



PRODUCT DISCLOSURE STATEMENT (“PDS”)

THIS STATEMENT MUST BE FORWARDED TO POTENTIAL SUBSCRIBERS

Prior to the holder of an Australian Financial Services Licence (“AFSL”) advertising, or making an offer of share in a racehorse in any form, he/she MUST provide RACING NSW with the following information, together with the Application for Approval of the Product Disclosure Statement.

Note: Racing NSW prepares its Pro Forma documents to assist Promoters comply with the requirements of their licence. The items listed below are not meant to be exhaustive and Racing NSW does not accept liability for the contents of PDS’, which remain the responsibility of Promoters. If any of the items are not applicable to the particular promotion a notation to the effect “not applicable to the promotion” should be included or the item should be deleted.

The substantive content requirements of a PDS are governed by the Corporations Act 2001, in particular section 1013 C-F, and the ASIC Corporations (Horse Schemes) Instrument 2016/790 (“Instrument”). Promoters should also refer to ASIC Regulatory Guides 91 and 168 for guidance on what should be listed in a PDS.

NOTICE TO POTENTIAL SUBSCRIBERS

THIS PDS SHOULD BE READ IN ITS ENTIRETY.

BEFORE DECIDING TO ACQUIRE A SHARE(S) IN THE HORSE HEREIN DESCRIBED YOU SHOULD CONSIDER THE SUITABILITY OF THIS PRODUCT TO YOU.

IF YOU ARE IN ANY DOUBT AS TO THE COURSE YOU SHOULD FOLLOW YOU SHOULD CONSULT THE PROMOTER OR YOUR BLOODSTOCK ADVISOR TO ENABLE YOU TO MAKE AN INFORMED DECISION AS TO WHETHER TO SUBSCRIBE TO THIS PRODUCT.

This PDS has been approved by Racing NSW. No responsibility as to the contents of the PDS is accepted by Racing NSW or any of its officers, employees or agents. Racing NSW does not warrant, and has no responsibility for the commercial merits of the scheme referred to in the PDS, the manner in which the syndicate is operated, or the taxation advantages (if any) to which the scheme may give rise.

Name of Promoter: _____ AFSL: _____

Address: _____

Name of Authorised Representative (if applicable), termed as the Offeror:

_____ ASIC Reg No: _____

Address: _____

Name of Manager (or process to be followed to appoint Manager): _____

The purpose for which the syndicate is being formed:

The number of shares in the syndicate:

Percentage of the horse for Public Promotion:%

The total value of the scheme does not exceed \$500,000

The total participants in the scheme will not exceed 50

The purchase price of each (10%/5%/other) share (including GST):

A description of each horse to be owned or leased by the syndicate,
i.e. date of foaling, sex, sire, dam and colour:

A statement as to whether the Promoter was entitled to a free service to the horse's sire
and a disclaimer regarding any financial interest in the Sire or the Broodmare:

A statement as to whether the horse is registered; if registered the registration number:

If not, has an application to Register or a Transfer been submitted?

Details of racing performance(s) of the horse (if raced): _____

Details of the performance of the Sire: _____

Details of the performance of the Dam: _____

Name of proposed Trainer and where the horse is to be stabled (confirmation letter
attached):

Details of proposed ongoing expenses to be incurred by members (see attached):

The Promoter has or will receive the following administration fee from the Trainer
(amount per share): \$

Monthly Management Fee per share: \$_____

Management services to be provided by the Promoter or Manager (as relevant):

A statement that the Manager will manage the syndicate in accordance with the syndicate agreement and any rules, regulations or guidelines made by the Lead Regulator in relation to the Manager or management:

How did the Promoter obtain the horse and the purchase price paid by the Promoter (include the passed-in price if applicable):

A valuation by a qualified bloodstock valuer, who is independent of the Promoter, completed less than THIRTY (30) days prior to the date of the PDS MUST accompany this application, together with a statement by the valuer of any financial or other interest of the valuer in the syndicate or the moneys raised from the syndication:

A Veterinary Certificate prepared by a qualified Veterinary Surgeon, completed less than Thirty days prior to the date of the PDS must accompany this application. The Certificate must disclose any financial or other interest held by the Veterinarian in the syndicate or the moneys to be raised from the syndication.

