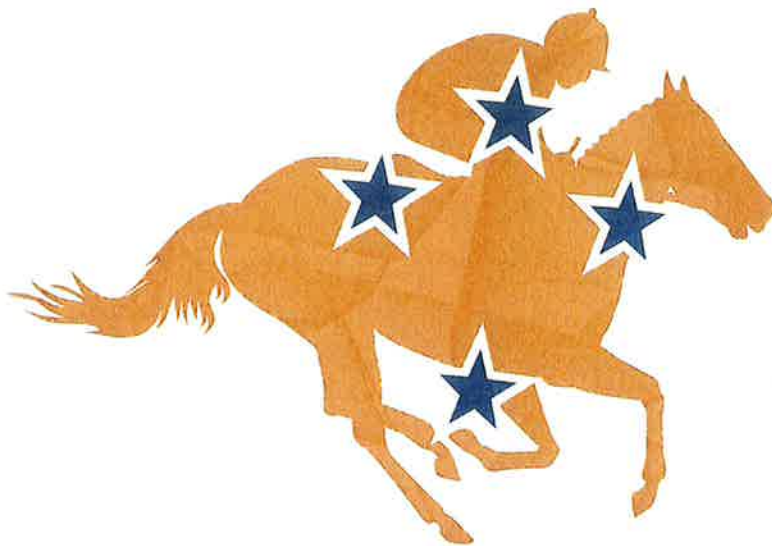




TE AKAU

— RACING —

DISCLOSURE STATEMENT



TERMS & CONDITIONS

Name of Syndicator: Karyn Fenton-Ellis MNZM (NZTR Authorised Syndicator)
Te Akau Racing

Manager: Karyn Fenton-Ellis MNZM/David Ellis CNZM

Address: Te Akau Racing
Te Akau Stud
748 Te Akau Road RD1
Ngaruawahia 3793



By being part of Te Akau Racing you will enjoy:

- Shares in quality equine bloodstock selected and purchased by David Ellis, assisted by our Group 1 training team.
- Your horse being trained by Te Akau's multiple Group 1 training team in New Zealand, Australia and in Singapore, or nominee of Te Akau Racing.
- Respect and professionalism from the Te Akau Racing team for you and your horse.
- Outstanding communication including progress and plans for your horse and pre- and post- trial and race reports.
- The opportunity to participate in Te Akau Racing owners' events.
- Visits by appointment to Te Akau Racing stables in New Zealand, Australia, Singapore and Te Akau Stud – you will be made most welcome.
- Owners' privileges at race meetings where your horse is racing.
- Personal communication directly with the Te Akau Racing at any time.

Te Akau Racing takes pride in keeping owners fully informed and involved with their racehorse's progress – from the day of purchase through to their retirement/sale. You will receive at least fortnightly reports on your horse's progress when it is in training (fewer when spelling) and you will always be updated with the progress, development and plans for your horse including pre- and post- trial reports, pre- and post-race reports, videos, photos etc. We are also heavily committed to after-racing welfare and care for all our horses - their well-being will always be an absolute priority for Te Akau.

To make the most of your experience as a racehorse owner, Te Akau Racing will arrange exclusive events during the year and our team can facilitate opportunities to connect with significant racing industry participants.

Te Akau Racing takes care of all the administrative detail pertaining to your racehorse and ensures effective management and compliance with all industry rules and regulations. Te Akau Racing provides top class trainers, personnel and all professional services e.g. veterinary, farrier, dentistry etc. to provide your horse with every opportunity and your horse receives personal attention to enable it realise its potential.

Te Akau Racing has a proud history of almost 40 years in the industry, and an exciting future. The 10x Champion stable in New Zealand, Te Akau Racing has ALSO been the Champion Singapore stable four times (2015, 2017, 2019, 2021). We have trained over 80 Group 1 winners and with Te Akau Racing – owners come first!

