

Agreement – Geegeez.co.uk Makthecat (Makfi) Syndicate – September 2020

Consent to the terms of this agreement is a pre-requisite for acceptance into the geegeez.co.uk Makthecat syndicate, September 2020.

The below conditions outline how the syndicate will be run; payment terms; returns on investment; and the syndicate exit strategy.

1. Ownership shares

There will be eleven (11) equal shares in the syndicate, each representing a 9.09% holding in the horse. The shares will cost £4,000 each, inclusive of VAT. A payment plan option may be available, though preference will be given to those able to cover the full first year up front. That option would be £2,500 then £500 on the 1st of December, March and April.

The ongoing monthly contribution, which will commence at the beginning of year two (September 1st 2021), is £170, or £2,000 for the full year.

The above covers the costs for the purchase of one share in the horse, plus all normal expenses in years one and two. See 8. and 12. below for more detail.

2. Voting Rights

Each share carries a single vote in matters requiring such recourse. In the event of a tied vote, the syndicate manager (Matt Bisogno) shall have the casting vote.

3. Length of term

It is intended that the Syndicate will retain the horse for a period of three years or more, or until such time as the syndicate decides to sell.

The Syndicate will run for an initial term of 24 months, from 1st September 2020 to 31st August 2022. At the end of this initial term, members will review matters and vote on whether to retain the horse.

Unless at least ten members elect to retain the horse, she will be offered at the next available sale. All members will receive an equal share of the sale price, less associated expenses.

There would be an option for a new syndicate to be framed from remaining members if this is deemed viable.

4. Owner Registration

The syndicate will be run as a Partnership under the BHA definition of the same. This requires two members to be registered. The syndicate manager will be one registered party, the other is to be confirmed.

5. Operational Management

The syndicate manager, in conjunction with the trainer, will be responsible for the operational management of both the syndicate and the horse.

Major decisions will require a vote among syndicate members, and the voting rights of 2. above will prevail.

6. Accounting Facilities

Geegeez.co.uk Makthecat syndicate has a Weatherby's account. The Syndicate will use the Weatherby's account for payment of annual (and/or monthly) fees; receipt of prize money/VAT refunds; and, the payment of training fees and all associated costs. Details are below:

Bank Name: Weatherbys

Account Name: Geegeez.co.uk OM

Account Number: 11013955

Sort Code: 609303

IBAN: GB42 WBYS 6093 0311 0139 55

SWIFT / BIC Code: WBYSGB22

7. Operation of the Account

The Weatherby's account will be operated by the Syndicate Manager. Statements will be available to all members for inspection, upon request.

8. Covering Expenses

All syndicate members have an equal responsibility to cover expenses. The first year's training and racing expenses are factored into the one-off or instalment payment options outlined in 1. above, until 31st August 2021.

This sum covers 'normal' expenses, such as training, farrier, routine vet fees, jockey, entries, and racecourse travel.

At the end of year one, a second payment of £2,000 (or monthly equivalent) to cover the 'normal' expenses from 1st September 2021 to 31st August 2022 will be required. Payment terms are as per 1. above.

If the horse has an option to race abroad, or non-routine veterinary intervention is needed, the syndicate shall divide the additional cost between members. Any such expense of £1,650 or more (i.e. £150 per member) will require a majority vote to be carried.

9. Prize Money / Surplus / Sales Funds Distribution

Any prize money and/or funding surplus accrued will be held over in the Weatherby's account until the end of the initial term. At the end of the term, accrued funds will be divided, pro rata per share, amongst the syndicate members.

However, should an amount greater than £11,000 (i.e. £1,000 per syndicate member) be cleared in the account, an interim dividend may be paid.

If and when the horse is sold, each member will be entitled to a pro rata share of the sales proceeds, less expenses. **These expenses shall include a management fee of 7.5% of the auction / private sale price.**

10. Syndicate Name / Colours

The Syndicate shall be known as 'geegeez.co.uk OM' and will race in the geegeez.co.uk colours:



11. Trainer / Livery

After pre-training, the Syndicate will place its horse in the care of Olly Murphy, and the horse will remain in his care for the full term of this agreement unless/until a majority of members vote to move the horse.

12. Insurance

The horse has NOT been insured. Individual members may insure their share at a cost estimated to be around £200 per annum. The syndicate manager can provide details on request.

13. Value Added Tax

The geegeez.co.uk racing partnership is already registered with HMRC for VAT purposes, and all VAT payable will be recouped by the syndicate through this facility.

Fees do NOT include a provision for VAT, meaning the reclaimed VAT will be used to support the funding of expenses outlined in 8. above. Any surplus will be divided, pro rata per share, as per 9. above.

14. Partnership Changes

Each member of the syndicate is expected to honour his/her commitment for the full term outlined herein. It is further expected that any partner wishing to leave outside of the agreed minimum term will introduce his/her own replacement, or contribute the outstanding balance for the remainder of their agreed term.

15. The Spirit of the Syndicate

The above terms constitute an outline to the Syndicate. The Syndicate has been formulated to provide racing enthusiasts with the chance to own a share in a horse and get closer to the sport they love.

At all times, all members are required to conduct themselves in the spirit of the Syndicate. In the unlikely event of a dispute arising, the Syndicate Manager's decision will be final.

Agreement

I, (print name), hereby agree to be bound by the above conditions.

SIGNED:

DATE: