

# PRODUCT DISCLOSURE STATEMENT

## 1. Preparation and purpose

- 1.1 This Product Disclosure Statement ('PDS') has been prepared in relation to the sale of Shares in the thoroughbred horse to which this PDS relates. This PDS has been lodged with and approved by Racing NSW as Lead Regulator.

## 2. General

### 2.1 Name and Registered Office of the Promoter, and where the Promoter is incorporated:

Clanbrooke Pty Ltd, 21 Miniata Walk, Vermont South, Victoria, 3133.

Incorporated in Victoria, ACN 005 894 413; AFS Licence No. 260214.

### 2.2 Name of Offeror:

Clanbrooke Pty Ltd. Postal Address: Box 6024, Vermont South, Victoria, 3133.

- 2.3 The undersigned parties agree that they purchase the Horse as Owners with a view to sharing enjoyment of the Horse as a racehorse.

- 2.4 **What percentage of the horse/s are being syndicated.** 90%. Kalyan Park Thoroughbreds will retain 10% in the Colt.

- 2.5 **The number of shares available within this syndication: 18 x 5%****The purchase price of each share:** \$2750 per 5%.

- 2.6 Purchase price includes Breaking in, insurance for 12 months and agistment to 31<sup>st</sup> December 2022.

*(Note: The share price may be subject to discount at the discretion of the offeror in certain circumstances)*

- 2.7 **The number of shares required to be sold to result in a live scheme:**  
2

- 2.8 This Syndicate has been registered with Racing NSW. The shares being sold are owned by Kalyan Park Thoroughbreds.

- 2.9 Once the initial sale process has been completed, Kalyan Park Thoroughbreds will on-bill all actual expenses incurred (training/agistment and ancillary expenses) to all shareholders on a

monthly basis. Kalyan Park will also invoice a \$50 Management fee to all shareholders each month.

**2.10** The Promoter has or will receive the following administration fee from the trainer (amount per share): \$ nil

**2.11 Invoiced fees will cover (but not limited to):**  
Training, agistment, floating, shoeing, dentist, vet, strapper, regular nominations.

**2.12 Syndicate commenced on:** 15<sup>th</sup> November 2023

### **3 The Horse**

**3.1 A description of the Horses:** Yearling Bay or Brown Colt foaled 29<sup>th</sup> August 2021 by Cable Bay out of Tennessee La Belle.

**3.2 A statement as to whether the Horses are registered and if registered, the Registration numbers:** The Colt is not Registered.

**3.3 If not, has an Application to Register or Transfer been submitted to a principal Club?** No.

**3.4 Details of the racing performance(s) of the Horse (if raced):** The Colt is unraced.

**3.5 Details of the performance of the Sire:**  
**CABLE BAY (IRE)** (Bay 2011-Stud in GB 2016, Aust. 2017). 3 wins-1 at 2- at 6f, 7f, Newmarket Challenge S., Gr.2. Leading First Season Sire in GB/Ire in 2019. Sire of 240 rnrs, 127 wnrs, inc. SW Liberty Beach (Haydock Temple S., Gr.2), King's Lynn, Collinsbay, Uncommon James, Atalis Bay, Flying Missile, Laneqash, Jouska, SP Charity Spirit, Dragon Symbol, Ropey Guest, Separate, Visayas, Candle of Hope, Live on Stage, Natasha Romanova, etc.

**3.6 Details of the performances of the Dam:**  
**TENNESSEE LA BELLE**, *by So You Think*. Unraced. Half-sister to **Enzed Girl**. This is her fourth foal. Dam of two foals to race, inc:-  
Supido Beauty (f. by Supido). **2 wins** at 1000m, 1200m in 2022-23 in Aust.

**3.7 Details of owners of the horse's sire and dam:**  
Patricia Osmond of Kalyan Park Thoroughbreds bred this horse.

**3.8 Name of the proposed Trainer and where the Horse is to be trained:**  
To be trained at Wagga Wagga by Darrell Burnet.

