The rights, privileges, duties, benefits, and classification of members shall be governed therein.

SECTION VI. Artificial Insemination

Rule 1. Ownership

The breeder (owner of record of the dam at the time of service) 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 3 co-owners of record of the sire in order for the calf to be eligible for registration, excepting that

- A.** Calves that are the result of 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 are the result of 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 the employer is submitted with the application to register.
- C.** Calves that are the result of Artificial Insemination as provided or under the "Out of Herd" Artificial Insemination Rules.
- D.** Calves that are the result of Artificial Insemination as, provided for under rules relating to the sale of females with Artificial Insemination breeding privileges.

Rule 2. Definitions

Insofar as this rule is concerned,

- A. "Owner of record" means the sole member (individual, partnership or corporation) in whose name an animal is registered.
- B. A "member of the immediate family" means, and is limited to, the husband, wife, sons and daughters of the owner(s) of record of the sire.
- C. A "regular employee" means a person whose principal occupation is full time employment in connection with the agricultural or livestock business of the owner (s) of record of the sire.
- D. "Date of sale" means 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.

Artificial Insemination Program Rules

The following requirements shall apply to the registration of calves conceived artificially when the recorded owner of the female is not the recorded owner or one of the recorded owners of the sire at the time of conception:

Option A:

- A bull may enter the **Non-Owner Artificial Insemination Sire Program**, which allows the owner(s) of a bull to sell semen without the need of an Artificial Insemination certificate for registration of the offspring of the bull.
- For a bull to be entered into this program, an agreement must be signed by all owners of the bull and kept on file with the Association. If the bull is owned by a syndicate, the owners listed on the certificate will need to sign the agreement along with the designated representative of the syndicate.
- For a bull to be entered into this program, such bull must have an Artificial Insemination permit issued (see Rule 2).
- Once a bull is entered into the program, such bull will not be allowed to switch back to the certificate program.

Option B:

- The breeder (recorded owner of the female at time of conception) must obtain a **Non-**

Owner Artificial Insemination Certificate of Service for each calf to be recorded from the individual or firm supplying the semen and such certificates must accompany the application for registration of the resulting offspring.

- The recorded owner of the bull from which the semen was sold is obligated to supply the number of Non-Owner Artificial Insemination Certificates of Service contracted for at the time the semen was purchased.
- Non-Owner AI Certificates of Service may be obtained from the Association by active members of the Association who are the recorded owner or co-owners of the bull for a fee established by the Board of Directors. It is the responsibility of the owner of the dam at the time of service to complete the Non-Owner Artificial Insemination Certificate of Service.

Rule 3. Out of Herd Non-Owner Artificial Insemination Certificate of Service Program (Option B)

The following requirements shall apply to registration of the 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 the time of conception.

- A. The breeder (owner of record of female) must obtain a Non-Owner Artificial Insemination Service Certificate for each calf to be recorded, and such certificate must accompany an application for registration of the resulting offspring.
- B. Artificial Insemination Service Certificates may be obtained from the Association by active members of the Association who are the owner or co-owner of record of the sire for a fee established by the Board of Directors. Application for Artificial Insemination Service Certificates must be on an official form supplied by the Association and signed by the owner of record of a jointly owned bull is required to sign the application.
- C. The issuance of an Artificial Insemination Service Certificate by the Association shall in no way be construed as guaranteeing conception, or if a calf results from such service, that it shall be eligible for registration. There shall be no refunding of fees paid to the Association for Artificial Insemination Service Certificates.
- D. Unused Artificial Insemination Service Certificates may be assigned to the buyer by endorsement on the face of the Artificial Insemination Service Certificate.
- E. In applying for Artificial Insemination Service Certificates, the owner of the sire shall certify on the application that to the best of their knowledge, such bull does not possess or has not transmitted any genetic defects. Genetic

defects or other factors when reported shall be listed on the Artificial Insemination Service Certificate. These genetic defects or other genetic factors shall also be reported to the Association on an official form supplied by the Association, and upon verification, shall be made available to any member upon request.

Rule 4. Labeling of Semen

When the name and registration number of a bull and date of collection do not properly identify semen, it is the responsibility of the owner of record of the bull at time of collection to notify the Association and any buyers of such semen of the misidentification. 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 permanently with name and registration number of the bull and date of collection for the resulting calves to be eligible for registration.

