CO-OWNER AGREEMENT

INDEX

		Page No.
	Summary ……...	2
1.	How this Agreement applies to you ……..	2
2.	How decisions can be made by Co-owners …….	3
3.	A Co-owner's interest, and the role of the Managing Owner ……..	4
4.	The sale or transfer of an interest in the horse by a Co-owner ……	6
5.	Disputes between Co-owners ……..	9
6.	Termination ……	10
7.	Liabilities & Warranties ……..	10
8.	Insurance ……..	11
9.	The effect of other agreements, and clauses to be severable ……...	11
10.	Notices ……..	11
	Schedule 1 – The Dictionary ……..	13

SUMMARY

The purpose of this Agreement is to provide a set of standard terms which will govern the rights and obligations of Co-owners of the Horse/s owned by the Horse Ownership Venture.

1. HOW THIS AGREEMENT APPLIES TO YOU

1.1 From the TOR Commencement Date this Agreement applies to all Co-owners, provided that:

(a) this Agreement does not apply to Co-owners in a Promoter Syndicate who own the whole of the Horse through that syndicate (but does apply to Promoter Syndicates who own their interest in the Horse with at least one other Co-owner who/which is not in a Promoter Syndicate); and

(b) if one or more of the Co-owners to whom this Agreement applies is party to a separate agreement with other Co-owners in respect of the Horse Ownership Venture, that other agreement operates to the extent permitted by clause 9.

1.2 Pursuant to the Rules of Racing, this Agreement applies from the TOR Commencement Date until it is terminated in accordance with clause 6.

1.3 The terms of this Agreement can be excluded or varied by agreement in writing by the Co-owners in accordance with clause 3.7(c), except that the Co-owners cannot exclude or limit the operation of any provision of this Agreement which embodies or mirrors a requirement of the Rules of Racing.

1.4 The governing law for this Agreement is as follows:

(a) if the Horse Ownership Venture includes training and/or racing the Horse, by the laws of the State or Territory in which the Trainer is registered to train the Horse;

(b) further to (a), if the Horse Ownership Venture includes training and/or racing the Horse and if the Trainer is registered in more than one State or Territory, by the laws of the State or Territory in which the Horse is trained based upon the most recent Stable Return lodged by the Trainer with Racing Australia in respect of the Horse; and

(c) if the Horse Ownership Venture does not involve training and/or racing the Horse, by the laws of the State or Territory in which the address for the Managing Owner set out in the relevant Racing Australia registration form is located.

1.5 This Agreement binds all Co-owners severally, but not jointly and severally.

1.6 This Agreement applies until the earliest of the Horse's death, the completed sale of the whole of the Horse, or until this Agreement is terminated in accordance with clause 6.

1.7 The Managing Owner and all Co-owners agree at all times to comply with the Rules of Racing, as amended from time totime.

1.8 In the event of any conflict or inconsistency between this Agreement and the Rules of Racing, the Rules of Racing prevail to the extent of the conflict or inconsistency.

1.9 Save in the case of Promoter Syndicates (which are not subject to this Agreement), where an Owner's interest is as part of a Syndicate Ownership Interest, for the purposes of this Agreement and purposes related to it:

(a) the Syndicate Manager shall be responsible for representing the Syndicate (including for registering the Syndicate as a Co-owner by lodging a HRF or other relevant registration form for the Syndicate with Racing Australia, including lodging a registration form with Racing Australia evidencing a change in that Syndicate's interest in a Horse owned by the Horse Ownership Venture);

(b) the Syndicate shall be deemed to be the only Owner of the Syndicate Ownership Interest as if it was a separate legal entity, and the Syndicate Manager its expressly authorised legal representative;

(c) all actions and decisions made by the Syndicate Manager pursuant to this Agreement will be taken to be made on behalf of the Syndicate Ownership Interest, and other Co-owners identified in the relevant Racing Australia registration form shall be entitled to deal with the Syndicate Manager on the basis that the Syndicate Manager has full authority to deal with and make decisions in respect of the Syndicate Ownership Interest, and the Syndicate Manager warrants to those other Co-owners that the Syndicate Manager has such authority;

