DEVON RACING SYNDICATE AGREEMENT

Syndicate Information	
Name of Syndicate:	Devon Racing (the "**Syndicate**")
Syndicator:	The Syndicate will be managed by Kevin Walls who is Licensed by the BHA to manage and run racing syndicates
Horses:	Horse 1. Yearling filly The Horses will be trained to race for the Syndicate as provided in this Agreement.
Number of Shares in the Syndicate:	The Syndicate is comprised of 20 shares in each horse in total. Accordingly, each share represents a 5% ownership interest in the Syndicate. The Horses are owned 100% by the Members of the Syndicate.
Costs Per Share:	The costs per Share for the duration of the Syndicate Period are as follows: £250.00 to be paid upfront plus your 1st monthly fee of £40.00 to cover all training fees and turn out. Per 5% once in full training fees will be £150.00 per month, no extra to pay The Syndicator will send Members an invoice for each payment no less than 5 days before its due date.
Trainer:	Subject to the terms of this Agreement, the Horses will be trained by Nigel Hawke at Thorn Farm Racing, Stoodleigh, Tiverton, Devon
Duration:	The Syndicate will continue until 17th September 2028 (the "**End Date**"), subject to the Terms and Conditions attached. At the end of the Season preceding the End Date the Horses will be sold unless otherwise agreed pursuant to the Terms and Conditions attached. Unless all Members agree to extend the End Date such that the Syndicate shall continue, any monies remaining in the Syndicate Bank Account as at the End Date and after payment by the Syndicator of all amounts due, shall be distributed to the Members in accordance with their pro rata Share entitlements as set forth in clause 14 of the Terms and Conditions attached.
Intention with Horses:	The intention is for both horses to run under National Hunt races in stating this intention, it is understood and agreed that plans may change, and no guarantee is given on when, whether, where or how often the Horses may run.
Training Fees:	The amounts paid to the Trainer under the Training Agreement are estimated to be around £1800 per Horse per month, based on:

	• A basic training fee of £450 per week; and • An estimated average amount of £1000 per month for all other costs, travel expenses, including without limitation in respect of: transport, clipping, blacksmith, veterinary costs and racing expenses per runner
Management Fee:	Out of the monies paid by the Members in respect of their Shares, the Syndicator will take an amount of 10% as the Syndicator's Management Fee.
Insurance:	The Horses are not insured against All Risks of Mortality (ARM). The Members accept this risk, acknowledging that the Costs Per Share would be higher if ARM insurance was procured. Members should obtain their own insurance if desired.
14. Funding Target:	If the Syndicator is unable to sell 50% or more Shares in the Syndicate by 5th April 2028 a. the Syndicator shall be entitled to terminate this Agreement by notifying all Members in writing within ten days of the above deadline date, in which case the Syndicate shall be wound up and all monies paid by the Members shall be refunded to them in full without interest. Where the Horses have already been acquired, the Members shall have no further rights or liabilities in respect of the Horses it being agreed that all title and risk in the Horses shall vest in the Syndicator; Each Member shall be entitled to terminate his/her participation in the Syndicate (by notifying the Syndicator in writing within [10] days of the above deadline date) and to require the Syndicator to refund to such Member all monies paid by such Member (in full without interest); All monies to be refunded to a Member per the above shall be refunded by the Syndicator within 30 days.
15. Syndicate Bank Account:	The Syndicator will open a separate bank account for the Syndicate in the name of Devon Racing Ltd. The authorised signatories to the bank account will be Kevin Walls
16. Excluded Income:	The Members shall have no entitlement to the following income: [Any Breeder prize or payment, or any income arising after the sale or other disposal of the Horses] All other income generated by or in relation to the Horses during the Syndicate Period shall (after accounting for all expenditure) be distributed to Members proportionally to their shareholdings in accordance with clause 25 of the Terms and Conditions attached.

TERMS AND CONDITIONS

1. Definitions

The following words shall have the meanings set out below:

"**Agreement**" means this Syndicate Agreement, incorporating (i) the "Syndicate Information" on the previous pages, (ii) these Terms and Conditions, (iii) the Subscription for Share(s) attached, and (iv) the page attached entitled "Agreement To Be Legally Bound".

"**Allowable General Expenditure**" means costs and expenses reasonably and necessarily spent with third parties in relation to (i) keep fees, if falling outside the Training Fees, (ii) race entry fees, where not constituting Unforeseen Costs, (iii) the sale of a Horse, including reasonable sale expenses and third-party commissions or fees, (iv) any Valuer engaged pursuant to clause 18; and (v) the cost of financing the Syndicate by way of bank charges, interest payments and any other like expenses. Allowable General Expenditure does not include the other items of "Expenditure" listed in clause 25.5.

"**Approved Unforeseen Costs**" means any Unforeseen Costs that are approved under clause 23.

"**Associated Purchase Costs**" means the costs associated with the purchase of the Horses, as identified as such in the Syndicate Information.

"**Costs Per Share**" means the costs that will be payable by the Member under this Agreement in relation to each Share held by the Member in the Syndicate and its Horses, as identified as such in the Syndicate Information.

"**End Date**" means the last day of the Syndicate Period, being the date identified as such in the Syndicate Information unless either (i) the Members unanimously agree to extend the End Date in accordance with these Terms and Conditions, or (ii) the last remaining Horse in the Syndicate is sold or dies, in which case that date of sale or death shall be deemed the End Date (without prejudice to clause 25.5 and any other continuing obligations).

"**Funding Target**" means the funding target for Shares to be sold, as identified as such in the Syndicate Information.

"**Horses**" means the racehorses acquired by and trained for the Syndicate, as identified as such in the Syndicate Information; and "Horse" means any one of them.

"**Insurance Costs**" means the costs reasonably and necessarily incurred by the Syndicator obtaining the insurance set forth in the Syndicate Information.

"**Management Fee**" means the fee charged by the Syndicator(s), as identified as such in the Syndicate Information.

"**Member**" means an owner of a Share.

"**Purchase Price**" means the purchase price of the Horses excluding Associated Purchase Costs, as identified as such in the Syndicate Information.

"**Rules of Racing**" the Rules of Racing of Great Britain issued by the British Horseracing Authority, as may be amended from time to time.

"**Season**" means a racing season, i.e. the Flat Racing Season or the National Hunt Jumps Season.

"**Share**" means a share in the Syndicate, being an equal division in the ownership of the Horses.

"**Subscribing Members**" means all Members except the Syndicator (i.e. where any Shares are held by the Syndicator, the Syndicator shall not be deemed a Member for the purposes of this definition).

"**Subscription For Share(s)**" means the Member's subscription for Share(s) as set forth in this Agreement (see the first page attached to these Terms and Conditions).

"**Syndicate**" means the racing 'syndicate' (as such term is defined in the Rules of Racing) identified as such in the Syndicate Information.

"**Syndicate Bank Account**" means the bank account of the Syndicate opened in accordance with clause 25.1.

"**Syndicate Information**" means the basic details of the Syndicate set forth in the table on the previous pages.

"**Syndicate Period**" means the period commencing as of the date of signing this Agreement and ending on the End Date.

"**Syndicator**" means the manager(s) of the Syndicate who are identified as such in the Syndicate Information.

"**Trainer**" means the racehorse trainer(s) identified as such in the Syndicate Information.