Rule 5. 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 with the following additional requirement:

Upon the death of a bull used artificially, the owner of record or one of the co-owners of record, if more than one, shall report in writing to the Association the date of death. No time limit is imposed on the use of semen after death.

Rule 6. Artificial Insemination of Females Offered for Sale

Only females represented as served or safe in calf at the time of sale and which prove not to be in calf and open at time of sale, may be Artificially Inseminated subsequent to sale without need for an Artificial Insemination Certificate, provided the seller is the owner of record or one of the co-owners of record of the sire at time of conception and further provided that the application for transfer of each such female sold or application to register the resulting offspring contains certification that service by Artificial Insemination was a condition of the terms of sale. The offspring resulting from only the first such artificial conception, subsequent to sale, which is eligible for registration, may be recorded.

In the event a female is sold with a breeding privilege as provided for under this rule and the seller subsequently sells the bull, all breeding privileges outstanding prior to the date of sale of the bull shall be honored and the registration of calves conceived as a result of such breeding privileges shall be permitted, providing the buyer of the bull is willing to assume the obligation of honoring such outstanding breeding privileges, and further

providing the bull meets all other requirements for artificial insemination as set forth in Section VII of the Rules.

Rule 7. Leasing Animals

Wagyu animals may be leased, provided a statement of lease is on file with the Association. If a lease statement is on file listing each animal being leased by name and registration number, the lessee can register calves sired by the bulls or produced by the cows as if the lessee were the actual owner, provided there are no more than three owners already listed. All breeding interest in an animal being leased must be included in the lease, partial breeding interest cannot be retained. In addition, leased bulls must only be used in a natural service situation, artificial breeding is not permitted. At the end of the lease period, unless extended, registration privileges revert back to the recorded owner. The fee for entering the lease on the records of the Association is the same fee as the current transfer fee for cattle.

In order to make this process more efficient and less confusing, the following policies shall apply regarding leasing Wagyu cattle.

A. Required Information

The required information needed by the Association for leasing animals will be communicated using one consistent and common lease form to be used by all members wishing to participate in this type of practice. The lease form will contain only the required information for the Association's needs and is to be used expressly for that intent. The lease form should not be construed as a binding agreement between the lessor and lessee. The Association shall in no way be involved in or assume liability for the lease, terms of the lease, or the passage of legal rights related thereto.

1. All lease periods must include a beginning and ending date; no open-ended leases will be accepted.
2. All animals involved in the lease shall be included on the lease form(s) by their registration number and name.

B. Lease Submission & Terms

1. The lease form must be submitted by the lessor with his/her signature. A lease fee equal to the current transfer fee for registered Wagyu will be charged to the lessors account for each animal involved in the lease.
2. Should the lessor and lessee agree to extend the lease, documented notification will be required in the Association's office should the birth dates of any calves being registered out of sire or dams involved in the lease not coincide with the time period of the lease.

3. If the lessor or lessee wishes to lease additional or different animals, then an additional lease form(s) should be completed with all required information and submitted by the lessor. All appropriate fees will be charged to the lessor's account.

SECTION VII. Genetic Defects or Genetic Recessives in Registered Wagyu

Rule 1. Reporting Genetic Defects or Genetic Recessives

In order to protect and promote the breed, every effort shall be made to identify those animals which have specific genetic defects or genetic recessives determined by the Board of Directors to be detrimental to the breed. Therefore, it is the responsibility and obligation of each member of the Association to report to the Association any occurrence of those genetic defects or genetic recessives of which they becomes aware. Genetic defect or recessive testing done by an AWA approved lab will be automatically reported by the lab and uploaded to any applicable registered animal in the data base. These test results are for informational purposes only and will not be used for discriminatory purposes.

Rule 2. Testing Bulls and Cows for Genetic Defects or Genetic Recessives

All bulls used for Artificial Insemination purposes and all females used for donor purposes must be tested for all known genetic recessives and defects or deemed free by pedigree before resulting offspring will be eligible for registration. A bull or cow owner may apply to the Association for an Association supervised progeny test or other tests for genetic defects or genetic recessives approved by the Board of Directors for official recognition. Application shall be made on an official form furnished by the Association prior to the beginning of such test or tests.

