

# OWNARACEHORSE LTD SYNDICATE AGREEMENT

in respect of

## EXAMPLE HORSE

(Swiss Spirit out of French Bread (Swiss Bread))

registered in the name of Ownaracehorse Ltd

The effective date of this agreement is 1st January ???

EXAMPLE HORSE hereafter known as the "The Horse or horse"

The objective of **Ownaracehorse Ltd** hereafter known as the "The Partnership", is to own the above named horse collectively, for the purposes of racing, subject to trainers/vets advice.

(1) The person signed below shall hereafter be referred to as the "Owner". As an individual owner or company ownership, you are only liable for obligations which arise from your ownership share.

(2) Ownaracehorse Ltd shall hereafter be referred to as the "Syndicate Manager". Any change in Syndicate Manager will require the unanimous consent of all owners involved within the racehorse.

(3) The Owner is entitled to:

**5%** of all Owners' prizemoney won by each Horse after it has been paid by Weatherby's into The Partnership bank account, which will be set up by and be the sole responsibility of the Syndicate Manager.

(i) **5%** of any auction, sale or claiming revenue, net of sales costs from each horse.

(iii) **1** Owners badge(s) (free entry to the owners'/members' enclosures) whenever possible on the occasion where the Owner is present when his/her horse is running. Additional owners badges can be arranged at the cost of circa £15 per additional badge, except at courses; Ascot, York, Epsom, Goodwood, Cheltenham, Sandown, Aintree (Festival) where the additional price will be circa £50 per additional badge and courses Haydock, Aintree (Non Festival), Chepstow, Chester, Kempton, Doncaster, Newmarket, Newbury, Salisbury where the additional price will be circa £20-£25 per additional Owners Badge.

(4) An initial sum of **£TBA** (including VAT) will be paid to Ownaracehorse Ltd. to purchase the Owner's shares of the Horse. This sum is a one-off purchase fee for the percentage expressed in (3) provided at a discretionary rate.

(i). Then the sum of **£TBA** (including VAT) will be payable monthly (in the first week of each month, unless by arrangement) to cover all ongoing training, racing entries, vets fees, declarations and racing expenses. Monthly payments to start TBA.

(5) With a view to keeping Owners costs to a minimum, no arrangements have been made for the insurance of the horse and individual owners are responsible for insuring their interests in the horse for such values and against such risks as they see fit, should they wish to do so.

(6)

(i) It is not the intention of the Syndicate Manager to keep accounts of expenditure or otherwise. It shall be the Syndicate Manager's responsibility to ensure that The Partnership operates within budget and the Owner shall in no circumstances be liable for any sums over and above those specifically mentioned in this agreement. Those entitlements listed in clause (3) are the precise and sole entitlements of the Owner in such matters as pertaining to the shareholding and his or her rights of association to it.

(ii) The only additional monies the Owner may have to pay above that stated in clause (4) would be an increase in stake money to enter races should the horse be running in top class events, as in these cases the entry fees budgeted for would be inadequate. These additional fees would be deducted from any future prize money earned and will not incur any direct cost to the Owner. These costs would be deducted from any future prize money at a rate commensurate with the cost price for all races with an entry cost in excess of £100. All entry stakes/costs over and above that threshold figure would be due pro rata, to include all forfeit stages and final declaration fees, but deducted from any future prize money due, not levied directly to the Owner who shall have no liability even if no future prize money is earned.

(7) Because no additional requests for payment from the Owner will be entered into, regardless of the financial circumstances of the The Partnership, the only monies returned from any bank account held by the Manager in the name of The Partnership will be those entitlements specified in clause (3) of this agreement.

(8) There shall be no more than 5 owners holding significant shares in the horse in total. However Ownaracehorse Ltd may syndicate non-proprietary, limited time-period shares in the horse from time to time.

(9) The Owner shall be entitled to visit the horse at the stables at any time convenient to the Owner, but appointments should be made through the Syndicate Manager.

(10) Interest of the Owner in the horse may not be assigned to a third party without the express written consent of the Syndicate Manager. Similarly, sub-leasing of an Owners share may not be conducted without the express written consent of the Syndicate Manager.

(11) All entries in the press and at Weatherbys will be made in the name of the The Partnership.

(12) If practical the Owner will be consulted wherever possible regarding racing plans, but in the event of any dispute, the Syndicate Manager, in consultation with other owners within the The Partnership and the trainer, will be empowered to make executive decisions.

(13) The horse may be entered for 'selling' or 'claiming' races. The Syndicate Manager will attempt to provide prior consultation with Owners, although the Syndicate Manager does reserve the right to make executive decisions on this matter if all owners are not in accord.

(14) The Owner accepts that by signing this agreement they have appointed the Syndicate Manager to act on their behalf in all matters relating to the horse including those with, but not restricted to, Weatherby's.

(15) This agreement will automatically terminate once the Horse is sold at auction, or when the Horse is retired and leaves full training. A decision on whether to retain or sell the horse will be made every August-September ahead of the in-training sales in October. This decision is based on 50%+ (by % owned) of the ownership wishing to sell. Should the Horse continue in training but the Owner wishes to terminate their association with the Horse at the end of flat season in October, they must provide one months notice. The Owner will receive no sale value from relinquishing their share. At any other time of the year three months notice should be given to the Syndicate Manager of their intention to terminate their involvement.

(16) In the event of the Owner terminating this agreement and therefore their association with the The Partnership and the horse there will be no refunding of any monthly charges. Owners will be paid any monies pertaining to their percentage share outstanding from their entitlements under clause (3). For the avoidance of doubt the Owner will have no entitlement to any other monies held in the bank account in the name of Ownaracehorse Ltd other than those previously mentioned. If, however the Owner can secure a replacement owner on their behalf, then that transaction becomes personal to them. Replacement owners have to be notified to and approved by the Syndicate Manager.

(17) The procedure when an outright Owner wishes to terminate his/her association is as follows:  
(i) If the Owner has not used their right to leave the syndicate in October, three months notice will be

given, during which time all training costs should be paid, or an agreed balancing sum paid equalling three months training costs;

(ii) Ownaracehorse Ltd shall take over the payments and be liable for all costs relating to that share, and of course its appropriate right to those entitlements laid down in clause (3).

(18) Should any dispute arise, the horse will continue to race without objection.

(19) Ownaracehorse will make no deductions from gross or net prizemoney.

(20) Should the Owner default on any upfront or monthly payments, without the prior consent of the Syndicate Manager, then they will become liable to forfeit their shareholding and it's attributed entitlements at the discretion of the Syndicate Manager. All invoices are payable within 14 days. If no payment is made within 28 days the Owner will forfeit their ownership in the horse and no longer be part of The Partnership and will be liable to a severance payment equalling three months training fees.

(21) In the event of the horse sustaining life threatening injury, the trainer and Manager shall be employed to make decisions, where necessary. These decisions will be made in consultation with owners wherever practicably possible.

(22) Monthly training fees are reviewed every October. If an increase is required due to inflation or an increase in training fees, one months notice of the new monthly fee will be provided to the Owner.

(23) This agreement cancels and supersedes any previous agreements the Owner may have had in respect of Ownaracehorse Ltd and the Horse.

Signed and Dated:

Etc...

**End of document.**