"**Training Agreement**" means the written contract entered into between the Syndicator(s) and the Trainer for the training of the relevant Horses.

"**Training Fees**" means the fees charged by the Trainer under the Training Agreement, as identified as such in the Syndicate Information.

"**Unforeseen Costs**" means any costs that would (or could) require a Member to pay more than the agreed Costs Per Share (for example, but without limitation, any entry or supplementary fee for a big race or any costs relating to entering or running in any race outside of Great Britain), but excluding any costs that are expressly stated in row 5 of the Syndicate Information as not being fully covered by the Costs Per Share.

2. Contract formation and cancellation rights

a. This Agreement shall come into effect on the date it is signed by the Member and the Syndicator.

b. Each of the other Members will be required to enter into an agreement substantially similar to this Agreement, including the same Syndicate Information and Terms and Conditions stated in this Agreement. These Terms and Conditions (and the Syndicate Information) shall apply to all Members. Further to the foregoing, the Member entering into this Agreement agrees that this Agreement shall constitute an agreement between the Member and (i) the Syndicator and (ii) all the other Members. The Member agrees that all the other Members shall be deemed named as third-party beneficiaries entitled to enforce the terms of this Agreement as fully as if such other Members were parties and signatories to this Agreement.

c. This Agreement has been drafted in line with the Rules of Racing, including but not limited to the Syndicate Code. Should any Member believe that these Terms and Conditions (or any other parts of this Agreement) do not meet the Rules of Racing they should contact the Syndicator immediately.

d. Further to rights provided under consumer legislation, each Member can cancel this Agreement and their new Share purchase by notifying the Syndicator in writing within 14 days of entering into this Agreement. If a Member cancels per the foregoing, (a) the Syndicator will refund the Member their payment in full, (b) this Agreement will automatically terminate, (c) the Member will have no further rights or liabilities in relation to the Horses or the Syndicate, and will not be entitled to any rights attaching to the cancelled Share arising before the cancellation and termination of this Agreement, and (d) the Share of the Member will automatically transfer back to the Syndicator who shall be entitled to sell or keep such Share as the Syndicator may choose.

3. Registration

a. If not already done, the Syndicator will promptly register the Syndicate in accordance with the Rules of Racing.

b. The Syndicate will be the registered owner of the Horses and the Horses will run in the name and colours of the Syndicate.

c. Where the Syndicate uses the colours of the Syndicator or one of the Members, the relevant Syndicator or Member agrees that the Syndicate may use such colours on the Horses throughout the Syndicate Period without charge.

d. The Syndicator represents and warrants that as at the date of transferring to the Syndicate and its Members the Horses purchased by the Syndicator:

a. the Syndicator owns all right, title and interest in and to the Horses;

b. the Horses match the description set forth in the Syndicate Information;

c. the Syndicator is the sole legal and beneficial owner of the Horses and has the right and authority to transfer ownership of the Horses to the Syndicate and to enter into this Agreement;

d. all written statements made by the Syndicator to the Member in respect of the Horses prior to this Agreement were and are accurate and true;

e. to the best of the Syndicator's knowledge the Horses have no unsoundness or health problems that would make the Horses unfit for racing; and

f. the Syndicator has disclosed to the Members all material issues relating to the Horses (if any) that the Syndicator is aware of that might impact on the Horses' ability to race during the Syndicate Period.

5. The Syndicator shall provide the Members with a copy of each Horse's passport on request.

6. Where a Horse has not already been named, any name shall be chosen by the Syndicator at their sole discretion. Any name chosen shall not seek to associate with any name or brand and shall not be lewd or improper.

4. Syndicate Period

This Agreement shall commence as of the date of signing and (without prejudice to clause 2.4) shall continue until the End Date.

5. Funding the Syndicate

a. The Syndicator will purchase the Horses and will be responsible to the Trainer for the payment of all Training Fees.
b. The Syndicator will seek to sell Shares in the Syndicate to help fund the costs relating to the purchase and training of the Horses, as well as to pay the Syndicator the Management Fee.
c. The Syndicator will set out clearly in the Syndicate Information all Costs Per Share that are (or may become) payable by each Member. Unless otherwise expressly stated in the Syndicate Information (for example, if an exception is specified in relation to Unforeseen Costs or non-routine veterinary operation costs), the Costs Per Share are all-inclusive and the Members will not be obliged to pay anything further.
d. It will be the responsibility of the Syndicator to ensure that the Costs Per Share (when multiplied by the total number of Shares) cover the Purchase Price, the Associated Purchase Costs, the Training Fees, the Insurance Costs, the Management Fee and the Allowable General Expenditure for the duration of the Syndicate Period. The Syndicator will be responsible for any shortfall. Further to the foregoing, where the Syndicator incurs any Unforeseen Costs without getting unanimous approval under clause 23, the Syndicator shall be solely liable for such Unforeseen Costs and shall not charge Members any additional amount in respect therefor.
e. Without prejudice to row 14 of the Syndicate Information (i.e. if the Funding Target is not met by an agreed date), any Shares that are not sold will be retained/taken up by the Syndicator, who will be responsible for paying all Costs Per Share associated with each such Share for the duration of the Syndicate Period or (if earlier) until any such Shares are sold.
f. The Syndicator may sell at any time any unsold Shares held by the Syndicator. In most cases, it is expected that the Syndicator will sell all Shares for the same price basis (i.e. based on the Purchase Price and the Associated Purchase Costs). If however the Syndicator wishes to sell a Share on a different price basis to the original subscribers for Shares, the Syndicator may do so provided that (a) if the price basis is lower, the Syndicator shall pay the shortfall such that there is no net reduction to the amounts paid into the Syndicate Bank Account; and (b) if the price basis is higher, the excess shall be paid into the Syndicate Bank Account and shall be available for distribution amongst all the Members (subject to the terms hereof) as and when the Syndicate is wound up.

6. Syndicate

a. The intention is that (subject to the provisions of this Agreement) the Horses will be sold on or before the End Date, typically following the end of the Season preceding the End Date.
b. Any continuation of the Syndicate beyond the End Date will only occur in accordance with this Agreement.
c. Each Member's Share relates to all the Horses in the Syndicate. A Member may not have (or be allocated) one % share in one Horse and a different % share in another Horse. None of the Horses in the Syndicate will (while owned by the Syndicate) be owned by anyone who is not a Member of the Syndicate, or who does not own a Share in all the other Horses in the Syndicate.
d. Where there is more than one Syndicator, each of them shall together and individually be deemed the "Syndicator" for purposes of this Agreement and each of them shall be jointly and severally responsible and liable for the obligations and liabilities of the Syndicator under or in connection with this Agreement.

7. Shares

a. Each Horse is owned by the Members rateably according to the number of Shares held by them.
b. The cost of a Share is set out in the Syndicate Information.
c. The interest of each Member in the Syndicate shall be that of a beneficial tenant in common in respect of each of the Horses according to the proportionate stake of that Member in the Syndicate. Accordingly, each Member shall have a prospective right to participate rateably in the net proceeds of sale from the Horses after the deduction of all costs and expenses referred to in this Agreement.

