

ANNEXURE Applications For a 1% Share (& Multiples thereof)

SAVABEEL x BINGO Brown Filly

The following document has been attached to and forms part of the Product Disclosure Statement and the Owners Deed for this promotion and specifically relates to the sale of 1% Shares (only).

MAXIMUM NUMBER of 1% Shares offered in this Promotion - **Ten (10)**

INITIAL COST - The price for a 1% share interest (minimum share) in this horse is **\$2,989.00**.

This includes purchase price plus GST plus mortality insurance to 31 October 2020 = **\$2,090.00**

Also, the price includes an additional amount of **\$899** inc GST to cover training fees and all costs out to **1st October 2021**.

1% = **\$2,989**, 2 x 1% = \$5,978, 2.5 x 1% = \$7,472.50, etc.

WHAT'S NOT INCLUDED IN SHARE PRICE – There are two charges we cannot budget for:

(A) Ongoing insurance from 1 November 2020. This can be arranged privately (if required) with Logans should an individual investor choose to take up this option.

(B) Major race nominations and acceptances. Should this be required, the individual investor will receive an invoice pro-rata for this fee.

ONGOING COSTS From **1 October 2021** - Based on experience and the trainers schedule of fees, we estimate that the total holding costs per annum to own a 1% share will average approximately **\$90 per month** over a 12-month period (\$1,080 per annum).

Please review the Trainers Fees Notice attached as an annexure to the PDS for more detail.

All owners will be responsible for their share of costs incurred from **1 November 2020** regardless of the date that they buy in. Noting that this Share Price of **\$2,989.00** is already inclusive of GST and all costs to **31 October 2020** plus an additional all costs period to **1 October 2021** already allocated within this 1% Share price.

From **1 October 2021**, each owner will be invoiced directly for their pro-rata share of the ongoing costs and will receive an itemised monthly statement from the suppliers (trainer, spelling farm, etc).

CREDIT CARD AUTHORITY REQUIRED - To reduce the administrative burden we require owners to authorise Dynamic Syndications to direct debit their Credit Card for monthly fees due after 1 October 2021. A form will be sent out after your application for a share is received.

TRAINING AGREEMENT - All owners are bound by our terms of the attached PDS, Owners Deed and Trainers Agreement for this promotion.

HORSE UPDATES - All owners will receive regular email updates (voice, photos and video) directly from Dynamic Syndications.

NAME IN RACE BOOK - All owners with 5 or more 1% Shares will have their names in the race book.

All owners with less than 5% will become a member in a Registered Dynamic Syndications Racing Syndicate, and that Registered Syndicate will hold the relevant percentage of the horse. The syndicate name 'Dynamic Syndications Racing Syndicate No. XX' will appear in the race book.

RACE DAY PRIVILEGES - Each owner with a **5% share** will be entitled to two admission passes to the racecourse and Members Stand when your horse is racing plus one Mounting Yard pass. Limited mounting yard passes will be available at the discretion of the Racing Club, allocated under their OH&S policies. In NSW the policy is one Mounting Yard pass per 5% Shareholding to a maximum of 20 passes being distributed.

Regularly not all passes are used. First preferences for these unused passes will be given to those owners of a 1% Share whom advise our office that they would like to attend, with all received requests then subjected to distribution by ballot. (*Subject to race club and Covid-19 restrictions).

PRIZEMONEY – For 1% Shares, any Prizemoney received will be disbursed by Racing Authorities to the applicable Dynamic Syndications Racing Syndicate Trust Account, and we will credit each owner's account proportionate to their share interest. If there is a significant surplus, we will arrange a quarterly EFT distribution to our owners.

NO MANAGEMENT FEES APPLY UPON 1% SHARES - There are no ongoing management fees upon a 1% Share (or multiples of 1% Shares), they are waived by the promoter.

WHAT HAPPENS IF ALL THE SHARES ARE NOT SOLD? - Any unsold shares will be retained by Dynamic Syndications.

MANAGING OWNER – Dean Watt will be named the managing owner in the syndicate (Adam Watt will act as his proxy if required).

SYNDICATE DECISION MAKING - Any important decisions e.g. whether the horse should be retired, offered for sale, change of training stables, etc will be made by an extraordinary resolution by a majority vote of the ownership group. Dynamic Syndications will co-ordinate the voting process if one is required.

HORSE IS SOLD - If the majority of the owners vote to sell the horse, the sale proceeds (when received) will be credited against each owners account proportionate to their pro-rata share. Once the co-ownership is resolved and all accounts received are settled, the balancing amount will be transferred by EFT to the owners account within 10 days.

AUTHORITY TO SIGN FORM - All syndicate members are required to complete and return an authority to sign document to allow us to complete syndicate registration paperwork on your behalf.

ENDING THE SYNDICATE - Owners remain obligated to pay their share of the ongoing costs until either (a) a new owner has been approved by the Manager to take over your share of the syndicate or (b) the horse is sold or rehomed.

SELLING YOUR SHARE - If you wish to sell your share in the syndicate, under a pre-emptive right the share must first be offered to the existing syndicate members (via the Syndicate Manager). It is the investors obligation to find a replacement syndicate member who must join the syndicate under the same terms and conditions as other syndicate members have entered the agreement. Your commitment to the ongoing cost remains until the new owner (1) has been approved and (2) the new owner has provided all of the necessary information (contact details, credit card authority and authority to sign, completed a secondary sale PDS and Owners Deed, etc).