



Sire Custodians

## Product Disclosure Statement

[This PDS has been approved by Racing Victoria Limited in its capacity as a Lead Regulator]

SOLO FLIGHT (AUS), a bay filly, foaled 2014, by REWARD FOR EFFORT (AUS) from ROCKIN IN HEAVEN (AUS), [by FASTNET ROCK (AUS)].

Promoter and Manager

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## **IMPORTANT NOTICES**

### **This information is important and requires your attention**

It is important that you read this document carefully and in its entirety prior to making your investment decision with respect to investing in the Syndicate the subject of this PDS. In particular, you should pay careful consideration to the risk factors outlined in Section 6 and the tax implications in Section 8 of this document as they relate to your personal investment objectives, financial circumstances and needs. The potential tax effects of an investment in the Syndicate will vary between Owners. Other risk factors may exist in addition to those identified in this document which should also be considered in light of your personal circumstances. If you have any queries or uncertainties relating to aspects of this document or an investment in the Syndicate, please consult your adviser before deciding whether to invest.

### **The issuer**

This document is a Product Disclosure Statement (PDS) for the purposes of ASIC Corporations (Horse Schemes) Instrument 2016/790 (**ASIC Instrument**) and has been issued by Sire Custodians Ltd (ABN 45 005 088 371, AFSL 223671) (**Promoter**) as the Promoter of the Syndicate.

### **Date**

This PDS is dated 22 September, 2017. This PDS has not been, and does not need to be, lodged with ASIC. ASIC does not take any responsibility for the contents of this PDS or the merits of the investment to which this PDS relates.

### **Compulsory Notice – required by RVL**

A copy of this PDS has been approved by Racing Victoria Limited (**RVL**) for publication. No liability as to the contents of this PDS is accepted by RVL, its officers, employees or agents. In particular (but without limiting the generality of this disclaimer) RVL does not warrant, and has no responsibility for, the commercial merits or prospects of the Syndicate the subject of this PDS, the manner in which the Syndicate may operate, or the taxation advantages (if any) to which the Syndicate may give rise. Potential investors' financial circumstances may vary, and accordingly, RVL recommends that potential investors obtain independent financial and legal advice in relation to the Syndicate and how it might apply to their circumstances should they decide to invest in the Syndicate.

### **Not investment advice**

The information contained in this PDS should not be taken as financial product advice and has been prepared as general information only without consideration for your particular investment objectives, financial circumstances or particular needs.

If you have any queries or uncertainties relating to aspects of this PDS or the offer of Shares in the Horse the subject of this Syndicate, you should consult your accountant or other independent financial adviser before deciding whether or not to invest.

Similarly, the tax implications of your investment will vary depending on your personal financial circumstances and investment objectives. You should consider the tax implications outlined in Section 8 of this PDS and obtain your own professional taxation advice prior to deciding whether or not to invest.

### **Rights and liabilities attached to Shares**

Details of the rights and liabilities attached to the Shares are set out in Section 2 and in the Owners Deed of Agreement, a copy of which will be made available for inspection (by appointment) at the registered office of the Promoter within normal trading hours.

### **Electronic PDS**

Copies of this PDS are available in both electronic (PDF) format or paper form, free of charge, by contacting the Promoter. Please ensure that you read this PDS in its entirety. The offer to which this PDS relates is available to persons receiving this PDS (electronically or otherwise) in Australia only.

Applications for Shares the subject of this PDS will only be considered if applied for using the Share Application Form included with this PDS.

### **Jurisdiction**

The offer of Shares the subject of this PDS is only available to persons receiving this PDS within Australia. This PDS does not constitute an offer in any jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer. The distribution of this PDS to jurisdictions outside Australia may be restricted and persons who come into possession of this PDS should seek advice from their professional advisers and observe any possible restrictions. A failure to comply with such restrictions may violate the applicable securities law.

### **Cooling-off**

Applicants whose applications for Shares are accepted will have a right to "Cool-off" (thereby cancelling the purchase of the Share or Shares applied for) at any time during the "Cooling-off period".

The Cooling-off period will commence at the end of the fifth (5<sup>th</sup>) day following the day upon which notification of acceptance of applications is forwarded to those applicants whose applications for Shares have been accepted ("the Cooling-off commencement date") and will expire at the end of the fourteenth (14<sup>th</sup>) day thereafter ("the Cooling-off expiration date").

An applicant who desires to Cool-off must, during the Cooling-off period, notify the Promoter in writing (by post, facsimile or email) that the applicant has elected to Cool-off, in which event the applicant will be entitled to receive a full refund of all Application Moneys paid to the Promoter.

### **Updated information**

Information regarding this Syndicate may change from time to time.

The Promoter may issue a supplementary PDS to supplement any relevant information not disclosed in this PDS. You should read any supplementary disclosures made in conjunction with this PDS prior to making any investment decision.

### **Financial information**

Unless otherwise specified, all financial and operational information contained in this PDS is believed to be current as at the date of this PDS.

All currency amounts are in Australian dollars unless otherwise specified.

No financial forecasts are made in this document.

### **Forward Looking Statements**

Other than as required by law, none of the Promoter, its directors, officers, employees or advisers or any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this PDS will actually occur. You are cautioned not to place undue reliance on those statements.

The forward-looking statements in this PDS reflect the views held only immediately before the date of this PDS, unless otherwise stated. Subject to applicable law, each of the Promoter, the Manager, their respective directors, officers, employees and advisers disclaims any duty to disseminate after the date of this PDS any updates or revisions to any such statements to reflect any change in expectations in relation to such statements or any change in events, conditions or circumstances on which any such statement is based.

### **Photographs, diagrams and artist's renderings**

Photographs, diagrams and artist's renderings contained in this PDS that do not have accompanying descriptions are intended for illustrative purposes only. They should not be interpreted to mean an endorsement of this PDS or its contents by any person shown in these images. Furthermore, assets not accompanied by a description

should not be interpreted as being owned by the Promoter or this Syndicate.

Diagrams used in this PDS are also intended for illustrative purposes only and may not be drawn to scale.

### **Definitions, abbreviations and other information**

Explanations of defined terms and abbreviations used throughout this PDS can be found in Section 11.

Unless otherwise stated or implied, references to times in this PDS are AEST. Similarly, references to dates or years in this PDS are financial years unless otherwise stated or implied.

### **Disclaimer**

No person is authorised to give any information, or to make any representation, in connection with the offer for Shares in this Syndicate that is not contained in this PDS.