8. Management of the Syndicate

a. The Syndicate shall be managed by the Syndicator, whose details are set out in the Syndicate Information above.

b. The Rules of Racing currently require that all racing syndicates have at least one person to manage, administer and promote a syndicate (a "Syndicator").

c. If for any reason the Syndicator is unable or unavailable to perform all the Syndicator's obligations (whether because of illness, injury, death, incapacity, imprisonment, retirement or resignation, or by virtue of being banned or removed by the British Horseracing Authority (the "**BHA**") or other regulatory body, or otherwise) the Subscribing Members may nominate a replacement for approval by the BHA. Any such nomination shall require approval by a majority of the Subscribing Members. Any replacement Syndicator approved by the BHA must sign a written deed of adherence agreeing to be bound by the terms of this Agreement.

d. As consideration for the Syndicator performing the Syndicator's obligations under this Agreement, the Syndicator may charge the Members the Management Fee. The Management Fee shall be deemed inclusive of: (i) all out of pocket expenses incurred by the Syndicator in establishing, administering, promoting and winding up the Syndicate including professional fees; and (ii) the Syndicator's fees for establishing, administering, promoting and winding up the Syndicate.

e. The Syndicator will not seek to profit from the Syndicate in any way other than through receipt of the Management Fee. Further to which, the Syndicator shall not charge any fee or other amount (and shall not accept any payment in relation to the Syndicate or any Horse) other than the Management Fee. For clarity, nothing in this clause (or clause 8.4) shall limit the right of the Syndicator to charge the Costs Per Share and, through monies received from the Costs Per Share, to reimburse the Syndicator at cost for monies reasonably and necessarily spent by the Syndicator in relation to (i) the Purchase Price, (ii) Associated Purchase Costs, (iii) Training Fees, (iv) Insurance Costs, and (v) Allowable General Expenditure; provided that, where the Syndicator holds one or more Share, the Syndicator must pay into the Syndicate Bank Account the due Costs Per Share for each such Share prior to claiming reimbursement for any of the foregoing monies spent.

f. Where any matter under this Agreement requiring approval by a majority of Members (or Subscribing Members) receives an equal number of votes for and against, the Syndicator shall have the casting vote.

g. If a Member has any dispute or grievance in relation to the Syndicate, without prejudice to their other rights, they may refer it in the first instance to the Syndicator.

9. Training of the Horses

a. The Horses belonging to the Syndicate will be trained by the Trainer during the Syndicate Period.

b. If the Trainer is banned from training or otherwise ceases to train during the Syndicate Period, the Syndicator will (at the Syndicator's discretion) send the impacted Horses to a replacement trainer, who shall thereafter be deemed the "Trainer" for purposes of this Agreement.

c. The Syndicator will enter into a written training agreement with the Trainer (the "**Training Agreement**") prior to, or as soon as reasonably possible after, the Horses are sent to the Trainer. The Syndicator will ensure that the Training Agreement does not conflict with (and is not prejudicial to) any of the provisions of this Agreement.

d. The Syndicator will ensure, amongst other things, that it is clearly agreed in the Training Agreement that (i) the Syndicator has responsibility (as between the Trainer and the Syndicator) for the payment of all Training Fees and (ii) that the Trainer will not have any lien, title, authority, or power of sale over the Horses.

e. The Trainer shall be responsible for making day to day decisions relating to the welfare, training, riding, stabling and transport of the Horses, in accordance with and subject to the terms of the Training Agreement. Subject to clause 14.5, running arrangements shall be made by the Trainer in conjunction with the Syndicator.

f. The Syndicator shall provide a copy of the Training Agreement to the Members upon request.

g. Where any Horse is a colt and the Trainer advises that it be gelded, the Syndicator will make the final decision following such advice without calling for a vote from the Members.

10. Sponsorship and VAT

a. The Syndicator will procure sponsorship under the Sponsorship Framework for Racehorse Owners ("**SFRO**") for all Horses in the Syndicate which are trained in Great Britain in order that the Syndicate can register for VAT under the Racehorse Owners VAT Scheme. It is anticipated that all VAT incurred by the Syndicate in respect of the Horses (provided that they are located in Great Britain) will be fully recoverable.

b. The Syndicator will take all steps necessary to register for, and recover, VAT in a timely manner.

c. Members will promptly provide such information as is necessary for the Syndicator to perform their obligations under this clause 10, upon the reasonable request of the Syndicator.

11. Payment for Share(s)

a. Each Member shall comply with the terms of this Agreement and, in particular, shall pay on time the Costs Per Share set out in this Agreement for the duration of the Syndicate Period, as well as (if and as applicable) any Approved Unforeseen Costs.

b. If the prospective Member fails to pay the Initial Payment Per Share (as set forth in the Subscription For Share(s)) into the Syndicate Bank Account in full and cleared funds within fifteen days of signing this Agreement, the Syndicator may give such prospective Member a final written warning to pay and if the prospective Member still does not pay in full within a further ten days, this Agreement shall automatically terminate and (a) the prospective Member shall not become a Member of the Syndicate, (b) the Syndicator shall repay to the prospective Member any monies that the prospective Member did pay into the Syndicate Bank Account; and (c) the Syndicator may sell such Share to someone else.

c. If a Member fails to pay any other Costs Per Share on time, without prejudice to any rights and remedies available to the Syndicator or any of the other Members under this Agreement or at law, the defaulting Member acknowledges and agrees that:

a. the Member shall not (if the payment has still not been made within thirty days of the Syndicator's subsequent reminder to pay) be able to exercise any voting rights under this Agreement for as long as the Member remains in default;

b. the Member may (if the payment has not been made within thirty days of the Syndicator's subsequent reminder to pay), at the Syndicator's discretion, cease to be entitled to any benefits (excluding those covered under 11.3(c) below) which would otherwise accrue to them under this Agreement until the payment of the outstanding sum has been made;

c. the Member shall not (if the payment has not been made within thirty days of the Syndicator's subsequent reminder to pay and still not within a further five days of the Syndicator's final reminder/warning) be entitled to any share in any sale proceeds or other payment payable under clause 25 if the Member remains in default of their payment obligations (to the extent the amounts owed exceed the share of sale proceeds or other payment that would otherwise be payable to the Member);

d. the Member may risk forfeiting their Share in the Horses in accordance with clause 21; and

e. the Member may risk being added to the Forfeit List in line with the Rules of Racing, which (amongst other things) may prevent them from being involved in any other racing syndicate.

12. Syndicator's obligations

a. The Syndicator shall:

a. manage the Syndicate in the best interests of the Members as a whole;

b. make plans and decisions for the Horses (excluding matters stated herein as requiring approval by the Members and excluding matters for which the Trainer is responsible under clause 9.5) in conjunction with the Trainer;

c. communicate with the Members and keep them informed as to the purchase of any Horses, any plans or decisions or other important information about the Horses, their progress in training and the races for which they will be entered, how they have come out of any races they have run in, and any feedback or comments from the Trainer or the rider(s) of the Horses;

d. (further to the above), provide regular updates to the Members. The regularity of updates may depend on what has happened but shall be frequent (usually every week or two) and never than less once a month;

e. from time to time (and subject to agreement with the Trainer on dates, times and numbers) arrange for Members to view the Horses in training;
f. arrange badges for the Members at race meetings where a Horse is running, subject to availability. The Members acknowledge that the number of available badges may differ by racecourse and by raceday, and that there may be times where the Syndicator is not able to get badges for all the Members, or that there may be times where the Syndicator is required to apply other restrictions in force at the racecourse on that day (for example, a limit on the numbers allowed into the parade ring), and the Members accept and agree to abide by any such restrictions;
g. perform the Syndicator's obligations under this Agreement in a timely and professional manner;
h. exercise all reasonable skill, care and diligence in carrying out the Syndicator's role;
i. comply with the provisions of the Training Agreement and pay on time the Training Fees due pursuant to such Training Agreement;
j. act as a treasurer on behalf of the Syndicate, check invoices received from the Trainer and, where agreed, to approve the release of monies from the Syndicate Bank Account to pay such invoices; and
k. nominate accountants to deal with the review of the Syndicate Bank Accounts.

