

# **PROMOTER'S DISCLOSURE STATEMENT AND OWNERSHIP AGREEMENT**

## **1. Definitions**

“Horse” means the horse registered with the Registrar of Racehorses

“Co-owners” means the parties to this agreement, who own the Horse as tenants in common

“The Stewards” means the Steward of Racing Victoria Limited

## **2. General**

### **2.1 Name and Registered Office of the Promoter, and where the Promoter is incorporated:**

Clanbrooke Pty Ltd, 21 Miniata Walk, Vermont South, 3133

Incorporated in Victoria, ACN 005 894 413

AFS Licence No. 260214

### **2.2 Names and addresses of all Directors:**

Dean Humphries, 21 Miniata Walk, Vermont South, 3133

Jan Humphries, 21 Miniata Walk, Vermont South, 3133

### **2.3 The undersigned parties agree that they purchase the Horse as co-owners with a view to sharing enjoyment of the Horse as a racehorse**

### **2.4 The number of shares in the Horse: 10**

### **2.5 The purchase price of each share: N/A - \$500 ingoing Management Fee applicable.**

### **2.6 Partnership commenced on:**

1<sup>st</sup> December, 2007

## **3. The Horse**

### **3.1 A description of the Horse:**

Foaled 05.11.2005, Chestnut Filly by High Yield from Scenic Sensation.

### **3.2 A statement as to whether the horse is registered, if registered the Registration number:**

Unregistered

### **3.3 If not, has an Application to Register or Transfer been submitted to a Principal Club?**

No

- 3.4 Details of the racing performance(s) of the horse (if raced):**  
Unraced
- 3.5 Details of the performances of the Sire:**  
**HIGH YIELD**, by sensational Sire **STORM CAT** from Scoop the Gold, won 4 races in a limited career spanning only 14 starts. He was a **G1** winner at 2 (Hopeful S. [**G1**]), and two times **G1** winner at 3 (Blue Grass S. [**G1**], Fountain of Youth S. [**G1**]). In his first season as Sire he averaged an outstanding 44% winners-to-runners ratio and last year finished 5th on the 3rd Season Sires table in the Northern Hemisphere. In his 4th Season at Stud, **HIGH YIELD** has an impressive 56.7% runners-winners ratio including 12 Stakes Winners.
- 3.6 Details of the performances of the Dam:**  
Irish-born dam of this filly, **SCENIC SENSATION**, started only three times, but is half sister to both **LOYAL LYRIC**, the dam of dual **G1** winner **ANTHEMS** (QTC Sires Produce S, Queensland Quality), as well as **PARTY MISS**, the dam of **G2** winning **WRITTEN TYCOON** (STC Toddman Slipper Trial). **SCENIC SENSATION** is the dam of four winners overseas. Second dam, **MISS ENTERTAINER**, was the winner of 6 races, 3 at 2, and has had 10 winners from 12 to race. Third dam, **VIVEZA** was also a winner at 2 and boasts 7 winners from 11 to race.
- 3.7 Name of the proposed Trainer and where the horse is to be stabled:**  
To be trained by Brian Jenkins at Riverend Park, Bangholme.
- 3.8 How did the Promoter obtain the horse?**  
N/A - Lease
- 3.9 Date of Purchase:**  
N/A
- 3.10 A Valuation by a qualified bloodstock valuer approved by the Federation of Australian Bloodstock Agents - Aust., who is independent of the Promoter:**  
N/A - Lease
- 3.11 A Veterinary Certificate prepared by a qualified Veterinary Surgeon, including a statement of opinion as to whether the horse is fit for the purpose for which the Syndicate/Partnership is being formed:**  
Veterinary Certificate on request.
- 3.12 A statement disclosing the full particulars of any lease agreement that will affect the Syndicate/Partnership:**  
Lease is for 3 years from 01.12.2007. Lessees receive 75% of nett prizemoney.
- 3.13 Clanbrooke has Registered the following colours for Racing:**  
1 - Royal Blue and Gold Vertical Stripes, Hooped Sleeves and Quartered Cap  
2 – Royal Blue, Gold Sash, Quartered Cap