SECTION VIII. Sales

Rule 1. Sales

- A. Every registered animal sold or offered for sale publicly or privately must carry visible, legible tattoo identification marks corresponding to the Certificate of Registration of such animal and, if upon examination legible marks are lacking, the Association may cancel the registration.
- B. The offering of registered cattle for sale in other than the name or names of owners of record is prohibited.

Rule 2. Cattle Purchased for Resale

- A.** Every change of ownership of record must be recorded by transfer on the records of the Association.
- B.** The purchase of animals and their resale without fulfilling the requirements of paragraph A of this Rule is prohibited.

Rule 3. Sale Guarantees

The American Wagyu Association shall not be liable for any warranties made by the seller of cattle.

SECTION IX. Verification of Records

Rule 1. Herd Records

- A.** Applicants for registration shall maintain accurate breeding and herd records. The Executive Committee of the Board of Directors, or the Board of Directors, may investigate or cause to be investigated, examined, identified, or DNA tested any registered animal or herd and may examine the breeding, herd and performance records maintained by a member or non-member of the Association for the purpose of verifying applications for registry or records on file in the office of the Association, or for the purpose of investigating other matters in which the Association may be interested.
- B.** If, upon investigation by the Executive Committee of the Board of Directors, or the Board of Directors, it is determined that breeding, herd or performance records or herd management practices are inadequate to assure the accurate identification of animals in a herd, then the Executive Committee, or the Board of Directors, may require periodic reports of the current herd status until such time as the Executive Committee, or the Board of Directors, are satisfied that compliance with the Rules of the Association is assured.
- C.** If, upon investigation as provided in paragraph A of this Rule, the Executive Committee or the Board of Directors determines that the herd or management practices relating to such records of either a member or non-member of the Association are such that the purity of the Wagyu breed may be impaired, or has been impaired as the result of the inadequacy of such records, then the Executive Committee or Board of Directors may in their discretion take action under the provisions of Section X of the Rules.

Rule 2. DNA Test

- A.** Each animal for which the Association receives entry application may be

subjected to DNA testing to verify accuracy of parentage. The number of animals, their sires and dams, to be tested within a given calendar year (January 1 through December 31) under provisions of this rule shall be established by the Board of Directors.

- B.** It shall be the duty of the owner or owners of record of any animal in question and the owner or owners of record of the purported sire and dam to provide any additional DNA testing from the animals involved in the investigation as requested by the Executive Committee of the Board of Directors or the Board of Directors.
- C.** The Executive Committee of the Board of Directors, or the Board of Directors, are empowered to determine who shall pay the costs of any investigation, including laboratory fees, undertaken under the provisions of paragraph B of this Rule.

Rule 3. Penalties for Refusal

If a member of the Association or an owner of record shall refuse the Association, or its designated agents, reasonable opportunity to secure DNA as set forth in this Section X, Rule 2, the Executive Committee of the Board of Directors, or the Board of Directors, may in their discretion take action under the provisions of Section X of the Rules.

Rule 4. Termination of Suspension of Privileges

If suspension of privileges is imposed as provided for in this Section X, Rule 3 it shall continue until the next meeting of the Board of Directors, at which time the Board may terminate the suspension or continue it until a reasonable opportunity has been afforded the representatives or agents of the Association to make the blood tests referred to in this Section X, Rule 2.

SECTION X. Member Suspension and Sanction

Rule 1. Failure of Members to Comply

A. Failure of any member of this Association to comply with the Bylaws or Rules of the Association and any member's misconduct including, without limitation, any conduct (i) involving moral turpitude, (ii) deemed to be detrimental to the interests of the Association, its programs, policies, objectives or to its harmonious relationship with its members, or (iii) that makes any member's association as a member undesirable, shall be grounds for expulsion from membership in the Association or suspension of membership and other privileges including, without limitation, the registration and transfer of cattle. Membership in the Association is a privilege and not a right.

B. If a member of the Association is charged with a violation of the Bylaws or Rules of the Association or any other misconduct, the member shall appear before the Board of Directors for a hearing (or submit a written statement to the Board of Directors in lieu of a hearing) within twenty (20) days of the Board of Directors sending notice of the charges to the member. Following the expiration of such twenty day period, the Board of Directors may expel or suspend such member from membership in the Association.

