



DISCLOSURE STATEMENT FORTUNA SYNDICATE NO 145

1. INTRODUCTION

2. **Fortuna Limited** was founded by **John Galvin** in 2007 with a vision of providing a high quality thoroughbred syndication, administration and racing management service to its clients. **Fortuna**, a New Zealand Thoroughbred Racing Authorised Syndicator, races horses in New Zealand, Singapore and Great Britain with **Mark Walker/Sam bergerson** being its principal NZ based Trainers and **Donna Logan** its Singapore based Trainer. **Kevin Myers** also trains some NZ based horses for Fortuna and **Harry Eustace** trains its Great Britain based horses.

Fortuna is very client focused and it aims to be the very best it can on behalf of its clients with all aspects of Thoroughbred Syndication Management. Hence its motto:

"Selected, Trained, Ridden and Managed – By Professionals"

3. Directory

Name of Promoter:	Fortuna Limited
Address of Promoter:	5 Johnnybro Place, Rototuna North, Hamilton 3210
Manager and Director:	John Eric Galvin
Bankers:	Westpac Banking Corporation
Accountants:	One Base Accounting - Hamilton
Solicitors/Legal Advisors:	Harkness Henry – Hamilton

4. Business Plan

- This Syndicate will race just one horse, that being the Yearling Filly by SPIRIT OF BOOM out of AOTEAROWER – no racing name yet, but has been assigned stable name "BOOMER".
- The objectives of the Syndicate are to educate, train and race the Syndicate racehorse with the primary aim to win prize money for the Syndicate Members and to share in the fun and camaraderie associated with owning and racing a racehorse that is in shared ownership.
- BOOMER was acquired at the Magic Millions Gold Coast Yearling Sale on 11 January 2024 – she will agist on a spelling farm in Queensland until early February before being transported to NZ and on arrival she will travel to Te Akau Stud for a further 4 week paddock spell before being broken in. Once broken in she will be transferred to the care of Fortuna's NZ Trainers, Mark Walker/Sam Bergerson, of Te Akau Racing Stables based at Matamata, where she will commence her first stable preparation
- She will have a further paddock spell at the end of that preparation – the length of that spell will depend on her physical progress and development. Based on her pedigree, physical type and confirmation, her best distances are likely to be in the 1200 metre to 2000 metre range
- A strong, well grown filly, "BOOMER" presents as a type who is a strong chance to race as a Two Year Old, but will certainly develop into a robust Three Year Old and primary targets for her during her Three Year Old season will be the Classic Three Year Old events such as The NZ 1000 Guineas – she is also registered for the Magic Millions Race Series and eligible to race (subject to qualification) in the Magic Millions 2yo Classic (1200m) run at the Gold Coast in January 2025 for prizemoney of A\$3,000,000 and the Magic Millions 3yo Guineas (1400m) run at the Gold Coast in January 2026 for prizemoney of A\$3,000,000, as well as several other races that form part of the MM Race Series

5. Bloodstock

- | | |
|-------------------------|---|
| (a) Name | No Racing name yet, but nicknamed "BOOMER" |
| (b) Breeding (Sire/Dam) | SPIRIT OF BOOM – AOTEAROWER |
| (c) Sex | Filly |
| (d) Foaling Year | 2022 (DOB 22/09/202) |
| (e) Microchip number | 985100012214944. |
| (f) Brand Marks | C with small s inside - 65/2 |

6. Initial Costs and Expenses

- | | |
|--------------------------------------|---|
| (a) Purchase of Bloodstock | |
| (i) Purchase Date | 11TH JANUARY 2024 |
| (ii) Public Auction | MAGIC MILLIONS SALE |
| (iii) Cost | A\$100,000 Plus GST (NZ\$107,000 approx) |
| (iv) | |
| (b) Breakdown of other Initial Costs | |
| Promoter Fee | \$ 10,700 plus GST |
| Marketing Fee | \$ 7,500 plus GST |
| Sales/Research Fee | \$ 3,000 plus GST |
| Magic Millions Series Fee. | \$ 6,400 no GST |
| Airfreight | \$ 6,500 no GST |
| Vet Reports | \$ 1,500 plus GST |
| Insurance | \$ 4.800 plus GST |
| Working Capital | \$ 12,650 no GST |
| Other (specify) | Nil |

Note that a Full breakdown of Initial Costs is provided in Schedule One (Page 10).