Any information or representation that is not in this PDS may not be relied on as having been authorised by the Promoter in connection with the offer for Shares in this Syndicate. Except as required by law, and only to the extent so required, neither the Promoter, nor any other person, warrants or guarantees the future performance of this Syndicate, the repayment of capital, or any return on any investment made pursuant to this information.

### **Further queries**

If you have any queries relating to aspects of this PDS please email: [advisory@sirecustodians.com.au](mailto:advisory@sirecustodians.com.au)

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### ATTACHMENTS

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| Attachment B | - Pedigree                                    |
| Attachment C | - Trainer's confirmation letter               |
| Attachment D | - Training Agreement                          |
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| Attachment I | - Memorandum of Insurance                     |

### SHARE APPLICATION FORM

## 1. KEY FEATURES OF AN INVESTMENT IN THE SYNDICATE

The Syndicate the subject of this Product Disclosure Statement ("PDS") is designed to afford investors who hold ownership interests (**Shares**) in the Horse as co-owners, the opportunity to contribute the right to use their interests in the Horse to the Syndicate, so that they may, as members of the Syndicate, derive the benefit of racing the Horse as a whole.

The table below is only a summary of the key features of the Syndicate. You must read the whole of this PDS to obtain more information.

<b>Share holdings</b>	
Application Price per Share payable upon application	\$5,341.40 (no GST), as set out in Section 7.
Minimum Subscription (investment)	1 Share.
Additional Subscription (investment)	Multiples of 1 Share.
Minimum Overall Subscription (minimum number of Shares to be issued)	20.
Maximum Overall Subscription (maximum number of Shares to be issued)	20.
<b>Distributions</b>	
Frequency of net income distributions	Within 30 days of the Manager receiving any significant amount of net Prize money into the Syndicate's designated bank account, and upon the winding up of the Syndicate, subject to the right of the Manager to retain moneys on account of Syndicate operating costs, including Horse expenses.
Payment	By EFT to each Owner's nominated bank account.
Amount	Each Owner's proportion of the net income of the Syndicate during the relevant distribution period.
Capital distributions	Upon the winding up of the Syndicate or earlier sale of the Horse.
<b>Fees</b>	
Entry fee	Nil.
Exit fee (upon termination of the Syndicate)	Nil.
Management Fee	Nil. For further details see Section 7.
Other fees	The other fees that may be payable to the Manager are set out in Section 7.
Cost recoveries	The costs and expenses of the Syndicate are payable from the Syndicate's designated bank account.

Some of the terms used in this PDS are defined in the Glossary in Section 11.

## **2. WELCOME TO THE SYNDICATE**

### **2.1 Overview**

The Syndicate is designed to afford investors (**Owners**) an opportunity to acquire Shares in a quality thoroughbred racehorse (**Horse**) and to participate in the Common Enterprise of caring for, training and racing the Horse as a whole for their mutual benefit (**Syndicate**). By holding Shares in the Horse and participating in the Syndicate, investors spread both the costs and inherent risks associated with racing thoroughbred horses.

### **2.2 Structure of Syndicate**

The Syndicate is structured as a co-ownership arrangement and relates only to the Horse the subject of this PDS and the Owner Deed of Agreement.

The Owners Deed of Agreement will govern the legal relationship between the Owners for the Term of the Syndicate. A copy of the Owners Deed of Agreement is included in this PDS as **attachment A**.

The legal and beneficial title to the Horse is divided into 20 equal undivided Shares, which are held by the Owners as tenants-in-common.

The Owner of each Share:

- (a) is required to contribute to the Syndicate:
  - (i) the right to use one's interest in the Horse, to facilitate the Horse as a whole being used in the Common Enterprise for the mutual benefit of all the Owners; and
  - (ii) moneys on account of the operating costs of the Syndicate, including the costs of maintaining, training and racing the Horse as a whole, in the same proportion as the number of Shares held bears to the total number of Shares; and
- (b) is entitled:
  - (i) to participate in the Common Enterprise of racing the Horse as a whole; and
  - (ii) to receive a proportion of any income earned in the form of Net Prizemoney, in the same proportion as the number of Shares held bears to the total number of Shares on issue.

The Owners collectively derive the benefit of racing the Horse as a whole and are collectively responsible for the activities and trading of the Syndicate. However, in the normal course, Owners are required to contribute only their proportion of the operating costs of the Syndicate.

The Manager will manage the Syndicate on behalf of the Owners and hold the Syndicate Property upon trust for the benefit of the Owners, in accordance with the provisions of the Owners Deed of Agreement.

The Manager will appoint the Trainer to supply training and ancillary services in accordance with the Training Agreement.

The Trainer's obligations under the Training Agreement include (without limitation):

- (a) taking possession and day-to-day control of the Horse on behalf of the Owners for the purpose of training and racing the horse to best advantage;
- (b) providing all stabling and ancillary services, equipment and gear, feed and supplements;
- (c) providing or procuring the services of such third party service providers as the as the Trainer considers necessary to provide services in relation to the Horse, including (without limitation) chiropractic care, dentistry, farriery and veterinary care, agistment, pre-training and transportation;
- (d) determining in consultation with the Manager the racing program of the Horse and also the jockey who will ride it in each of its races; and

- (e) as the representative of the Manager, entering (including nominating, accepting and scratching) the Horse for any race or trial, at the Trainer's discretion, unless otherwise specifically agreed with the Manager. The Manager will not be liable to the Owners for any act or omission on the part of the Trainer resulting in the Horse not being entered for any specific race that may be preferred by the owners.

**Compulsory Notice – required by the terms of the ASIC Instrument**

An Owner may elect to have the Horse tested for a prohibited substance under the Rules of Racing, with the cost of the testing to be borne by all participants (whether or not they elected to have the Horse tested).

## 2.3 The Horse

The Horse the subject of this PDS is identified as follows (Horse):

Name	SOLO FLIGHT (AUS)
Colour	Bay
Sex & DOB	Filly foaled 2014
Sire	REWARD FOR EFFORT (AUS)
Dam	ROCKIN' IN HEAVEN (AUS) [by FASTNET ROCK (AUS)]
Life number (ASB)	AUS01102468
ASB Microchip number	985100012052303
Name of Breeder (as recorded with ASB)	Mark Hayes

A tabulated pedigree of the Horse is included in this PDS as **attachment B**.

## 2.4 The passing of title, issuing and allotment of the Shares

The Horse the subject of this PDS is currently owned by its breeder MR MARK HAYES and MRS JENNIFER HAYES (**Vendor**).

Prospective investors should be aware:

- (a) that the Vendor intends to retain a 25% ownership interest in the Horse, which equates to 5 Shares, and will participate as a member of the Syndicate; and
- (b) that the Promoter may acquire Shares in the Horse and may acquire any number of Shares. If the Promoter does acquire any Shares, this will be disclosed to investors.

Upon the Syndicate being fully subscribed, the Promoter:

- (a) will apply the Application Moneys paid by those applicants whose applications for Shares have been accepted and who have not elected to cool-off ("the Owners") to the payment of the Sale Price of the Horse and the purchase of the Shares;
- (b) will obtain a Vendor Release Statement from the Vendor; and
- (c) will, before or upon registration of the Syndicate, ensure that the Owners hold the legal and beneficial title to the Horse, free of any encumbrance, subject to the provisions of the Owners Deed of Agreement.

Upon the Promoter applying the Application Moneys, the legal and beneficial title to the Horse will pass to the Owners.

Within 7 days of the payment of the Sale Price, the Promoter will:

- (a) issue Shares numbered 1 to 20 inclusive;
- (b) allot the Shares to the Owners; and

- (c) record the names of the Owners on the register of Owners.

Within 45 days of the Syndicate being fully subscribed, the Promoter will ensure that the Horse is registered with the Registrar of Racehorses in the names of the Owners.

## 2.5 What happens if insufficient money is raised?

This PDS will expire 6 months from its issue date, or such earlier date as the Promoter may determine (**Offer Closing Date**).

If there are insufficient applications for the 20 Shares (**Minimum Overall Subscription**) by the Offer Closing Date, the Syndicate will not proceed and all application moneys received will be refunded.

Until the Minimum Overall Subscription is achieved, the application moneys received will be held in a trust account designated for application moneys. Such moneys will not be invested in an interest bearing account and no interest will be paid to the applicants by the Promoter.

Shares will be issued once the Minimum Overall Subscription is achieved.

## 2.6 The Promoter

The Promoter of the Syndicate is SIRE CUSTODIANS LTD (ABN 45 005 088 371), of Suite 203, Level 2, 66 Berry Street, North Sydney, NSW, 2060.

The Promoter holds Australian Financial Services Licence: AFSL 223671, and is on the Register of Approved Promoters with RVL.

The Promoter was incorporated in 1975 and specialises in the establishment and operation of Horse Racing and Horse Breeding (Stallion) Syndicates. It has held its current AFSL since 2002.

The Promoter is a member of the Financial Ombudsman Service Limited, an external dispute resolution body (member number 11316).

## 2.7 Directors of the Promoter

The directors of the Promoter are:

- JOHN FRANCIS COUGHLAN – John has held various Management and Regulatory positions within the Australian Thoroughbred, Harness and Greyhound Industries, including Chief Executive - Queensland Principal Club, Chief Executive - Greyhound and Harness Racing Regulatory Authority, Chief Financial Executive - Australian Jockey Club, Finance Manager – Sydney Turf Club. He is currently Chairman, Finance, Operations and Risk Management, Odyssey House and a former Chairman of Odyssey House, Australian Physie and Dance Association Pty Ltd, NSW State Congress of CPA's and Finance Committee, Trustees of the Sisters of Mercy.
- NIALL PATRICK POWER – Niall operates his own IT company which has a thoroughbred industry focus. He has 30 years' experience working in various positions in the thoroughbred industry, including as Manager of commercial stud farms in Ireland and Australia.
- LINDA ANN FLEITER – Linda is the IT Manager and advisor at the Manager. She has over 15 years' experience in the syndication and management of thoroughbred horses.

## 2.8 The Manager

The Promoter will also act as the manager (**Manager**) of the Syndicate. The Manager has relevant expertise in horse racing and is regarded as able to procure the services of various persons to provide services in relation to the Horse, and the Syndicate, including the Trainer, and to monitor the provision of those services.

The Manager will manage the Syndicate in accordance with the Owners Deed of Agreement, the Rules of Racing, and any rules, regulations, or guidelines, made from time to time by the Principal Racing Authority of the state or territory in which the Horse may race.

## **2.9 The Manager's remuneration**

The Manager's remuneration for operating the Syndicate, including managing the Horse, is set out in Section 7.

## **2.10 The Trainer**

Upon the commencement of the Syndicate, the Manager will confirm the appointment of HENRY DWYER RACING PTY LTD (ABN 28 139 622 405) (**Trainer**) as the Trainer of the Horse.

The Trainer has agreed to train the Horse. A copy of the Trainer's confirmation letter is attached to this PDS as **attachment C**.

The Trainer will provide training and ancillary services in relation to the Horse in accordance with the terms of its Training Agreement and Fees Notice, copies of which are included in this PDS as **attachment D** and **attachment E** respectively. Copies of those documents are also available on the Trainer's website at: [www.henrydwyer.com.au](http://www.henrydwyer.com.au)

## **2.11 Veterinary Report**

The Promoter has arranged for DR PETER ANGUS, BVSc.(Hons). MACVSc., of MELBOURNE EQUINE VETERINARY GROUP (ABN 76 432 417 462) ("MEVG"), to examine the Horse and provide a report. In the report, he expresses the opinion that the Horse is suitable for purchase and for syndication as a prospective racehorse. A copy of the report is included in this PDS as **attachment F**.

## **2.12 Assessment of Value**

The Promoter has obtained assessments of value of the Horse:

- (1) from SIMON VIVIAN, Manager, Victoria, of WILLIAM INGLIS AND SON LTD (ABN 75 000 011 307) ("WI"); and
- (2) from CLINT DONOVAN, Bloodstock Consultant/Auctioneer, of MAGIC MILLIONS SALES PTY LTD (ABN 54 078 396 317) ("MM").

These Assessments of Value are included in this PDS as **attachment G** and **attachment H** respectively.

## **2.13 Insurance**

The Promoter has arranged mortality insurance cover for the base sale price of the Share with LOGAN LIVESTOCK INSURANCE AGENCY PTY LTD (ABN 81 001 826 204) for the period of 12 months from the Commencement Date. The benefit of the insurance cover will pass to the Owners upon the allotment of the Shares.

A copy of the Memorandum of Insurance is included in this PDS as **attachment I**.

Prospective investors should be aware that when this insurance cover expires, each Owner will be responsible for procuring one's own insurance cover, unless otherwise agreed with and confirmed in writing by the Manager.

## **2.14 Racing colours**

The Horse will carry the following racing colours: Blue with Red and Blue Striped Sleeves.