#### 4. **Ongoing Expenses**

- 4.1 The co-owners agree that they will share all costs related and incidental to the racing, training, agistment, treatment, maintenance, welfare and keep of the Horse in proportion to the shareholding.
- 4.2 When an applicant pays his/her money, that money will be held in trust by Clanbrooke Racing until Racing Victoria Ltd has registered or refused to register the Syndicate/Partnership.
- 4.3 Where the Syndicate/Partnership has not been fully subscribed within six months from the date on which invitations were first made to the public, OR where the relevant racing or breeding authority has refused to register the Syndicate/Partnership, ALL monies held in trust will be returned to investors within ten (10) business days.
- 4.4 **Ongoing expenses to be incurred by the members:**  
Monthly expenses of approximately \$270 per Member.
- 4.5 Monthly fees are non-negotiable and payable by 15<sup>th</sup> of every month by either Direct Debit or Credit Card. Direct Debit and Credit Card payments are processed on this day or as close as is practicable. Monthly fees are payable from the date the paperwork is received by Clanbrooke Racing.
- 4.6 Monthly fees are costed on a per annum basis and are therefore payable 12 months of the year, even when the horse is spelling.
- 4.7 Clanbrooke agrees to give Members 30 days notice before fees are increased. As fees are due on 15<sup>th</sup> of the month, notice is due 30 days prior.
- 4.8 Clanbrooke reserves the right to vary monthly fees every six months in accordance with actual costs.
- 4.9 For administration purposes, Members are invoiced quarterly.

#### 5. **Insurance**

- 5.1 The Horse will be insured (**Leased horses excepted**) against death or destruction from the moment of purchase (as stated in clause 3.9) for a period of twelve months with a reputable Equine Insurance Company.
- 5.2 At the end of the twelve month period, Clanbrooke will provide our Insurance Company will the names and contact details of Members who may elect to;
- a) continue to insure their share with Clanbrooke's existing insurance company, *or*

- b) choose an independent insurance company, *or*
- c) cease insurance cover.

## **6. Share of profits**

- 6.1** The co-owners agree that they will share all prizemoney or other moneys earned by the Horse in proportion to their shareholding.
- 6.2** All prizemoney is accumulated in the Syndicate/Partnership Bank Account and distributed when the Horse goes for a spell, provided the total distribution exceeds \$50 per co-owner and subsequent to the receipt of payment from race clubs.
- 6.3** Prizemoney will not be distributed to a co-owner who is in arrears for ongoing expenses.
- 6.4** All Partnerships commence on a particular date (specified in clause **2.6**). Shareholders who purchase at a later date will become responsible for training fees from that date of commencement to the date of their share purchase and this amount will become payable from future prizemoney.
- 6.5** The co-owners agree that any trophy won by the Horse shall be allocated by ballot to an individual owner. All previous winners are exempt from the ballot until all co-owners are in receipt of a trophy.
- 6.6** Clause **6.5** excludes trophies for Stakes Races. Clanbrooke reserves the right to retain such trophies.

## **7. Managing Owner**

- 7.1** The co-owners appoint Dean Humphries of Clanbrooke Racing to be the managing owner of the horse.
- 7.2** The managing owner's duties shall include:
  - a) acting for the co-owners in accordance with the Rules of Racing;
  - b) doing all things on behalf of the co-owners as authorized by the co-owners to do;
  - c) receiving notice of any matter on behalf of the co-owners and informing them of said notice;
  - d) keeping the accounts of the co-owners;
  - e) ensuring that all co-owners are aware of the date on which any amount payable by them under clause 4.5 falls due;
  - f) keeping all owners regularly informed of the progress and welfare of the Horse
- 7.3** Updates and Information:

- a) Clanbrooke Racing's main communication vehicle is the Telephone Hotline. Members are given the Hotline number when they join the Partnership.
- b) Clanbrooke has a website at [www.clanbrooke.com](http://www.clanbrooke.com), incorporating a Member's web. Members are provided with a User I.D. and Password when they join the Partnership. Updates are posted weekly or on a needs basis.

