

Terms and Conditions 2011-2012

1 General

“The Chris Gordon Racing Club” is a racehorse co-ownership scheme established and managed by Gordon Racing with the following aims:

- (a) To form a racing partnership comprising up to 60 individual members (“the Members”) who will become the beneficial owners of the racehorses Absolute Shambles, Bon Spiel and Marie Deja La with a view to sharing in the enjoyment of the horses as racehorses (“the Partnership”).
- (b) Each 60th share Member shall contribute up to £325 (“the Initial Contribution”) which will be applied towards the purchase of the Partnership’s horse(s) and shall thereafter make 10 monthly payments of £87.50 each (“the Monthly Payments”) to meet the continuing costs associated with the training and racing of the Partnership’s horse(s). The Initial Contribution shall be paid in one amount by cheque at the time of application for membership and the Monthly Payments shall be made by standing order into the Partnership’s Bank account. The first monthly installment shall be payable on xxxx subject to the right of Gordon Racing, by notice in writing to Members, to vary the date of commencement for the Monthly Payments
- (c) The intention is that the Partnership’s horse(s) will be trained and raced for the Partnership throughout the period 1st May 2011 to 30th April 2012. The Partnership’s horse will be sold in April of 2012 (unless sold before) with a view, in all cases, to the maximum sale price being achieved.
- (d) Following the sale of the Partnership’s horse(s), a final account for the Partnership shall be prepared and, after all expenses of the Partnership have been met, the monies standing to the Partnership’s credit will be distributed to the Members according to their respective entitlements and the Partnership shall be dissolved. There is not expected to be any surplus funds other than the proceeds of the sale of the horse(s) and prize money won
- (e) The Partnership will operate as a racing partnership in accordance with the Rules of Racing. It is not the intention, however, that the Partnership will give rise to a relationship among the Members whereby any one or more Members is liable for the obligations of any other Member(s). The relationship of the members is that of co-owners as beneficial tenants in common of the horse(s) of the Partnership.

2 Management and Training

- (a) The affairs of the Partnership will be managed by The Chris Gordon Racing Club and a monthly management fee is payable to them from the Partnership funds. All decisions of the Partnership will be taken by The Chris Gordon Racing Club whose decisions will be final and binding and open to no appeal or question.

- (b) The horse(s) will be trained by Chris Gordon.
- (c) The Chris Gordon Racing Club racing will keep Members informed on a regular basis of the progress in training of the horse(s) and races for which they are entered and shall also arrange for Members to view the horse(s) and to attend race meetings.
- (d) The Chris Gordon Racing Club shall exercise normal care in carrying out their role under these Terms and Conditions but cannot be held responsible for matters beyond their immediate control. No Member shall have any claim against The Chris Gordon Racing Club or the Trainer in respect of any loss or injury sustained by the horse(s) howsoever caused.

3 Bank Account

The Chris Gordon Racing Club will open a Partnership bank account into which all payments, whether received from Members or in respect of prize money or otherwise, will be credited and to which all Partnership expenses will be debited.

4 Minimum Up take

- (a) If fewer than 20 of the intended 60 Initial Contributions have been raised by 1 July 2011, then the Partnership shall not proceed and the Initial Contributions will be returned to those applying for Membership less the reasonable racing and training costs of any horse(s) that have run between 1 May and 1 July 2011.
- (b) If between 20 and 35 of the intended 60 Contributions have been raised by 1 July 2011, then the Partnership shall be limited to the purchase and ownership of only one horse (the particular horse to be determined in the absolute discretion of The Chris Gordon Racing Club).
- (c) If between 36 and 49 of the intended 60 Contributions have been raised by July 2011, then the Partnership shall be limited to the purchase and ownership of only two horses (the particular horses to be determined in the absolute discretion of The Chris Gordon Racing Club).

5 Insurance

The Partnership horse(s) WILL NOT be insured with a view to keeping the costs of the Partnership to a minimum.

6 Default

If any Member defaults in the making of any payment for which that Member is liable hereunder then all rights of that Member in relation to the Partnership and the Partnership

horse shall thereupon be suspended until the default is remedied. That Member shall additionally be liable for any costs incurred by the Partnership in consequence of that default (including, without limitation, legal costs) and no monies shall in any circumstances be remitted to such Member whether in respect of that Member's pro rata share in the value of the Partnership horse or in respect of prize money or otherwise until The Chris Gordon Racing Club is satisfied that all liabilities of that Member to the Partnership (including interest at the rate of 1 .5 per cent per month on any sum owed by that Member to the Partnership) has been deducted. A period of 3 consecutive months default will result in the share being returned to The Chris Gordon Racing Club and the Member's interest will end.

7 Limit on Members' liability

It shall be The Chris Gordon Racing Club's responsibility to ensure that the Partnership operates within budget and the **Members shall in no circumstances be liable for any sums over and above the Initial Contribution and the Monthly Payments.**

8 Acknowledgement

Each Member acknowledges that participation in the Partnership is for the purposes of sharing in the enjoyment of the horse(s) and not for investment.

9 Miscellaneous

- (a) Applications for membership of the Partnership will be dealt with on a strictly "first come, first served" basis;
- (b) Members shall not be entitled to sell or transfer their interests in the Partnership and, save in a case where a Member of the Partnership dies, The Chris Gordon Racing Club shall only recognise as a Member the original applicant for an interest, If a Member shall die before the Partnership's dissolution, then that Member's Personal Representatives shall be treated as the member of the Partnership in place of the original Member;
- (c) The Partnership will be sponsored by Chris Gordon's yard sponsor and will be registered for VAT. The cost of membership reflects the recoverability of VAT.
- (d) (These Terms and Conditions shall be construed in accordance with English law and each Member submits for all purposes connected herewith to the exclusive jurisdiction of the English Courts.