

Pierro x Princess Youmzain filly



PRODUCT DISCLOSURE STATEMENT ("PDS")

Notice to Potential Subscribers this PDS should be read in its entirety before deciding to acquire a share(s) in the racehorse herein described.

Should you have any further questions – or you are in any doubt - please do not hesitate to contact Tim Wilson on 0431-887-814 at anytime to enable you to make an informed decision as to whether to subscribe to this racehorse.



1. SYNDICATION DETAILS

Name of Promoter: First Light Racing Pty Ltd

AFSL No: 417744

Address: 115-175 Fechner Road, Koo Wee Rup, VIC, 3981

The purpose for which the partnership / syndicate is being formed: The undersigned parties agree that they purchase the Horse as co-owners with a view to sharing enjoyment of the Horse as a racehorse.

The number of shares in the partnership / syndicate sold: 20

Any shares unsold will be retained by First Light Racing prior to the horse being registered.

The purchase price of each share: AUD \$7,090 (inc GST) inclusive of purchase price, purchase costs, bloodstock & compliance costs, Inglis Race Series and insurance coverage to 31 January 2021.

2. OFFER DESCRIPTION

A description of each horse to be owned or leased by the partnership / syndicate, i.e. date of foaling, sex, sire, dam, colour and if registered the name and registration number of the horse: Foaled in Australia on 30th August 2018, Bay Filly by Pierro (AUS) from Princess Youmzain (GB)

Details of racing performance(s) of the horse (if raced): This Filly is unraced.

Name of the proposed Trainer and where horse is to be stabled: This Filly will be trained by Trent Busuttin & Natalie Young at Cranbourne.

FLR have agreed with Trent Busuttin & Natalie Young that the Filly shall not be transferred to another trainer without mutual agreement.

Details of proposed ongoing expenses to be incurred by members: Monthly expenses are estimated at \$200-\$220 (inc GST) per 5% shareholder.

How did the Promoter obtain the horse and the purchase price paid by the Promoter: The Filly was purchased at the 2020 Inglis Premier Yearling Sale for \$100,000 ex GST.

3. SHARE PURCHASE COSTS

This purchase price of each share in this Filly is inclusive of all costs as follows:

Yearling Purchase Costs in AUD* (5%):

- Yearling Purchase Price:	\$5,000
- Sales expenses:	\$100
- X-Ray Costs	\$37.50
- Bloodstock Expenses:	\$250
- Scoping cost:	\$8.25
- FLR selection fee:	\$500
- Total Purchase Costs	\$5,895.75

Insurance, Compliance & Registration (5%):

- Insurance:	\$257.98* (Stamp Duty included)
- PDS Preparation & Compliance	\$20
- Inglis Race Series	\$192.50
- Photography	\$4.25
- Marketing & Advertising	\$75
- Total Race Series etc Costs	\$549.73
- Total Horse Acquisition cost (exc GST)	\$6,445.48
- Total Horse Acquisition cost (inc GST)	\$7,090.03
- Total Per 5% share	\$7,090

Please note: this excludes one-off vet fees >\$1,000 and race nominations not disclosed above.

Owners will have the opportunity to renew their insurance coverage on 31 January 2021. FLR recommends all owners continue to insure their investment and will help facilitate insurance coverage on behalf of owners.

4. VETERINARY CERTIFICATE

All FLR yearlings are put through a rigorous selection process including a comprehensive veterinary examination.

This Filly was examined by **Dr Adam Matthews** (Prime Equine) and provided the attached veterinary report attaining to the suitability as a racing proposition.

No other fact or occurrence is known to the Promoter, which renders the Valuation or Veterinary Certificate material inaccurate. Please also note this Filly passed FLR's comprehensive yearling selection examination including the expertise of Bloodstock Agent Paul Willetts.

5. PROMOTER'S OWNERSHIP

FLR will retain no ownership in this Filly and she was purchased from the 2020 Inglis Premier Yearling Sale under normal terms of trade.

6. SYNDICATE MANAGER

The Syndicate shall be fully managed during its term by First Light Racing Pty Ltd. First Light Racing Pty Ltd has been an industry leader in the syndication of racehorses for many years and is respected for its success that stems from its professional approach.

For further information on the role and responsibilities of First Light Racing please refer to the Syndicate Agreement for this racehorse.

7. SYNDICATE AGREEMENT

Purchase of a share will constitute the Owner's acceptance of all terms of the Syndicate Agreement for this racehorse.

8. INSURANCE

The Promoter has arranged and paid for mortality insurance cover with Magic Millions Insurance until 31 January 2021. The benefit of this insurance cover will be passed onto the Syndicate Shareholders, on a pro-rata basis, upon the expiration of the "cooling-off" period.

Please note: FLR insures their yearlings for purchase price plus \$20,000 to give owners additional coverage through the first 12 months of their yearlings career (high risk period). Your insurance policy also includes optional 'Life Saving Surgery' where Insurer will pay up to \$10,000 of veterinary expenses, up to 15 days of after-care costs and transport to and from the hospital / clinic in instances where surgery is performed in an attempt to save the life of the insured horse.

For further particulars of the insurance coverage please contact First Light Racing.

9. STATEMENT REGARDING ANY POTENTIAL CONFLICT OF INTEREST

First Light Racing does not indirectly influence experts such as trainers, bloodstock agents, veterinarians or valuers to provide advice which is biased, nor do these experts have any commercial reason to provide advice which is biased.

In an instance when the Promoter or trainer retains a share in the horse, the share is a commercial investment and the appropriate fees are apportioned to the trainer or Promoter as they are to all Shareholders.