13. Death, retirement or sale of a Horse before the End Date of the Syndicate Period

a. If a Horse is retired from racing before the end of the Syndicate Period pursuant to clause 13.3, the Syndicator will sell the Horse as soon as reasonably possible. The Member will continue to pay Costs Per Share instalments as per this Agreement, unless otherwise directed by the Syndicator, until the Horse is sold or dies or ownership is transferred.
b. Such sale may be done privately or by public auction, as the Syndicator sees fit. The Syndicator will seek to achieve an arms-length fair value price in any private sale. If the Syndicator or any Member(s) buy the Horse (whether privately or in a public auction) following its retirement, they agree not to race the Horse.
c. A Horse shall only be retired from racing if it suffers an illness or injury and the Trainer and the Syndicator both agree, acting reasonably and in good faith, that continuing to race would materially threaten the welfare of the Horse or would otherwise not be in the interests of the Horse or the Syndicate, such conclusion to be supported by written advice from a qualified veterinarian. Any such decision (including the Trainer's opinion and the veterinary opinion and the Syndicator's opinion) shall be clearly relayed to the Members before the Horse is retired and sold.
d. If all the Horses in the Syndicate are sold or otherwise transferred (or die) before the originally stated End Date of the Syndicate Period, the Syndicate Period shall be automatically deemed to end, and final accounts shall be prepared (and a final distribution of funds made) pursuant to clause 25.
e. Where one of the Horses is retired, sold (or otherwise transferred) or dies before the end of the Syndicate Period (but where one or more Horse in the Syndicate remains), the Syndicate shall continue in full force and effect (subject to clause 23 and the Members voting to sell the remaining Horses and wind up the Syndicate) except that the Syndicator shall apply an equitable reduction to any future payments due from the Members in order to reflect the reduced Training Fees from having less Horses in the Syndicate. The Syndicator shall notify the Members of the new instalment amounts payable.
f. No Horse will be disposed of by way of gift (even where the Syndicator otherwise has authority to sell under this Agreement) unless 75% or more of the Members agree.

14. Sale of the Horses

a. Subject to clauses 13.1, 14.2, 15 and 23, the Syndicator will seek to sell the Horses following the end of the Season preceding the End Date, and by no later than the End Date, save that if injury or other exceptional circumstances make this impracticable, then the Syndicator will sell the Horses as soon thereafter as the Syndicator deems reasonable and practicable to do so.
b. In the event that the Syndicator deems it to be in the interests of the Members to sell any Horse (other than pursuant to clause 15) prior to the time contemplated in clause 14.1 above, the Syndicator shall consult with Members and will only proceed with such early sale of the relevant Horse if 75% or more of the Subscribing Members (excluding any Members not entitled to vote pursuant to clause 11.3) are in favour of so doing.
c. The timing of any such sale of the Horses pursuant to clause 14.1 or 14.2 shall be at the Syndicator's discretion but acting in what the Syndicator reasonably believes to be in the best interests of Members.

d. The normal method by which the Horses will be sold pursuant to clause 14.2 or in anticipation of the Syndicate's dissolution will be at public auction but the Syndicator may suggest, if the Syndicator deems it to be in the best interests of the Members, to sell a Horse by any other method of sale. The Syndicator shall not sell a Horse through any such other method of sale unless a majority of the Members agree. Save as set forth in clause 14.5, the Horses will be sold without a reserve price.
e. The Syndicator will ensure that the Horses will not be entered in a selling or claiming race unless the Members are notified in advance of the proposal and 75% or more of the Subscribing Members (excluding any Members not entitled to vote pursuant to clause 11.3) agree to it, including agreement as to any reserve price.
f. Each Member hereby irrevocably appoints the Syndicator as their agent to transfer the legal and beneficial ownership in any Horse sold or otherwise transferred in accordance with the terms of this Agreement.

15. Third Party Offer to buy a Horse (other than at public auction)

a. If, during the course of the Syndicate Period and prior to a Horse being sold pursuant to clause 14, a private offer to buy a Horse is made to the Syndicator by a third party ("**Proposed Buyer**"), the Syndicator shall notify the Members of the details of the offer including the price offered (the "**Offer Price**").
b. If all Members (excluding any Members not entitled to vote pursuant to clause 11.3) wish to sell at the Offer Price, the Horse shall be duly sold to the Proposed Buyer.
c. The Offer Price shall be rejected unless a majority of the Members wish to accept.
d. If a majority of the Members wish to accept the Offer Price ("**Selling Members**") and other Members do not wish to accept the Offer Price ("**Other Members**"), the Selling Members shall first offer to the Other Members the right to buy the Horse which is subject to the offer (the "**Sale Horse**") as follows:

a. the Selling Members shall (before accepting the Offer Price for the Sale Horse) first offer to the Other Members the right to buy the Selling Member's rights in and to the Sale Horse at the Offer Price equivalent;
b. if the Other Members accept such offer to buy the Selling Member's rights in and to Sale Horse, the Sale Horse shall (upon the payment for and transfer of such rights) become owned exclusively by the Other Members who shall (a) set up a new syndicate or other ownership structure to own such Sale Horse, and (b) become exclusively liable for all costs and liabilities relating to the Sale Horse arising after such transfer date. The Selling Members shall, upon transfer of the Sale Horse, have no further rights or responsibilities in respect of the Sale Horse for matters arising after such transfer date, it being agreed that the Sale Horse shall no longer be part of the Syndicate. For clarity, all rights and responsibilities of the Members (including both the Selling Members and the Other Members) in respect of all other Horses in the Syndicate shall continue in full force and effect;
c. if the Other Members do not wish to buy the Sale Horse from the Selling Members at the Offer Price equivalent or do not accept the Selling Members' offer within 20 days, the Sale Horse shall be sold (100%) to the Proposed Buyer; the Sale Horse shall (upon the payment for and transfer of the Sale Horse) become owned exclusively by the Proposed Buyer and the Members (including both the Selling Members and the Other Members) shall have no further rights or responsibilities in respect of the Sale Horse for matters arising after such transfer date, it being agreed that the Sale Horse shall no longer be part of the Syndicate. For clarity, all rights and responsibilities of the Members (including both the Selling Members and the Other Members) in respect of all other Horses in the Syndicate shall continue in full force and effect.

