



## DISCLOSURE STATEMENT FORTUNA SYNDICATE NO 151

### 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, Australia, Singapore and Great Britain with **Mark Walker/Sam Bergersen** being its principal NZ based Trainer, **Mark Walker** its Australian based. **Kevin Myers** and **Robbie Patterson** also train NZ based horses for Fortuna.

**Fortuna** is very client focused and it aims to be the very best it can be 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:	<b>Fortuna Limited</b>
Address of Promoter:	<b>5 Johnnybro Place, Rototuna North, Hamilton 3210</b>
Manager and Director:	<b>John Eric Galvin</b>
Bankers:	<b>Westpac Banking Corporation</b>
Accountants:	<b>One Base Accounting - Hamilton</b>
Solicitors/Legal Advisors:	<b>Harkness Henry – Hamilton</b>

### 4. Business Plan

- This Syndicate will race just one horse, that being the 3yo Gelding, **WEST INDIES** (by **FASTNET ROCK** out of **ANCHOVY**)
- 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.
- **WEST INDIES** was acquired at the Inglis Digital Sale on 23<sup>rd</sup> October 2024 – based at Cranbourne at time of sale, he only had to walk 200 metres into the care of Fortuna's Cranbourne based Trainer, Mark Walker and Assistant Trainer, Ben Gleeson, of Te Akau Racing Stables where he will continue his current preparation, but now under Mark and Ben's care
- **WEST INDIES** has had just 3 raceday starts in his career for his former Owners, Coolmore Stud and their partners, in the care of Trainer Ciaran Maher
- A strong, well developed Gelding, **WEST INDIES** possesses a very good pedigree and presents as a type who would appreciate running over long distances - based on type and pedigree, his best distances are likely to be in the 2000m to 3200m range

## 5. Bloodstock

- |                         |                               |
|-------------------------|-------------------------------|
| (a) Name                | <b>WEST INDIES</b>            |
| (b) Breeding (Sire/Dam) | <b>FASTNET ROCK-ANCHOVY</b>   |
| (c) Sex                 | <b>Gelding</b>                |
| (d) Foaling Year        | <b>2021 (DOB 01/09/2021)</b>  |
| (e) Microchip number    | <b>985125000126083</b>        |
| (f) Brand Marks         | <b>C with S inside - 74/1</b> |

## 6. Initial Costs and Expenses

- |                                      |  |
|--------------------------------------|--|
| (a) Purchase of Bloodstock           |  |
| (i) Purchase Date                    | <b>23<sup>rd</sup> October 2024</b>                        |
| (ii) Public Auction                  | <b>INGLIS DIGITAL SALE</b>                                 |
| (iii) Purchase Price                 | <b>A\$200,000 plus Aus GST of 10% (NZ\$242,000 approx)</b> |
| (iv)                                 |  |
| (b) Breakdown of other Initial Costs |  |
| Promoter Fee                         | <b>\$ 15,000 plus GST</b>                                  |
| Marketing Fee                        | <b>\$ 7,500 plus GST</b>                                   |
| Sales/Research Fee                   | <b>\$ 2,500 plus GST</b>                                   |
| Vet Reports                          | <b>\$ 1,500 no GST</b>                                     |
| Insurance                            | <b>\$ 2,400 plus GST</b>                                   |
| Working Capital                      | <b>\$ 16,990 no GST</b>                                    |
| Other (specify)                      | <b>Nil</b>   |

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

Number of shares	<b>20</b>
Cost per share	<b>NZ\$14,600</b>

**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)

- |       |   |
|-------|---|
| (a)   | Pre-Training, Training, Nominations and Acceptances, Transportation, Covers, Vet Care, Farrier, Management Fees, insuring the bloodstock and administration costs of the Syndicate. Annual Estimated costs are <b>\$72,000 inclusive of GST if any</b>  |
| (b)   | 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 ( <b>i.e. \$300 per month per 5% share</b> ) 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 |
| (c)   | Regular monthly payments  |
| (i)   | <b>\$300 per 5% share</b>   |
| (ii)  | <b>1<sup>st</sup> of each month commencing 1<sup>st</sup> December 2024</b>   |
| (iii) | <b>03-1557-0246029-029 Westpac Bank, Hamilton.</b>  |

*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	23rd October 2024 to 31 <sup>st</sup> January 2025
c. Value	\$200,000 incl GST if any
d. Type of policy	Death Only

## 8. Veterinary Report(s)

**Dr Matthew Morahan - Dated 23<sup>rd</sup> October 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](mailto:john@fortuna-nz.com) or by requesting a copy from NZ Thoroughbred Racing ([syndication@nzhorse.co.nz](mailto: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**