**3.9 Has a Manager been appointed?**

Yes, Patricia Osmond of Kalyan Park Thoroughbreds will manage the Horse. Patricia will charge \$50 per month per 5% share. Duties will include (but are not limited to): completing Syndicate and Registration forms, handling Insurance documentation, Communications including pre and post-race reports, regular updates including video footage as well as Events Management including the arrangement of regular stable visits.

**3.10 Requirements of The Manager**

The appointed Manager will be required to manage the syndicate in accordance with the syndicate agreement and any rules, regulations or guidelines made by Racing NSW (as Lead Regulator) in relation to the Manager or management. Such arrangement, however, will only be applicable during the horse's racing career. A new Management agreement may be struck for a post-racing arrangement at the discretion of all parties.

**3.11 Will there be a Management fee charged?**

Yes – a fee of \$50 per month per share will be charged. Management fees are payable monthly and included in the set monthly fee of \$500.

**3.12 How did the Promoter obtain the Horse:**

Patricia Osmond of Kalyan Park Thoroughbreds bred the colt

**3.13 Date of purchase:**

N/A – the Colt was bred privately.

**3.14 A valuation by a qualified bloodstock valuer approved by the Federation of Australian Bloodstock Agents - Aust., who is independent of the Promoter:**

Please see Valuation from Heywood Bloodstock attached in the amount of \$30K.

**3.15 Declaration of any Service Fee Entitlements:**

The Promoter and Manager declares it has never held a financial or beneficial interest in or held any rights to the Sire or the Broodmare of the Horse subject to this scheme nor are entitled to a free service to the horse's sire.

**3.16 A Veterinary Certificate prepared by a qualified Veterinary Surgeon, including a statement of opinion as to whether the Horse is fit for the purpose for which the Syndicate is being formed:**

See attached – attending veterinarian was Dr Victoria Charlesworth.

**3.17 A statement as to the correctness of the Valuation and Veterinary certificate:**

There is nothing known to me that would invalidate the correctness of either the Valuation or Veterinary Certificate

**3.18 A statement whether the Promoter/Authorised Representative owns the Horses or whether the Horses are in any way encumbered:**

The Colt is wholly owned by Kalyan Park Thoroughbreds and is in no way encumbered.

**3.19 A statement disclosing the full particulars of any Lease Agreement that will affect the Syndicate:**

N/A – no Lease in place.

**3.20 Application moneys will be held in a separate Trust Account established and Managed by Clanbrooke Pty Ltd (AFSL 260214) that is applicable for the sole purpose of this product until Racing NSW has registered or refused to register the Syndicate or Syndicate. Once the minimum number of shares have been sold and the Vendor Release statement obtained, title will pass to shareholders and Trust Account funds will be released to facilitate Registration of the Horse.**

**3.21 “If the syndicate is not fully subscribed within six months from the date on which the PDS was first approved by Racing NSW, or if Racing NSW refuses to register the syndicate, all application moneys held in trust, together with interest, will be returned to the investors within 10 business days.”**

**3.22 Any participant in the syndicate may elect to have the horse tested for a prohibited substance under the Australian Rules of Racing, with the cost of testing to be borne by all of the participants (whether or not they have elected to have the horse tested).**

**3.23 Details of any cooling off regime:**

There is a 7 day cooling off period.

**3.24 The Horses will race in the following colours:**

Clanbrooke Racing’s Registered Colours – Blue and Gold Stripes, Hooped Sleeves and Gold Cap.

**3.25 Naming the Horse:**

Shareholders will be asked to submit suggestions and will subsequently vote. Names will then be submitted for Registration in order of voting preference.

**3.26 Names in the Race book:**

Each owner of not less than 5% of the Horse will be entitled to have his/her name appear in the Racebook.