16. Rights of Members to sell or transfer Shares early (other than pursuant to clause 14 or 15)

a. The commitment of each Member in respect of the Syndicate is for the Syndicate Period's full duration and, except as expressly provided in this Agreement, no Member shall sell, transfer, assign, pledge, charge, encumber or dispose of any Share owned by that Member before the Syndicate's dissolution or otherwise to discontinue their membership in the Syndicate.
b. If a member wishes to sell their Share in the Horses before the end of the Syndicate Period, they may only do so (except as expressly stated elsewhere in this Agreement) if the following procedure has been followed:

a. the Member must notify the Syndicator of the Member's wish to sell;
b. the Syndicator will notify the Member whether the Syndicator is willing to buy the Share and for what price;
c. if the Member notifies the Syndicator that the proposed price is acceptable, the Syndicator shall notify all the other Members of the proposed sale and seek their approval pursuant to clause 23;

d. if the Members (save for any Members excluded from voting pursuant to clause 11.3a) unanimously agree that the Syndicator may buy the selling Member's Share, the Member shall sell their Share to the Syndicator and the Syndicator shall become the owner of such Share and will take on all rights and obligations (including in respect of future Costs Per Share instalment payments) attaching to such Share, until such time as the Syndicator sells such Share to a new buyer that enters into an agreement substantially similar to this Agreement.

3. No Member may sell their Share in the Horses before the end of the Syndicate Period to any person other than the Syndicator, except as expressly stated in this Agreement.
4. No Member may sell part only of their Share in the Horses.

17. Agreement required to renew current Syndicate

a. Prior to selling the Horses pursuant to clauses 6.1 and 14.4 (i.e. in anticipation of the dissolution of the Syndicate) and allowing sufficient time in advance of the Buyer Deadline Date (as defined in clause 18.10), the Syndicator shall email the Members to:
    i. ask whether any of them wish to continue as owners of any of the Horses after the end of the Syndicate Period and, if so, to notify the Syndicator by email within 14 days. The Syndicator shall make clear: (a) that no Member has any obligation to continue and that, if they don't notify the Syndicator otherwise, they shall be deemed not to want to continue, (b) that the current Syndicate will only continue (i.e. under its registered name and with the existing Members) beyond the Syndicate Period if all Members (subject to clause 17.2) agree to continue and to retain any Horse(s) beyond the End Date; (c) that at least 30% of Members would need to notify the Syndicator of their wish to continue in relation to one or more of the Horses in order for any potential rights to apply (under clause 18) for individual Members to continue; and (d) that any continuation by individual Members pursuant to clause 18 in respect of one or more of the Horses would need to be done under a separate newly registered syndicate and would not affect the end of the current Syndicate; and
    ii. outline the costs per Share per Horse that would be involved (including without limitation the Management Fee and estimated Training Fees) if anyone did want to continue for a further Season or other defined period (a "**Renewal Cost Proposal**").

b. In the event that the Members (save for any Members excluded from voting pursuant to clause 11.3a) unanimously decide that they would like any Horse(s) to be retained beyond the End Date and for the Syndicate to continue in respect of such Horse(s) in accordance with the Renewal Cost Proposal, then the following provisions shall apply:

a. the End Date of this Agreement shall be deemed amended to become the new end date agreed by the Members as part of the approval of the Renewal Cost Proposal;
b. the costs per Share (for all Horses retained by the Syndicate) payable by each Member for the renewed period shall be as per the approved Renewal Cost Proposal;
c. where the Members decide not to retain every Horse (which shall be each Horse that does not receive the unanimous approval of the Members), any Horse not so retained shall be sold in accordance with clauses 6.1 and 14.4 (subject to clause 18); and
d. this Agreement shall otherwise continue to apply to the renewed period on the same basis and principles set forth herein.

3. If, with regard to the provisions of clause 17.2, a unanimous decision of Members for renewal cannot be achieved:

a. the Horses will be sold (likely by public auction) pursuant to clauses 6.1 and 14.4 unless a private sale to Continuing Members (alone or with third-party buyers) is made pursuant to the provisions of clause 18; and
b. the current Syndicate shall (following the sale of all the Horses) be wound up, and final accounts shall be prepared (and a final distribution of funds made) pursuant to clause 25.

18. Rights of Members to retain Horse(s) after the Syndicate Period (other than pursuant to clause 17.2)

a. Further to clause 17.1, if no response (to the Syndicator's email under clause 17.1) is received from a Member within 14 days, the Member shall be deemed not to want to continue owning and paying for any of the Horses after the Syndicate Period.
b. If less than 30% of the Members notify the Syndicator that they wish to continue owning any of the Horses, each such Horse shall be sold pursuant to clauses 6.1 and 14.4 and the Members' potential rights to continue under this clause 18 shall not apply in respect of each such Horse.

c. If 30% or more of Members (but less than 100% of Members) notify the Syndicator that they would like to continue owning any of the Horses, the Syndicator shall propose by email to the Members a fair and reasonable price (in the reasonable opinion of the Syndicator exercising the assumptions set forth in clause 19.1) for each Horse that receives such 30% or more of votes (each, a "**Nominated Horse**"). Such price proposed by the Syndicator shall, in each case, be hereinafter referred to (subject to clause 18.5) as the "**Proposed Sale Price**".

d. Each Member's notional share in each Nominated Horse (i.e. for purposes of obtaining a value of the Share per each individual Horse within the Syndicate) is hereinafter referred to as a "**Nominated Horse Share**".

e. Each Member who did not vote for a Nominated Horse pursuant to clause 18.3 shall, in respect of that Horse, be deemed a "**Discontinuing Member**". Each Member who did vote for a Nominated Horse pursuant to clause 18.3 shall, in respect of that Horse, be deemed a "**Continuing Member**". If a majority of the Discontinuing Members or a majority of the Continuing Members notify the Syndicator within 7 days of the Syndicator's proposal under clause 18.3 that they disagree with the Proposed Sale Price for any Nominated Horse, the Syndicator shall instruct an independent bloodstock valuation expert (a "**Valuer**") and the Proposed Sale Price per Nominated Horse Share shall be the relevant Fair Value determined by the Valuer in accordance with clause 19.1. The Syndicator shall promptly notify the Members of these Fair Value determinations / updated Proposed Sale Prices.

f. Following receipt of the Proposed Sale Price for each Nominated Horse, the Continuing Members shall notify the Syndicator within 7 days:

a. whether they wish to retain all the Nominated Horses or only one or some of the Nominated Horses; and

b. whether (for those Nominated Horses they wish to retain) they wish, pursuant to clause 18.7.1, to buy (only) their own corresponding Nominated Horse Shares at the relevant Proposed Sale Price (each a "**CM Nominated Horse Sale Share**") or whether they also wish to buy any of the corresponding Nominated Horse Shares of the Discontinuing Members at such Proposed Sale Price (each a "**DM Nominated Horse Sale Share**") and, if so, how many DM Nominated Horse Sale Shares.