TE AKAU HAS PURCHASED/TRAINED THE FOLLOWING CHAMPIONS:

CHAMPION 2 YEAR OLD OF THE YEAR

Maroofity	Darci Brahma	Yourdeel	Maven Belle
Avantage	Warhorse	Cool Aza Beel	Tokyo Tycoon
War Affair (Singapore)	Melody Belle	Sword of State	

CHAMPION 3 YEAR OLD OF THE YEAR

King's Chapel	Darci Brahma	War Affair (Singapore)
Princess Coup	Xtravagant	Imperatriz

CHAMPION 4 YEAR OLD OF THE YEAR

War Affair (Singapore)	Elite Invincible (Singapore)
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CHAMPION SPRINTER MILER OF THE YEAR

King's Chapel	Darci Brahma	Melody Belle (x2)
War Affair (Singapore) (x2)	Probabeel (x2)	Imperatriz

CHAMPION MIDDLE DISTANCE HORSE OF THE YEAR

Princess Coup	Elite Invincible (Singapore)	Melody Belle (2x)
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CHAMPION STAYER OF THE YEAR

Princess Coup (x2)

CHAMPION STAYER OF THE YEAR – NEW SOUTH WALES

Te Akau Nick

CHAMPION POLYTRACK HORSE OF THE YEAR - SINGAPORE

Flying Fulton	My Lucky Strike
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CHAMPION HORSE OF THE YEAR

King's Chapel	Elite Invincible (Singapore)	Melody Belle (x2)
War Affair (Singapore)	Probabeel (x2)	

NEW ZEALAND BLOODSTOCK FILLIES OF THE YEAR

Shikoba	Princess Coup	Costa Viva	Belle En Rouge
Insouciant	King's Rose	Amarelinha	Self Obsession

TE AKAU RACING HAS BEEN THE CHAMPION STABLE IN NEW ZEALAND TEN TIMES
AND WAS THE 2015, 2017, 2019 & 2021 CHAMPION STABLE IN SINGAPORE.

INTRODUCTION

Te Akau Racing was established 42 years ago - we take pride in our outstanding record of racing success over that time. By joining Te Akau Racing you are joining a stable that has a proven track record:

**Winner of 10 New Zealand Trainers' Premierships
Winner of 2015, 2017, 2019 & 2021 Singapore Trainers' Premierships
Winner of 9 New Zealand Champion Trainer of the Year titles
Winner of 4 Singapore Champion Trainer of the Year titles
Trained 11 Group 1 NZ 2000 & Group 1 NZ 1000 Guineas' winners in past 15 years
Trained 7 consecutive Karaka 2YO Million winners (2017-2023)
Over 80 Group 1 race successes
Trained 8 New Zealand Bloodstock Filly of the Year winners**

While racing is about winning, it is also about fun and excitement through being involved. That is what we pride ourselves in – a commitment to making our Te Akau owners' experience an enjoyable and thoroughly professional one - no matter what size your share in a horse is, you are important to us!

Our horses are selected by the best in the racing business, led by David Ellis CNZM (18 consecutive years as the leading buyer at the Karaka Yearling Sale – Premier Sale/Book 1 and leading buyer at the Ready to Run Sale (2016 - 2021); our horses are trained by Group 1 training teams in New Zealand, Australia and Singapore; they are cared for by dedicated, world-class personnel, and they are managed by skilled, experienced and astute professionals. The welfare of our horses is a priority!

Communication is Te Akau's total priority - we keep our owners superbly updated with your horse's development and news. We are deeply passionate about stamping excellence on every aspect of our operation. No stone is left unturned in our drive to give our owners the best, the most successful, and the most professional racing experience possible.

OUR BUSINESS PLAN

Te Akau Racing has established this partnership to own and race the thoroughbred stated on the cover of this document and to enable owners to enjoy the thrill of racing a horse. The horse will be trained by Te Akau Racing and the progress and natural development of the horse will determine when it is likely to start racing (horses must be two years of age before racing) and owners will be kept fully up to date with the horse's progress and plans.

In due course, the horse will have educational jump outs and, when ready, will trial. As each horse is an individual, an exact commencement to its racing career cannot be confirmed. However, we would anticipate that this horse would likely trial and/or race in the next 6 – 12 months. Te Akau's decades of experience will be applied to making these decisions and the horse will be continuously monitored and assessed by Te Akau Racing Principal David Ellis CNZM together with our Group 1 training team.

This horse will race in New Zealand or Australia with such decisions to be made by the racing manager.

Te Akau Racing's is committed to providing a professional racing experience for owners. Te Akau Racing is committed to bringing out the very best in this horse and to win races for its owners. There is no guarantee that any horse will be a winner. However, Te Akau Racing can guarantee that every horse in our stable is given the opportunity to grow and develop under expert attention and care in the quest to reach its potential.



