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**- EXAMPLE -**

**PRODUCT DISCLOSURE STATEMENT**

**THIS STATEMENT MUST BE FORWARDED TO POTENTIAL SUBSCRIBERS**

Prior to the Holder of a Dealer's Licence advertising, or making an offer of share in a racehorse in any form, he **MUST** provide Racing and Wagering Western Australia (RWWA) with the following information, together with the Application for Approval of the Product Disclosure Statement (PDS).

**Note:** RWWA prepares its "Example" documents to assist Promoters comply with the requirements of their licence. The items listed below are not meant to be exhaustive and RWWA does not accept liability for the contents of a PDS, which remain the responsibility of Promoters. The substantive content requirements of a PDS are governed by the Corporations Act 2001, in particular section 1013C to 1013F. Promoters should also refer to ASIC Policy Statement 168 for guidance on what should be listed in a Product Disclosure Statement.

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**NOTICE TO POTENTIAL SUBSCRIBERS**

**THIS PRODUCT DISCLOSURE STATEMENT SHOULD BE READ IN ITS ENTIRETY.**

**BEFORE DECIDING TO ACQUIRE A SHARE(S) IN THE HORSE HEREIN DESCRIBED YOU SHOULD CONSIDER THE SUITABILITY OF THIS PRODUCT TO YOU.**

**IF YOU ARE IN ANY DOUBT AS TO THE COURSE YOU SHOULD FOLLOW YOU SHOULD CONSULT THE PROMOTER OR YOUR BLOODSTOCK ADVISOR TO ENABLE YOU TO MAKE AN INFORMED DECISION AS TO WHETHER TO SUBSCRIBE TO THIS PRODUCT.**

**FULL NAME OF PROMOTER:**

**AFSL No:**

**ADDRESS:**

**NAME OF AUTHORISED REPRESENTATIVE (IF APPLICABLE), TERMED AS THE OFFEROR:**

**ASIC REG No:**

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**ADDRESS:**

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1. THE PURPOSE FOR WHICH THE PARTNERSHIP / SYNDICATE IS BEING FORMED:
2. THE NUMBER OF SHARES IN THE PARTNERSHIP / SYNDICATE:
3. THE PURCHASE PRICE OF EACH SHARE:
4. A DESCRIPTION OF EACH HORSE TO BE OWNED OR LEASED BY THE PARTNERSHIP / SYNDICATE, I.E. DATE OF FOALING, SEX, SIRE, DAM, AND COLOUR AND IF REGISTERED THE NAME AND REGISTRATION NUMBER OF THE HORSE:
5. IF A HORSE IS NOT REGISTERED, HAS AN APPLICATION TO REGISTER OR A TRANSFER BEEN SUBMITTED TO A PRINCIPAL RACING AUTHORITY?
6. DETAILS OF RACING PERFORMANCE(S) OF THE HORSE (IF RACED):
7. DETAILS OF THE PERFORMANCE(S) OF THE SIRE:
8. DETAILS OF THE PERFORMANCE(S) OF THE DAM:
9. THE PROMOTER OR THE PROMOTER, MANAGER OR ANY OF THEIR ASSOCIATES 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:
10. A NOTICE TO THE EFFECT THAT A PARTICIPANT 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).
11. NAME OF THE PROPOSED TRAINER AND WHERE HORSE IS TO BE STABLED:
12. DETAILS OF PROPOSED ONGOING EXPENSES TO BE INCURRED BY MEMBERS:
13. EXPLANATION OF HOW THE PROMOTER OBTAINED THE HORSE AND THE PURCHASE PRICE PAID BY THE PROMOTER:
14. A VALUATION BY A QUALIFIED BLOODSTOCK VALUER, WHO IS INDEPENDENT OF THE PROMOTER, COMPLETED LESS THAN THIRTY DAYS PRIOR TO THE DATE OF THE PRODUCT DISCLOSURE STATEMENT MUST ACCOMPANY THIS APPLICATION, TOGETHER WITH A STATEMENT BY THE VALUER OF ANY FINANCIAL OR OTHER INTEREST OF THE VALUER IN THE SYNDICATE OR THE MONEYS TO BE RAISED FROM THE SYNDICATION.
15. A VETERINARY CERTIFICATE PREPARED BY A QUALIFIED VETERINARY SURGEON, COMPLETED LESS THAN THIRTY DAYS PRIOR TO THIS DATE OF THE PRODUCT DISCLOSURE STATEMENT MUST ACCOMPANY THIS APPLICATION. THE CERTIFICATE MUST DISCLOSE ANY FINANCIAL OR OTHER INTEREST HELD BY THE VETERINARIAN IN THE SYNDICATE OR THE MONEYS TO BE RAISED FROM THE SYNDICATION.
16. A STATEMENT BY THE PROMOTER AS TO THE CORRECTNESS OF THE VALUATION AND VETERINARY CERTIFICATE:

## Example - Product Disclosure Statement

17. A STATEMENT BY THE PROMOTER AS TO WHETHER ANY FACT OR OCCURRENCE IS KNOWN TO THE PROMOTER, WHICH RENDERS THE VALUATION OR VETERINARY CERTIFICATE MATERIAL INACCURATE:
18. A STATEMENT WHETHER THE PROMOTER OWNS THE HORSE OR WHETHER THE HORSE IS IN ANY WAY ENCUMBERED:
19. IF THE HORSE IS ENCUMBERED:
  - 19.1. A STATEMENT BY THE PROMOTER PROVIDING FULL PARTICULARS OF THE ARRANGEMENT:
  - 19.2. A STATEMENT BY THE PROMOTER THAT UPON REGISTRATION OF THE SCHEME, SYNDICATE SUBSCRIBERS WILL RECEIVE RIGHT TITLE:
  - 19.3. A STATEMENT BY THE PROMOTER TO DISCHARGE ANY ENCUMBRANCES ON THE TITLE TO THE HORSE(S) BEFORE OR UPON REGISTRATION OF THE SCHEME:
20. A STATEMENT SHOWING THE DETAILS OF ARRANGEMENTS (IF ANY) WHICH HAVE BEEN MADE TO VEST POSSESSION OF THE HORSE(S) IN THE MANAGER OR PARTNERSHIP, IF A MANGER IS TO BE APPOINTED:
21. A STATEMENT DISCLOSING THE FULL PARTICULARS OF ANY LEASE AGREEMENT THAT WILL AFFECT THE PARTNERSHIP / SYNDICATE:
22. A COPY OF THE FINANCIAL LEASE RELATING TO THE HORSE(S):
23. A STATEMENT SETTING OUT EXPENSES INCURRED BY THE PROMOTER IN THE FORMATION OF THE PARTNERSHIP / SYNDICATE:
24. A STATEMENT THAT THE APPLICATION MONEYS WILL BE HELD IN A SEPARATE TRUST ACCOUNT (THAT IS APPLICABLE FOR THE SOLE PURPOSES OF THIS PRODUCT) BY THE PROMOTER UNTIL THE RACING AUTHORITY HAS REGISTERED OR REFUSED TO REGISTER THE PARTNERSHIP / SYNDICATE:
25. A STATEMENT THAT WHERE THE PARTNERSHIP/SYNDICATE HAS NOT BEEN FULLY SUBSCRIBED WITHIN SIX MONTHS FROM THE DATE OF APPROVAL BY RACING AND WAGERING WESTERN AUSTRALIA, OR WHERE THE RACING AND WAGERING WESTERN AUSTRALIA HAS REFUSED TO REGISTER THE PARTNERSHIP/SYNDICATE, ALL MONEYS HELD IN TRUST, TOGETHER WITH INTEREST, WILL BE RETURNED TO INVESTORS WITHIN (10) BUSINESS DAYS.
26. THE PROMOTER (OR OFFEROR) SHALL ABIDE BY A STANDARD FIVE (5) DAY COOLING OFF PERIOD UPON PLACEMENT OF INVESTMENT FUNDS FOR THIS RACEHORSE.
27. DETAILS OF "COOLING OFF" PERIOD:

*The Promoter shall abide by a standard five (5) day cooling off period upon placement of investment funds for this syndicate. Following advice received in writing from the investor within five days of signing the official documentation that he/she does not wish to proceed with the purchase, the Promoter will refund the investment amount in full.*
28. A STATEMENT OF INDUSTRY RISKS:

*Thoroughbred horse racing is a high risk venture and financial input should be treated as a speculative investment only. Potential purchasers in shares offered by insert promoter's name should be aware of possible investment risks, which may include, but are not limited to:*

  - *Not all horses offered for syndication, proceed to a racing career.*
  - *Not all horses offered for syndication win, are placed or earn prize-money.*

**Example - Product Disclosure Statement**

- *Injuries, which may require an extended recuperation period, may terminate the horse's racing career.*
- *A stud career is not guaranteed for horse's offered for syndication by insert promoters name as the principal purpose of the establishment of the syndicate, is a race career.*

29. A STATEMENT OF ANY CONFLICT OF INTEREST:

30. THE PROMOTER DOES NOT INDIRECTLY INFLUENCE EXPERTS SUCH AS TRAINERS, VETERINARIANS OR VALUERS TO PROVIDE ADVICE WHICH IS BIASED, NOR DO THESE EXPERTS HAVE ANY COMMERCIAL REASON TO PROVIDE ADVICE WHICH IS BIASED.

31. IN AN INSTANCE WHEN THE PROMOTER OR TRAINER RETAINS A SHARE IN THE HORSE, THE SHARE IS A COMMERCIAL INVESTMENT AND THE APPROPRIATE FEES ARE APPORTIONED TO THE TRAINER OR PROMOTER AS THEY ARE TO ALL SHAREHOLDERS.

32. INFORMATION ABOUT THE DISPUTE RESOLUTION AVAILABLE TO THE SUBSCRIBER:

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**D I S C L A I M E R**

A copy of this Product Disclosure Statement has been lodged with Racing & Wagering WA (RWWA) pursuant to the Class Order issued by the Australian Securities & Investments Commission (ASIC). No liability as to the contents of this Product Disclosure Statement is taken by RWWA, its officers, employees or agents.

In particular (but not without prejudice to the generality of this disclaimer) RWWA does not warrant and has no responsibility for, the commercial merits of the scheme referred to in the Product Disclosure Statement the manner in which the Syndicates / Partnerships are operated, or the taxation advantages (if any) to which the Scheme may give rise.

I confirm that:

- (a) the statements contained in the Product Disclosure Statement in relation to the partnership / syndicate are true; and not misleading in their form or content.
- (b) the Product Disclosure Statement contains all information which the investors and their advisers would require and reasonably expect to find in the Product Disclosure Statement for the purpose of making an informed assessment about investment in the partnership / syndicate.

Signature of Promoter:

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Date:

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**STATEMENT OF SUBSCRIBER**

I declare that I have read this Product Disclosure Statement shown above:

Name of Shareholder:

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Address:

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Email:

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Signature of Shareholder:

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Date:

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