### 3. SYNDICATE AT A GLANCE

The table below provides a summary of key features of the Syndicate:

Feature	Description
What is the Manager's role?	<p>The manager is responsible for:</p> <p><b>Communication</b></p> <p>All communications:</p> <ul style="list-style-type: none"> <li>○ with the Owners, including as to the Horse's general well-being and progress, proposed racing program and race performances (both pre-race and post-race);</li> <li>○ with the Trainer; and</li> <li>○ with all third parties who provide services in relation to the Horse and the Syndicate.</li> </ul> <p><b>Important Notice: Owners are not authorised to contact the Trainer directly</b></p> <p><b>Horse Management</b></p> <p>The management of the Horse, including arranging for the Trainer to take possession and day-to-day control of the Horse for the purpose of training and racing it to best advantage.</p>
Who can invest?	Only persons receiving this PDS in Australia may apply for Shares.
How do I access your services?	<p>By email: <a href="mailto:advisory@sirecustodians.com.au">advisory@sirecustodians.com.au</a></p> <p>By telephone: (02) 9235 2500.</p>
How much can I invest?	<p>Minimum Subscription is for 1 Share.</p> <p>The total number of Shares to be issued is 20.</p>
What is the term of my investment?	<p>The Term of the Syndicate is not fixed. It will commence on the Commencement Date and end on the End Date, which will be determined in accordance with the Owners Deed of Agreement.</p> <p>The Syndicate may be terminated by the Manager at any time, with the Owners approval (evidenced by an Extraordinary Resolution):</p> <ul style="list-style-type: none"> <li>○ if the Horse fails to win any significant races or Prizemoney and the Manager considers it is unlikely to do so;</li> <li>○ if in the Manager's reasonable opinion, supported by veterinary advice, the Horse is unsound to continue racing; or</li> <li>○ if the Manager considers it to be in the best interests of the Owners to sell the Horse, or to retire it from racing.</li> </ul>
How does the Manager apply my Contributions?	Owners' contributions are used to pay the fees and expenses of operating the Syndicate, including maintaining, training and racing the Horse to best advantage.
What return do I receive for my investment?	The Syndicate is designed for the investors who acquire Shares in the Horse to derive the benefit of racing the Horse as a whole. Returns in are entirely speculative, so no estimates of likely returns are provided.
When do I receive payments?	Within 30 days of the Manager receiving any significant amount of net Prize money into the Syndicate's designated bank account, and upon the winding up of the Syndicate, subject to the right of the Manager under the Owners Deed of Agreement to retain moneys on account of Syndicate operating costs, including Horse expenses.

What fees and charges do I pay?	<p>Each Owner must pay one's proportion of the fees and expenses of operating the Syndicate, including maintaining, training and racing the Horse, as set out in Section 7.</p> <p>The Manager will also be entitled to retain from Net Prizemoney otherwise due to the Owner, in the Syndicate's designated bank account, such amounts as the Manager considers may be required to pay race entry (including nomination, acceptance and scratching) fees, and any travel expenses to race the Horse outside the State of Victoria.</p>
What happens if I don't pay fees and expenses when due	<p>The Manager has the right to charge interest or late fees and can sell your Share(s).</p> <p>The Manager also has the right:</p> <ul style="list-style-type: none"> <li>o to deduct such amounts from Income distributions otherwise due to you; and</li> <li>o to require you to surrender your Share(s) in the Horse and the Syndicate if your contributions or payments are more than 30 days in arrears.</li> </ul>
How do I withdraw funds?	An Owner does not have the right to require the Promoter or the Manager to redeem Shares or to buy them back either at any time during the Term or upon the winding up of the Syndicate. However, an Owner may at any time during the Term transfer one's Share(s) to some other person with the Manager's approval, in accordance with the Owners Deed of Agreement.
Are there risks in investing?	Yes, there are a number of risks which may lead you to lose some or all of your investment. It is important that you read and understand each of the risks set out in Section 6.
What happens at the end of the Horse's racing career?	This will be determined in accordance with the Owners Deed of Agreement.
What happens if the horse dies?	The Syndicate will be wound up in accordance with the Owners Deed of Agreement.
What happens at the end of the Term?	This will be determined in accordance with the Owners Deed of Agreement.

## **4. HOW THE SYNDICATE WORKS**

### **4.1 Becoming the Owner of a Share and a member of the Syndicate**

Applications to become an Owner are made using the Application Form attached to this PDS. If you decide to invest, read the PDS and fill in the Application Form, provide proof of identity and pay your Application Price per Share of \$5,341.40 (no GST) by EFT or cheque.

Applicants should note that the Promoter has the right to accept or reject any application for Shares, whether in whole or in part, in its absolute discretion and has no obligation to give any reason if it rejects an application.

### **4.2 What you receive when you make an investment.**

Each investor who acquires a Share:

- (a) holds an interest in the legal and beneficial title to the Horse, divided into 20 equal undivided Shares, as tenants-in-common, together with the other Owners; and
- (b) is entitled to receive a proportion of any Syndicate Income earned in the form of net Prize money from racing the Horse as a whole, in the same proportion as the number of Shares held bears to the total number of Shares on issue.

No income projections are included in this PDS as it cannot be assured that the Horse will win any races or earn any Prize money, including Owners Bonus or Incentive Scheme payments.

### **4.3 How to keep track of your investment**

You will receive regular reports from the Manager and your Trainer in the form of video, audio and text.

### **4.4 Payments to Owners**

Owners will receive distributions of net Prize money within 30 days of any significant amounts of net Prize money being received by the Manager into the Syndicate's designated bank account, and upon the winding up of the Syndicate, in the same proportion as the number of Shares held bears to the total number of Shares on issue, subject to the right of the Manager under the Owners Deed of Agreement to retain moneys on account of Syndicate operating expenses, including Horse expenses.

### **4.5 Withdrawing your investment**

An investment in Shares is illiquid. Investors will not be able to withdraw their investment once it has been made.

### **4.6 Code of conduct**

All Owners must comply with the Rules of Racing and are expected to act in the best interests of racing, the Horse, and all parties associated with the Syndicate. A copy of the Rules of Racing can be obtained from the Racing Australia Limited website: [www.racingaustralia.com](http://www.racingaustralia.com)

## 5. WHAT ARE THE BENEFITS OF INVESTING IN THE SYNDICATE?

Investing in the Syndicate is not without risk. It is important that as well as reading the benefits of investing set out below, you read and understand each of the risks set out in Section 6.

