



## MEMBERSHIP AGREEMENT

THIS AGREEMENT is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_, of \_\_\_\_\_ (hereinafter known as the "Member") and the Alpaca Blanket Project, Stayton, Oregon (hereinafter known as "ABP").

### WITNESSETH:

#### WHEREAS:

1. ABP is a privately owned Oregon business organized and licensed under OAR 160-010-0010 to collect and sort, grade, and classify alpaca fiber for the production of said fiber into a marketable product;
2. ABP processes both suri and huacaya alpaca fiber;
3. The Member is a producer of alpaca fiber, and;
4. The Member has met the requirements of membership with ABP.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto agree to the following:

#### ARTICLE I - Definitions

As used herein, the following terms shall have the following meanings:

- 1.1 "Fiber Year" shall indicate the fiscal year from September 1 through August 31 of the following calendar year.
- 1.2 "Usable Fiber" shall indicate fiber that is between 2 and 5 inches in length, less than 31 microns, and materially free of medullation, second cuts, debris and contaminates.
- 1.3 "Second Cuts" shall indicate short pieces of fleece resulting from the shearer cutting over the same area twice.
- 1.4 "Medullation" shall indicate those fibers with a hollow central core. The core can be one continuous hollow tunnel, but it can also be sporadic or broken. This shall include but is not limited to fiber otherwise known as "kemp" or "guard hair."
- 1.5 "Cumulative Contribution" (CC) shall indicate the total amount of usable alpaca fiber that has been contributed without payment.
- 1.6 "Clip" refers to the sheared fiber from one or more alpacas.
- 1.7 "Clip Season" refers to the period of time (generally from spring to fall) of the fiber year.
- 1.8 "Contaminate" refers to parasites including but not limited to lice, fleas, moth eggs and maggots, fungus including but limited to molds and/or mildew, debris and defecate matter.
- 1.9 "Animal ID" refers to the numerical identification of a specific alpaca.
- 1.10 "Farm ID" refers to the number assigned to the Member by ABP.
- 1.11 "Active status" refers to status achieved by the Member whereupon a) the Member submitted fiber in 2008 or 2009; or b) the Member has submitted a signed Membership Agreement that has been accepted by ABP as well as 100 pounds of fiber.

## **ARTICLE II - Acceptance and Delivery of Alpaca Fiber**

- 2.1 All fiber received by the ABP shall become the property of ABP.
- 2.2 Fiber shall be weighed, sorted, graded, and classed according to the methods and practices of ABP.
- 2.3 Fiber shall be either suri or huacaya between 2 and 5 inches in length with minimal second cuts, medullation, or debris. It shall not be above 32 microns. It shall not be tumbled. Fiber may be the blanket and/or britch (rump) of the alpaca and may be from the neck and upper legs if it meets said criteria.
- 2.4 Fiber shall be determined as usable at the sole discretion of ABP.
- 2.5 Disposition of fiber shall be at the discretion of ABP.
- 2.6 Any fiber that is found to be contaminated with parasites, fungus, or any other matter that is considered to be a contaminate shall be disposed of by ABP and shall not be considered part of Member's clip. ABP will make a reasonable attempt to contact the Member to notify them of contamination.
- 2.7 Fiber shall be delivered to ABP in clear, plastic bags with Member's farm ID number, fiber color, and animal ID number (optional) written on the outside of the bag in indelible ink in the following format: FARM ID # -- COLOR CODE -- ANIMAL ID #. Bags received with illegible, improperly marked, not in clear plastic bags or with no identification will not be credited to the Member.
- 2.8 Members will be provided a farm ID number to identify their clip.
- 2.9 All farm ID numbers will be kept confidential by ABP.
- 2.10 Members will be responsible for creating an identification number (numerical format) unique to their animals should they desire information on that specific animal's fleece.
- 2.11 Color codes will be the same two-letter identification code used by the Alpaca Owners and Breeders Association (AOBA). (See Appendix I)
- 2.12 Members wishing to have their unusable fleece returned will write RETURN on their bags underneath the farm ID number. The Member will be notified by email of the weight and shipping charges for unusable fleece. Shipping fees will be paid within 20 days of email notification or fleece will not be returned.
- 2.13 If the ABP, or anyone acting on behalf of ABP, transports fiber for the benefit of any Members, there will be a \$1.00 per pound of usable fiber charged to offset transportation expenses, which shall be deducted at the time of fiber payment.
- 2.14 Members are provided with ABP's Fleece Collection Standards (Appendix II), have read them and understand them.