- 3.27** Where a share of less than 5% is owned, that Owner agrees for his/her name to be registered as part of a Syndicate that will be represented in the Race book for that Horse OR where a share of less than 5% is owned, that Owner is not entitled to his/her name in the Race book.

## **4 Communication**

### **4.1 Ongoing communication regarding the Horses:**

Once the initial sale process has been completed, Kalyan Park Thoroughbreds Pty Ltd has a website at [kalyanpark.com.au](http://kalyanpark.com.au) incorporating an individual website for every stable Horse. Owners can download the Mistable App. Where they can obtain a username and password for their Horse.

Owners have access to the following information via the website:

- (a) regular general information (or as needed when the Horses are spelling) relating to the Horse's training or spelling progress
- (b) updated reports including nominations and acceptances

### **4.2 In addition, Patricia Osmond of Kalyan Park Thoroughbreds will:**

- (a) keep Owners informed regarding a Horses' preparation and forward planning
- (b) keep all Owners regularly informed of the progress and welfare of the Horses.

- 4.3** It is the responsibility of each Individual Owner to advise Patricia Osmond of any change to personal contact details.

## **5 Ongoing Expenses**

- 5.1** The Owners agree that they will share all costs related and incidental to the racing, training, agistment, treatment, maintenance, management, welfare and keep of the Horses in proportion to their shareholding.

## **6 Share of Profits**

- 6.1** The Owners agree that they will share all prize money or other monies earned by the Horse in proportion to their shareholding.

## **7 Payments and Defaults**

### **7.1 Initial Share Sale**

Until full payment has been made, a prospective Owner has no Ownership rights and Clanbrooke Pty Ltd reserve all rights in relation to the share/s including the right to sell as well as all rights to prize money.

### **7.2 Ongoing Payments**

If an existing Owner has not paid any amount so payable 30 days after the

due date, then Kalyan Park Thoroughbreds may serve upon them written notice demanding payment to be made within 7 days.

- 7.3** If 7 days after notice is given, the amount due remains unpaid, then the owner, by default, relinquishes any interest or part-interest in the Horse and Kalyan Park Thoroughbreds may offer the share (of the defaulting co-owner) for sale to other co-owners in the Horse.
- 7.4** If none of the co-owners wish to take up the offer, the share may be offered for public sale.
- 7.5** Where an Owner defaults under the Terms of the Agreement, Kalyan Park Thoroughbreds may retain possession of the Horse/s and the Registration or Identification papers for the Horse/s until such default has been remedied. The Owner agrees that under no circumstance will a Horse/s or Registration or Identification papers be released until all monies owing to Kalyan Park Thoroughbreds have been paid and until all defaults have been remedied.
- 7.6 In the event of an Owner's default:**  
**(a)** Darrell Burnet will continue to care for the Horse/s but may elect to cease providing training services.  
**(b)** Darrell Burnet may refuse to nominate the Horse/s for any race.
- 7.7** The Owner is liable for all costs associated with and incurred by Kalyan Park Thoroughbreds in the attempt to recover any amount owing.
- 7.8** Darrell Burnet and Kalyan Park Thoroughbreds consent to the Terms of the **Standard Training Agreement** (*see attached*)<sup>1</sup>. All parties to this PDS consent to these Terms as well. Where Terms contained within this PDS are inconsistent with those contained within the STA, this PDS shall take precedence.
- 8 Sale of shareholding during the course of the Syndicate**
- 8.1** Where any Owner wishes to sell their shareholding, he/she must pay and continue paying all amounts owing by that Owner to Kalyan Park Thoroughbreds until the sale has been executed. Kalyan Park Thoroughbreds is under no obligation to sell or assist the Owner in selling a share.
- 8.2** The purchaser must agree to all Terms and Conditions contained within this Agreement.
- 8.3** The purchaser must be capable of being registered as an Owner under the Australian Rules of Racing.