Significant benefits	Description
Participation in horse racing	<p>An investment in the Horse and the Syndicate allows you to participate in the horse racing industry.</p> <p>Both the Horse and the Syndicate will be professionally managed on behalf of the Owners.</p>
Sharing in Prizemoney	<p>Any significant amount of net Prize money received by the Manager into the Syndicate's designated bank account is distributable to Owners on a pro rata basis within 30 days, and upon the winding up of the Syndicate, subject to the right of the Manager to retain moneys on account of Syndicate operating costs, including Horse expenses.</p>
Trophies	<p>All original trophies won by the Horse will be made available to the Owners, in accordance with the Owners Deed of Agreement.</p>
Other Owners rights	<p>An investment in the Syndicate also affords you the opportunity to experience other Owners rights, including:</p> <ul style="list-style-type: none"> <li>○ <b>(naming rights)</b> If the Horse is unnamed at the Commencement Date of the Syndicate, all Owners will have the opportunity to make a nomination on the naming of the Horse. A democratic voting system will then decide on the winning name;</li> <li>○ <b>(racebook)</b> Each Owner will be entitled to have one's name appear in the racebook as an owner of the Horse. The Manager's name will appear as the first-named registered owner;</li> <li>○ <b>(enclosure ticketing)</b> Race Clubs currently normally provide for a maximum of 20 owners enclosure tickets only on race day. On some race days, owners enclosure ticketing is restricted, in which case the Manager will ballot the tickets amongst the Owners intending to attend race day; and</li> <li>○ <b>(RVL Owners Gold Card)</b> Your Owners' Gold Card provides a number of exciting race day privileges, including admission and members' passes on the day the Horse runs, as well as complimentary race books, parking and access to on course owners' facilities with race replay facilities.</li> </ul>
Communications	<p>The Trainer is expected to provide (via the Manager) regular reports on the Horse's progress, including pre-race and post-race reports, video, audio and photo updates.</p>

## **6. WHAT ARE THE RISKS OF INVESTING IN THE SYNDICATE?**

### **6.1 Risk Overview**

All investments involve a degree of risk. These risks include (without limitation):

- (a) those associated with the Syndicate and the Horse, including inherent risks;
- (b) those that apply to investments generally;
- (c) those that are associated with the Manager; and
- (d) those that individual investors may face.

While a number of these risks are explained below, you should:

- read the whole of this PDS to fully appreciate these matters;
- think about your tolerance to risk and how the potential investment risks of this Syndicate may affect you; and
- seek your own independent legal, financial and tax advice before deciding to invest.

### **6.2 Specific risks associated with the Syndicate and the Horse**

Investment in racing thoroughbred horses must be considered to be of a speculative nature.

Risks specifically associated with the Syndicate and the Horse include (without limitation):

- Owners will incur significant expense without the assurance of any financial return;
- there is no guarantee or assurance as to the racing ability of the Horse or that it will progress to winning any races or Prizemoney;
- the Horse may:
  - die; or
  - its suitability for racing or subsequently for breeding may be diminished as a consequence of the materialisation of an inherent risk, including (without limitation) accident, illness, infertility or sub-fertility, injury or natural cause.

**(Industry conditions)** Changes in the thoroughbred horse racing industry or market conditions could have a positive or negative impact on your investment during the time that you are a Owner, including level of Prizemoney on offer.

It is also possible that restrictions in the racing of thoroughbred horses or an outright ban on horse racing could occur in any or all of the Australian states in which the Horse may be raced. If that occurs, you may lose all of your investment, there will be no further Prizemoney and there may be a period of time when you are still required to pay the costs associated with the maintenance and welfare of the Horse.

### **6.3 General Investment Risks**

The Syndicate will be exposed to the direct and indirect consequences of changes in the state of the economy generally, including inflation risks, interest rates, market and investment sentiment and other changes in the economic factors that affect a particular industry or market sector, as well as other factors over which the Manager has no control.

Legal, taxation and regulatory changes in the Australian investment environment, as well as changes in State or Federal Government policy may occur during the time that you are a Owner.

### **6.4 Manager Risks**

**(Dependence on the Manager)** The Promoter has engaged the Manager to act as manager of the Syndicate and to ensure the efficient day-to-day operation of the Syndicate. The Manager is contractually obliged to continue acting as manager and if it fails to do so, then the Promoter has the right to appoint

an alternate third party manager. There are risks attached to the Promoter's dependence on the Manager, including:

- (a) reliance on the skill and expertise of the Manager to manage the Syndicate, and the Horse, as well as the manner in which these functions are carried out;
- (b) the way in which the Manager performs these functions may affect the returns to Owners; and
- (c) changes in the personnel of the Manager which may reduce its skill level in managing the Syndicate.

**(Dependence on the third party service providers)** The Manager will engage the services of various third party service providers, including the Trainer, to provide services in relation to the Syndicate and the Horse. There are risks attached to the Manager's and the Promoter's dependence on those third parties, including (without limitation) the risk that the third party fails to effectively provide the services and support that such parties are contracted to provide.

#### 6.5 **Investor Risks**

**(Illiquid Investment)** An investment in the Syndicate is illiquid. You have no right to redeem your Shares, there is no secondary market for them, and you may not be able find someone to buy them from you.

**(Default)** You will be in default if you fail to pay an amount when due. If you are in default then the Manager may:

- impose late fees on you;
- charge interest on any outstanding amount owing to the Manager; or
- deduct such amounts from Syndicate income otherwise due to you;
- require you to sell your Shares either to the other Owners or an outside party if you default in the performance of a material obligation, including any payment obligation, under the Owners Deed Of Agreement and fail to remedy such default when requested to do so by the Manager.

The Manager may bring an action against an Owner to collect all amounts due, including interest, late charges and costs. If a Share is owned by more than one person or entity, such holders are jointly and severally liable for all amounts payable in relation to that Share. The Manager is not obligated to sell the Share and in any event may be unable to do so. The liability for ongoing costs associated with the ownership of a Share for the Term of the Syndicate may not be avoided by abandoning or surrendering that Share.

## 7. APPLICATION PRICE PER SHARE, ESTABLISHMENT (ONE-OFF) COSTS, FEES AND EXPENSES (ONGOING), AND TAXATION

### 7.1 The Application Price per Share

The Promoter is offering Shares to prospective investors at the Application Price per Share of \$5,341.40 (no GST), calculated as follows:

Base Sale Price per Share	\$4,000	
GST	N/A	
<b>Base Sale Price per Share (including GST)</b>		<b>\$4,000.00</b>
PLUS the following initial levies per Share		
➤ Establishment Costs (one-off costs) [see Section 7.2]	\$180	
➤ Syndicate expenses (ongoing) [see Sections 7.3 and 7.5]	\$220	
○ 1 <sup>st</sup> year Syndicate (non-Horse) operating costs - full year	\$750	
○ 1 <sup>st</sup> year Horse expenses - 1 <sup>st</sup> quarter		
<b>TOTAL initial levies per Share</b>		<b>\$1,150.00</b>
PLUS 1 <sup>st</sup> year – Mortality Insurance [see Section 2.13]		\$ 191.40
<b>Application Price per Share</b>		<b>\$5,341.40</b>