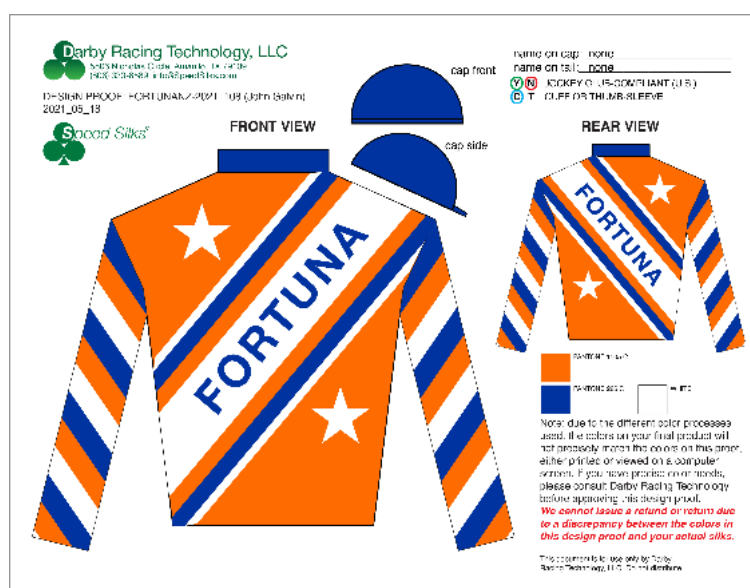
- The Syndicate Agreement which governs the Syndicate is attached

## 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](mailto: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 **\$15,000 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 \$2,500 for this syndicate**
- **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 no GST**
- **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\$17,000 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 **\$72,000 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 **\$600 per month for a 10% share, \$300 per month per month for a 5% share, \$150 per month for a 2.5% share and \$60 per month for a 1% share. These figures are GST inclusive.** Under normal circumstances the regular monthly payments made by Members (i.e \$300 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

	Amount	GST	Total
Horse Purchase Price (NZ\$)	220000	22000	242000
Promoter Fee	15000	2250	17250
Marketing Fee	7500	1125	8625
Sales/Research Fee	2500	375	2875
Veterinary fee	1500	0	1500
Insurance	2400	360	2760
Working Capital	16,990	0	16990
Other			
Grand Total	\$265,890	\$26,110	\$292,000

<b>Cost of Share 10%</b>	<b>\$29,200</b>
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<b>Cost of Share 5%</b>	<b>\$14,600</b>
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<b>Cost of Share 2.5%</b>	<b>\$7,300</b>
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<b>Cost of Share 1%</b>	<b>\$2,920</b>
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**20 shares (each share 5%) @ \$14,600. (Note that the Manager has the discretion to issue shares in parcels larger or smaller than 5%)**

**Ongoing monthly contributions \$300 pm (per 5% share) commencing 1<sup>st</sup> December 2024**

**Finalised by John Galvin on 25<sup>th</sup> October 2024**



PEDIGREE

WEST INDIES

Bay Gelding Foaled in 2021

Sire	Danehill	Danzig..... <b>Northern Dancer</b>
<b>FASTNET ROCK (AUS)</b>		Razyana.....His Majesty
2001	Piccadilly Circus	Royal Academy.....Nijinsky
		Gatana.....Marauding
Dam	Galileo	Sadler's Wells..... <b>Northern Dancer</b>
<b>ANCHOVY (IRE)</b>		Urban Sea.....Miswaki
2015	Countess Lemonade	Storm Cat.....Storm Bird
		Love Me True.....Kingmambo

**FASTNET ROCK (AUS)** (Bay 2001-Stud 2005). 6 wins to 1200m, VRC Lightning S., Gr.1. Champion Aust. Sire twice. Sire of 2200 mrs, 1561 wnrs, 194 SW, inc. Rocket Spade (New Zealand Derby, Gr.1), Sherwood Forest, Advantage, Atlantic Jewel, One Master, Shoals, Sea Siren, Fascinating Rock, Zhukova, First Seal, Buckaroo, Laganore, Planet Rock, Rock 'n' Pop, Age of Fire, Mosheen, Via Sistina, Merchant Navy, Dreamforce, Driefontein, Comin' Through, etc.

**1st dam**  
ANCHOVY, by Galileo. Raced once. Three-quarter-sister to **RULER OF THE WORLD, NORWAY, Giovanni Canaletto**. Dam of two named foals, both winners-  
Sailing Away (g by Merchant Navy) Winner at 1400m in 2023-24, 3d CJC Birchfield's Glass & Glazing H,  
West Indies (g by Fastnet Rock) Winner. See below.

**2nd dam**  
**Countess Lemonade**, by Storm Cat, 2 wins at 1600m, 2d Longchamp Prix des Lilas, **L**, Aqueduct Spice Island S., **L**, Longchamp Prix de la Grange Aux Belles, 3d Belmont Athenia S., **Gr.3**. Half-sister to **DUKE OF MARMALADE, RULER OF THE WORLD, ANNUS MIRABILIS, NORWAY, Giovanni Canaletto**, Soinlovewithyou (dam of **LOVE SO DEEP**). Dam of 3 foals, all raced, inc:-  
Caviar Czar, 2 wins at 9f, US\$112,740, Saratoga Allowance.  
Celestial Smile. Raced 3 times. Dam of-  
Reapply. 4 wins-1 at 2-from 5½f to 8¼f to 2024 in U.S.A.  
Idratherbeblessed. 4 wins-1 at 2-at 1m, 1¼m, US\$247,927, to 2024 in U.S.A.