7.4 The Manager will be paid for his services (of an amount not to exceed \$400 per month) from fees paid by co-owners.

## **8. Disputes relating to management of the Horse**

- 8.1 Any dispute relating to the management, handling, or racing career of the Horse shall be settled by a vote of the co-owners, each party having a number of votes in proportion to their shareholding.
- 8.2 For the avoidance of doubt, and without limiting the operation of clause 8.1, where there is a dispute, the following matters may be settled by a confirming vote of a minimum of 70%:
  - a) the trainer of the Horse;
  - b) whether the Horse is to be gelded
  - c) whether the Horse is to undergo elective surgery
  - d) whether the Horse is to be retired
  - e) following retirement, whether the Horse is to be used for breeding purposes, or any other purpose;
- 8.3 Where any vote referred to in clause 8.1 is split, the managing owner at the time of the vote shall have the deciding vote.
- 8.4 Where a dispute arises between a co-owner and the managing owner they should, in the first instance be addressed to the managing owner (Dean Humphries). If the complaint has not been resolved within a reasonable time, the owner should then contact Racing Victoria. If a solution is not forthcoming, complaints should then be referred to the Financial Industry Complaints Service Limited: [www.fics.asn.au](http://www.fics.asn.au) or 1300 780 808. Clanbrooke Pty Ltd is happy to abide by any mediated result.

## **9. Sale of shareholding**

- 9.1 Where any co-owner wishes to sell their shareholding, they shall give notice of their intention to the managing owner and co-owners who, for a period of 7 days, shall have first option to purchase the share at the greater of:
  - a) valuation received from an independent bloodstock agent recommended by Federation of Independent Bloodstock Agents; or

b) the price of a bona fide offer received in writing from any person for the share.

- 9.2** The co-owner selling the share in the Horse remains liable for his/her share in the costs referred to in clause 4.2 until such time as any sale is executed.
- 9.3** The cost of any valuation will be borne by the vendor.

## **10 Default in Payments**

- 10.1** Any debts incurred by co-owners arising from costs incurred under clause 4.4 shall be made by the due date as advised by the managing owner.
- 10.2** If a co-owner has not paid any amount so payable 30 days after the due date, then the managing owner may serve upon them written notice demanding payment be made.
- 10.3** If 7 days after notice is given, the amount due remains unpaid, then the managing owner may offer the share of the defaulting co-owner for sale to the other co-owners.
- 10.4** The offer price shall be a valuation procured by the managing owner from an independent bloodstock agent.
- 10.5** If none of the co-owners accept the offer, the managing owner may offer the share for sale to the public.
- 10.6** The co-owners irrevocably appoint the managing owner as their attorney for the purposes of the exercise of the power of sale under this clause 9 and agree to do all such acts as may be required to ensure that the managing owner may exercise the power of sale under this clause.

## **11 Termination**

- 11.1 This agreement terminates when:**
- a) all of the co-owners by vote decide to terminate the agreement;
  - b) when the Horse dies
  - c) when the total interest of all co-owners are sold.
- (In the case of a Lease, the agreement terminates at the expiration of the Lease period OR where scenario a) or b) above occur).**
- 11.2** The co-owners acknowledge their responsibility for the welfare of the Horse at all times while they remain co-owners.

**ACKNOWLEDGMENT FORM**  
**RE: 'SCENIC SENSATION PARTNERSHIP'**

Chestnut Filly– High Yield / Scenic Sensation

I/We

.....  
acknowledge that being the purchaser of ..... % in the Clanbrooke Racing  
'Scenic Sensation Partnership,' that I am over the age of eighteen years, that I am not  
an undischarged bankrupt, or a disqualified person under the Rules of Racing, and  
that exempt for traffic convictions involving a fine, I have not been convicted of any  
criminal offence.

I/We authorise my cheque to be deposited in the 'Clanbrooke Pty Ltd Scenic  
Sensation Partnership' Bank Account with the Bendigo Bank pending the completion  
of the Partnership after which the funds may be used to meet Partnership  
commitments.