C. In the event that a member is expelled or suspended, written notice shall be forwarded to the last known address of such member and the fact thereof announced to the members of the Association through the medium of an official Association publication. However, in the event that a member is suspended during the pendency of a complaint then any announcement to the members of the Association of such suspension shall be at the discretion of the Board of Directors.

D. In the event that the suspension of a member (announced to the members of the Association as provided in paragraph C of this Rule) has been terminated by action of the Board of Directors, then such termination of suspension shall be announced to the members of the Association through the medium of an official Association publication.

Rule 2. Litigation Forum and Expenses

Every member, by joining the Association, or non-member, by filing transfer of registration documents with the Association agrees that:

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

B. Said member or non-member agrees that they shall not commence any action, whether in law or equity, against the Association in any courts other than those Federal or State courts located in the State of Texas.

Rule 3. Suspension Procedure

Any decision and action by the Board of Directors, pursuant to Section X of the Rules, providing for the suspension of membership, shall set forth a specific time period for such suspension, following which the Board of Directors will consider a request by that member for reinstatement to full membership. Suspension of the member's membership and privileges shall continue until such time as the member is reinstated to full membership by the Board of Directors.

SECTION XI. Show Rules

The Association regularly appropriates 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 any unethical fitting or showing practices.

Rule 1. 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 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 2. 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. Misstatement of age of an animal entered for show may result in animal being barred from exhibition, or winnings reassigned.

Rule 3. 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 either (1) the Certificate of Registration of such animal, the original, or full size legible photo copy of Certificate of Registration I of which

must be available for inspection prior to the exhibit at each show, or (2) another approved current proof of ownership issued by the Association.

- 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 will 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 maybe 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.
 5. In instances where a registered animal is presented for exhibition with permanent identification marks in agreement with registration but type (tattoo vs. brand) of identification is incorrect, the owner may be allowed to show and the original registration paper must be returned for correction.

Rule 4. 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 5. 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 Wagyu 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, including dyes, on any animal exhibited.

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 or testing samples collected from show animals. No aerosol cans or other pressurized containers will be allowed in designated make up areas.

Rule 6. Submission of Cattle for Inspection

Each member exhibitor or owner shall: (1) submit any registered 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 such owner’s animals, do so only in accordance with the procedures established by the Rules of the Association.

Rule 7. 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 8. 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 9. 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.

MEMBERSHIP HANDBOOK

Registration of Wagyu

Preparing Registration Applications

You should check to make sure you fill in every space on application forms, except those clearly indicated for use by the American Wagyu Association, referred to herein as the “Association” or the “AWA”.

The applicant must sign each application form. Almost all delays in processing applications are the result of illegible applications, errors, and incomplete information. All persons applying for registration of Wagyu must be members in good standing of the Association.

Certificate of Registration

The breeder of a registered Wagyu is the owner of record of the dam at the time she was bred. When a cow has been transferred after she has been served, but before the birth of her calf, the service must be reported on the transfer application. The breeder must complete and sign the Certificate of Registration on the applications for registration of the calf. See application forms.

Registration of Calf at Side of Dam

If a calf to be registered was purchased at side with its dam, the owner of record of the dam on the calving date must apply for registration, and transfer the calf to the buyer. Both entry and transfer applications may be sent at the same time.

Service Information of Transfer of Females

A buyer cannot register a calf born before date of purchase. The seller is responsible for registering a calf born before the date of purchase.

Correction in Registration

Every time a buyer receives one or more Certificates of Registration the buyer should check each one carefully for errors. Any error made by the office is corrected free. An error made by the member making application will be corrected for a fee established by the Board of Directors.

Duplicate Certificates of Registration

If a Certificate of Registration is lost or destroyed a duplicate may be issued if requested by the owner of record. Forms are available for this purpose.

Plan a Simple But Effective Tattoo System

A registered breeder should plan his tattoo system carefully when beginning a Wagyu herd. A well-planned system will simplify record keeping and individual animal identification. The tattoo and the year letter code on the ear-tag can be identical and the tattoo will be used as part of the animal's registered name and herd number. For example:

1. Every member is required to choose herd prefix that are no longer than four characters long. This must be tattooed into a chosen ear (left or right). This requirement is in addition to the individual tattoo ID number and year letter code of the animal. An animal's tattoo must be comprised of herd prefix, individual ID and year letter code. Example: AWA 215E would identify animal 215, born in 2017 to herd AWA.
2. Breeders also may wish to include the cow number in each offspring's tattoo and identification. For example, the 2008 calf from cow 21 would be tagged and tattooed "218" or "821", and this number could be incorporated in the registered name of the animal as a simple way to avoid duplication of names.
3. Ear tags of various colors also can be used to designate calves by different sires. Therefore, a color ear tag plus the year and the cow number will constitute a complete age and parentage record on the ear tag of each calf.

