

Dear Breeder

Swettenham Stud are proud to announce an industry first to counter some of the problems breeders often face. It is no secret that one of the biggest bugbears for breeders is to support a stallion and find the fee has been decreased before the foal is born, or even worse that the stallion has been sold (ie is not returning to stand in Australia), being packed off to some far flung destination and the fee paid is substantially affected.

Swettenham Stud are happy to stand by their stallions and march together with their clients on a depressed market or a rising market as the case may be. Swettenham Stud have always done their best deals as Early Bird offerings and that will not change. However, breeders who use their stallions will now be able to use an Early Bird averaging calculation to take advantage of these present times and action this when fees are on the rise as well so that they are suitably rewarded for their loyal support.

This scheme will protect breeders. In effect you average the two early birds the difference between the year 1 fee and the average is your discount off year 2 this is called the Swettenham Stud Capital Investment Protection Scheme. When you look back and average what you have paid over two years there is an extra saving created and this is deemed to be our Swettenham Stud Loyalty Bonus. It needs some careful reading, but once you get the gist of it I am sure you will very happily be involved.

An ACTUAL Example: Breeders who supported Keep The Faith last year 2008 when his Early Bird Price was \$7,700 incl. GST will now see that the Early Bird price for 2009 is \$6,600 incl. GST. The average of these fees is \$7,150 incl. GST and therefore Swettenham Stud consider that you can take \$550 the amount over and above the average off the 2009 Early Bird Deal and hence book in for \$6,050 incl. GST as a back to back/repeat client.

A HYPOTHETICAL Example: With Keep The Faith's first crop yearlings this season averaging \$31,250 excluding GST (over 4 times his Early Bird price in 2006) he may be just the right horse to bet on. Imagine they race very well next year and his Early Bird fee in 2010 was to be set at \$17,600 incl GST. As a client in 2009 when the Early Bird fee is \$6,600 incl. GST; you can average the 2009 figure and the 2010 figure (calculation is \$12,100 incl GST) and you then book at that figure on a rising market fee. You are suitably rewarded for your support of the stallion in the year before his rise, by getting in for \$12,100 when his Early Bird fee is now set at \$17,600.

Note it does not have to be the same mare and the normal terms apply ie. Live Foal Guarantee or a Free Return. Bulk discounts also apply for 2 plus mares as per 2008 and these will be offered as credits to the service contracts as soon as the mare is served. Early Bird Deals close on May 31st 2009.

We hope you enjoy coming to grips with this really exciting and rewarding concept for our clients in 2009 and beyond.

Adam Sangster