NAME \_\_\_\_\_

SIGNED \_\_\_\_\_ DATE \_\_\_\_\_

ADDRESS \_\_\_\_\_

\_\_\_\_\_ P/C \_\_\_\_\_

TEL. NO. \_\_\_\_\_ FAX NO. \_\_\_\_\_

MOBILE NO. \_\_\_\_\_

EMAIL ADDRESS \_\_\_\_\_

DATE OF BIRTH \_\_\_\_\_

OCCUPATION \_\_\_\_\_

OWNERS ID NO. \_\_\_\_\_



I acknowledge that I have read and agreed to all Terms and Conditions  
in this Ownership Agreement (please tick)

### **HOW TO SECURE YOUR SHARE**

Once you have read the Ownership Agreement and understood their contents, the following steps need to be put in motion:

1. Read, **SIGN** and **DATE** the Acknowledgment Form (p.7).
2. Complete the Authorisation Form (p.10) which allows us to sign the Registration papers on your behalf.
3. Decide whether you are paying by Direct Debit *or* Credit Card (forms included at the end of this document). Complete appropriate forms and return to:

**CLANBROOKE RACING  
BOX 6024  
VERMONT SOUTH, 3133**

The first payment for monthly fees will be deducted from your nominated account on the 15<sup>th</sup> of the month including any part month fees applicable.

Payment for Share Purchases will be processed as soon as practical after receipt of documentation.

**Promoter's Declaration:**

I confirm that:

- (a) The statements contained in the Ownership Agreement in relation to the Syndicate/Partnership are true;
- (b) The Ownership Agreement contains all information which the investors and their advisers would require and reasonably expect to find in an Ownership Agreement for the purpose of making an informed assessment about investment in the Syndicate/Partnership.

Name of Promoter           **Dean Humphries**          

Signature of Promoter \_\_\_\_\_

Date \_\_\_\_\_



## **CLANBROOKE RACING**

Date:

Racing Manager,  
Clanbrooke Racing

Dear Sir,

I hereby authorize Dean P. Humphries to sign Registration, Transfer of Ownership and all Lease Papers for

**Chestnut Filly by High Yield from Scenic Sensation (05.11.2005)**, on my behalf.

Signed: \_\_\_\_\_

Print Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_ Postcode \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Victorian Thoroughbred Owners ID Number: \_\_\_\_\_

Clanbrooke Racing Pty Ltd  
ACN: 005 894 413  
Asics License: 260214  
PO Box 6024, Vermont South, Victoria, 3133

Telephone: 95400317 Facsimile: 95437311  
Email: [dean@clanbrooke.com](mailto:dean@clanbrooke.com)

**DIRECT  
DEBIT REQUEST**  
Request to establish Debit Authority within the  
Direct Debit System

Institution Name:  
Institution Address:  
City, State and Postcode:

I/We \_\_\_\_\_ ,  
Customer Name(s) giving Direct Debit Request

\_\_\_\_\_  
Customer Residential Address

\_\_\_\_\_  
Postcode \_\_\_\_\_

Authorise **Clanbrooke Pty Ltd – A.B.N. 43009949593** with User ID Number **203074**

to arrange for funds to be debited from my/our account, held with the Financial Institution identified above, as described in The Schedule below.

**Payment Details:**

The payment is for:

Identified by Reference Information :  
(Loan Number / Policy Number /Membership Number etc.)

**The Schedule**

**Details of account to be debited:**

Account held in the name(s) of: \_\_\_\_\_

Financial Institution's BSB :

Account Number: \_\_\_\_\_  
(Please check with your Financial Institution to ensure the account nominated will facilitate direct debiting. See attached Service Agreement Clause 5.)

**Direct Debit Request  
Authorisation**

I/We have read and understood the “Service Agreement” overleaf and acknowledge and agree to it.

I/We request this Arrangement remain in force in accordance with The Schedule described above and in compliance with the “Service Agreement” overleaf.