7. It is acknowledged that:

a. for each Nominated Horse that the Continuing Members wish to continue owning, all corresponding Nominated Horse Shares will need to be purchased (i.e. all corresponding CM Nominated Horse Sale Shares and all corresponding DM Nominated Horse Sale Shares). The Continuing Members will therefore need to purchase their own relevant CM Nominated Horse Sale Shares as well as decide whether they wish to buy any relevant DM Nominated Horse Sale Shares of Discontinuing Members in respect of the Nominated Horses to be retained. A Continuing Member who so purchases their own CM Nominated Horse Sale Shares will be deemed to automatically acquire a share (fully paid-up with respect to the Purchase Price of the Nominated Horses being retained) in the New Syndicate with the same rights as their Share has in the current Syndicate (except in relation to the retained Nominated Horses only). The purchase monies paid by a Continuing Member for their own CM Nominated Horse Sale Shares will be paid into the Syndicate Bank Account, the funds in which will be distributed to the Members in accordance with clause 25.5 on the winding-up of the current Syndicate. Where the Continuing Members do not wish to retain a particular Nominated Horse (or a Horse that is not nominated, further to clause 18.2), such Horse shall be sold pursuant to clauses 6.1 and 14.4 and the sale proceeds shall be paid into the Syndicate Bank Account; and

b. references to the "**New Syndicate**" in this Agreement means the new syndicate that the Syndicator shall register if all or any of the Nominated Horses are retained by some of the Members under this clause 18. The quantity of shares in the New Syndicate will be the same as the current Syndicate.

8. If more than one Continuing Member wishes to buy any of the DM Nominated Horse Sale Shares (and if the total number of such shares which the Continuing Members desire to buy exceeds the number of DM Nominated Horse Sale Shares available for sale), each Continuing Member's entitlement to purchase the DM Nominated Horse Sale Shares shall be in proportion to their shareholding, being the same proportion of the DM Nominated Horse Sale Shares as the proportion their shareholding in the Horses bears to the total number of shares in the Horses held by all Continuing Members (in respect of each Continuing Member, their "**Entitlement**"). If some of the Continuing Members wish to take up their full Entitlement (or more than their full Entitlement) and some of the Continuing Members do not, the Entitlements of the 'purchasing' Continuing Members shall be increased pro rata to the proportional interest they have in the Horses relative to each other. Each Entitlement shall be to the nearest whole number of DM Nominated Horse Sale Shares.

9. Following receipt of the Continuing Members' notice under clause 18.6(a), if no collective agreement has been reached by the Continuing Members, the Syndicator shall review and see which outcome (between retaining all the Nominated Horses or only one or some of the Nominated Horses, and if so which ones) was favoured the most. This *most favoured outcome* shall be relayed to the Continuing Members by the Syndicator and shall be deemed the final

selected preference of the Continuing Members as a whole, such that: (a) where the most favoured outcome is to retain all the Nominated Horses, it will no longer be available to Continuing Members to retain less than all of the Nominated Horses; and (b) where the most favoured outcome is to retain one or more identified Nominated Horses in the Syndicate (but not all the Nominated Horses), it will no longer be available to Continuing Members to retain all of the Nominated Horses (or to retain different Nominated Horses to those included in the most favoured outcome).

10. Where the most favoured outcome amongst the Continuing Members is to retain all the Nominated Horses, the following provisions shall apply:

a. if the Continuing Members collectively agree to purchase all of the DM Nominated Horse Sale Shares (based on their Entitlements or otherwise) as well as all CM Nominated Horse Sale Shares, the sale and purchase completion shall be completed in accordance with and subject to the provisions of clause 20;

b. if none of the Continuing Members wish to buy any DM Nominated Horse Sale Shares (i.e. they only wish to buy their own CM Nominated Horse Sale Shares), the Continuing Members will notify the Syndicator and the Syndicator and the Continuing Members will endeavour to find a third-party buyer (or buyers) for the DM Nominated Horse Sale Shares. If no such third-party buyer(s) can be found for all such DM Nominated Horse Sale Shares at least 7 days before the proposed sale date of the Horses under clause 14.1 (the "**Buyer Deadline Date**"), all the Horses (including the Nominated Horses) shall be sold in accordance with clauses 6.1 and 14.4. If buyers can be found, the sale and purchase shall be completed in accordance with and subject to the provisions of clause 20; and

c. if the Continuing Members are willing to purchase (in addition to their own CM Nominated Horse Sale Shares) some of the DM Nominated Horse Sale Shares but not all of them, the Syndicator and the Continuing Members will endeavour to find a third-party buyer (or buyers) for those DM Nominated Horse Sale Shares that would otherwise remain unsold. If no such third-party buyers can be found for all such DM Nominated Horse Sale Shares before the Buyer Deadline Date, all the Horses (including the Nominated Horses) shall be sold in accordance with clauses 6.1 and 14.4 and the Syndicate shall be wound up. If buyers can be found, the sale and purchase completion shall be completed in accordance with and subject to the provisions of clause 20.

11. Where the most favoured outcome amongst the Continuing Members is to retain one or more identified Nominated Horses (but not all the Nominated Horses), any Nominated Horse that is not included in the most favoured outcome shall be sold in accordance with clauses 6.1 and 14.4. In respect of each Nominated Horse that is included in the most favoured outcome, the provisions of clauses 18.10(a), 18.10(b) and 18.10(c) shall apply with respect to the DM Nominated Horse Sale Shares corresponding to each such Nominated Horse:

12. The Members acknowledge and accept that if the Horses are sold pursuant to clause 6.1 (rather than pursuant to this clause 18), the sale price achieved for the Horses may be higher or lower than the Proposed Sale Price pursuant to clause 18.3 (or, as applicable, clause 18.5).

19. Fair Value

a. The "**Fair Value**" for each Nominated Horse Share shall be the price determined in writing by the Valuer on the following bases and assumptions:

a. valuing each Nominated Horse Share as a proportion of the total value of the relevant Nominated Horse without any premium or discount being attributable to the percentage of the Nominated Horse which the Nominated Horse Share represents;

b. valuing each Nominated Horse Share on a fair market basis without any leaning or bias towards a seller or a buyer;

c. the sale is to be on arms' length terms between a willing seller and a willing buyer;

d. the shares are sold free of all restrictions, liens, charges and other encumbrances; and

e. the sale is taking place on the date the Valuer was requested to determine the Fair Value.

2. If, following receipt of the Fair Value assessment under clause 19.1, any Discontinuing Member does not agree with the Valuer's assessment of the Fair Value of any of their Nominated Horse Shares, they may notify the Syndicator in writing within 5 days that they wish to change to be a Continuing Member with respect to particular Nominated Horses. If the Discontinuing Member does this: (a) they may not revoke this decision and shall be bound to continue as an owner (and to pay all costs attaching to their relevant CM Nominated Horse Sale Shares, for the continuing period) should the particular Nominated Horses be retained under a New Syndicate pursuant to the operation of clause 18; (b) they shall provide the information under clause 18.6; and (c) the Syndicator shall immediately notify the other Continuing Members of this change. If the Discontinuing Member does not do this, they shall be deemed willing to sell at Fair Value and the Continuing Members may buy any of their Nominated Horse Shares at Fair Value in accordance with and subject to the provisions of clause 18.

20. Completion of purchases

Purchases under clause 15

1. Completion of the sale to the Other Members of the Selling Members' rights in and to the Sale Horse pursuant to clause 15.5b shall take place on the day when payment of the Offer Price equivalent for such rights has been paid to all Selling Members. At completion, (a) all the Selling Members' rights, title and interest in and to the Sale Horse shall be transferred by the Selling Members to the Other Members (or any separate syndicate or other ownership model established by the Other Members for purposes of owning the Sale Horse), and (b) the Sale Horse shall automatically cease to be part of the Syndicate, but without prejudice to any rights or obligations of the Selling Members with respect to the Sale Horse which accrued before such cessation.