**3rd dam**  
**Love Me True**, by Kingmambo. Winner at 1m, 2d Curragh Loder 2YO Fillies S., Leopardstown Ready To Go S., 3d Leopardstown Killavullan S., **Gr.3**, Naas Garnet S., **L**. Sister to **Black Mambo**, three-quarter-sister to **LEMON DROP KID, EAVESDROPPER**, Sweet Flag (dam of **THUNDER BLITZ**), half-sister to **BITE THE BULLET, SHUAILAAN**, Run for Lassie (dam of **MADISON'S CHARM**). Dam of 11 foals, 9 to race, all winners, inc:-  
**DUKE OF MARMALADE** (Danehill) Champion Older Male in Europe in 2008. Champion Older Male in GB & Ireland (Int./Long) in 2008. 6 wins-1 at 2-from 1400m to 2400m, £977,880, £575,754, Ascot King George VI & Queen Elizabeth S., **Gr.1**, Newmarket International S., **Gr.1**, Royal Ascot Prince of Wales's S., **Gr.1**, Curragh Tattersalls Gold Cup, **Gr.1**, Longchamp Prix Ganay, **Gr.1**, Curragh Kildare Village 2YO S., 2d Leopardstown Irish Champion S., **Gr.1**, Royal Ascot St James's Palace S., **Gr.1**, Goodwood Vintage S., **Gr.2**, Leopardstown Unicredito Dublin 2YO S., 3d Ascot Queen Elizabeth II S., **Gr.1**, 4th York International S., **Gr.1**, Irish Two Thousand Guineas, **Gr.1**, The Two Thousand Guineas, **Gr.1** Sire.  
**RULER OF THE WORLD** (Galileo) Champion 3YO in Europe in 2013 (Int.). Champion 3YO in GB & Ireland in 2013 (Int.). Champion Older Male in Ireland in 2014 (Int.). 4 wins from 2000m to 2500m, £956,220, €138,395, The Derby, **Gr.1**, Longchamp Prix Foy, **Gr.2**, Chester Vase, **Gr.3**, Curragh Irish Stallion Farms S., 2d Longchamp Prix Niel, **Gr.2**, 3d Ascot Champion S., **Gr.1** Sire.  
**ANNUS MIRABILIS** (Montjeu) 5 wins from 2400m to 3200m, €12,905, A\$525,920 in Ireland and Aust, SAJC Adelaide Cup, **Gr.2**, VRC Bagot H., **L**, MRC OTI Racing H., Pakenham RC TW Plastering H., 3d VRC Ascot Racecourse Trophy H., 4th ATC Sydney Cup, **Gr.1**.  
**NORWAY** (Galileo) 5 wins-2 at 2-from 1600m to 3500m, £62,476, €217,580, A\$140,720, Leopardstown Enterprise S., **Gr.3**, Newmarket Zetland S., **L**, Pakenham RC Brendan Drechsler Hurdle, 2d Chester Vase, **Gr.3**, 3d Irish Derby, **Gr.1**, York Great Voltigeur S., **Gr.2**, MRC Ladbrokes Switch H., Curragh John Sisk & Son 2YO S., MRC (Mornington) Asset Painting Services H., 4th Critérium de Saint-Cloud, **Gr.1**.  
**Giovanni Canaletto** (Galileo) Winner at 2, £95,520, €137,250, NZ\$9,325, HK\$2,495,000, 2d Curragh Gallinule S., **Gr.3**, 3d Irish Derby, **Gr.1**, York Great Voltigeur S., **Gr.2**, Matamata RC Kaimai S., **L**, HKJC Queen Mother Memorial Cup, **L**, Hong Kong Derby, **L**, 4th The Derby, **Gr.1**.  
**Countess Lemonade** (Storm Cat) 2 wins. See above.  
Belgravia. 2 wins at 1½m, Leopardstown Horse Racing Organisation of Greece S., Crew of R116 Memorial & Irish Coastguard S., 4th Royal Ascot Queen's Vase, **Gr.2**, Navan Yeats S., **L**.  
Looking Lovely. Winner at 2, Leopardstown Irish Stallion Farms 2YO S. Producer.  
Soinlovewithyou. Winner at 2 in Ireland. Dam of-  
**LOVE SO DEEP** (Deep Impact) 3 wins from 1¼m to 1½m, Newmarket Chalice S., **L**, 2d Deauville Prix de Pomone, **Gr.2**, 3d Goodwood Height of Fashion S., **L**, 4th Newmarket Aphrodite S., **L**.

**Race Record** : 3 Starts 1-0-0 A\$52,250.  
Winner at 1400m in 2024-25, 4th MRC Caulfield Classic, **Gr.3**.