Number of shares	20
Cost per share	NZ\$9,000

Please note that at Manager's discretion, shares can be issued in smaller parcels than 5%

5. On-going Costs and Expenses (All costs are inclusive of GST if any)

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|--|
| (a) Pre-Training, Training, Nominations and Acceptances, Transportation, Covers, Vet Care, Farrier, Management Fees, - Annual Estimated costs of 52,000 inclusive of GST if any. |
| (b) Members will be required to meet all ongoing costs associated with educating, training, spelling, racing, transportation, animal health, |
| (c) insuring the bloodstock and administration costs of the Syndicate. The Manager requires the Members to make financial contributions to the Syndicate bank account to meet the Syndicate's actual or prospective obligations. Under normal circumstances the regular monthly payments made by Members (i.e. \$220 per month per 5% share) to the Syndicate, will cover all expenses associated with racing the horse. However in the event they do not, the Manager will issue a capital call on a pro rata basis to all Members to cover any additional costs |
| (d) Regular monthly payments |
| (i) \$220 per 5% share |
| (ii) 1st of each month commencing 1st April 2024 |
| (iii) 03-1557-0246029-023 Westpac Bank, Hamilton. |

Note: On written request, supporting invoices or other evidence for costs invoiced will be provided by the Promoter or any person associated with this syndicate

6. Minimum Amount

Fortuna Ltd as Promoter is fully underwriting this acquisition, so no Minimum Amount is required for the Syndicate to proceed. *Note: Subscriptions are held in trust. This means that pending allotment of shares; no subscriptions will be disbursed from the syndicate bank account.*

7. Insurance Information

a. Insurer	New Zealand Bloodstock Insurance
b. Term	11th January 2024 to 31 st January 2025
c. Value	\$120,000 incl GST if any
d. Type of policy	Death Only

8. Veterinary Report(s)

Dr Jack O'Brien - Dated 11th January 2024

The veterinary report(s) is not attached. Copies of the veterinary report(s) may be obtained from the Promoter by request at its mailing address or its email address john@fortuna-nz.com or by requesting a copy from NZ Thoroughbred Racing (syndication@nzhorse.co.nz).

9. Material interests and Commissions

(a) Disclosures of any material or pecuniary interests

[Note: Any material or pecuniary interest that the Promoter or Manager or a person associated with the Promoter or Manager has in this Bloodstock Syndicate or its Bloodstock must be disclosed in this Disclosure Statement. If any bloodstock offered has been sold by the Promoter, or by Associated Persons of the Promoter, within 12 months prior to the Offer, the purchaser, price paid and date of each transaction within that period shall be shown.

(b) Confirmation of Disclosure of Commissions etc.

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 (or an Associated Person of the Promoter or Manager), specifically in relation to the Bloodstock Syndicate or any of its Bloodstock have been disclosed in sections 4 and 5 of the Disclosure Statement. Any such commissions, fees, rebates or other benefits that may be received in the future will be disclosed to the Participants in writing at the material time.

- The Promoter or Manager has received no commission, fees or rebates other than those disclosed in this Disclosure Statement

10. Standard Industry Risks

(a) Racing

- (i) Not all yearlings/prospective racehorses proceed to become racehorses.
- (ii) There is a significant possibility that any racehorse could injure itself and thereby need a long recuperation period or be unable to race again.
- (iii) 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, suitable to become breeding stock.

(b) Special Risks or factors attaching to this Offer.