Purchases under clause 18

2. Where buyers are found for all Nominated Horse Shares in relation to the Nominated Horses being retained pursuant to clause 18.10 or 18.11, the Syndicator shall direct the Continuing Members (and, as applicable any third-party buyers) to pay, by bank transfer into the Syndicate Bank Account, the sale price for the applicable Nominated Horse Shares they are buying, by no later than the Buyer Deadline Date. The "sale price" shall be the relevant Proposed Sale Price.
3. Where all such payments are made by the Buyer Deadline Date:

a. completion shall take place on the day when full payment for the relevant Nominated Horse Shares has been received into the Syndicate Bank Account. At completion: (i) all the Discontinuing Members' rights, title and interest in and to the Nominated Horses being purchased pursuant to clause 18.10 or 18.11 shall be transferred by the Discontinuing Members to the relevant buyers (or, as applicable, to the New Syndicate established by them for purposes of owning the Nominated Horses being purchased); (ii) such Nominated Horses shall automatically cease to be part of the Syndicate (but without prejudice to any rights or obligations of the Members with respect to the Horses which accrued before such cessation), and (iii) the Syndicate shall (once all other Horses, if any, have been sold pursuant to clauses 6.1 and 14.4) be wound up, without prejudice to clause 25 and any other continuing obligations;

b. the Syndicator shall register the New Syndicate for purposes of owning the Horses that are being purchased pursuant to clause 18.10 or 18.11;

c. the Syndicator shall enter into a written agreement in relation to the New Syndicate with all shareholders (being the Continuing Members and, as applicable, any third-party buyers who have purchased the applicable Nominated Horse Shares pursuant to clause 18.10 or 18.11. Such agreement shall be in substantially similar form to this Agreement; and

d. the Syndicator shall open a separate bank account solely and exclusively for the New Syndicate.

4. Where all such payments under clause 20.2 are *not* made by the Buyer Deadline Date, all intended sales to Continuing Members (and, as applicable any third-party buyers) pursuant to clause 18.10 or 18.11 shall be deemed invalid and (i) any Proposed Sale Price amounts paid by any proposed buyers under clause 20.2 above shall be refunded to such buyers, and (ii) the Horse(s) shall instead be sold in accordance with clauses 6.1 and 14.4.

21. Events of default

a. For purposes of this clause 21, a "Transfer Notice" means an offer by the Member to the Syndicator to sell their Share(s) for no charge in consideration for the Syndicator agreeing to take on all future costs and liabilities attaching to such Share.

b. A Member is deemed to have served a Transfer Notice to the Syndicator immediately before any of the following events of default:

- a bankruptcy order being made against the Member, or an arrangement or composition being made with their creditors, or where the Member otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors.

3. The Syndicator is deemed to automatically accept the offer under the Transfer Notice, further to which the Member shall cease to be a Member of the Syndicate and all the Member's rights and obligations with respect to the Member's Share shall transfer to the Syndicator as from the transfer date. The Syndicator shall remain the owner of (and responsible for payments and other obligations attaching to) such Share until such time as the Syndicator sells such Share to a new subscriber.
4. Without prejudice to the provisions of clauses 11.2 and 11.3, where a Member fails to pay on time any Costs Per Share or other amount due under this Agreement and still fails to pay within three months of being requested to do so by the Syndicator:

a. the Member is deemed to have served a Transfer Notice to the Syndicator. The Syndicator hereby agrees to accept such Transfer Notice offer and shall notify the defaulting Member of the Syndicator's acceptance as soon as reasonably practicable, further to which the Member shall cease to be a Member of the Syndicate and all the Member's rights and obligations with respect to the Member's Share shall transfer to the Syndicator as from the transfer date. The Syndicator shall remain the owner of (and responsible for payments and other obligations attaching to) such Share until such time as the Syndicator sells such Share to a new subscriber; and
b. the Syndicator may report the Member to the BHA through the submission of a non-payment report issued in accordance with the Rules of Racing (Syndicates Code), following which if the Member cannot provide the BHA with a good explanation for the late payment, they may be added to the Forfeit List.

22. Members' meetings and voting generally

a. This Agreement makes no provision for a scheduled meeting of Members. However, a majority of Subscribing Members shall be entitled to require that a Members' meeting is held by phone or other media (including by Zoom or Teams or other manner) to discuss and vote on a specific matter, by sending to the Syndicator a written request for such a meeting to be held.
b. Within three (3) days of receiving any such request, the Syndicator shall call a Members' meeting by giving not less than thirty (30) days' written notice thereof to all Members particularising in the notice the time, manner and date of the meeting to be held and any matters which those who have requested the meeting have stated that they would like the meeting to address.
c. At any such meeting, any motion approved by 75% or more of all Members shall be sufficient to pass any binding decision relating to the Syndicate, save that no decision of any matter under clause 23 may be made other than in accordance with clause 23.
d. In respect of any matters in this Agreement where approval is required of a certain number of Members, if approval is given by the minimum required number of Members (or more), any Members who did not give their approval hereby agree to nonetheless abide by the decision. If approval is given by less than the minimum required number of Members, the status quo shall continue.
e. For clarity, no Member shall have more than one vote (even where they hold more than one Share).

23. Matters requiring unanimous consent of Members

a. The Syndicator shall not and, for as long as a Member remains an owner of the Horses in the Syndicate, such Member shall not (and each shall use their reasonable endeavours to procure that the Syndicate shall not) do or permit to be done or agree to do any of the matters listed below, without the prior written consent of all Members (save for any Members excluded from voting pursuant to clause 11.3a):
a. incur or permit to be incurred any Unforeseen Costs;
b. continue this Agreement beyond its proposed End Date;
c. sell, lease or otherwise dispose of any of the Horses (except as specified in clauses 13.1, 14, 15 and 18);
d. sell, transfer, assign, pledge, charge, encumber or otherwise dispose of any Share or any interest in any Share in the Horses (except as specified in clauses 13.1, 14, 15 and 18 in relation to the sale of the Horses); or
e. increase, reduce or sub-divide the Share(s) in the Horses.

24. Termination

a. This Agreement will terminate at the end of the Syndicate Period (except as specified in clauses 2.4, 17.2 and 23).
b. Termination of this Agreement shall be without prejudice to the rights and obligations of the Syndicator and each Member accrued prior to such termination, or under any provision which is expressly stated not to be affected by such termination including in respect of any prior breach of this Agreement.
c. The provisions of clauses 1, 7.3, 10.2, 11, 12.1(g)-(k), 21, 24, 25, 27 and 28 shall survive the termination of this Agreement and continue in full force and effect.

