

6 March 2015

Racing NSW
Level 7
51 Druiitt Street
SYDNEY NSW 2000

Dear Sir / Madam,

RE: Commitment to Train for DYNAMIC SYNDICATIONS

I wish to confirm that Dean Watt, on behalf of his company Dynamic Syndications, inquired if I was interested in training the following horse on their behalf.

2013 Bay Filly – CAPE BLANCO x ATHENRI (NZ)
LOT 30 Inglis Premier Yearling Sale

I have agreed to train the abovementioned horse in accordance with my standard terms of trade. These terms are available from my office upon request. Our main stables are based at RANDWICK and we also have stables at FLEMINGTON. This horse during its racing career may transfer between stables should racing opportunities present themselves.

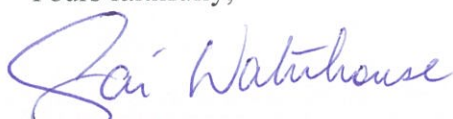
Further, my business practice is in accordance with the Product Disclosure Statement supplied with this horse.

I acknowledge that Dynamic Syndications employ Dr John Walker as their contracted veterinarian. I am aware Dr Walker has seen this horse at the sales prior to purchase where it passed a physical examination and its x-ray inspection did not reveal any areas of concern. I am aware the horse passed an endoscopic evaluation. I am aware this horse was passed as suitable for syndication for racing purposes.

I offer this letter for inclusion with Dynamic Syndications Product Disclosure Statement for the above described horse. I advise that I have had no previous association or any financial interest with this horse prior to being asked to train it for Dynamic Syndications.

I look forward to training this horse.

Yours faithfully,

A handwritten signature in blue ink that reads 'Gai Waterhouse' in a cursive script.

Gai Waterhouse
Racehorse Trainer

Terms & Conditions of Training

All training conducted by Gai Waterhouse (the Trainer) shall be subject to the following terms and conditions and each and every owner, lessee, syndicate, manager or other person passing to this trainer a horse to train shall be deemed to have done so subject to these terms and conditions. Part owner, lessee, syndicate, corporation or any manager of any of them and where there is more than one person who would by the definition herein contained be an "owner" then, to the extent to which the same is not prohibited by the rules of racing of the principle club in the State in which the Trainer operates or by law, these terms and conditions shall bind all such owners jointly and each of them severally.

1. The Trainer shall train, stable, feed, exercise and prescribe treatment for the horse in such manner as she, in her absolute discretion, deems proper or appropriate.
 2. The Trainer shall have the right to nominate, enter, accept or withdraw the horse for any race or trial she thinks fit unless she has received written instructions from the owner to the contrary and in the case of more than one owner such written instructions must come from the Manager as recognised by the Rules of Racing.
 3. The Trainer shall not be liable to the owner (in the case of more than one to any of them) for any loss, damage, cost or expense incurred and arising out of any injury, damage or death which may arise or be caused and notwithstanding the same is attributable to or is in part attributable to recklessness, negligence, forbearance or neglect by the Trainer, any servant or agent of the Trainer or any other person in whose care or control the Trainer may place the horse.
 4. The training fee for the purposes of these terms and conditions shall include (but shall not be limited to) any and all costs, expenses or charges levied by the Trainer in connection with the training, maintenance, exercising, feeding, stabling, running, freighting or agisting of the said horse and shall also include those costs and fees detailed in Clauses 5 through 7 hereunder.
 5. In addition to the training fee as referred to in the preceding clause the owner shall be liable for all fees and costs incurred by the Trainer including the cost of staff gear and additives.
 6. The owner shall be liable for all additional costs occasioned by the horse being trained or transported away from the Trainer's address of her licence to train. This includes transporting the horse interstate and costs associated with the Trainer and staff travelling interstate (including accommodation) when the horse races interstate.
 7. The Trainer shall have the right at times to engage a Veterinarian, Blacksmith, Horse Dentist, Physiotherapist or other person thought by the Trainer to be necessary or advisable to attend the horse and the full cost thereof shall be borne by the owner.
 8. In addition to the training fee and any other monies payable to the Trainer pursuant to any of the preceding clauses the Trainer shall be entitled to receive:
 - a) 10 per centum of the advertised stakes earned by the horse or 10 per centum of the actual stakes earned whichever shall be the greater which percentage of the stakes may be paid direct to the Trainer by the Club holding the race meeting.
- AND
- b)
 - i) 5% of any prize money earned by the horse for a win in a race.
 - ii) 5% of prize money \$50, 000 and over earned by the horse for a place in a race.
 - iii) 15 per centum of any "starters rebate" or similar in excess of \$10, 000 earned by a horse starting in a race.
 - c) If claimed by the Trainer in her discretion, 10 per centum of the net proceeds of the sale of the horse if it is sold whilst it is trained by the Trainer or within three months of being trained by the Trainer.
9. The owner shall be liable for all race day fees including the additional allowances as set out in any industrial Agreement or Award relating to attendants or strappers.
 10. The Trainer shall engage or employ and instruct the Race Jockey unless prior arrangements have been made by the owner with full knowledge of the Trainer not less than 48 hours before the race or 24 hours before