There are no Special Risks or Factors pertaining to this offer

11. Governing Documents

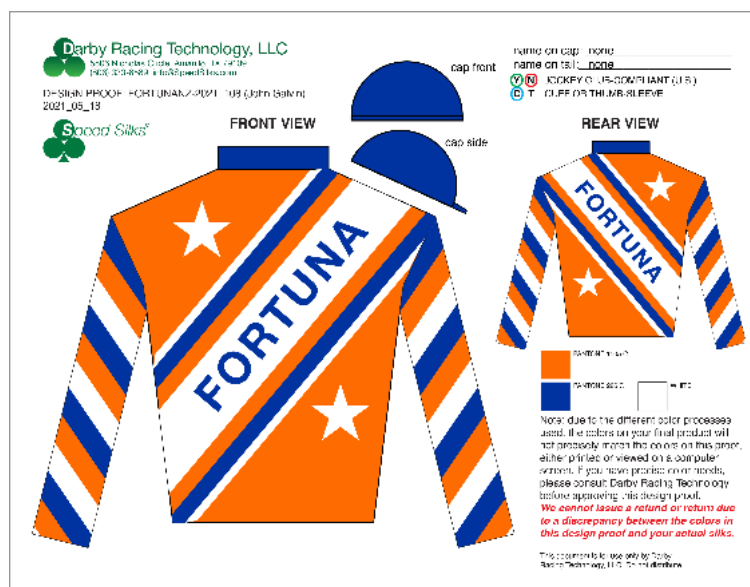
- The Syndicate Agreement which governs the Syndicate is attached

ADDITIONAL INFORMATION

Applicants should note that the Terms below provide an overview of Key Points relating to the Management of the Syndicate. There is a detailed Syndicate Agreement, which is provided to you as a separate document, and will need to be perused and signed by Applicants before subscription will be accepted.

- Prize money earned will be allocated to Members on a pro rata basis once received. On occasions, some or all of prize money earned may be retained in the Syndicate Bank account to bolster working capital requirements.
- All payments of income or capital to or for the benefit of Members will be made at the same time to all Members and in the same proportion as the Shares held by individual Members of the Syndicate
- Trophies will be allocated to Members at Manager's discretion but are usually balloted.
- Unless the horse is already named, Members will have the opportunity to submit a name for consideration.
- Members will receive regular and timely written updates on all aspects of their horse's preparation and racing programme.
- The Syndicate horse will race in the Fortuna Syndication Colours (see example below)
- **If a Member wishes to sell their share in the Syndicate, there is a defined procedure for how this will be handled; this procedure is outlined in Clause 8 of the Syndicate Agreement.**
- If an offer is received to buy the horse from the Syndicate, the Manager will consider the terms of that offer, then make a recommendation to the Members as to those terms and invite Members to provide their feedback on the recommendation with the majority view to prevail.
- Syndicate Members may from time to time, in accordance with clause 14 of the Syndicate Agreement, appoint, remove and replace the Syndicate Manager, provided that the Members give the Manager six months prior written notice of the proposed removal unless the Manager has breached any of the Manager's obligations in this Agreement, and the breach is incapable of being remedied, or has not been remedied by the Manager within 30 days of receiving written notice of such breach.

Fortuna NZ/Aus Racing Silks



Manager's Powers and Functions

The functions of the Manager are to race and manage the Bloodstock in a manner that is consistent with the best interests of the Members, and the Bloodstock. This includes, but is not limited to, the sole right, in the Manager's discretion, to make decisions without any obligation to consult with the Members, on matters which relate to the racing and management of the Bloodstock such as (but not exclusively so):

- a. the choice of racing programme;
- b. training methods and veterinary treatment
- c. the choice of jockey;
- d. the choice of trainer;
- e. if the Bloodstock is to be raced outside New Zealand
- f. stud management and breeding policy (including if colts are to be gelded)
- g. agistment,

provided those decisions are in the best interests of the Members.

In practice, Members are usually consulted with and advised on the points above.

The Manager is also empowered to execute Ownership and Registration documents on behalf of the Syndicate and its Members with New Zealand Thoroughbred Racing and any other Racing Jurisdictions in which the Syndicate bloodstock may race.

Complaints or Disputes

If a Member has a problem, concern, or complaint about any part of the service offered by the Manager, please tell us so that we can try to fix the problem.

We will try in the first instance to resolve any complaint or dispute internally. We conduct an internal complaints handling process administered by John Galvin. You may contact John by writing to him at;

5 Johnnybro Place, Rototuna North Hamilton 3210, email john@fortuna-nz.com or telephone 021 921 460.

The Syndicate Agreement has a Disputes Resolution Clause (Clause 22) and this Clause governs the process for any Disputes Process and Resolution.