(d) any action or claim by the Syndicate against other Co-owners identified in the relevant Racing Australia registration form can only be brought on behalf of the Syndicate by the Syndicate Manager, and no member of a Syndicate shall be entitled to separately make any claim or take any action against any other Co-owner;

(e) the Syndicate (as expressly and solely represented by the Syndicate Manager) is a party to this Agreement, but separate members of that Syndicate are not party to this Agreement in their own right; and

(f) the Syndicate Manager indemnifies all other Co-owners identified in the relevant Racing Australia registration form in relation to the Syndicate against any claim or demand made, or loss or damage caused by a member of the Syndicate Manager's Syndicate to another Co-owner in respect of the Horse Ownership Venture.

1.10 Words or phrases in this Agreement have the meaning given to them in the Dictionary which is Schedule 1 to this Agreement and forms part of this Agreement.

1.11 In this Agreement headings and bold typing are included for convenience only and do not affect interpretation and, unless the context otherwise requires:

(a) a reference to a word includes the singular and the plural of the word and vice versa;

(b) a reference to a gender includes any gender;

(c) if a word or phrase is defined, then other parts of speech and grammatical forms of that word or phrase have a corresponding meaning;

(d) a term which refers to a person includes a person in any capacity, a body corporate, an unincorporated body (for example some joint ventures, a society or association), a trust, or a partnership.

2. HOW DECISIONS CAN BE MADE BY CO-OWNERS

2.1 No regular, annual, special or other meetings of Co-owners are required to be held. However, if a decision in relation to the Horse Ownership Venture requires Majority Consent, Special Consent, or Unanimous Consent, the Managing Owner must provide reasonable notice to all of the Co-owners in relation to the issue to be decided upon. Notice can be provided by any of the means referred to in clause 10 of this Agreement, or verbally (either in person or via telephone).

2.2 The Managing Owner is bound by decisions made, or approvals given by the Majority Consent, Special Consent or Unanimous Consent of the Co-owners, as set out in this Agreement.

2.3 Though formal meetings are not required, any decision that requires a consent, approval or resolution of the Co-owners may be decided at a meeting of the Co-owners called:

(a) by the Managing Owner; or

(b) at the written request of Co-owners holding, in aggregate, at least 10% of the ownership interest in the Horse.

2.4 The Co-owners may regulate their meetings (if any) as they think fit, provided that:

(a) reasonable notice (which must not be less than a period of 5 days in advance of a meeting unless otherwise agreed by Unanimous Consent of the Co-owners) in writing of a proposed meeting must be given by the Managing Owner to each Co-owner, and each Co-owner attending must be afforded the opportunity to vote on the relevant decision/s;

(b) the quorum for a meeting of the Co-owners shall be Co-owners present in person or by proxy and who together hold not less than a 50% ownership interest in the Horse, and if present, the Managing Owner shall be the chairperson. Otherwise, the Co-owners present shall elect a chairperson. The chairperson shall not have a second or casting vote.

3. A CO-OWNER'S INTEREST, AND THE ROLE OF THE MANAGING OWNER

3.1 From the date of registration of the Horse with Racing Australia:

(a) each Co-owner will hold the Owner's interest set out in the HRF or relevant Racing Australia registration form (as amended or updated from time to time);

(b) the Managing Owner is as specified in the initial registration form (which may be amended by lodging with Racing Australia the appropriate updating registration form); and

(c) the Managing Owner has the right to retain possession of any Shared Property of the Co-owners on behalf of the Co-owners.

3.2 Each Co-owner will share in the prizemoney, bonuses, rebates and other revenue earned by the Horse in proportion to their respective Owner's interest in the Horse.

3.3 Each Co-owner must contribute towards the costs of maintaining, training and racing the Horse, and to other expenses relating to the Horse, on a pro rata basis in proportion to

that Co-owner's Owner's interest in the Horse.

3.4 The Managing Owner will manage the Horse Ownership Venture for the benefit of all Co-Owners. That will be on the basis of there being no cost to the Co-owners for the Managing Owner's services unless otherwise agreed by them by Unanimous Consent.