### 7.2 Establishment (one-off) Costs

The costs of establishing the Syndicate (including GST) are set out in the following table (these costs are one-off costs):

	Total for Syndicate (including GST)	Total per Share (including GST)
<b>Payable to Manager</b>		
Fee payable to the Manager for compiling and providing the Owners Deed of Agreement and PDS, applying for and obtaining Lead Regulator approval of the PDS, receiving all applications for Shares, issuing and allotting Shares	\$1,100	
<b>Payable to unrelated external service providers</b>		
Veterinary - Fee payable to MEVG for undertaking veterinary examination and providing a report	\$150	
Assessments of value		
➤ Fee payable to WI for providing assessment of value	\$330	
➤ Fee payable to MM for providing assessment of value	\$275	
Advertising and promotion	\$1,558	
<b>Payable to external regulatory authorities/bodies</b>		
Lodgement Fee for PDS payable to RVL	\$187	
<b>Total</b>	<b>\$3,600</b>	<b>\$180</b>

### 7.3 Fees and Expenses (ongoing)

The indicative operating and compliance costs (including GST) of the Syndicate that will be payable by the Owners annually are set out in the following table:

	Total for Syndicate (including GST)	Total per Share (including GST)
<b>Payable to Manager - annually</b>		
• Management Fee	N/A	N/A
<i>Other fees and costs payable to the Manager include:</i>		
○ Accounting	\$2,200	\$110
○ Administration and Secretarial	\$2,200	\$110
○ Distribution Statements/Levy Notices (assume 4 annually)	N/A	N/A
<b>Horse expenses payable to the Trainer and other unrelated external service providers - annually</b>		
Estimate only of total fees and expenses of maintaining, training and racing the Horse, excluding race entry fees for group races, and the cost of any non-routine veterinary and other treatments, including surgery	\$60,000	\$3,000
<b>Total</b>	<b>\$64,400</b>	<b>\$3,220</b>

#### **7.4 Fees payable to the Manager, including entitlements to Additional Remuneration and Gratuities**

The Manager may charge fees for performing the Manager's duties, and will also be entitled to receive or have bestowed additional remuneration and gratuities, subject to the proper performance of one's duties:

<b>Fees payable to Manager [clause 3.8(a)]</b>	
1.	Management Fee [clause 3.8(a)]: Not applicable
2.	Accounting [clause 3.8(b)]: \$2,200 including GST per annum [\$110 per Share per annum]
3.	Administration and Secretarial [clause 3.8(b)]: \$2,200 including GST per annum [\$110 per Share per annum]
<b>Additional Remuneration and Gratuities</b>	
1.	Percentage of Prize money and bonuses [clause 3.8(c)(i)]: Not applicable
2.	Percentage of Sale Price [clause 3.8(c)(ii)]: Not applicable
3.	Lifetime Service Right(s) [clause 3.8(c)(iii)]: Not applicable

##### Description of fees payable to the Manager

- (Management Fee) this fee is payable to the Manager for the proper performance of its duties as Manager of the Syndicate, in accordance with the provisions of the Owners Deed of Agreement.
- (Accounting) this fee is payable to the Manager for providing or procuring accounting services to or on behalf of the Syndicate, including the maintaining of a Syndicate bank account and related financial reports. It also includes the cost of preparing the annual financial report (including profit and loss, balance sheet and Owners' equity balances).
- (Administration and Secretarial) this fee is payable to the Manager for providing or procuring all necessary administration and secretarial services to the Syndicate.
- (Distribution Statement/Levy Notice) this fee is payable to the Manager:
  - (a) for reconciling each receivable recorded in the Syndicate accounts, compiling an income distribution statement and making a distribution to the Owners; or
  - (b) when it is necessary to levy Owners for their proportion of ongoing operating expenses (including horse expenses), calculating the amount of the levy, preparing individual levy notices and forwarding them to the Owners.

##### Maximums and waivers

The Manager may waive its fees and costs in whole or in part.

##### Fee changes

The Manager may cease any waiver of fees to which it is entitled. It may also increase its fees within the maximum limits provided in the Owners Deed of Agreement.

#### **7.5 Example of the annual cost of holding 1 Share**

<b>If you acquire 1 Share you will be required to contribute the following during each year</b>	<b>Monthly fees</b> (including GST)		<b>Annual fees</b> (including GST)
	<b>Per Owner</b>	<b>Per Share</b>	
Syndicate non-Horse expenses	-	-	\$220
Syndicate Horse expenses	-	-	\$3,000
<b>EQUALS COST OF 1 SHARE</b>			<b>\$3,220</b>

#### **7.6 Taxation**

The Promoter is not an expert in taxation. Owners are advised to consult their professional advisers as to the income tax and capital gains consequences of investing in the Syndicate.

## **8. ADDITIONAL INFORMATION**

### **8.1 Interests of the Promoter, the Manager, their Directors and Experts**

The Promoter and the Manager neither have, nor have had, in the period of 2 years before the date of this PDS, any interest in relation to the Horse or the promotion of the Syndicate, other than the interests detailed in this PDS.

No Director or proposed Director of the Promoter or the Manager has, or has had in the period of 2 years before the date of this PDS, any interest in relation to the Horse or the promotion of the Syndicate, other than emoluments such person may be entitled to receive from the Promoter or the Manager, and which are detailed in this PDS.

The Promoter will ensure that any veterinarian providing a veterinary report to the Promoter or the Manager, neither has, nor has had, any interest in relation to the Horse or the promotion of the Syndicate, except that such person will receive a professional fee for undertaking the examination and providing the report.

There is nothing in the Owners Deed of Agreement to prevent either themselves or any members, officers, directors of the Promoter or the Manager, or any corporation or other person related to any of them, from purchasing, holding, dealing in or disposing of Shares, or from otherwise contracting or acting as agent or entering into or being interested in any contract or transaction whatsoever with any other of them or with any Owner, provided that those persons must act, in connection with any such transaction, in a fiduciary relationship of utmost good faith to the Owners.

### **8.2 Interests in the Sire or Dam of the Horse**

The Promoter is obliged by the terms of the ASIC Instrument to make the following disclosure in relation to the sire and dam of the Horse the subject of this PDS:

(a) Sire: REWARD FOR EFFORT (AUS)

- (i) the Promoter is also the manager of the REWARD FOR EFFORT (AUS) Stallion Syndicate and the owner of shares in the Stallion;
- (ii) the Promoter and some of its directors own shares in the Stallion; and
- (iii) each share currently entitles the holder to two (2) service rights each stud season free of any service fee.