## **ARTICLE III - Membership**

- 3.1 Members who have contributed fiber since 2008 and prior to October 31, 2009 shall be considered to be active members of ABP.
- 3.2 New members may obtain membership by first completing a Membership Agreement after which they shall receive a farm ID. At that time they must submit a minimum of 100 pounds of fiber. The Member then will be considered an active member. The first 50 pounds of usable fiber will be considered CC.
- 3.3 Membership of a Member may be cancelled at any time for any reason by the Member or at the discretion of the ABP.
- 3.4 If membership of a Member is terminated, the Member shall receive payment for usable fiber received in excess of the CC for that fiber year only. Payment shall be made no later than December 31 of that fiber year. No payment shall be made for the CC.
- 3.5 Group memberships shall be encouraged and provide a venue for small farms to join the ABP.
- 3.6 It shall be the responsibility of the Member to provide a valid address, phone number, and email address to ABP and to make immediate notification of any changes.

## **ARTICLE IV - Payment and Reporting**

- 4.1 Fiber information shall be reported by farm ID number on the ABP web page once processing has been completed.

- 4.2 Payment will only be made to Members with an active status that have completed a Membership Agreement that has been received and approved by ABP, except as otherwise stated in Article 3, Section 2.
- 4.3 New members' must contribute a total of 50 pounds usable fiber to their CC prior to any payment.
- 4.4 Payment shall be made or CC considered only for fiber deemed usable by ABP.
- 4.5 Payment shall be made no later than December 31 of the year of the clip season.
- 4.6 Fiber received after October 1 of the clip season shall be considered received for the following fiber year (i.e. Fiber received October 1, 2009 will be contributed to the fiber year of 2010) and shall be paid prior to December 31 of 2010.
- 4.7 Payment shall be calculated based on alpaca breed (suri or huacaya) and grade in the following manner:
  - a. Huacaya Grade 1 - 3: \$3 per pound
  - b. Huacaya Grade 4 - 5: 2 per pound
  - c. Suri Grade 1 - 3: 2 per pound
  - d. Suri Grade 4 - 5: 1 per pound
- 4.8 Payment shall be made for usable fiber, to be calculated in the following manner:
  - a. Payment shall be made to eligible Members based on the CC.
  - b. A Member who contributes an amount less than or equal to his/her CC shall receive payment according to the terms described in Article 4, Section 7, above.
  - c. A Member who contributes an amount greater than his/her CC shall receive payment for the contribution up to the CC and payment at 50% for amounts over the CC. In addition, one-half the amount over the CC will be added to the CC for future payment computation.
- 4.9 Members shall have the option of receiving product back as payment, not to exceed the value of the usable fiber contributed within that fiber year. Members may also have the option of purchasing additional product, the availability of which shall be determined by ABP.
- 4.10 Usable fiber that was contributed in the fiber year of 2009 shall be CC.
- 4.11 Members will be provided a 1099 for payment received the prior year per IRS regulations.

#### **ARTICLE V - Term and Termination**

- 5.1 This contract may be revised at any time without notice at the discretion of ABP.
- 5.2 This contract shall be considered terminated upon notification by the Member or if no contribution is received for two (2) consecutive fiber years.
- 5.3 Reinstatement of a terminated contract shall be made under the conditions required by new membership stated in Article 3.2.
- 5.4 Termination of this Agreement by either party for any reason shall not affect the rights and obligations of the parties accrued prior to the effective date of termination of this Agreement. No termination of this Agreement, however effectuated, shall release the parties hereto from their rights and obligations under the above stated Articles.

#### **ARTICLE VI - Governing Law**

- 6.1 This Agreement shall be governed and construed in accordance with the substantive laws of the State of Oregon, excluding its conflict of laws provisions.
- 6.2 Venue for enforcement of this Agreement shall be in Salem, Oregon.

#### **ARTICLE VII - Warranties**

- 7.1 NO WARRANTIES, EITHER EXPRESSED OR IMPLIED, ARE MADE PART OF THIS AGREEMENT.

**ARTICLE VII - Notices**

8.1 The original, signed Membership Agreement must be received by ABP by either first class mail or hand delivery to the address given below. Notices, invoices, and communications, hereunder shall be given by Email unless otherwise previously arranged. Notice shall be deemed made on the date of receipt.

Alpaca Blanket Project  
10868 Siegmund Rd SE  
Stayton, Oregon 97383

Phone: 503-769-9466  
Fax: 503-769-9466  
Cell: 503-551-5015

E-Mail: AlpacaBlanketProject@yahoo.com

**ARTICLE IX - Arbitration**

9.1 Any disputes arising out of this Agreement shall be submitted to arbitration, the fees and costs of which shall be borne by the non-prevailing party. The decision of the arbitrator shall be final and binding.

**ARTICLE X - Assignment and Binding Nature**

10.1 This Agreement may be assigned by ABP at its sole discretion. Members may not assign this agreement.

10.2 This Agreement shall endure to the benefit of and be binding upon my heirs, persona representatives, administrators and successors.

**ARTICLE XI - Entire Agreement**

11.1 There are no oral or other conditions, promises or covenants in addition to or at variance with any terms of this Agreement.

IN WITNESS WHEREOF, the parties have caused these presents to be executed in duplicate as of the day and year first above written.

MEMBER

ALPACA BLANKET PROJECT

\_\_\_\_\_  
By: Name:

\_\_\_\_\_  
By: Peter Lundberg, Owner

\_\_\_\_\_  
Farm Name

\_\_\_\_\_  
By: Carol Lundberg, Owner

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPENDIX I

**ABP COLOR CODES**

WH - White  
BG - Beige  
LT - Light Fawn  
MF - Medium Fawn  
DF - Dark Fawn  
LB - Light Brown  
MB - Medium Brown  
DB - Dark Brown  
BB - Bay Black  
TB - True Black  
LSG - Light Silver Grey  
MSG - Medium Silver Grey  
DSG - Dark Silver Grey  
LRG - Light Rose Grey  
MRG - Medium Rose Grey  
DRG - Dark Rose Grey  
IL - Indefinite Light  
ID - Indefinite Dark  
PT - Pattern  
PN - Pinto  
FN - Fancy  
AP - Appaloosa

## APPENDIX II

### Alpaca Blanket Project Fleece Collection Standards

The Alpaca Blanket Project Fleece Collection Standards are intended to provide clear guidelines to alpaca breeders, shearing contractors, and shearing staff with regard to best practices for alpaca fiber shearing, clip preparation, and fiber sorting and grading standards for processing by the Alpaca Blanket Project and Pendleton Woolen Mills. By following these guidelines, growers can ensure that they obtain the maximum value for their clip each year by meeting the needs of ABP and Pendleton. In order to achieve maximum benefits a fleece must meet several criteria. Micron is simply one criterion. The other criteria in conjunction with micron are Handle, Style and Character, Length, and Lack of Guard Hair (Medullation). Uniformity within each of these characteristics is the ultimate goal of the breeder. Spinning problems are caused if there is significant deviation in micron and length. Likewise, excessive short fibers (second cuts) create noils causing a decrease in yarn yield and quality. Guard hairs create "prickle" factor. Many problems can be eliminated through cleaning the alpaca prior to shearing, careful shearing, sorting, grading, and handling of fiber as it is harvested from the alpaca.

### OBJECTIVES

- Maximize the net return to the alpaca fiber producer.
- Provide minimum standards for quality control from the producer to the manufacturer.

### RESPONSIBILITIES

#### A. **Producer's Responsibilities:**

- Plan ahead to reduce stress to the animals and the workers
- Provide a shearing area large enough to accommodate several people, the animal to be shorn, a shearing table, a fiber sorting table, and fiber bags to facilitate the smooth, continuous flow of work and essential communication between the Shearer and Sorter
- It is essential to keep dry any animals that are to be sheared. Shearing is best done under shelter to prevent problems with contamination and for the overall health and comfort of the shearing crew and the alpaca.
- Provide adequate lighting, electrical outlets, and ventilation.
- Clean the shearing area of all sources of contamination, including polypropylene bags, twine, hay, or other food sources, straw or other bedding materials, manure, gravel, sand, cigarette butts, toe nail clippings, paper, or any other objects that do not belong in alpaca fiber.
- Organize an area close to the shearing area for preparing and holding animals prior to shearing. This area should be large enough so animals will not be crowded, provoked into spitting, or subject to additional stresses.
- We recommend that animals be blown with a leaf blower or vacuumed with a Shop Vac prior to shearing to remove debris prior to shearing. When blowing with a leaf blower, do not blow directly into the animals' skin thereby imbedding debris more deeply into the fiber. Do not blow into animals' ears or face.
- Ensure that designated handlers are available to clean the alpacas prior to securing them on the shearing table. Typically alpaca are cleaned prior to moving to the holding area.
- These same handlers should secure the alpacas on the shearing table under the direction of the Shearer. The Shearer should not be expected to handle the alpacas *and* shear.
- If trimming nails and teeth, micro chipping, or performing herd health procedures - arrange to do these procedures sometime prior to or after shearing. This will eliminate considerable stress during shearing. Do not expect the Shearer to perform these procedures.
- Provide a person to clean the shearing table and floor after each alpaca is shorn.