3.5 The Managing Owner must:

(a) use reasonable endeavours to properly manage the Horse Ownership Venture, including using reasonable endeavours to ensure that the Trainer complies with the Trainer's reporting obligations as set out in clauses 2.2(c) and 2.3 of the STA;

(b) make decisions in the best interests of the Co-owners as a whole;

(c) comply with the Managing Owner's obligations under the TOR Rules; and

(d) ensure that no funds provided by the Co-owners in respect of the Horse Ownership Venture are applied other than for the purpose of the Horse Ownership Venture.

3.6 The Managing Owner can only make the following decisions, and carry out any reasonable actions to effect those decisions, on behalf of the Co-owners with Majority Consent:

(a) approve a scheduled treatment event for the Horse (including veterinary or surgical treatment) which in the reasonable opinion of the Managing Owner is expected to exceed $4000 (including GST);

(b) geld the Horse and/or to provide the consent to surgery for a gelding procedure;

(c) enter into, terminate and/or bring to an end the training agreement or arrangement between the Co-owners and the Trainer;

(d) accept or object to a Fees Notice provided by the Trainer (including a decision in respect of any proposed variations to a Fees Notice);

(e) engage a new Trainer;

(f) offer for sale, and/or sell, the whole of the Horse;

(g) pay nomination, acceptance or late acceptance fees in an amount in excess of $10,000 (including GST) for the Horse to contest a race;

(h) relocate the Horse to race in another State, Territory or Country;

(i) retire the Horse;

(j) pay or provide for a discretionary bonus or commission to a jockey or to the Trainer (other than if prescribed by the agreement for Training Services between the Trainer and the Co-owners);

(k) change the Managing Owner of the Horse; and

(l) if the Horse is used for breeding as part of the Horse Ownership Venture, then:

(i) if the Horse is an entire to be stood as a stallion, which stud the Horse should

stand at and his service fee each year;

(ii) if the Horse is a filly or mare, whether she is to be bred in any given year and if so which stallion the Horse is to be bred to.

3.7 The Managing Owner can only make the following decisions, and carry out any reasonable actions to effect those decisions, on behalf of the Co-owners with Special Consent:

(a) if the Horse is a colt or entire, stand the Horse as a stallion, either alone as part of the Horse Ownership Venture or in joint venture or partnership with others;

(b) if the Horse is a filly or mare, use the Horse as a broodmare rather than sell or retire her;

(c) change any of the terms of this Agreement, except that a decision to make Co- owners jointly and severally liable in respect of obligations in connection with the Horse Ownership Venture can only be made with Unanimous Consent.

3.8 A decision to borrow funds for the purpose of the Horse Ownership Venture requires Unanimous Consent.

3.9 Other than as provided in clauses 3.6 to 3.8, and subject to the obligations of the Managing Owner in clauses 3.4 and 3.5, the Managing Owner can make all other decisions reasonably required for the purpose of managing the Horse Ownership Venture as the Managing Owner sees fit in his or her absolute discretion.

3.10 Further to clause 3.9, a decision to humanely euthanise the Horse on animal welfare grounds can only be made by a Managing Owner (or other Owner when the Managing Owner is unavailable) upon receiving the advice of a qualified veterinary surgeon to the effect that the Horse should be humanely euthanised on animal welfare grounds.

3.11 If Special Consent is obtained to use the Horse for breeding purposes as set out in clause 3.7, then any of the Co-owners that disagree with that decision (**the Objecting Owner**) may in addition to their rights to sell that person's Owner's interest pursuant to clause 4.3 below, elect to surrender his or her Owner's interest in the Horse free of charge to the other Co-owners, provided that:

(a) such election must be notified in writing by the Objecting Owner to the Managing Owner within seven days of the Objecting Owner being notified of the decision to use the Horse for breeding purposes; and

(b) such notice will be deemed to authorise the Managing Owner as the Objecting Owner's authorised agent to sign a transfer of the Owner's interest belonging to the Objecting Owner as required by this Agreement and to do all other things reasonably required to give effect to the transfer.

3.12 Subject to clause 3.13, from the date the Objecting Owner notifies the Managing Owner of the election referred to in clause 3.11, the Objecting Owner will not be responsible for any costs incurred after that date in respect of the Horse or Horse Ownership Venture or be entitled to any revenue earned in respect of either after that date.