(b) Dam: ROCKIN IN HEAVEN (AUS)

Neither the Promoter nor any of its members, officers or directors have, or have had, any interest in the dam of the Horse the subject of this PDS.

### **8.3 Owners Deed of Agreement**

The provisions of the Owners Deed of Agreement are binding upon the Owners and the Manager.

The Owners Deed of Agreement covers a number of additional matters to those referred to in other parts of this PDS, including:

- (a) the right of Owners to receive from the Manager a proportion of the Syndicate income, by reference to the income earned by the Horse in the form of Net Prizemoney;
- (b) Owners meetings (a resolution may bind an Owner, regardless of how or whether or not the Owner voted);
- (c) the circumstances in which the Manager is and is not liable to the Owners;
- (d) the Manager's rights, powers and entitlement to fees and expenses;
- (e) the Manager's right of indemnification for all costs incurred by it in relation to the operation of the Syndicate (subject to the proper performance of its duties);
- (f) the circumstances in which the Manager can terminate the Syndicate; and
- (g) when the Manager can retire.

The Manager is not obliged to convene Owner meetings but may do so at any time upon the giving of at least 21 days' notice to the Owners.

The Owners may make recommendations to the Manager as to the operation of the Syndicate and the management of the Horse.

Subject to the provisions of the Owners Deed of Agreement, the Manager may amend the Owners Deed of Agreement from time to time PROVIDED it reasonably considers that any such amendment will not adversely affect the rights of Owners. Otherwise, the Manager must obtain the Owners approval (evidenced by a Special Resolution) before adopting any proposed amendment.

Any resolution, including an Extraordinary Resolution or a Special Resolution, at a meeting of Owners will bind an Owner, regardless of how or whether or not the Owner voted.

#### **8.4 Keeping you informed**

The Manager will keep you up-to-date regarding your investment. For example, you will receive:

- (a) a confirmation notice after the Share you have applied for is issued;
- (b) an Annual Distribution Statement.

Email is our default means of sending you information; however, we will send you information by post if you contact us and request this method of delivery.

#### **8.5 Complaints**

If you have any concerns or complaints in relation to the operation of the Syndicate, you should contact the Manager. The Manager will acknowledge receipt of your complaint and attempt to resolve it as soon as practicable.

The Manager is a member of the Financial Ombudsman Service (FOS) (member number 11316), which is an external dispute resolution scheme. If you are not satisfied with the response to your complaint, you are entitled to take your complaint to them. The FOS can be contacted at [info@fos.org.au](mailto:info@fos.org.au) or on 1300 780 808. FOS operations are governed by published Terms of Reference, which are available at: [www.fos.org.au](http://www.fos.org.au)

#### **8.6 Privacy**

The Promoter and the Manager are committed to respecting the privacy of your personal information.

Privacy laws regulate, among other matters, the way organisations collect, use, disclose, keep secure and give people access to their personal information. The Promoter and the Manager collect personal information from you in the Application Form, and may collect additional personal information in the course of managing your investment.

We may also disclose your information to persons who provide services to us, or in relation to the Syndicate, or the Horse.

In addition, we disclose your personal information:

- (c) If you consent to the disclosure; or
- (d) If we required to do so by law, or by any Principal Racing Authority.

A copy of our Privacy Policy is available upon request.

#### **8.7 Directors' authorisation**

The Directors of the Promoter state that they have made all reasonable enquiries and have reasonable grounds to believe that all statements in this PDS are true and not misleading. Each Director has given and has not, at the date of this PDS, withdrawn one's consent to the issue of this PDS. The issue of this PDS by the Promoter was authorised by Board resolution dated 22 September, 2017.

## 8.8 **Consents**

The persons listed in the table below have given and have not withdrawn their written consent to:

- (a) be named in this PDS in the form and context in which they are named;
- (c) the inclusion of their respective reports or statements noted next to their names and the references to those reports or statements in the form and context in which they are included in this PDS; and
- (c) the inclusion of other statements in this PDS which are based on or referable to statements made in those reports or statements, or which are based on or referable to other statements made by those persons in the form and context in which they are included:

Name of person	Named as	Reports or statements
Macquarie Legal Practice	Legal Advisers	Provided advice in relation to the compilation of this PDS
Sire Custodians Ltd	Promoter & Manager	Consent to act
Henry Dwyer Racing Pty Ltd	Trainer	Consent to act
Dr Peter Angus of Melbourne Equine Veterinary Group	Veterinarian	Provided Veterinary Report and Consent to be named
Simon Vivian of William Inglis & Son Ltd	Valuer	Provided Assessment of Value and Consent to be named
Clint Donovan of Magic Millions Sales Pty Ltd	Valuer	Provided Assessment of Value and Consent to be named
Logan Livestock Insurance Agency Pty Ltd	Insurance agent	Consent to be named
Mark Hayes & Jennifer Hayes	Seller	Consent to be named

None of the persons referred to above has made any statement that is included in this PDS or any statement on which this PDS is based, other than the statement or report included in this PDS with the consent of that person as specified above.

Except for the Promoter, each of the persons referred to above:

- (i) has not authorised or caused the issue of this PDS, and makes no representation or warranty, express or implied, as to the fairness, accuracy or completeness of the information contained in this PDS; and
- (ii) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statements in or omissions from this PDS other than references to its name or a statement or report included in this PDS with the consent of that person as specified above.

## 8.9 **Labour standards or environmental, social or ethical considerations**

The Promoter does not take into account labour standards or environmental, social or ethical considerations in determining the selection, retention or realisation of assets. However, to the extent that the Promoter believes those matters may affect the value or performance of an underlying investment, they may be considered.

The Promoter does not have a predetermined view as to what constitutes a labour standard or environmental, social or ethical consideration, as these will be determined on a case-by-case basis.

## 8.10 **Anti-money laundering laws**

The Promoter may be required to collect certain customer identification information and verify that information in compliance with the Anti-Money Laundering/Counter-Terrorism Financing Act 2006 (Cth) (the **AML/CTF Act**) and AML/CTF Rules before it can issue Shares to Applicants.

Customer identification information may include detailed know your customer (**KYC**) information in relation to the Applicant such as, for an individual Applicant, name, address, and date of birth and for an Applicant that is a business entity, details of directors and beneficial owners, and where the Applicant is a

trustee, details of the Constitution and beneficiaries. The Promoter may require further KYC information such as information concerning business activities, structure and source of funds of Applicants and from time to time may require an Applicant to provide updated or additional information.