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<sup>1</sup> Standard Training Agreement (TOR)

## **9 Termination**

### **9.1 This Agreement can be terminated:**

- (a)** upon retirement, death, serious injury of the horse/s OR
- (b)** upon mutual agreement from the majority (more than 50% of Owners) that they wish to disperse the Syndicate.

### **9.2 When this Agreement is terminated:**

- (a)** the Owner acknowledges that the Horse/s will not be released by Darrell Burnet until all amounts owing by all Owners are paid in full.

### **9.3** The Owners acknowledge their responsibility for the welfare of the Horse/s at all times while they remain Owners.

## **10 Risk**

### **10.1** Each Owner hereby acknowledges that investment in Thoroughbred Racehorses is speculative and that there are inherent risks associated with the Ownership of a Horse/s:

- (a)** not all Horses offered for sale progress to competing in races and even when they do, they may not win, place or earn prize money.
- (b)** The rate at which a young Horse matures varies markedly and it is not possible to tell with certainty at what point a Horse may be ready for the races.
- (c)** Injuries can be sustained that may delay or inhibit a Horse's ability to race, either temporarily or permanently.
- (d)** A high percentage of colts are gelded to enhance racing potential.
- (e)** insurance is available against some but not all risks associated with the Ownership of a Horse

### **10.2** Neither Clanbrooke Pty Ltd nor Kalyan Park Thoroughbreds will be liable to the Owners in the event of either the death of the Horse/s or its value being diminished as a consequence of accident, injury, disease, or a failure to either compete in or win races.

## **11 Insurance**

### **11.1** Insurance against death or destruction is included in the purchase price and will expire 31.10.2023 (insured for \$40K). Insurance cover includes life-saving surgery extension clause. Insurance after this date is at owners' discretion.

## 12 Financial information

### 12.1 Costs incurred:

Item	Detail	Total
Purchase Price		33,000
Advertising		1,100
Accounting (annual %)	For 12 months	550
Audit (annual %)	For 12 months	550
Insurance	For 12 months	2505
8 Weeks Agistment	61 days @ \$25.00 Nov 1 - Dec. 31	1677
Breaking in		2860
Miscellaneous	Includes drenching hoof trimming, supplements, etc.	220
Freight	Euroa to Wagga	770
Photography		550
Prom. Disclos. Applic.		187
Horse Transfer		55
Registration - Horse		110
Veterinary Costs - including scope		220
Syndication Fee		2200
Margin		5346
<b>Total Cost</b>		<b>51,900</b>
<b>Total per 5% share</b>		<b>2,595</b>

### 12.2 Profit Margin: \$5346

12.3 All expenses incurred by the Promoter will be paid in full when the trust account is closed and for horse services not yet rendered, held in a separate account until paid.

### **13 Dispute Resolution**

**13.1** Kalyan Park Thoroughbreds take all complaints seriously and will do everything possible to resolve any dispute in the fairest way possible. In the first instance, complaints should be addressed to the Managing Owner, Patricia Osmond of Kalyan Park Thoroughbreds. If the matter remains unresolved for more than 45 days, it should then be referred to the Australian Financial Complaints Authority, of which Clanbrooke Pty Ltd is a member.

**13.2** All costs incurred will be borne by the individual Owner.

**ACKNOWLEDGMENT FORM**  
**Re: Cable Bay x Tennessee La Belle**

I/We.....  
acknowledge that being the purchase of .....% share in the  
Cable Bay x Tennessee La Belle Syndicate,' that I am over the age of eighteen  
years and, that I am not an undischarged bankrupt, or a disqualified person  
under the Rules of Racing, and that except for traffic convictions involving a fine,  
I have not been convicted of any criminal offence.

I understand that this is a 20 share syndicate.

Name

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Address

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Phone Number

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Date of Birth

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I acknowledge that I have read and agreed to all Terms and Conditions in this  
PDS (please tick)

Signed

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Date

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*\*If the share is to go in a Syndicate name, please supply your Syndicate  
Registration*