3.13 Until the Objecting Owner has paid his or her share of all outstanding invoices and expenses previously owing by him or her in respect of the Horse and signed a transfer

of his or her Owner's interest as directed by the Managing Owner, the Objecting Owner will continue to be responsible for all ongoing costs and expenses relating to the Objecting Owner's interest in the Horse.

3.14 The Objecting Owner's interest in the Horse will, after provision of the written notice of election by the Objecting Owner referred to in clause 3.11(a), be allocated between the other Co-owners pro rata to their respective ownership shares in the Horse.

4. THE SALE OR TRANSFER OF AN INTEREST IN THE HORSE BY A CO-OWNER

4.1 Any transfer or sale of an Owner's interest in the Horse by a Co-owner is conditional upon the prospective purchaser or transferee of the interest in the Horse being, or capable of being, registered as an owner under the Rules of Racing, and having completed and lodged the relevant registration documentation with Racing Australia to take that Owner's interest.

4.2 Approval by Majority Consent is required for the sale or transfer of an Owner's interest in the Horse, except in the following circumstances:

(a) where the sale or transfer is to a legal personal representative of a deceased Co-owner;

(b) where the sale or transfer is by the legal personal representative of a deceased Co-owner to the heir or beneficiary of the estate of a deceased Co-owner;

(c) where the sale or transfer is to the spouse or child of a Co-owner, or family trust or company controlled by the Co-owner, spouse or child; or

(d) where the sale or transfer is done in accordance with clause 4.3.

4.3 If a Co-owner (**the Prospective Vendor**) wishes to sell or transfer that person's Owner's interest (or part of it) in the Horse to any person other than in accordance with clauses 4.2(a) to 4.2(d), then that person may only sell or transfer that interest in the Horse if the process set out below is followed:

(a) the Prospective Vendor shall give notice in writing to the Managing Owner that the Prospective Vendor intends to sell or transfer that person's Owner's interest (or part of it) in the Horse at the price and on the terms specified in the notice (**Transfer Notice**);

(b) on receipt of the Transfer Notice, the Managing Owner will forthwith offer the Prospective Vendor's interest in the Horse specified in the Transfer Notice for sale at the price and on the terms specified in the Transfer Notice to the other Co-owners, allowing each of them 14 days within which to notify the Managing Owner in writing of whether they wish to purchase all or some of the Prospective Vendor's Owner's interest in the Horse offered in the Transfer Notice;

(c) if more than one of the other Co-owners wishes to purchase the Prospective Vendor's Owner's interest in the Horse offered in the Transfer Notice as specified in the Transfer Notice, and unless otherwise agreed by all of those Co-owners, each of them is entitled to a pro rata share in the Prospective Vendor's interest in the Horse in proportion to the interest in the Horse held by each Co-owner immediately prior to notice of the intended sale or transfer being given (and each must pay a contribution towards the purchase of the Prospective Vendor's interest on a pro rata basis commensurate with the relevant Owner's interest in

the Horse immediately prior to that notice being given);

(d) if no purchase of a Prospective Vendor's Owner's interest is made by a Co- owner in accordance with sub-clauses 4.3(a) to 4.3(c) above, the Prospective Vendor may then sell or transfer that person's Owner's interest to any other person at a price which is not lower and on terms which are not more favourable to the prospective buyer than those set out in the Transfer Notice;

(e) if the Prospective Vendor is unable to find a buyer pursuant to clause 4.3(d) and wishes to sell his or her Owner's interest at a price which is lower or on terms which are more favourable to a prospective buyer than those set out in the Transfer Notice, he or she must issue a new Transfer Notice setting out the revised price and terms and again follow the sale procedures set out in this clause 4.3.

4.4 Subject to clause 4.5, the Managing Owner can sell the Owner's interest of any Co-owner (**the Defaulting Owner**) in any of the following circumstances:

(a) if a Co-owner becomes ineligible to own a racehorse under the Rules of Racing (including on account of any valid decision taken pursuant to those rules);

(b) if a Co-owner is declared to be bankrupt or placed into administration or liquidation;

(c) if a Co-owner fails to make payments in respect of the Horse Ownership Venture as and when they fall due and that has the effect of stopping the Horse being properly maintained, trained, able to race; and/or able to be properly and commercially used for breeding; or

(d) serious or persistent breaches of this Agreement which are reasonably considered to be unacceptable by the Managing Owner and to justify the sale.