Remember tattoos must be limited to a maximum of 5 units applied on a straight line. Special brand marks, joined letters, backward, letters, bars, diagonals, punctuation marks, or symbols, are not acceptable.

Helpful Management Tips

Calves should be identified at birth with an ear tag. Incorporate sire and dam identification either by code or by color of tag. Waiting until the calf is at least three (3) months of age before tattooing will give you more satisfactory results.

No two animals born in the same year can have the same tattoo within a herd under one membership. Purchased animals with tattoos that duplicate tattoos of an animal in your herd should have other special identification (freeze brand, ear tag, etc.).

To guarantee animal identification, tattoos should be checked at weaning and at any other convenient times. Always read tattoos for accuracy and legibility before delivery to a buyer either at auction or private treaty. This will prevent problems before they happen!

Use a flashlight or spotlight when checking tattoos that are hard to read. Press light to the outside of ear to illuminate the marks.

Buyers should check legibility and verify tattoos against Certificates of Registration before making payment or accepting delivery.

If any tattoo is unreadable, the breeder should re-tattoo the animal in a different lobe and notify the Association Office. If the wrong tattoo is placed on an ear, do not alter it. Send the Certificate of Registration to the Association for correction. If any tattoo in a purchased animal is not legible, or does not agree with the certificate, contact the association office for directions.

Transferring Registrations

Application for Transfer of Registration

It is the duty of the seller to apply for the transfer as soon as possible and to pay the transfer fee. Even when the buyer agrees to pay the transfer fee, the application for transfer must be completed and signed by the seller. If the seller gives a buyer an incomplete transfer that the seller has signed and the buyer in turn sells the animal to another buyer that second buyer may well come to the original seller to fulfill a guarantee. The seller is also responsible for the legibility of the animal's tattoo.

Preparing Transfer Applications

When the seller applies for transfer, make sure every space is filled in. The Association issues a new certificate each time a registration is transferred.

When a seller sells a registered animal, it is the seller's duty to complete and sign the transfer unless a sale manager or someone expressly authorized by the seller does this. The signature of the person authorized by the seller to complete transfers must be on file with the Association office. If the seller sells an animal and the buyer does not want the animal transferred, mail the certificate to the Association with a notation "Sold without Transfer". This helps keep the master file of the breed up to date.

If the seller sells a cow with a calf at side and the calf has not been registered, the seller may transfer the cow and register and transfer the calf at the same time. The owner of record of the cow on the date the calf was born must register the calf.

When a seller sells an interest in an animal, the seller must list the names and addresses of all the new co-owners, including the seller. The Association will issue a new Certificate of Registration to each new co-owner of an animal when the transfer is completed on the Association's records. Certificates for jointly owned animals indicate multiple ownership. The Association is not involved in any way in agreements between the co-owners of animals.

When the seller transfers a bred female, either settled (safe in calf) or presumed to be, the date of service and the name and registration number of the service bull must be indicated on the application. If the female was pasture exposed and the exact date of service is unknown, write or type "pasture" instead of the date. Be sure to indicate

whether the service was natural or artificial.

The owner of record of the bull must sign the service information at the time of service. If this is not included on the transfer application the buyer will be required to obtain the required signature in order for the resulting calf to be eligible for registration.

New Owner's Responsibilities

When buying a registered Wagyu animal privately or at auction, each person shall have responsibilities involving the records of their purchases. The buyer should be sure the seller (or the salesclerk at an auction) has the exact name to be used on the transfer application. If the animal is to be transferred to the buyer's membership, be sure to give an exact membership name and membership number. Failure to provide this information will lead to unnecessary delay in processing. A calf born from an inaccurately transferred female, for instance, cannot be registered until the transfer is corrected. This may require an additional transfer or correction fee.

Check Every Certificate of Registration

When receiving Certificates of Registration for animals the buyer has registered, or purchased, check the following six (6) points immediately:

1. Is the member name and member number listed correctly?
2. Is the animal's name recorded correctly?
3. Is the date of purchase correct?
4. If it is a bred female, is the number of the service bull and date of service listed?
5. Do the tattoo marks in the animal's ears agree with the tattoo marks listed on the certificate? Read tattoos to be sure.
6. Is the sex of the animal listed correctly?

Each of these six (6) points has an important bearing on the registration eligibility of expected calves. Any questions about any purchased animal should be directed to the seller immediately. If an error or discrepancy is found, return the certificate to the seller for a proper adjustment. Many calves are found to be ineligible for registration because of careless paperwork.

The Association does not involve itself in disputes between members regarding price of and payment for cattle. When disagreements arise they must be settled by mutual agreement or court action.

American Wagyu Association Suggested Sale Terms and Conditions

Below are the Association's suggested terms and conditions to be followed in connection with the sale of a Wagyu animal. The Association is not responsible, nor does it guarantee, a successful transaction between buyer and seller.

EXCEPT FOR THOSE STATED IN THE BELOW TERMS AND CONDITIONS, THERE ARE NO WARRANTIES, EITHER EXPRESSED OR IMPLIED, AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE CATTLE BEING SOLD AT THIS AUCTION.

THE WARRANTIES AND GUARANTEES SET FORTH IN THE "TERMS AND CONDITIONS" ARE IN LIEU OF ALL OTHER WARRANTIES, EITHER EXPRESSED OR IMPLIED, AND THE REMEDIES PROVIDED THEREIN SHALL BE THE SOLE AND EXCLUSIVE REMEDY OF THE BUYER, OR ANY PARTY CLAIMING THROUGH BUYER, FOR ANY BREACH OF WARRANTY OR GUARANTEE THEREIN PROVIDED, AND ALL OTHER OBLIGATION OR LIABILITIES.

BIDDING

Each animal will be sold to the highest bidder without reserve. The person in charge will settle any disputes as to bids, and his decision on such matters shall be final.

TERMS

Terms of sale are cash unless satisfactory credit arrangements, including any possible reservation of security interest by vendor, have been made with vendor previous to sale.

BUYER'S RISK

Each animal becomes the risk of the buyer as soon as sold: but it will be the obligation of the seller to see that animals are fed and cared for free of charge to buyer, until loaded for shipment or until the expiration of forty-eight (48) hours after the sale, whichever occurs sooner.

CERTIFICATE OF REGISTRY

A transferred certificate of registry will be furnished to the buyer for each animal within forty-five (45) days following date of sale or receipt of full payment.

HEALTH

All animals are eligible for interstate shipment; except as otherwise announced. Interstate health papers will be furnished for each animal requiring T.B. and Brucellosis tests in accordance with Federal Regulations. A certificate of vaccination will be furnished for each animal that has been vaccinated for Brucellosis disease.

ARTIFICIAL INSEMINATION SERVICE CERTIFICATES

Artificial Insemination Service Certificates, if required, will be furnished by the seller, on demand of the buyer, at no cost to the buyer, for all females bred artificially to bulls not owned by the seller. See Section VII in the Rules of the American Wagyu Association for Artificial Insemination Service Certificate requirements

ANNOUNCEMENTS

Any changes from information of any kind in this catalog will be announced from the auction box and such announcements shall take precedence.

Breeding Guarantee

Industry standards require that sellers guarantee the following:

1. All animals are guaranteed to be breeders, with the exception of: a) calves under twelve (12) months of age; b) animals shown by buyer after sale (in cases of animals shown after purchase the breeding guarantees, if any, shall be such as agreed upon between the seller and the buyer); c) injury or disease occurring after sale; d) gross negligence or willful misconduct on the part of the buyer.
2. Bulls are guaranteed breeders if not allowed to run with the herd until they are least fourteen (14) months of age. Any bull which settles cows by natural service and passes a fertility test made by a competent veterinarian mutually agreed upon by buyer and seller, during any six (6) month period of trial (provided for in paragraph 2 in "Option and Privilege of Return and Adjustment" below) shall be considered a breeder. Any guarantees with respect to the ability to freeze semen shall be by separate agreement between the buyer and seller.
3. Safe in calf females that have been examined by a competent veterinarian are guaranteed breeders.
4. Served Females are not guaranteed to be in calf.
5. Pasture-bred females that have been exposed but are not guaranteed to be in calf.
6. Open females that have not been served are guaranteed breeders.
7. Donor Female:
 - a A female which has been used in an embryo transfer program is not guaranteed to be a breeder after date of sale unless by separate agreement between the buyer and seller.
 - C.** A female is not guaranteed to be a breeder after date of sale, when that female is to be used, or attempted to be used, in an embryo transfer program, unless by separate agreement between the buyer and seller.