10. STATEMENT OF INDUSTRY RISKS

An investment in a racehorse should be considered speculative in nature. While it may prove very rewarding, there are a number of potential risks associated with this type of investment, such as (but not limited to) the following: horses can become injured; not all horses proceed to a race career; not all racehorses earn prizemoney; insurance, when secured, may not cover all possible scenarios; male horses may be gelded; the prospect of a future breeding career may not eventuate; and, the value of each share may fluctuate over time both higher and lower depending



on a range of factors, including the race track performance of the horse and the level of supply and demand for bloodstock at any point in time.

11. DISPUTE RESOLUTION

In the event that a dispute arises, the Shareholder should first contact the Syndicate Manager to attempt to resolve it. If the dispute has not been resolved within forty five (45) days then the complainant may be entitled to refer their dispute to Racing Victoria should their concerns be horse or racing related, alternatively to the Financial Ombudsman Service Limited ("FOS") should their concerns relate to financial services provided under this Product Disclosure Statement. First Light Racing Pty Ltd's membership number is 25290.

12. ACCOUNTS

The daily training rate for Busuttin Racing is \$115 per day ex GST exclusive of vet fees, track levies, transport etc and First Light Racing advises owners that approximately monthly costs are estimated at an average \$200-220 per 5% share over the course of this racehorses career. Please be advised this is an estimate only.

First Light Racing charges a \$49 monthly administration fee that is invoiced to each owner in each racehorse on a monthly basis.

This will appear on each owners monthly invoicing and the estimated monthly training fees of \$200-220 is inclusive of FLR fees.

This fee may be varied at some stage in the future.

First Light Racing invoices owners monthly in arrears and employs a strict Accounts Payable policy to all owners to ensure the highest standard of care is always maintained for FLR racehorses. FLR pays all suppliers on behalf of owners on 7-14 day terms and therefore requires owners to reciprocate this good will by settling client accounts within 14 days.

13. DISCOUNTS & REBATES

First Light Racing leverages its economies of scale to attain discounts for owners and help keep ownership with First Light Racing as affordable as possible for owners.

Please note: First Light Racing may receive rebates and commissions up to 10% from the following service providers:

- Mick Huglin Racing
- Gai Waterhouse Racing
- Ellerton Zahra Racing
- Ciaron Maher Racing
- Flemington Equine
- Condo's Horse Transport
- Rosemont Stud
- Sherwood Racing

14. SALE OF RACEHORSE

Should this racehorse be sold at any future stage, First Light Racing reserves the right to charge a 10% commission on the sale price provided the racehorse is sold above its yearling purchase price i.e. FLR have improved the value of your investment.

Any commissions payable to Trainers, Auction Houses or other Third Parties (excluding Bloodstock Agents representing the buyer) will be drawn from this 10% commission so the total commission payable by owners never exceeds 10% of the sale price (excluding GST).

15. RACEHORSE TITLE

Investors will obtain unencumbered title to the whole of the horse upon the scheme being fully subscribed. Once fully subscribed, First Light Racing will email Ownership Paperwork to all investors to pass title of the horse from First Light Racing (current owner) to individual owners.

16. RACING VICTORIA DISCLAIMER

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

17. FURTHER INFORMATION

Comprehensive information beyond the scope of this PDS on First Light Racing is provided on the First Light Racing website at www.firstlightracing.com.au. We recommend prospective owners familiarize themselves with the FLR website and please do not hesitate to contact any FLR team member with any specific questions.

Declaration

I confirm that:

1. (a) the statements contained in the PDS in relation to the partnership / syndicate are true; and not misleading in their form or content.
2. (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 partnership / syndicate.

Signature of Promoter:

Date: 04/03/2020

DISCLAIMER

A copy of this PDS has been lodged with Racing Victoria pursuant to the Class Order issued by the Australian Securities & Investments Commission. No liability as to the contents of this PDS is taken by Racing Victoria, its officers, employees or agents.

In particular (but not without prejudice to the generality of this disclaimer) Racing Victoria does not warrant, and has no responsibility for, the commercial merits of the scheme referred to in the PDS, the manner in which the Syndicates / Partnerships are operated, or the taxation advantages (if any) to which the Scheme may give rise.

Potential investors' financial circumstances may vary, and accordingly, Racing Victoria recommends that potential investors obtain independent financial and legal advice in relation to the scheme and how it might apply to their circumstances should they decide to invest in the scheme.

Signature of Promoter:

Date: 04/03/2020

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

Signature of Promoter:

Date: 04/03/2020

Statement of Subscriber

I declare that I have read and understand the requirements, terms and conditions of this PDS, and that I am not under any disqualification or other disability under the Rules of Racing:

Name of Shareholder:

Address:

Signature of Shareholder: Date:

HOW TO COMPLETE YOUR APPLICATION

1. Complete the final page of this PDS document and return it to First Light Racing Pty Ltd either by email to accounts@firstlightracing.com.au or by post to the following address:

First Light Racing Pty Ltd
115-175 Fechner Road,
KOO WEE RUP
VIC
3981

2. Enclose cash, cheque or money order made payable to "First Light Racing Pty Ltd".

Alternatively, a direct deposit for the same amount can be made into the following bank account:

Account Name: First Light Racing
Bank: ANZ Bank
BSB: 013-423
Account No: 4207-95436

Reference: (Insert Your Name or Phone Number)

Please note that applications for shares are only accepted once both of the steps above have been completed.

Application moneys received by First Light Racing Pty will be held in a separate trust account until the syndication of this racehorse has been completed.

If the Syndicate is not fully subscribed within six (6) months of invitations for shares first being made to the public then all application moneys held in trust, together with interest, will be returned to applicants within ten (10) business days.