4.5 For a sale pursuant to clause 4.4 the Managing Owner can be compelled by Majority Consent, or if that is not provided, may in his or her discretion elect to sell a Defaulting Owner's interest in the Horse (**the Default Share**) asfollows:

(a) by public auction (with no reserve) to be conducted by either William Inglis & Son Limited, or Magic Millions Sales Pty Ltd, or an online auction (such as bloodstockauction.com); or

(b) by private treaty at a price (**the Valuation Price**) being the average of two valuations, at least one of which must be obtained from William Inglis & Son Limited or Magic Millions Sales Pty Ltd (and where the second can also be obtained from a member of the Federation of Bloodstock Agents), or in the amount of one valuation by either William Inglis & Son Limited or Magic Millions Sales Pty Ltd where that single initial valuation values the whole of the Horse at not more than $500,000 (including GST).

4.6 If a sale referred to in clause 4.5 proceeds by auction, then each remaining Co-owner must be given at least 14 days' notice of the date and place of any proposed auction sale of the Default Share and each shall have the right to bid as he or she sees fit.

4.7 If a sale referred to in clause 4.5 is to proceed by way of private treaty, then the following procedure must be followed:

(a) each of the remaining Co-owners will be notified in writing as soon as possible of the Valuation Price and given 14 days to inform the Managing Owner in writing if they wish

to purchase all or part of the Default Share at that price and if so must pay the purchase price for that share to the Managing Owner (who will cause it to be securely held for the purpose of the purchase) within 7 days of receiving a demand for payment by the Managing Owner in relation to the sale of the Default Share or relevant part of it to that relevant Co-owner;

(b) if any of the other remaining Co-owners wish to purchase all or part of the Default Share based on the Valuation Price (**the Intending Purchasers**), then, unless otherwise agreed by all of those Intending Purchasers, each of them is entitled to purchase a pro rata share in the Default Share based on the Valuation Price in proportion to the interest in the Horse held by each of the Intending Purchasers immediately prior to notice of the intended private treaty sale being given (and each must pay a contribution towards the purchase of the Default Share on a pro rata basis commensurate with the relevant Intending Purchaser's Owner's interest in the Horse immediately prior to that notice being given); and

(c) if all of the Default Share is not sold pursuant to clause 4.7(b), the remaining portion can be sold by the Managing Owner to any third party as the Managing Owner sees fit based on the Valuation Price. Alternatively, in those circumstances, the Managing Owner can elect to cancel the private treaty sale process because the Intending Purchasers were not able to purchase the whole of the Default Share and sell the Default Share unreserved at auction or privately to a third party at the Valuation Price.

4.8 The proceeds of a sale pursuant to clauses 4.4 to 4.7 will be paid by the Managing Owner to the Defaulting Owner within 14 days of receipt of same, after deducting:

(a) any reasonable costs and expenses relating to that sale; and

(b) any other amounts owing by the Defaulting Owner to one or more of the other Co-owners or the Trainer in relation to Training Services provided for the Horse or other horses owned by the Horse Ownership Venture.

4.9 The Managing Owner and all other Co-owners shall not be liable in respect of a sale pursuant to clauses 4.4 to 4.7 and each Defaulting Owner shall hold the Managing Owner and all other Co-owners harmless and shall not bring any action or make any claim in respect of same, except in respect of fraud, wilful misconduct or negligence in relation to such a sale. Except in the circumstances of fraud, wilful misconduct and negligence just stated, under no circumstances will the Managing Owner or the other Co-owners be liable for any indirect or consequential loss suffered by a Defaulting Owner in respect of such a sale.