MEET THE TE AKAU TEAM

Karyn Fenton-Ellis MNZM **Syndicate Manager/Promoter** **Te Akau Racing Director**

Karyn Fenton-Ellis MNZM was born in Christchurch and has had an extensive career in the fields of corporate communication (at senior executive/Board level), public relations and broadcasting. Karyn and George Simon were the two inaugural TAB Trackside Television presenters employed when the New Zealand Racing Board's channel was founded as Action TV in 1992. Karyn was appointed as host of the channel's "First Call" Saturday preview show in June 2010, a role that she held until October 2015 when she assumed the role as host of Trackside's Sunday review show "Weigh In" which she held until 2018 when she retired from racing broadcasting after 26 years. She was also a founding presenter for Radio Trackside.

Karyn co-hosted the Karaka Premier Sale TV coverage for 15 years and was MC for the NZ Thoroughbred Racing Awards on 15 occasions. She was elected Chairman of the Waikato Racing Club (WRC) in 2013 and that same year, the Northern Region Clubs of New Zealand elected her as their representative on the New Zealand Thoroughbred Racing (NZTR) Members' Council that appoints and reviews New Zealand Thoroughbred Racing's Board of Directors. She retired after serving the maximum three, three-year terms on the Members' Council, to which she was re-elected each term unopposed. She retired as WRC Chairman in 2020 and was honoured as a Life Member of the Club.

Karyn served as the World President of Junior Chamber International (Jaycees) in 2000, having been elected unopposed in Cannes in 1999. In that year she visited in excess of 100 nations in her official capacity, meeting many global political, business and community leaders. She has held numerous roles with the organisation internationally and domestically, including serving as New Zealand National President. In 1989 she won the World Speaking Competition Final in Britain, having won the right to compete earlier that year in Japan. She has also been honoured by Trinity College of London with a rare "Exhibition Award" for speech and drama.

Karyn represented the New Zealand Government as an NGO delegate to the 1995 UN Conference on Women in Beijing. She was appointed by the New Zealand Government to the Arts' Council of New Zealand in 2014, serving as a Board member until 2016. She is joint Patron, with David, of the Hamilton's Equipotential (formerly Riding for the Disabled). In the 2014 New Year Queen's Honour's List Karyn was awarded an MNZM (Member of the New Zealand Order of Merit) for services to racing, to the community and to the Arts.

Uniquely, David and Karyn have both been recognised by the late Queen Elizabeth II and New Zealand with royal honours, as well as both having been honoured with Life Membership of the Waikato Racing Club.

CONTACT KARYN:

TE AKAU RACING – New Zealand & Singapore
Te Akau Stud, 748 Te Akau Road RD1, Ngaruawahia 3793, New Zealand
Phone +64 7 825 4701 Fax +64 7 825 4822
Email karyn@teakauracing.com

MEET THE TE AKAU TEAM

David Ellis CNZM

Te Akau Racing

Principal

David Ellis CNZM, the principal of Te Akau Stud, is acknowledged as one of New Zealand's most successful and astute racehorse buyers. An independent survey published by Thoroughbred Daily News (Australia & New Zealand) in January 2023, identified him as the most successful purchaser of stakes' winners **anywhere in the world** between 2015-2021. His expertise has seen the Te Akau operation become one of the most successful in New Zealand thoroughbred racing history. He led his first winner into the winner's circle 41 years ago and since then, there has been a remarkable flow of elite Group winners in the famous Te Akau tangerine colours.

David has established himself as a leading buyer of bloodstock in Australasia and horses that he has purchased have won over 370 stakes' races. For the past 18 years David has been the leading buyer at the New Zealand Bloodstock National Yearling sales at Karaka and he became the leading Karaka Ready to Run buyer for the first time in 2016, and then from 2017-2021 - he has also topped the Weanling Sale as a vendor. David has purchased champion horses that have been crowned with dozens of champion titles and Group 1 victories such as Maroofity, King's Chapel, Te Akau Nick, Princess Coup, Costa Viva, Darci Brahma, Xtravagant, Embellish, Cool Aza Beel, Melody Belle, Advantage, Probabeel, Te Akau Shark, Heroic Valour, Sword of State, Imperatriz, and War Affair. David is a member of the Bloodstock Agents Federation of New Zealand and an NZTR Registered Valuer.

David has also made a significant voluntary contribution to the New Zealand racing industry. He is a Life Member and a former Chairman of the Waikato Racing Club, and he served as Northern Director on the New Zealand Thoroughbred Racing Board for many years. He was also a Board Member of New Zealand Thoroughbred Marketing and is Joint Patron with Karyn of the Hamilton branch of Equipotential (formerly Riding for the Disabled).