Identification

1. Seller offers each animal with a readable tattoo corresponding to its registration.
2. Buyer agrees to check tattoos for accuracy.
3. In those cases where a nickname is used, the official registered name and number of the animal shall accompany it.

Options and Privileges of Return or Adjustment

1. All claims for adjustment or refund must be made in writing either within six months of the sale date or no later than six (6) months after the animal reaches eighteen (18) months of age.
2. In the event an animal is claimed to be a non-breeder, the animal may be returned to the farm of the seller if in good condition and complying with the health requirements of the seller's state. The seller shall be entitled to a six (6) month trial following the return of the animal in which to prove that the animal is a breeder. If at the end of six (6) months the seller is unable to prove the animal is a breeder, the seller shall, at the option of the buyer, replace the animal with another of equal value or refund the purchase price. The return of the full purchase price shall in any case be deemed full satisfaction and settlement. Any expense incurred for transporting an animal claimed to be a non-breeder in excess of the distance between the buyer's farm and the location where the sale took place shall be paid by seller. If the seller proves the animal to be a breeder, it shall be the obligation of the buyer to take delivery of the animal and pay all expenses incurred for transportation.
3. If a female sold as "safe in calf" proves not to be in calf, the buyer may receive service from the bull previously used, if available, or if the bull is not available, the seller shall be obligated to make a satisfactory adjustment on the purchase price to the buyer or, at the buyer's option, refund the purchase price upon return of the animal to the farm of the seller. If seller makes the necessary adjustments as suggested in the preceding sentence, then such resolution shall be deemed to be in full satisfaction and settlement, except in case such female proves to be a non-breeder. If a female represented as "safe in calf" at time of sale to a certain bull proves to have been bred to a different bull, the seller will be obligated to make a satisfactory adjustment on the purchase price to the buyer or, at the buyer's option, refund the purchase price upon return of the animal to the farm of the seller (adjustments shall not be considered to be a breeding fee or an allocation of the purchase price to any unborn calf). Any expense incurred for transportation shall be the responsibility of the buyer, except that the seller will be responsible for transportation costs in excess of the distance between the buyer's farm and the location where the sale took place.
4. If a female sold as "open" proves to be with calf, the buyer may return the animal to the farm of the seller prior to calving for a refund of the full purchase

price or for another animal of equal value, whichever is acceptable to the buyer. It will be the obligation of the seller to bear any expense incurred for transportation.

5. Cows with calves at side are presumed to be breeders with no further fertility guarantee.
6. If an animal is sold and at a later date, proves not to be eligible for registration under the Association rules, the seller will be obligated to make a satisfactory adjustment on the purchase price to the buyer, or at the buyer's option refund the purchase price upon the return of the animal to the farm of the seller. Any expense incurred for transportation will be the responsibility of the buyer, except that the seller will be responsible for the transportation costs in excess of the distance between the buyer's farm and the location where the sale took place.
7. If an animal is sold and through DNA testing is proven to have incorrect parentage, as otherwise represented on the Certificate of Registration, and for which parentage can be determined, the seller will be obligated to make a satisfactory adjustment on the purchase price to the buyer or, at the buyer's option refund the purchase price upon the return of the animal to the farm of the seller. Any expense incurred for transportation will be the responsibility of the buyer, except that the seller shall be responsible for transportation costs in excess of the distance between the buyer's farm and the location where the sale took place.