4.10 Each Owner that agrees or is bound to sell and/or transfer an interest in the Horse under this Agreement, whether involved in a sale of the whole of the Horse pursuant to clause 3.6(e), a sale of an Owner's interest by an individual Prospective Vendor under clause 4.3, a sale of the interest of a Defaulting Owner under clauses 4.4 to 4.7, a sale following an agreement by Majority Consent to terminate this Co-owner Agreement pursuant to clause 6.1(b), or otherwise (in each instance the **Outgoing Owner**), agrees to sign all documents and do all things necessary to facilitate the sale and transfer of the relevant interest in the Horse within 5 days of being requested to do so.

4.11 If an Outgoing Owner does not comply with clause 4.10, that Outgoing Owner hereby irrevocably appoints and authorises the Managing Owner as agent to do all acts required and sign all documents necessary to ensure that the sale and transfer of the relevant interest in the Horse occurs as required by the Managing Owner.

4.12 A person is responsible for the payment of fees or expenses associated with that person's Owner's interest in the horse (or former interest) until the latter of: the point when the person ceases to be the Owner of the relevant ownership interest in the Horse; or when the person has provided written notice to the Trainer of the Horse that the person no longer holds the relevant ownership interest in the Horse.

5. DISPUTES BETWEEN CO-OWNERS

5.1 Any disputes in relation to the Horse Ownership Venture, either between a Co-owner and the Managing Owner, or between any of the Co-owners, including any dispute arising in connection with this Agreement, must in the first instance be raised with the Managing Owner as soon as practicable, and the Managing Owner shall use reasonable endeavours to resolve the dispute within 14 days of being notified of it.

5.2 Failing resolution of the dispute in accordance with efforts made pursuant to clause 5.1, the parties to the dispute must, before commencing legal proceedings in relation to the dispute (save for proceedings seeking urgent interlocutory relief), attend a mediation:

(a) before a mediator mutually agreed by them; or

(b) failing agreement, before a mediator nominated by Racing Australia.

5.3 Disputes between Co-owners are not matters that fall within the jurisdiction of the TDT under the Rules of Racing.

6. TERMINATION

6.1 This Agreement (as may be amended by Racing Australia pursuant to the Rules of Racing from time to time) shall have full effect until the earliest of the following events:

(a) the Horse dying;

(b) the Horse being retired from racing without being sold or without being used for breeding purposes by all or some of the Co-owners, which decision can only be taken with the Majority Consent of the Owners; or

(c) if by Majority Consent the Owners decide to terminate their Horse Ownership Venture for any reason, in which case the Horse should be sold in accordance with clause 6.2.

6.2 Where the Co-owners decide to terminate their Horse Ownership Venture pursuant to clause 6.1(c), unless otherwise agreed by Majority Consent, the Horse's sale, and the distribution of the proceeds of it, must occur in accordance with clauses 4.5 to 4.12, to the intent that the sale must occur so that the process and provisions recorded in clauses 4.5 to 4.12 in relation to the sale of a Default Share of the Horse, as applicable and adapted, also apply to the sale of the whole of the Horse following a Majority Consent decision to terminate this Agreement.

6.3 On termination of this Agreement pursuant to this clause 6, all assets other than the Horse which are collectively owned by the Co-owners in respect of the Horse Ownership Venture shall be sold by private tender or by auction and be evidenced in writing, and the funds paid to the Co-owners in proportion to their respective Owner's interests in the Horse.

7. LIABILITIES & WARRANTIES

7.1 The Co-owners agree that liabilities incurred by the Managing Owner in respect of the Horse in good faith and in connection with the Horse Ownership Venture are to be borne by the Co-owners in accordance with their respective Owner's interest in the Horse, and paid accordingly when due and payable.

7.2 The Co-owners agree all expenses and liabilities incurred in relation to the Horse Ownership Venture are to be borne by them in proportion to their respective Owner's interest in the Horse.

7.3 Each Co-owner acknowledges that he or she has not relied on any representation made, and no warranty has been made, by any other Co-owner in respect of either:

(a) the soundness or racing ability of the Horse, or the suitability now or in the future of the Horse for breeding or otherwise; or

(b) the reliability or adequacy of any insurance cover arranged on behalf of the Co-owners.

7.4 All conditions and warranties implied into contracts at general law or pursuant to any State, Territory or Federal legislation in respect of the supply of services are excluded to the maximum extent permitted by law.