The Promoter may refuse to accept an application or decline to issue Shares to an Applicant until it has satisfactorily concluded a customer identification procedure in relation to the Applicant.

The Promoter may delay or refuse any request or transaction, including by suspending the issue or redemption of Shares if the Promoter is concerned that the request or transaction may cause the Promoter to contravene the AML/CTF Act. The Promoter will incur no liability to the Applicant if it does so.

## **9. HOW TO APPLY**

### **9.1 Applications**

Investors who intend to invest in this Syndicate should complete the Application Form attached to this PDS.

The completed Application Form should be lodged (together with the Application moneys) with:

**Sire Custodians Ltd  
PO Box 299  
NORTH SYDNEY, NSW, 2059**

Note: Applications are accepted for the Minimum Subscription per Applicant, then in multiples of One (1) Share.

### **9.2 Acknowledgments Conditions and Declarations**

By completing the Application Form you:

- declare that you have read and understood this PDS;
- agree to be bound by the conditions of the offer set out in this PDS;
- acknowledge that, unless waived by the Manager, any government levies, duties or taxes will be charged to your account;
- declare that if the Application Form is signed under power of attorney, you have no knowledge of the revocation of that power of attorney;
- declare that all information provided in the Application Form or any other information provided in support of the application is true and correct;
- declare that you have the power to make an investment in accordance with the application;
- acknowledge that neither the Promoter nor the Manager, nor any of its directors or associates, guarantees the repayment of moneys invested or a return on the investment;
- acknowledge that you have relied upon your own enquiries and independent advice in relation to the your financial and legal rights and obligations as a Owner in the Syndicate;
- acknowledge and declare that you have not received any advice either from the Promoter or the Manager, or any representative of either of them, other than as detailed in this PDS;
- acknowledge that any investment in the Syndicate is subject to investment and other risks, including (without limitation) delays in payment and possible loss of capital invested; and
- acknowledge that all information relating to this application for investment or any subsequent information relating to this investment may be disclosed to any service provider to the Syndicate and to your adviser. You understand that this will not include disclosure of your TFN, ABN, or any information in relation to them. This authority will continue unless revoked by you in writing.

## 10. GLOSSARY

In this PDS, the following terms have the following meaning unless the context otherwise requires:

<b>AML/CTF Act</b>	<i>Anti-Money Laundering/Counter-Terrorism Financing Act 2006 (Cth).</i>
<b>Applicant</b>	A person who submits a Share Application Form, with Application Moneys, applying for a Share.
<b>Application Moneys</b>	Moneys paid by an applicant for a Share in the Horse under this PDS.
<b>Application Price</b>	The price at which Shares are offered under this PDS.
<b>ASB</b>	<i>The Australian Stud Book.</i>
<b>ASIC</b>	<i>The Australian Securities and Investments Commission.</i>
<b>Commencement Date</b>	The Commencement Date of the Syndicate.
<b>End Date</b>	The date upon which the Syndicate is ended in accordance with the Owners Deed of Agreement.
<b>External Dispute Body</b>	The <i>Financial Ombudsman Service Limited ABN 67 131 124 448.</i>
<b>Extraordinary Resolution</b>	A Resolution: (a) of which notice in accordance with clause 6.1 (of the Owners Deed of Agreement) has been given; and (b) that has been passed by at least 50% of the total votes that may be cast by Owners entitled to vote on the resolution (including Owners who are not present in person or by proxy).
<b>Income</b>	For the Syndicate and the Accounting Period, the net income of the Syndicate, in respect of that period, determined in accordance with generally accepted accounting principles, whether accrued, due or receivable or received and not previously accounted for.
<b>Manager</b>	Sire Custodians Ltd (ACN 005 088 371).
<b>Minimum Subscription</b>	1 Share.
<b>Minimum Overall Subscription</b>	20 Shares.
<b>Net Prize money</b>	Prize money after the mandatory deductions under the Rules of Racing.
<b>Owner</b>	Each person who from time to time owns a Share and is bound by the Owners Deed of Agreement.
<b>Owners Deed of Agreement</b>	The provisions (including all covenants, terms and conditions) of the deed governing the relationship between the Owners and the Manager, including any modification or replacement deed adopted by the Manager with the Owners approval.
<b>PDS</b>	This document.
<b>Resolution</b>	Subject to any further qualification specified in the Owners Deed of Agreement: (a) a resolution passed at a meeting of Owners; (i) on a show of hands, by the majority of Owners present in person or by proxy, representative or attorney; or (ii) if a poll is demanded, by the majority of numbers of

	<p>Shares held by Owners present in person or by proxy, representative or attorney voting on the poll; or</p> <p>(b) a resolution in writing signed by Owners holding the required majority of the Shares.</p>
<b>Share</b>	1 of the number of equal undivided ownership interests in the Horse to be issued under this PDS.
<b>Share Application Form</b>	The Share Application Form included with this PDS, which an Applicant must use to apply for a Share.
<b>Special Resolution</b>	<p>A Resolution:</p> <p>(a) of which notice in accordance with clause 6.1 (of the Owners Deed of Agreement) has been given; and</p> <p>(b) that has been passed by at least 75% of the votes cast by Owners entitled to vote on the resolution (including Owners who are not present in person or by proxy).</p>
<b>Syndicate</b>	The arrangement evidenced by the Owners Deed of Agreement pursuant to which the Owners agree to participate in the undertaking ( <b>Common Enterprise</b> ) of caring for, training and racing the Horse as a whole for their mutual benefit
<b>Syndicate Property</b>	<p>Any contributions to, or income of, the Syndicate, including (without limitation):</p> <p>(a) Owners contributions on account of expenses;</p> <p>(b) Prize money (regardless of whether it is apportioned and distributed to the Owners directly by the Principal Racing Authority, or via the Manager; and</p> <p>(c) Owners Bonus or Incentive Scheme payments.</p> <p>The Horse does not comprise Syndicate Property as it is owned by the Owners as tenants-in-common in equal undivided Shares.</p>
<b>Term</b>	The period during which the Syndicate will operate, being from the Commencement Date until the End Date, determined in accordance with this PDS and the Owners Deed of Agreement.
<b>TFN</b>	Tax File Number.

If there is any inconsistency between a definition in this Glossary and a definition of the same term in the Owners Deed of Agreement, the definition set out in the Owners Deed of Agreement will apply.

## **11. CORPORATE DIRECTORY**

### **Promoter and Manager**

Sire Custodians Limited  
ACN 005 088 371  
AFSL 223671  
Suite 203, 66 Berry Street  
NORTH SYDNEY NSW 2060  
AUSTRALIA  
Telephone: (02) 9235 2500