Genetic Defects

1. In the case of an animal with a genetic defect the following rules apply:
 - a. The buyer will notify the seller in writing immediately upon the birth of a calf suspected of being defective or immediately after determination is made that such calf is defective.
 - b. The seller, at the seller's expense, will be permitted, and provided with reasonable opportunity, to obtain blood samples of an alleged defective calf and its sire and dam for the purpose DNA type analysis to establish parenthood.
 - c. The buyer will return the animals to the seller at the buyer's expense, provided the animals meet health requirements of the seller's state.
 - d. The return of the purchase price in connection with the defect producing animal shall be deemed full satisfaction and settlement.

In the event there is a dispute as to whether or not a calf is defective, the "determination" referred to in paragraph 1a) above will be made by a person or persons acceptable to both buyer and seller, and in the event that the buyer and seller cannot agree on the selection of such person or persons, then each of them shall appoint a representative to make the determination. In the event that such representatives fail to agree, a third person selected by the representatives of the buyer and seller shall make the determination.

Rights and Obligations

1. In the absence of a separate agreement between buyer and seller, the above suggested terms and conditions shall constitute the applicable terms and conditions between the buyer and seller of each animal and shall be equally binding upon both. Each sale or resale of an animal constitutes a separate transaction.
2. Neither the American Wagyu Association, the sales manager nor any other person connected with the management of the sale assumes any liability, legal or otherwise.
3. For voluntary consideration and the use by the sellers and buyers in their independent business judgment.

Member Grievances

In the event of a dispute between active members of the Association relating to transactions in the cattle industry (excluding collection matters or purely commercial disputes), or a grievance between an active member and the AWA, please refer to the Association's grievance policies and procedures located in the handbook as promulgated by the Board of Directors of the Association.

Appendix “A”

AWA Grievance Policy

1. AWA members are responsible for understanding and complying with all By-laws, Rules and Policies.
2. Members have a right to express a grievance, to have a hearing on their grievance, and to be assisted in working toward resolution of their grievance. Grievances may be submitted by an individual member or a group of members. Grievances shall not be submitted anonymously.
3. All discussion regarding a particular grievance shall be kept confidential by all parties involved and confined to those assisting in its investigation and resolution. A grievance should be resolved promptly and at the Executive Director level. The AWA will use good faith efforts to resolve matters amicably.
4. A grievance is the submitted AWA Grievance Submission Form, containing details regarding an issue that has been irresolvable between members. The grievance may also be between members and the AWA.
5. A grievance may involve some type of harassment, hardship, discrimination, rules, bylaws or policy violation, or code of conduct violation.

Filing a Grievance

- 1) Completed grievance forms must be submitted to the AWA Office addressed to the Executive Director.
- 2) The following information is required to be submitted with the grievance:
 - a) Names of all individuals submitting the grievance.
 - b) Names of all individuals in the defending party.
 - c) A description of all alleged acts of commission or omission and their dates.
 - d) Section numbers of any rules, bylaws, policies, code of conduct, or procedures that were allegedly violated and details on how they were allegedly violated.
 - e) Whether or how the defending party violated AWA bylaws, policies, code of conduct, or procedures.
 - f) Actions taken thus far to resolve or address the grievance, if any.
 - g) Specific remedy requested, if any.
- 3) The Executive Director may notify the submitting parties of receipt of the grievance within five (5) business days. Within 30 days of the submission, the Executive Director must provide both the submitting and defending parties with the status of the grievance. The Executive Director may continue to provide status at reasonable

intervals to the parties until the grievance is resolved. The parties will be notified by the Executive Director promptly after the grievance has been resolved.

- 4) The Executive Director is responsible to report to the Grievance Committee and the Board of Directors that a grievance has been filed, and when a grievance has been resolved.

Grievance Resolution Process

1. Once a grievance is submitted, the Executive Director will decide in good faith whether the grievance is to be accepted and will make every reasonable effort to resolve it.
2. If the Executive Director determines that the grievance needs to be immediately escalated to the board or determines that the grievance cannot be resolved with his authority, the grievance will be submitted to the board of directors within 60 days.
3. Once a grievance is submitted/escalated to the board of directors, the President/Chairman of the board of directors will put it on the agenda for the next meeting to be processed by the board of directors in order to resolve it.
4. The Grievance will only be considered to be finally resolved when the Board of directors, by super majority vote (6), declares the grievance to be resolved and recommends what action, if any, should be taken to resolve the grievance.
5. The Executive Director is responsible to report to all parties the determination of the board when a grievance has been finally resolved with the board's resolution.