7.5 Each Co-owner shall not be liable, and agrees to hold each other Co-owner (including the Managing Owner) harmless:

(a) for any loss, expense, liability, matter or thing incurred or suffered by them arising out of any injury to, or death of, the Horse, unless caused by the wilful misconduct of a Co-owner (including the Managing Owner); and/or

(b) for any other loss, expense, liability, matter or thing incurred or suffered by them relating to the management or operation of the Horse Ownership Venture unless that loss is due to the fraud, wilful misconduct, or negligence of a Co-owner (including the Managing Owner).

Except as stated in this clause, under no circumstances will a Co-owner (including the Managing Owner) be liable for any indirect or consequential loss suffered by another Co-owner in respect of the matters referred to in this clause.

8. INSURANCE

Unless separately agreed by all the Owners, insurance of the Horse (or the Owner's interest in the Horse) is a matter for each Owner. No Co-owner can be compelled to insure his or her Owner's Interest.

9. THE EFFECT OF OTHER AGREEMENTS, AND CLAUSES TO BE SEVERABLE

9.1 The Co-owners can agree that an existing or new agreement between them in relation to the operation of the Horse Ownership Venture, or certain terms of it, apply in conjunction with or instead of this Agreement, provided that:

(a) the other agreement is in writing;

(b) the parties agree in writing that the other agreement operates in conjunction with, or instead of, this Agreement;

(c) none of the terms in the other agreement are in conflict or inconsistent with a Rule of Racing (including any of the TOR Rules); and

(d) if there is any conflict or inconsistency between the terms in the other agreement and the Rules of Racing (including the TOR Rules), the Rules of Racing (including the TOR Rules) apply to the extent of the conflict or inconsistency.

9.2 Unless additional terms are agreed between the Co-owners in writing pursuant to clause 9.1, this Agreement (together with any valid amendments to it made pursuant to clause 1.3), constitutes the entire agreement between the Co-owners concerning its subject matter.

9.3 If any clause or provision of this Agreement is found to be invalid or unenforceable by a court, that invalidity or unenforceability will not affect the remainder of this Agreement, which will continue with full force and effect.

10. NOTICES

10.1 Notices provided for or required by this Agreement can be served on each Co-owner:

(a) at the address (electronic (including email) or otherwise) last provided by the relevant Co-owner to the Managing Owner; or

(b) at the address of the Co-owner most recently recorded in the records of Racing Australia; or

(c) at the address of the Co-owner recorded on the relevant current Racing Australia registration form in respect of the Horse.

10.2 Unless established by evidence to the contrary, notice is deemed to have been received:

(a) on the fourth business day after the date on which it was sent by registered post;

(b) on the day and at the time that it appears from the record of email communication that the sending of an email concluded; and

(c) when the facsimile transmission is received by an addressee of a facsimile correspondence.

SCHEDULE 1 – THE DICTIONARY

Agreement means this Racing Australia Co-owner Agreement.

Business day means a day that is not a Saturday, a Sunday, or a public holiday in the place concerned.

Co-owner, for the purpose of this Agreement, means a person who owns or leases the Horse together with at least one other person and is registered or is intended to be registered with Racing Australia as an Owner or lessee.

Horse means the thoroughbred horse/s owned by the Co-owners together and where applicable raced by them together and trained by theTrainer, and which is/are the subject of this Agreement.

Horse Ownership Venture means the venture conducted by the Co-owners of the Horse, including racing the Horse together, selling all or part of the Horse, and/or breeding of the Horse.

Horse Registration Form (**HRF**) means a registration form of that name an Owner must lodge with Racing Australia to register the Horse (or an interest in the Horse) for racing.

Managing Owner means a Co-owner of the Horse who is specified as the managing owner in the HRF or other relevant registration form lodged or to be lodged with Racing Australia and, for the purpose of this Agreement, a person is entitled to rely on the Horse's ownership registration records held by Racing Australia as conclusive evidence that the person specified on the relevant registration form is the Managing Owner of the Horse, unless the person has actual knowledge to the contrary.

Majority Consent means the consent or approval of Co-owners that own greater than 50% of the aggregate ownership of the Horse, as determined at a meeting of the Co-owners convened pursuant to clause 2.3 of this Agreement or as evidenced in writing including by letter, email, facsimile, signed written consent document or other means. A written consent document may be signed in and comprise counterparts.