Initial Costs and Fees

In addition to the capital cost of the bloodstock, Syndicate members will bear the following initial Costs and Fees:

- **Promoter's fee.** This fee will be 10% of the purchase price of the syndicate bloodstock with a minimum of **\$10,000 + GST** - the fee for this Syndicate is **\$10,700 plus GST**
- **Marketing Contribution Fee.** It is in Members' interest that the Syndicate be filled in a timely fashion as no disbursement can be made, under the NZTR Code of Practice, until the total Syndicate capital is collected. Therefore, a marketing contribution of **\$7,500** is collected as part of this Syndicate's Capital.
- **Sales/Research Fee.** Covers the cost of any travel/accommodation/research and inspections by Team Fortuna and any fees by its agents/representatives. **Fee is NZ \$3,000 for this syndicate**
- **Magic Millions Series Fee** – this is the registration Fee for all Magic Millions Series Races for the racing career of the Bloodstock – **Fee is A\$6,000**
- **Transport** – Estimated Airfreight cost to NZ is **NZ\$6,500**
- **Veterinary Fee.** This fee relates to the Veterinary inspections and reports provided by our Veterinary Surgeon as we undertake due diligence. This fee is **NZ\$1,500 plus GST approx**
- **Bloodstock Insurance.** The cost of this is **3.8%** plus GST of the value of the Bloodstock and is paid annually (to 31 Jan of the following year) in advance
- **Working Capital.** Usually, the Syndicate will collect an amount of capital from Members to cover working expenses associated with the Bloodstock until such time as Member's ongoing fees commence and any capital remains the property of the Syndicate and its Members. Working Capital for this syndicate is **NZ\$12,000 approx**

Ongoing Costs and Fees

- **All costs associated with the preparation, training, racing and Administration of the Syndicate Bloodstock.** While the annual total of ongoing fees will vary to some degree depending on the path that each individual horse may take, a good indicative figure is approximately **\$52,000 per annum** inclusive of GST if any
- **Fortuna Ltd Administration fee.** This fee is **\$380 plus GST per month** and is included in the expense estimate above.

To cover these costs, each Syndicate member contributes a pre-determined set monthly amount to the Syndicate bank account by Automatic Payment. Quarterly statements will show the state of each member's current account within the Syndicate. The monthly amount is currently **\$440 per month for a 10% share, \$220 per month per month for a 5% share, \$110 per month for a 2.5% share and \$44 per month for a 1% share. These figures are GST inclusive.** Under normal circumstances the regular monthly payments made by Members (i.e \$220 per month per 5% share) to the Syndicate, will cover all expenses associated with racing the horse. **However in the event they do not, the Manager will issue a capital call on a pro rata basis to all Members to cover any additional costs. (see clause 9.1 of the Syndicate Agreement)**

Stakes Fee

In the event that the bloodstock wins stakes money in events that are described as "Listed" or "Group" or "Cups" events in New Zealand or in any race in any International Racing Jurisdiction, the Manager shall be entitled to receive **5% plus GST (if any)** of the stakes money received. (see clause 19.9) of the Syndicate Agreement

Sale of Bloodstock Fee

In the event that the Bloodstock (or part thereof) is sold at a future date the Manager will be entitled to a fee representing **10% plus GST (if any)** of the sale price. (see clause 19.11 of the Syndicate Agreement)

Note that in the event of the bloodstock being sold the Manager, with the approval of the Syndicate Management Committee, may approve a "success fee" payment to Te Akau Racing Stables of up to 5% of the gross sales price

SCHEDULE ONE – SUMMARY OF INITIAL COSTs

Spirit Of Boom- Aotearower	#145	Syndicate	
	Amount	GST	Total
Horse Purchase Price	107000	16050	123050
Promoter Fee	10700	1605	12305
Marketing Fee	7500	1125	8625
Sales/Research Fee	3000	450	3450
Magic Millions Series Fee	6400		6400
Veterinary fee	1500		1500
Insurance to 31 Jan 2025	4800	720	5520
Airfreight to NZ	6500	0	6500
Working Capital	12650	0	12650
Grand Total	160050	19950	180000
Share 10%			18000
Share 5%			9000
Share 2.5%			4500
Share 1%			1800

20 shares (each share 5%) @ \$9,000. (Note that the Manager has the discretion to issue shares in parcels larger or smaller than 5%)

Ongoing monthly contributions \$220 pm (per 5% share) commencing 1st April 2024

Finalised by John Galvin on 20th January 2024

PEDIGREE

BAY FILLY (AUS)