A statement by the Promoter as to the correctness of the Valuation and Veterinary Certificate:

A statement by the Promoter as to whether any fact or occurrence is known to the Promoter, which renders the Valuation or Veterinary certificate material inaccurate:

A statement whether the Promoter owns the horse or whether the horse is in any way encumbered:

If the horse is encumbered, a statement by the Promoter providing full particulars of the arrangement:

If the subscribers are to have unencumbered title to the whole of the horse:

1) A copy of the letter from the vendor or auction house confirming that the horse has been devolved to the syndicate or participants in the syndicate with unencumbered title, or a statement by the Promoter that such a letter will be provided to Racing NSW before or on registration of the syndicate with Racing NSW:

2) A statutory declaration made by the Promoter as to the Promoter's legally enforceable right to possession of the horse and that the participants in the syndicate will have unencumbered title to the horse (see attached).

3) A statement by the Promoter that any personal property security interest registered against the title to the horse has been released or will be released and that the Promoter will, before or on registration of the syndicate with Racing NSW, confirm to Racing NSW that the personal property security interest has been released:

If the subscribers are leasing the whole of the horse, a statement disclosing the full particulars of the standard form finance lease that will affect the syndicate:

A copy of the standard form finance lease relating to the horse(s) and a statutory declaration made by the Promoter that the participants in the syndicate lease the horse under a finance lease in that standard form (see attached).

A statement setting out expenses incurred by the Promoter in the formation of the syndicate:

A statement that the application moneys will be held in a separate trust account (that is applicable for the sole purposes of this product) by the Promoter until the Racing Authority has registered or refused to register the syndicate:

A statement by the promoter to discharge any expenses incurred on the horse/s for which monies have been collected from the subscribers before registration of the scheme, or if the service is not yet rendered, that monies will be held on account until rendered and then discharged:

A statement that where the syndicate has not been fully subscribed within six months from the date on which invitations were first made to the public, or where the Racing Authority has refused to register the syndicate, ALL moneys held in trust, together with interest, will be returned to investors within TEN (10) business days.

Details of any cooling off regime:

A statement regarding any conflict of interest or perceived conflict of interest:

An undertaking by the Promoter that it will register the syndicate with the Lead Regulator within 45 days after (i) applications for the minimum number of interests in the syndicate are received; or (ii) the minimum amount for the syndicate has been raised, provided that this step is not required (in the above time) if the time period elapsed since the PDS was approved by the Lead Regulator is under 6 months and shares remain available for sale. In such an instance, an undertaking by the Promoter that it will register the syndicate with the Lead Regulator within 45 days of the sale of the final share in the scheme is required:

A statement of Industry risks:

Information about the dispute resolution processes available to the subscriber:

A notice to the effect that a participant may elect to have the horse tested for a prohibited substance under the Australian Rules of Racing, with the cost of testing to be borne by all of the participants (whether or not they have elected to have the horse tested).

DISCLAIMER

I confirm that:

- (a) the statements contained in the PDS in relation to the syndicate are true; and not false or misleading in their form or content.
- (b) the PDS contains all information which the investors and their advisers would require and reasonably expect to find in the PDS for the purpose of making an informed assessment about investment in the syndicate.

Signature of Promoter:

_____ Date: _____

Signature of Authorised Representative (if applicable)

_____ Date: _____

Signature of Manager (if applicable):

_____ Date: _____

I hereby declare that the contents of this PDS are true and correct –

Signature of Promoter:

_____ Date: _____

Signature of Authorised Representative(if applicable):

_____ Date: _____

Signature of Manager (if applicable):

_____ Date: _____

Statement of Subscriber

I declare that I have read the PDS shown above:

Name of shareholder: _____

Address: _____

Signature of Shareholder: _____ Date: / /