Owner, for the purpose of this Agreement, means an owner, part owner, lessee, Syndicate registered with a PRA or Racing Australia, corporation or Managing Owner, or any of them, but does not include a member of a registered Syndicate within the meaning of the Rules of Racing in his, her, or its own right (who for the purpose of this Agreement is represented by the relevant Syndicate Managerin accordancewithclause1.9).

Owner's interest means the percentage interest or share in the Horse owned by a Co- owner, as specified in the relevant registration form held by Racing Australia or as subsequently amended by another later registration form (including a transfer of ownership form) lodged with Racing Australia.

Promoter Syndicate means a Syndicate where the Co-owners own their interest in a horse as a result of acquiring shares in the Horse offered by a promoter approved by a PRA and licensed under the *Corporations Act 2001* (Cth) and/or offered pursuant to *ASIC Corporations (Horse Schemes) Instrument 2016/790* or a successor or predecessor instrument to it. Promoter Syndicates which own the whole of a Horse through that syndicate are not subject to this Agreement.

Principal Racing Authority (**PRA**) means the relevant peak body in each of the States and Territories of Australia responsible for the conduct and administration of thoroughbred horse racing in the State or Territory.

Racing Australia Standard Training Agreement (STA) means the agreement of that name recognised by the Rules of Racing containing certain rights and obligations between the Trainer and the Owner in relation to training the Horse (if it is to be trained and/or raced).

Racing Australia means Racing Australia Ltd and any successor entity substantially carrying out its functions.

Rules of Racing means the Australian Rules of Racing promulgated by Racing Australia (and formerly the Australian Racing Board), together with Local Rules of a PRA , each as amended from time to time.

Shared Property means any property (including but not limited to physical prizes like trophies) not in monetary form and which the Co-owners collectively own.

Special Consent means the consent or approval of Co-owners that own at least 75% of the aggregate ownership of the Horse, as agreed at a meeting of the Co-owners convened pursuant to clause 2.3 of this Agreement or as evidenced in writing including by letter, email, facsimile, signed written consent document or other means. A written consent document may be signed in and comprise counterparts.

Stable Return means a stable return, form or notification lodged by the Trainer with Racing Australia in respect of the Horse.

Syndicate means a syndicate as defined by the Rules of Racing.

Syndicate Manager means the person/s identified as such in a HRF or other relevant Racing Australia registration form in respect of either a Syndicate registered with a PRA or Racing Australia, or a Syndicate which is subsequently registered as an Owner or Co-owner by Racing Australia.

Syndicate Ownership Interest means an Owner's interest registered in the name of a Syndicate registered with a PRA or Racing Australia.

TOR Commencement Date means 1 August 2017 or another date notified by Racing Australia.

TOR Rules means the rules set out in Schedule XX to the Rules of Racing, as amended from time to time.

Trainer means any individual, corporation, trust or partnership operating a business which is licensed by a PRA to train horses under the Rules of Racing.

Trainer and Owner Reforms (**TOR**) means the Racing Australia reforms comprising the TOR Rules, and the arrangements between Trainers and Owners and between Co-owners, commencing on the TOR Commencement Date.

Training Disputes Tribunal (**TDT**) is a decision making body set up by each PRA in each of the States and/or Territories of Australia to determine disputes in relation to the provision of Training Services, as provided for in the TOR Rules and the STA.

Training Services means all the services provided by a Trainer (or qualified and authorised employees of the Trainer or persons engaged as contractors or otherwise by the Trainer) in relation to the care, training and/or racing of the Horse including: training, pre-training, rehabilitation, maintenance, stabling, feeding, exercising, freighting, agisting, rental of gear, and the provision of veterinary, chiropractic, acupuncture, dental, and farrier services and treatments.

Unanimous Consent means the consent or approval of the Co-owners that own 100% of the aggregate ownership of the Horse, as agreed at a meeting of the Co-owners convened pursuant to clause 2.3 of this Agreement or as evidenced in writing including by letter, email,

facsimile, signed written consent document or other means. A written consent document may be signed in and comprise counterparts.