the time to declare the rider for the horse in a race as required by the relevant Rules of Racing whichever shall be the earlier.

11. The training fee may be varied from time to time, as may be advised by the Trainer in writing to the owner, whether it be by submission of an account or otherwise. "Training fee" is the amount calculated and payable on a daily basis or any part of a day.
12.
 - a) Without limiting the rights of the Trainer pursuant to Clause 12 b) hereof the Trainer, or her agent duly authorised in writing, shall have the absolute right to retain possession of any horse and/or its registration papers until all training fees relevant thereto have been paid.
 - b) Notwithstanding anything elsewhere herein contained and without prejudice to any other right the Trainer may have pursuant to these terms and conditions or at law, in the event that the training fee remains outstanding for a period of 30 days after the same was due for payment as herein provided then the Trainer shall have the right to offer for sale the horse to which such fees relate by public auction and to apply the proceeds of sale thereof (after deduction of commission etc. directly associated therewith) firstly against all training fees outstanding in relation to the relevant horse at the date of sale together with interest thereon and any costs of the Trainer associated with the sale, secondly against any other training fees outstanding from the owner in relation to any other horse with the Trainer with the balance, if any, to be paid by the Trainer to the owner or as the owner may direct.
 - c) Without limiting any other rights the Trainer may have whilst any training fees remain outstanding she shall have the right to retain possession of all papers and documents including registration papers of the horse or pertaining to the horse notwithstanding that such retention shall have the effect of preventing the horse from racing and the Trainer further may retain any gear, trophies and other items the property of the owner but in the Trainer's possession.
13. Notwithstanding anything else herein contained and without prejudice to any other right the Trainer may have under these terms and conditions or at law the trainer shall have the right to direct any race club to pay any prize money won by the horse to her and (whether or not such direction is in all the circumstances necessary) shall have the right to apply any prize money coming into her possession which was won by the horse in the manner more particularly detailed in Clause 12 hereof as if such prize money was proceeds of sale of a horse as therein contemplated.
14. For the purposes of Clauses 12 and 13 of these Terms and Conditions the owner absolutely appoints the Trainer as her attorney with full power to deal with any horse or any monies as the case may be and without limiting the generality of the foregoing the owner absolutely appoints the Trainer his attorney to enter any horse for sale at public auction, to instruct the auctioneers in relation thereto and to apply the proceeds of sale therefrom in accordance with the terms of Clause 12 hereof.
15. All monies payable to the Trainer shall be paid within seven (7) days of the trainer submitting to the owner an account for the same.
16. Interest of 2% per month is payable on all accounts exceeding thirty (30) days.
17. If the horse is transferred from the Trainer to another trainer the Trainer shall be entitled to be paid in addition to any amounts payable otherwise pursuant to the terms of this agreement (a) 10 percent of the advertised stakes earned by the horse within 14 days of such transfer or 10 percent of the actual stakes earned within such period whichever shall be the greater.
18. If a horse is retired to stand as a stallion at stud then the owner grants the Trainer either a 1/40th share of the horse or 2.5% of the value of the horse as agreed or failing agreement, as valued by a recognised equine valuer appointed by the Trainer.
19. By a payment of accounts sent to the owner by the Trainer the owner acknowledges and accepts these terms and conditions apply to any training and further training for the horse.

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