Te Akau was named Gallagher Agriculture and Primary Production Award winner at the 2009/2010 Waikato Business Excellence Awards where David was also the finalist for Waikato Business Leader of the Year. In 2017 David was awarded the "Outstanding Contribution to Racing Excellence" at the annual New Zealand Thoroughbred Racing Horse of the Year Awards. In the 2020 Queen's Birthday Royal Honours' List, David was awarded a CNZM (Companion of the New Zealand Order of Merit) for services to the thoroughbred industry. His investiture took place at Government House in Wellington in November 2020.

Uniquely, David and Karyn have both been recognised by the late Queen Elizabeth II and New Zealand with Royal Honours, as well as both having been honoured with Life Membership of the Waikato Racing Club.

CONTACT DAVID:

TE AKAU RACING – New Zealand & Singapore

Te Akau Stud, 748 Te Akau Road RD1, Ngaruawahia 3793, New Zealand

Phone +64 7 825 4701 Fax +64 7 825 4822

Email david@tekauracing.com

FINANCIALS

Owners will pay a percentage of these costs based on their shareholding.

Ongoing Costs (GST exclusive)

Training (per day)	\$ 98 (in NZ) – A\$157.50 (in Aus incl. track fees)
Track fees (per month)	\$ 132 (in NZ – or as charged by training track)
Jump Outs (as required)	\$ 40 (in NZ – or as charged by training track)
Spelling (per day)	\$ 40 (in NZ - can vary if spelling externally or box spelled/rested)

Farrier, veterinary expenses, vitamins, saddlery, trial fees, transport, race nominations, riding fees, chiropractor, dentist etc vary and are on-charged as incurred and insurance is charged annually on renewal.

Expenses are invoiced directly each month from Te Akau Racing and are fully detailed. Monthly costs commence from the time the horse is purchased. Annual on-going expenses vary depending on the path/development of the individual horse. However, an indicative figure is approx. A\$60,000 plus GST to have a horse in training from our Australian stable for 12 months – around A\$500 plus GST per month per 10% share. Costs in New Zealand are slightly less. This may change slightly from month to month depending on whether the horse is in full training or is spelling. Monthly training fees are subject to review, and external costs can also vary. **No syndicator or promotion fees are charged.**

Until full upfront payment has been made, a prospective owner has no ownership rights and Te Akau Racing reserves all rights in relation to the share(s) including the right to sell, as well as all rights to prizemoney for any unpaid amounts due to Te Akau Racing. This option would not be applied until other avenues of discussion/arrangements have been executed. The owner, or assignee including an executor, is responsible for all costs of a share (or part share) for the horse's racing career. Payment terms are 20th of the month following invoice date to **Te Akau Racing – account ASB Bank 12-3176-0001182-00.**

Prizemoney

Prize money is paid to Te Akau Racing by NZ Thoroughbred Racing (NZTR)/Singapore Turf Club (STC) or the relevant Australian racing authority. All net stakes won are paid out every month, in proportion to the owner's shareholding. Trainer and rider percentages are deducted prior to payment by the relevant racing authority together with trial, riding, nomination/acceptance fees. Prize money is offset against invoices and the balance paid to owners. In the event this horse (or any share thereof) is sold/marketed, Te Akau Racing will be entitled to a 10% plus GST commission of the sale price. A bonus to staff (not trainers) can be paid at the Manager's discretion for major race successes.

The horse has not been previously sold by the syndicate or persons associated with the syndicate.
On written request, supporting invoices including valuation/veterinary reports, for this share purchase will be provided by the Promoter/any person associated with this syndicate.

ADDITIONAL TERMS & INFORMATION

Te Akau Racing has underwritten the purchase of this horse. As such, no minimum sale of shares is required for this syndicate to proceed as Te Akau Racing will assume responsibility for any unsold shares. As a result, this horse will be managed for its lifetime (if not sold) by Karyn Fenton-Ellis MNZM or David Ellis CNZM as substitute. Should this horse be sold the position of Manager will be relinquished. Shares cannot be split/shared, re-sold or reassigned without the express permission of the Manager.

Naming & Registration

The Syndicator in co-operation with Te Akau Racing will register a transfer of ownership with the relevant racing authority. Shareholders will be asked to submit name suggestions. All names submitted will be checked with authorities for availability and those available will be put "in a hat" and one name chosen at random, in fairness to all owners. Any inappropriate names will be excluded. If a horse has 10 or fewer owners, owners' names can appear in the race book. If a horse has more than 10 owners, the ownership will be identified in the race book as the "Te Akau (xxxx) Racing Partnership". Premier breeding syndicates must be identified by the partnership names registered with IRD.