25. Accounts and distribution of Syndicate funds

a. The Syndicator shall open and maintain a bank account in the name of the Syndicate to which shall be credited all sums paid by Members in respect of the Syndicate and all other sums received by the Syndicate and to which shall be debited all amounts charged to the Syndicate. The bank account (the "**Syndicate Bank Account**") shall be used solely and exclusively for the purposes of the Syndicate. Upon request by a Member, the Syndicator shall promptly provide the Member with a bank statement in respect of the Syndicate Bank Account showing all transactions.

b. Where the Syndicate Period is for more than one Season:
   i. the Syndicator shall prepare a set of accounts (on the same basis as set forth in clause 25.5) at the end of each Season as well as when the Syndicate is wound up;
   ii. the Syndicator shall send such accounts to each Member by email (and/or by post if so requested by any Member) as soon as reasonably practicable after the end of the Season; and
   iii. any prize money won by the Horses during the prior Season (together with any other amounts remaining in the Syndicate Bank Account after payment of all relevant fees) shall be retained in the account and (unless the amount is insufficient to merit a change) used to reduce the Costs Per Share payable for the next Season. Once the reduced Costs Per Share for the next Season have been calculated, the amount due from each Member for the coming Season shall be notified to the Members by the Syndicator who shall invoice the Members accordingly. Each such invoice shall be payable by the same due dates set forth in the Syndicate Information.

c. Where a Horse is sold (but where one or more Horse remains in the Syndicate):
   i. the Syndicator shall prepare a set of accounts (on the same basis as set forth in clause 25.5) following such sale;
   ii. the Syndicator shall send such accounts to each Member by email (and/or by post if so requested by any Member) within five weeks of the end of the sale; and
   iii. any sale proceeds (together with any other amounts remaining in the Syndicate Bank Account after payment of all relevant fees) shall be retained in the account and (unless the amount is insufficient to merit a change) used to reduce the Costs Per Share payable for the remainder of the Syndicate Period. Once the reduced Costs Per Share for the remainder of the Syndicate Period have been calculated, the amount due from each Member for the remainder of the Syndicate Period shall be notified to the Members by the Syndicator who shall invoice the Members accordingly. Each such invoice shall be payable by the same due dates set forth in the Syndicate Information.

d. Only following the end of the Syndicate Period once the last remaining Horse is sold or otherwise transferred (or dies) will final accounts be prepared and any amounts remaining in the Syndicate Bank Account (after payment of all relevant amounts due) be distributed to Members rateably according to the number of Shares held by them.

e. As soon as reasonably practicable after the last remaining Horse has died or been sold or otherwise had its ownership transferred, the Syndicator shall (a) pay all outstanding fees and expenses due, (b) make all VAT recovery submissions not made previously, and (c) prepare a set of wind-up accounts, independently reviewed by the Syndicator's nominated accountants showing:

Income

- the monies paid by the Members in respect of their Shares;
- the prize money won by the Horses (but excluding any trophies of their value);
- any other income (such as appearance money) received in relation to the Horses, except for Excluded Income identified as such in the Syndicate Information;
- the sale price of the Horses and/or, if and where applicable, insurance receipts; and
- any VAT recovered.

Expenditure

- the Purchase Price;
- the Associated Purchase Costs;
- the Training Fees;
- the Insurance Costs;
- the Management Fee;
- the Allowable General Expenditure; and
- any Approved Unforeseen Costs.

6. The resulting balance (together with a pro rata refund of the Management Fee if the Syndicate has ended early before the end of the Season and if the full Management Fee has previously been paid) shall be distributed to Members rateably according to the number of Shares held by them, within 10 days of the accounts being distributed. It is acknowledged, however, that the VAT recovery period could take several weeks and that this may dictate when final accounts can be concluded and distributed.
7. Each set of accounts shall clearly identify, on an itemised basis, all income and expenditure. Without limitation, all itemised expenditure shall clearly identify all third-party charges, including any that might not otherwise be that apparent to the Members such as any sales commission chargeable by a Trainer pursuant to the Training Agreement or by a specialist consignor whose services are used for the purposes of selling the Horses.
8. The Syndicator shall keep copies of all receipts, third-party invoices and other supporting documentation to evidence expenditure charged to the Syndicate and shall promptly provide Members with copies of the same upon request.

26. Acknowledgement

a. The Syndicator and each Member acknowledges that:

a. by participating in the Syndicate, they shall be subject to, and regulated by, certain provisions of the Rules of Racing for the duration of the Syndicate Period, and agrees that they shall comply with them; and
b. (without prejudice to the generality of the foregoing) they are aware of the rules that prohibit the sharing of inside information and prohibiting the lay betting of owned horses and are aware, in particular, of the following Chapters of the Rules of Racing (which may be subject to change from time to time on notice by the BHA to the Syndicator): (J) Integrity and (L) BHA Investigations and Disciplinary Action.

2. Each Member acknowledges that participation in the Syndicate is for the purpose of sharing in the enjoyment of the Horse and not for investment and may not necessarily provide any financial return.

27. Compliance with laws

a. Each Member shall, and the Syndicator shall, at all times comply with all applicable laws and regulations relating to this Agreement and/or the Syndicate and/or the performance of their respective rights and obligations under or in connection with this Agreement.

28. General

a. Any notice given under this Agreement shall be in writing and shall be delivered by hand, by email, or sent by pre-paid first class post or recorded delivery post to the address of the party (as most recently specified), or to such other address notified to the other party. A notice delivered by hand is deemed to have been received when delivered. A correctly addressed notice sent by pre-paid first-class post or recorded delivery post shall be deemed to have been received at the time at which it would have been delivered in the normal course of post. A notice sent by email to the correct email address last notified by the intended recipient shall be deemed received at the time of sending.
b. Each Member undertakes that they shall not use, divulge or communicate to any person (except to their professional advisers or as may be required by law or any legal or regulatory authority) the terms of this Agreement or any confidential information concerning the affairs of the Syndicate.
c. If any provision (or part of a provision) of this Agreement is found by any court or administrative body of competent jurisdiction to be invalid, unenforceable or illegal, the other provisions shall remain in force. If any invalid, unenforceable or illegal provision would be valid, enforceable and legal if some part of it were deleted, the provision shall apply with whatever modification is necessary to give effect to the commercial intention of the parties.
d. Any variation of this Agreement shall be in writing and signed by or on behalf of all the parties for the time being.
e. No failure or delay by a party to exercise any right or remedy provided under this Agreement or by law shall constitute a waiver of that or any other right or remedy, nor shall it preclude or restrict the further exercise of that or any other right or remedy.
f. Rights and remedies arising hereunder are cumulative and do not exclude rights and remedies provided by law.

g. This Agreement constitutes the whole agreement between the parties and supersedes any previous arrangement, understanding or agreement between them relating to the subject matter they cover.
h. Except as stated in clause 2.2, this Agreement is personal to the parties hereto (and their successors and heirs) and no third party has any rights to enforce any of its terms.
i. The Syndicator shall not assign, transfer or delegate any of their rights or obligations under this Agreement.
j. This Agreement may be executed in two or more counterparts, each of which together shall be deemed an original, but all of which together shall constitute one and the same instrument.
k. This Agreement shall be governed by English law and the Syndicator, and each Member irrevocably agrees that the courts of England shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Agreement or its subject matter.
l. This Agreement has been entered into on the last page of this Agreement ("Agreement to Be Legally Bound").

SUBSCRIPTION FOR SHARE(S)

I hereby subscribe for ____ Share(s) in the Syndicate.

I hereby agree to pay all costs per Share set out in this Agreement, by no later than the times specified for payment.

I acknowledge and agree that the initial payment per Share is £ _____ (the "**Initial Payment Per Share**").

I have transferred payment for £_____ by bank transfer to the Syndicate Bank Account, to cover the Initial Payment Per Share for each Share for which I have subscribed above.
Contact us for our Bank Details prior to signing and sending this agreement to Devon Racing Ltd.

Signed: _____

Name: _____

Address: _____

Telephone No: _____ Email: _____