Customer(s) Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
 \_\_\_\_\_ Date: \_\_\_\_\_

## DIRECT DEBIT REQUEST

Request to establish Debit Authority within the Direct Debit System

### Service Agreement

1. **Clanbrooke Pty Ltd** (the “Debit User”) will debit the BSB/Account nominated in The Schedule of this Direct Debit Request as specified.
2. The Debit User will give not less than 14 days written notice to the customer should it propose to vary the arrangements of this Direct Debit Request.
3. The customer(s) may request the Debit User to defer or alter the payment amount specified in the Schedule of this Direct Debit Request. Requests authorising these changes may be made by phoning or visiting any branch of the **Clanbrooke Pty Ltd**. Customer(s) may change the:
  - Due Date of Payment
  - Payment Amount
  - Frequency of Payment

Customer(s) wishing to vary the drawing account details specified in The Schedule of this Direct Debit Request must provide signed authority for  
 Such changes to be effected.

4. In compliance with the Industry’s Direct Debit Claims Process, the Debit User will assist customer(s) disputing any payment amount drawn on the nominated BSB/Account in The Schedule of this Direct Debit Request. The Debit User will endeavor to resolve this matter within the Industry agreed timeframes. Customer(s) may visit any branch of their bank and complete a “Direct Debit System Claim Request” form to initiate the process.
5. The Debit User advises that some Financial Institution accounts do not facilitate direct debits and as such the customer(s) must check with their Financial Institution (Ledger FI) to ensure the account nominated in The Schedule of this Direct Debit Request enables direct debiting.
6. It is the customer(s) responsibility to ensure at all times there is sufficient cleared funds available, at the due date of the debit drawing, to enable payment from the BSB/Account as nominated in The Schedule of this Direct Debit Request.
7. The Debit User advises the debit drawing will be made on the agreed due date as nominated in The Schedule of this Direct Debit Request. When the due date is a closed business day the Debit User will initiate the debit drawing on the next open business date. Customer(s) may direct processing inquiries to their Ledger FI.

A closed business day is defined as any calendar day on which the customer(s) Ledger FI is not open for direct debit processing. That is

- Weekends
- Public Holiday – State

- Public Holiday – National

8. Where an unpaid debit item is returned by the customer(s) Ledger FI, the Debit User will, in accordance with The Schedule of **Clanbrooke Pty Ltd** Fees & Charges, apply an Outward Dishonor Fee to the customer(s) recipient account.
9. Customer(s) who wish to cancel this Direct Debit Request must notify the Debit User in writing not less than 7 days before the next scheduled debit drawing. This request may be directed to the Debit User or to their Ledger FI for actioning.
10. The Debit User requests the customer(s) to direct all inquires, disputes requests for payment changes or cancellation directly to the Debit User.
11. The Debit User agrees to keep confidential all customer(s) records and account details contained in The Schedule of this Direct Debit Request unless authorised to release such information pursuant to a debit item dispute or similar event where the customer(s) has provided prior consent to do so.

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**CREDIT CARD  
PAYMENT REQUEST**  
Request to make a credit card transaction

Institution Name: **Clanbrooke Racing**  
 Institution Address: **6 Industrial Avenue**  
 City, State and Postcode: **Notting Hill, Vic, 3168**

I \_\_\_\_\_ ,  
 Customer Name(s) giving Credit Card Payment Request

\_\_\_\_\_  
 Customer Residential Address

\_\_\_\_\_ Postcode \_\_\_\_\_

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\_\_\_\_\_ *Customer contact phone number/s*

Authorise : **Clanbrooke Racing**  
 to arrange for the card detailed below to be charged for the share / training fees as outlined below.

**Payment Details:**  
 The payment is for: (purchase of share / training fees) :  
 For Syndicate / Partnership:

**Card Details**

**Details of the card to be charged:**

Account held in the name of: \_\_\_\_\_

Card Type : (Visa / Mastercard / Bankcard)  
 \_\_\_\_\_

Card Number : \_\_\_\_\_

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

## Credit Card Agreement

I have read and understood Clanbrooke's "Terms and Conditions" and "Standard Syndicate Agreement" pertaining to the above mentioned Syndicate / Partnership and acknowledge and agree to all conditions specified.

Please cross out the scenario that is not applicable:

This is a one off payment only and I do not wish my credit card to be charged on more than one occasion.

I request the above specified Arrangement does / does not remain in force on a monthly basis or until I advise a Clanbrooke Racing representative otherwise.

Customer Signature: \_\_\_\_\_ Date: \_\_\_\_\_