Communication

Te Akau Racing will keep owners personally informed via their preferred choice of communication at least fortnightly when a horse is in training. While a horse is spelling (either post-sale or during its career) there is less to report however owners will be advised each time their horse goes to spell/returns to training. Te Akau Racing updates its website daily www.teakauracing.com and can be followed on Twitter, Instagram and Facebook.

Sale of Shareholding

An owner is responsible for their share payment for the duration of the horse's training career with Te Akau. Where an owner wishes to sell their shareholding, they remain responsible for all expenses owed to Te Akau Racing until the sale has been executed. A change of ownership will not occur if monies are outstanding. Te Akau Racing is under no obligation to sell or assist in the on-selling of any share, and the proposed sale of any share must be approved by the Manager. Once approved, the sale funds will be lodged with Te Akau Racing which commits to timely and prompt transferral of those proceeds to the owner concerned.

If a horse is retired, the racing partnership will be dissolved by either sale (eg Gavelhouse) or, should a horse not be suitable for a future racing or breeding career, a safe and responsible future home will be found for the horse. All decisions around the retirement of any horse will be made by Te Akau Racing, taking owners' views into account.

Declaration of Interests

If Te Akau Racing, Karyn Fenton-Ellis MNZM or David Ellis CNZM or any other person associated with them retains or acquires a share in the horse, that share is a recreational interest, and the pro rata fees are apportioned to them as they are to all owners. **There is no applicable material or pecuniary interest to be declared regarding the purchase of this horse.** The nature of all commissions, fees or rebates and other benefits that have been or may be received in the future by the Promoter or the Manager, specifically in relation to the syndicate or any of its bloodstock have been disclosed. Any such commissions, fees, rebates or other benefits that may be received in the future will be disclosed to owners in writing.

Standard Industry Risks of Racing

Thoroughbred racing is a risk venture and financial input should be treated as a speculative investment only. Potential investors in the syndicate should be aware of the possible investment risks which may include, but are not limited, to:

- Not all horses offered for syndication proceed to become racehorses; and not all horses offered for syndication win, are placed or earn stake money;
- Any racehorse can injure itself and may require an extended recuperation period or be unable to race or race again; and
- Racehorses are unlikely to have any significant value at the end of their racing career, with the exception of well-bred and/or highly performed horses which are suitable to become breeding stock.

Trophies

All trophies are held by the Manager; any allocation is by ballot. Replicas can be arranged at owner's expense.

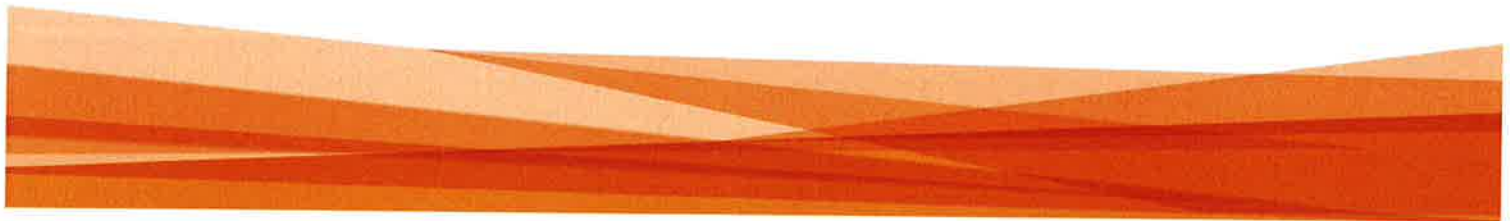
THE PURCHASER:

- Agrees to all terms and conditions within this agreement.
- Must be capable of being, and eligible to be, registered as an owner under the New Zealand/Australian Rules of Racing.
- Acknowledges responsibility, whilst an owner, for the welfare of the horse, at all times.
- Acknowledges that investment in thoroughbred racehorses is speculative and that there are inherent risks associated with the ownership of a horse.
- Acknowledges that not all horses offered progress to competing in races and even when they do, they may not win, place or earn stake money.
- Acknowledges that the rate a young horse matures varies markedly and it is not possible to tell with certainty at what point a horse may be ready to race.
- Acknowledges that equine injuries can be sustained despite the best care, and these may delay or inhibit a horse's ability to race, either temporarily or permanently.
- Acknowledges that a high percentage of colts require gelding to enhance their racing potential.
- Acknowledges that insurance is taken out to cover death only.
- Acknowledges that Te Akau Racing, Karyn Fenton-Ellis MNZM or David Ellis CNZM, staff and associated parties will not be liable in the event of either death of the horse, or its value being diminished, as a consequence of accident, injury, disease or a failure to either compete in, or win, races. All day-to-day care is taken by Te Akau employees, Te Akau Racing and its employees will not be liable in the event of prizemoney or other income not being received from the relevant authorities.
- Acknowledges that Te Akau Racing, the Manger/Syndicator all operate under the guidelines of New Zealand and Australian Rules of Racing and a copy of this Disclosure Statement has been lodged with the relevant authority.