Foaled 22nd September 2022

Sire	Sequalo	Rustic Amber.....Thatching
SPIRIT OF BOOM (AUS)		Dash Around.....Bending Away
2007	Temple Spirit	Special Dane.....Danehill
		Temple Top.....Semipalatinsk
Dam	Shamardal	Giant's Causeway.....Storm Cat
AOTEAROWER		Helsinki.....Machiavellian
2011	Kaatoon	Kaapstad.....Sir Tristram
		Toonsie.....Affirmed

SPIRIT OF BOOM (AUS) (Bay 2007-Stud 2014). 9 wins-3 at 2, BRC Doomben Ten Thousand S., Gr.1, Sire of 541 mrs, 388 wms, 25 SW, inc. Jonker (MVRC Manikato S., Gr.1), Prince of Boom, Keshi Boom, Boomsara, De Sonic Boom, Spirits Aubeer - The Hulk (H.K.), Outback Barbie, All That Pizzazz, Ef Troop, Barbie's Sister, Malaboom, Get in the Spirit, Golden Boom, Palazzo Spirit, Chatty Lady, Boomnova, Miami Fleiss, Simply Fly, Champagne Boom, Perudo, etc.

1st dam

Aotearower, by Shamardal. 4 wins at 1200m, 1600m, Manawatu RC Waterforce H., Rotorua RC Rydges Hotel Rotorua H., Matamata RC New World Matamata H., 2d Waikato RC Bell Neuhouser Matthews Optometrists H., Te Rapa Wholesale Cars H., 3d WRC Anniversary S., **Gr.3**, Waikato RC The Edge 97.8 FM H., Te Rapa New World H. This is her fourth foal. Her third foal is a 2YO. Dam of one foal to race.

2nd dam

KAATOON, by Kaapstad. 4 wins from 2000m to 2200m, NZ\$222,013, Waikato RC Sir Tristram Fillies Classic, **Gr.2**, Masterton RC Lowland S., **Gr.3**, ARC Winstone Gypsum H., 2d ARC Royal S., **Gr.2**, WRC Desert Gold S., **Gr.3**, 3d ARC Great Northern Guineas Prelude, **L**, Sister to **Black Panther**, half-sister to **Cross Roads**, She's Pretty Too (dam of **EXTRA SEXY PSYCHIC**). Dam of 7 named foals, 4 to race, 2 winners, inc:-
Aotearower (Shamardal). 4 wins. See above.
Cottenham. Winner at 1850m in Aust.
Count the Dots. Unplaced. Dam of-
Merisi. 2 wins-1 at 2-at 1200m, 1800m to 2022-23 in Aust.

3rd dam

TOONSIE, by Affirmed. Unraced. Dam of 6 foals, 5 to race, all winners, inc:-
KAATOON (Kaapstad). 4 wins. See above.
Black Panther (Kaapstad). 7 wins-1 at 2-from 1150m to 1600m, NZ\$173,475, A\$82,250, MVRC Simon Wragg H., Avondale JC Governor General's Cup, BOP RC Stella Artois H., Ballarat TC Gold Nugget H., ARC NZ Bloodstock Insurance Triple Crown 3YO P, Hawkes Bay Hawkeye at Stoney Bridge 3YO H., 2d ARC Great Northern Guineas, **Gr.2**, Championship S., **Gr.2**, CM Jillings Cup, Waikato RC Doug McFarlane H., Hawkins Construction 60th Jubilee H., 3d Rangitikei Gold Cup, **L**, ARC Aspec Construction H., Counties RC Franklin Long Roofing H., BOP RC John Warren Insurance 3YO H., 4th ARC Triple Crown Cup, **L**.
Cross Roads (Cape Cross). 6 wins from 1200m to 2200m, NZ\$164,310, ARC Dunstan Feeds Championship Final, Speight's H., Auckland Co-Op Taxi's H., Waikato RC Ready to Run Sale H., Matamata RC TRAC Sports Bar H., 2d Waikato RC Seafood Bazaar H., 3d New Zealand St Leger, **L**, Counties RC Jim & John Evans Classic, **L**, Brollies Bridles & Beauties H., 4th ARC City of Auckland Cup, **Gr.2**.
Cross Lease. 6 wins from 1200m to 1600m, NZ\$87,550, ARC Keeper H., NB Holland Medal, Deutz H., 2d Waikato RC Diamond Express H., BOP RC Green Thistle Sporting Trust H., 3d ARC Ellerslie.co.nz H., Avondale JC Frank Sing Barristers & Solicitors H., Waikato RC Kevin A Booth Solicitor H., Vero Insurance New Zealand H.
She's Pretty Too. 2 wins at 6f in U.S.A. Dam of-
EXTRA SEXY PSYCHIC (Freud). 7 wins-2 at 2-to 6½f, US\$311,650, Presque Isle Downs Cozy Lace S., **L**, 2d Penn National Wonders Delight S., **L**, Delaware Park White Clay Creek S., **L**, 3d Penn National Dear Jane S., **L**. Dam of-
EXTRASEXYHIPPIZSTER (Stroll). 5 wins-2 at 2-from 6f to 1m, US\$268,400, Aqueduct Don Rickles S., **L**, Laurel Miracle Wood S., **L**, 4th Laurel Marylander S., **L**.
Extrasexybigdaddee (Congrats). 7 wins from 1m to 8½f, US\$262,690, to 2023, 2d Turfway Park Rushaway S., **L**, 4th Aqueduct Woodhaven S., **L**, Presque Isle Downs Hard Spun S., **L**.
Pretty Two Faced. 5 wins from 7f to 8½f, US\$299,309, Woodbine Allowance.

4th dam

NINJA GOLD, by Nijinsky. Unraced. Half-sister to **Triple Strike** (dam of **SWING AND MISS**), Proper Form (dam of **IRISH PRESENCE, MOUNTAIN RANGE, ROYAL VINDICATION**). Dam of 6 foals, 5 to race, 4 winners, inc:-
Sopran Goldby. Winner at 1200m, Milano Premio Parco di Montevicchia.
Areyougonnagomyway. Unplaced. Dam of-
Lights of Vegas (Always a Rainbow). Winner at 1300m in India, 2d Udhagamandalam Nilgiris Derby, **L**.

5th dam

SEEKER'S GOLD, by Mr. Prospector. 4 wins at 1000m, 1200m, AJC Liverpool City Cup, **Gr.3**, QTC Lightning H., **Gr.3**, 2d City Tatt's RC Lightning H., **L**, 3d STC Civic H., **L**, Winter H., **L**. Sister to Gem in the Rough (dam of **DIAMOND KNIGHT**), half-sister to **ALQUOZ, AYMAN, COGNIZANT, UZI**, Je Comprend (dam of **BYANOSEJOE, KRIGEORJ'S GOLD**), Noble Street (dam of **NOBLE BENBARA**). Dam of 8 foals, 6 to race, 4 winners, inc:-
Triple Strike (Secretariat). 3 wins, 3d Belmont Acorn S., **Gr.1**. Dam of-
SWING AND MISS (Housebuster). 4 wins-1 at 2, US\$163,677, Atlantic City Jersey Shore S., **Gr.3**, Monmouth Great Navigator S., **L**, 2d Calder Valid Space H., **L**. Sire.
Leagueofherown. Raced once. Dam of-
Top of the League. Winner at 2 in U.S.A. Dam of-
ROYAL CURRIER (Red Bullet). 15 wins-4 at 2-to 6½f, US\$869,569, Belmont Diablo S., **L**, Parx Racing Gallant Bob S., **L**.
Reata's Vixen. 3 wins at 1m, 8½f, US\$105,919 in U.S.A. Dam of-
MISS FREEZE (Frost Giant). Winner at 2, US\$86,915, Belmont Lynbrook S., **L**. Producer.
Proper Form. Placed at 2 in U.S.A. Dam of-
MOUNTAIN RANGE (Mountain Cat). 8 wins-3 at 2-from 6f to 8½f, US\$428,314, River Downs Cradle S., **L**, 3d Gulfstream Park Holy Bull S., **Gr.3**.
IRISH PRESENCE (Midnight Lute). 3 wins at 6f, 8½f, US\$163,994, Los Alamitos RC Las Madrinas S., **L**, 3d Santa Anita Adoration S., **Gr.3**. Producer.