#### B. **Shearer's Responsibilities:**

- Arrive early on shearing day to confer with the producer regarding procedures, facility, setup, and to ensure adequate help is available.
- Review the expectations of the producer: Shearer and producer should come to a mutual understanding of how the shearing day will progress.
- Determine prior to the start of shearing day whether or not fleece side samples will be taken for testing.
- Avoid second cuts. If second cuts should occur, remove them from the fleece!
- Implement best shearing practices and be familiar with current practices for shearing alpacas. Quality of end product usually dictates the shearing practice.
- Maintain the shearing equipment.
- Work as part of the shearing team.

## **PREPARATION**

- Assemble the following supplies and equipment:
  - ✓ Refreshments, patience, and a sense of humor.
  - ✓ Alpaca halters and lead lines.
  - ✓ Shop Vac/leaf blower, and flicker tool to clean alpacas of dust and debris.
  - ✓ 1 shearer, 3-4 helpers
  - ✓ First Aid kit.
  - ✓ Old towels & paper towels.
  - ✓ Brooms and/or Shop Vac for cleaning shearing area between animals.
  - ✓ Garbage cans or containers.
  - ✓ Small Ziploc bags and felt pens for collecting fiber samples.
  - ✓ Clear plastic bags for collecting fleece. A separate bag should be used for blanket, britch (rump); neck and upper legs. Lower legs and belly should be disposed..
  - ✓ Sharpie markers to label fiber bags.
- Alpacas should be shorn in colors, starting with white and progressing into the darker colors.
- Clean the shearing area thoroughly between color changes to avoid contamination.

### **For commercial processing the fiber will be sheared off the alpaca in the following order:**

- Blanket.
- Neck.
- Britch.
- Long (middle) leg: from just above the knee to the start of the britch (rump) and skirting from the belly and into the apron. If the apron area is very much stronger than the long leg, then the apron fiber should be shorn with the short leg and discarded.
- Short (lower) leg; coarse fiber from the knee down to the toes and under the belly; include apron area if it consists of strong guard hair.

Since alpaca fiber is not yet uniform across the entire usable fleece, shearing in this order ensures that the better quality fiber is not contaminated with coarse fiber and the micron spread for each grade of fiber is closely followed. This procedure allows producers to more readily identify the changes in fiber micron spread within a fleece.

Fiber must be between 2 and 5 inches in length. Avoid second cuts and eliminate guard hair as much as possible. In addition, fiber stronger than 31 microns has no commercial value; therefore it should not be sent to ABP. Fiber that is tumbled cannot be sorted and, therefore, cannot be used in commercial processing.

Suri breeders are encouraged to shear their animals before the fiber exceeds 5 inches in length, or the fleece will be overgrown and of no commercial value to the ABP.

## PACKAGING FIBER FOR SHIPPING

- Bag blanket and brinch fiber separate from neck and upper leg fiber in clear plastic bags.
- Identify EVERY bag with Farm Identification number, fleece color, and Animal Identification number (optional) in the following manner:

FARM ID # -- COLOR CODE -- ANIMAL ID #

- Identification should be written in indelible ink, such as Sharpie marker, in large numerals. No other numbers or identifications should be on the bag! Bags that cannot be identified will not receive credit!
- Animal Identification number is a number known only to the grower and used only if the grower wants to be able to identify fiber sorting information on specific fiber submitted. Please use simple numbers. Do not use animal names.
- If shipping fleece bags, squeeze out as much air as possible and pack *tightly* in shipping boxes. Shipping boxes can be mailed to:

Alpaca Blanket Project  
10868 Siegmund Rd SE  
Stayton, OR 97383

- If you wish to have unusable fiber returned, please write RETURN underneath your Farm Identification number. You will be notified as to the cost to return the fiber and it will be returned upon receipt of payment. Shipping fees must be paid within 20 days of email notification or fiber will not be returned.