Disputes & Resolution

- Any owner who has cause to make a complaint about any matter relating to the syndicate, including decisions or actions by the Manager should in the first instance raise their issue directly with the Manager.
- If any dispute shall arise between parties, the dispute shall be referred to a consultant acceptable to the Parties.
- Should the Parties not be able to agree on an independent consultant within fourteen (14) business days of the date of notice of dispute either of the Parties may request the Chairman of NZTR or the relevant Australian racing jurisdiction to nominate an appropriate person or persons (having regard to the matters the subject of dispute) to determine the matters under dispute and the Parties hereby agree to accept as consultant the person so nominated.
- The independent consultant who has been agreed upon or appointed shall act as an expert and not as an arbitrator and his/her decision (including any decision as to costs) shall be final and binding upon the Parties.

The Syndicator, Manager and Te Akau Racing confirm that no conflicts of interest exist.



PROMOTER DECLARATION

KARYN FENTON-ELLIS MNZM is an Authorised Syndicator under the Securities Act (Exemption Notice) administered NZTR. NZTR does not endorse, nor does it guarantee, the success or otherwise of the offer made under this Disclosure Statement and accepts no responsibility whatsoever for any statements or representations made in this Disclosure Statement or for any loss or liability arising from participation in the offer.

The Syndicate Promoter and Manager agrees to observe and comply with this Disclosure Statement.

Promoter and Manager: Karyn Fenton-Ellis MNZM

Signature:

Date: **2023**

This Disclosure Statement and related documentation may be inspected at New Zealand Thoroughbred Racing or a copy may be requested by writing to PO Box 38 386, Wellington Mail Centre or by emailing syndication@nzracing.co.nz.

Applicant Acknowledgement

I/We have purchased the share stated below in the stated horse. I/We hereby confirm that I/We have read, understood, and agree with the information and terms and conditions set out in the Disclosure Statement.

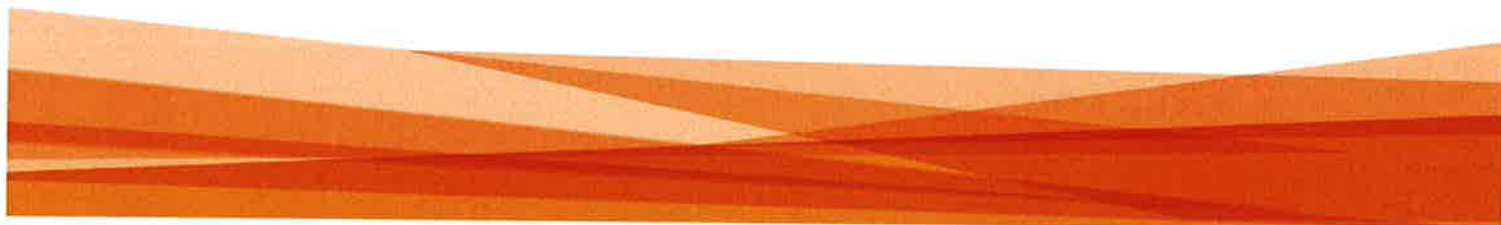
I/We agree to be bound by the terms set out in the Disclosure Statement and grant the powers and authorities given to the Manager and the Promoter under the Disclosure Statement.

I also declare that I/We have attained the age of 18, am not prohibited from owning a racehorse nor prohibited from admission to a racecourse and I/we am not a person(s) to whom the provisions of rule 411(b) of the Rules of Thoroughbred Racing apply.

I/We intend to purchase _____ % share in the horse as named in this Disclosure Statement:

Signature(s):
(all owners to sign)

Date of Application:



Witnessed by

Full Name:

Signature:

Place of residence:

Applicant(s) Details – all to sign

Full Name(s):

Date(s) of Birth:

Address(es):

Post Code(s):

Email(s):

Phone Number(s): Home

Business:

Mobile:

