

**FOUR WINDS RACING PART OWNERSHIP SCHEME
IMPORTANT INFORMATION FOR PROSPECTIVE MEMBERS**

The Four Winds Racing Part Ownership Scheme ("Four Winds Racing") is a vehicle for racehorse ownership. Its principal object is enjoyment. Although the rewards for success in racing can be high, the risks of loss are great.

Participation in Four Winds Racing must not be regarded as an investment or security. Prospective participants must only apply for membership if they are aware of the risks involved in racehorse ownership and should place no reliance on recovering their outlay.

The organisers of Four Winds Racing are entitled to refuse any application for membership at their absolute discretion. The organisers shall not be responsible for any expenses incurred by applicants.

If you wish to apply for membership please complete the form below and send it, with your payment terms, to: *Four Winds Racing, Killmorey House, 4 the Grove, Great Cambourne, Cambs, CB23 6GL.*

APPLICATION FORM

I hereby apply to purchase % ownership in the Diktat Filly, Tobougg Colt, Doyen Filly & Bertolini Colt, each @ £1944 per 1% per annum (minimum purchase 1%) = £..... ('the Membership Fee'), first payment to be made before or by 1st November 09. Estimated partnership length 2 years.

First year Membership Fee:

I enclose a cheque for the total sum of £..... made payable to **Four Winds Racing**

Membership Fee by monthly standing order:

Please send me a standing order form: I wish to pay the sum of £..... Per month to start on the 1st November 2009.

Name:

Address:

Home Tel: Work Tel:

Mobile: Fax:

Email:

I confirm that I have read and agree to be bound by the terms and conditions set out in this document. I acknowledge that horse racing is a high risk business. If my application is successful I accept that there is no guarantee of recouping any part of my outlay. I agree that the organisers of Four Winds Racing shall have no liability to me as a Member in the event that, at the end of the Term, the value of my Interest is less than the price paid for it.

Signed:

Date:

FOUR WINDS RACING PART OWNERSHIP SCHEME

TERMS AND CONDITIONS

- 1 IN CONSIDERATION** of the purchase of their Interest each Member agrees to the following Terms and Conditions:
- 1 DEFINITIONS**
- 1.1 In these Terms and Conditions:
- 1.1.1 "Committee" means the committee set up from time to time to manage the Four Winds Racing Part Ownership Scheme, ("Four Winds Racing"), comprising initially Simeon Skey, John Mear and Charles Mear;
- 1.1.2 "Horses" means those racehorses from time to time owned by Four Winds Racing;
- 1.1.3 "Interest" means an interest in Four Winds Racing;
- 1.1.4 "Member" means an owner of an Interest;
- 1.1.5 "Term" shall mean from 1 January 2005 until the earlier of 31 December 2006 and the date on which the last horse belonging to Four Winds Racing is sold in accordance with these Terms and Conditions.
- 2 MEMBERSHIP AND MANAGEMENT OF FOUR WINDS RACING**
- 2.1 Each Member's membership of Four Winds Racing shall commence once their application has been accepted and their payment has cleared and shall continue until the expiry of the Term.
- 2.2 The purchase price for each Interest and the terms and frequency of payment are set out in the application form. Each Member acknowledges that, subject to Clause 4 of these Terms and Conditions, the sums paid for their Interest shall not be refundable for any reason.
- 2.3 Each Member acknowledges that it is his personal responsibility to keep the Committee's record of his contact details up to date. Each Member further undertakes to keep confidential any pass codes issued to him to allow him to access telephone or internet advice relating to the Horses. If at any time the Committee in its absolute discretion considers that a Member is in breach of this duty of confidentiality, the Committee may block the Member's pass code and deny him access to such telephone or internet advice relating to the Horses.
- 2.4 The Horses shall be registered in the names of the members of the Committee who are authorised by each Member as each Member's agent to take all decisions relating to the purchase, training, (including the choice of trainer(s)), racing, treatment, retirement, destruction, sale or other disposal of the Horses on behalf of the Members. The Committee's decision shall be final on all matters and correspondence will not be entered into. Where a decision of the Committee is not reached unanimously, a majority shall prevail.
- 2.5 Management and administration services in relation to Four Winds Racing shall be provided by Mear & Sons Limited.
- 2.6 In the event that any Member fails to pay any fee properly due under these Terms and Conditions within 14 days of receipt of a formal notice to do so the Committee may cancel that Member's membership of Four Winds Racing forthwith in which case his Interest shall be forfeit.
- 2.7 In the event that applications for membership to the minimum of 150 Interests are not purchased and paid for by 1 March 2005, all applicants will be notified and their membership fees returned to them as soon as practicable after that date.
- 2.8 At the end of the Term, each Member shall be entitled to apply to participate in any renewal of, or replacement for, the Four Winds Racing Part Ownership Scheme. Any sums due to the Member pursuant to Clause 4 of these Terms and Conditions may be set off against any fees due in the event that the Member's application for membership of any such future incarnation of the Four Winds Racing Part Ownership Scheme is successful.
- 2.9 No Member may sell his Interest or any part of it or permit it to become the subject of any charge or otherwise encumbered without the prior written approval of the Committee. In all cases the Committee reserves the right of first refusal to acquire the whole or any part of any Interest which a Member wishes to sell. In the event of any Member's death, his Interest shall be forfeit and the Committee shall be entitled to resell it.
- 2.10 The Committee reserves the right to pass on to the Members any unforeseen increase in the VAT treatment of racing.
- 3 PURCHASE, TRAINING, RACING AND DISPOSAL OF HORSES**
- 3.1 Each Member hereby appoints the Committee members to hold all Four Winds Racing funds, the Horses and any prize money won by the Horses jointly upon trust for the Members to do all that may need to be done in order that the Horses may be entered and run in races and to manage the Horses in accordance with these Terms and Conditions.
- 3.2 The purchase price of each Interest will cover the purchase price of the Horses and all training, gallop, race entry, veterinary and jockeys' fees during the Term. Fees and expenses associated with the sale of any of the Horses, (including but not limited to advertising fees, veterinary inspection fees, bloodstock agency fees and auction fees), shall be deducted from the proceeds of any sale.
- 3.3 The Horses shall be purchased, trained and raced at the Committee's absolute discretion during the Term and shall then be sold at public auction unless the Committee in its absolute discretion decides to sell any of the Horses earlier at public auction or privately. The Horses may, at the Committee's absolute discretion, be entered in claiming and/or selling races. The Committee will use all reasonable commercial endeavours to inform Members in advance of the date and place of any race involving any of the Horses and any auction at which the Committee intends to sell any of the Horses.
- 3.4 Each Member acknowledges that none of the Horses will be insured during the term against mortality or any other risk.
- 3.5 All contacts between Members and the trainer(s) retained by the Committee to train the Horses shall be made through the Committee. Visits by Members to any yard where the Horses are stabled shall be arranged by prior appointment made through the Committee. The Committee members shall liaise with the trainer at race meetings. All instructions to jockeys riding the Horses shall be given by the trainer(s).
- 3.6 The Committee shall attempt to fulfil Members' requests for introductions to the trainer(s) and/or attendance with the Horses in the parade ring and/or winners' enclosure. However, each Member acknowledges that, due to pressure of numbers, it may be necessary to allocate such privileges by ballot or such other fair means as the Committee shall, in its absolute discretion, decide.
- 4 FINANCIAL ADMINISTRATION, ALLOCATION OF PRIZE MONEY AND SALE PROCEEDS**
- 4.1 The Committee undertakes to open a Weatherbys Bank account to administer Four Winds Racing's affairs, ("the Racing Account"). The Committee shall keep proper books of account for Four Winds Racing and shall send each Member basic accounts within two months of the end of the Term. Any sum standing to the credit of the Racing Account as surplus working capital, profit, prize money, interest or other income shall be distributed to the Members, in proportion to their respective Interests, within two months of the end of the Term or earlier if the Committee in their absolute discretion see fit. Four Winds Racing is registered for VAT. All sums distributed to the Members pursuant to these Terms and Conditions shall be distributed net of VAT. Trophies won by the Horses during the Term shall be disposed of by the Committee in any way it deems appropriate.
- 4.2 Unless the Committee decides otherwise, the only payment to Members shall be the final distribution (if any) to which each participant will be entitled at the end of the Term. Distribution shall be by electronic transfer of funds to the Member's designated bank account or, upon the Member's written request prior to the end of the Term, by cheque.
- 5 GENERAL**
- 5.1 These Terms and Conditions are governed by the laws of England and each of the Members agrees to submit to the exclusive jurisdiction of the courts of England.
- 5.2 For the avoidance of doubt it is hereby expressly agreed and declared that Four Winds Racing exists for the sole purpose of the non-taxable activity of ownership of racehorses in training and not for any other purpose whatsoever, (other than the payment and/or reclaiming of VAT).
- 5.3 The Committee hereby excludes all other liability for any loss or claim against it or its trainers whatsoever to the maximum extent permitted by applicable law.