



DISCLOSURE STATEMENT

FORTUNA ROCKY SYNDICATE NO 117

1. INTRODUCTION

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 both New Zealand and Singapore, with **Jamie Richards** being its principal NZ based Trainer and **Mark Walker** its Singapore based Trainer.

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"

2. 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

3. Business Plan

- This Syndicate will race just one horse, that being the Three Year Old Gelding (El Roca-Anthology) named "ROCKY"
- 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.
- ROCKY will be stabled at Paul Pertab's property near Matamata ahead of his travel to Singapore - Paul will give ROCKY a racing preparation and will aim him at a trial in Mid December – this will keep the horse up to the mark while awaiting to travel to Singapore in early January.
- On exiting quarantine after arrival in Singapore, he will be in the care of the Fortuna NZ Stable Singapore based Trainer, Mark Walker of Te Akau Racing Stables
- We expect, all going to plan, that ROCKY will be ready to race late March 2022 and, based on his pedigree, conformation and form, his best distances are likely to be in the 1100 metre to 2000 metre range
- As a Non winner ROCKY will be eligible to contest Restricted Maiden Grade races in Singapore, a Grade which carries prizemoney of S\$75,000 (approx. NZ\$78,000 at current exchange rates)

4. Bloodstock

- (a) Name **ROCKY**
Breeding (Sire/Dam) **El Roca - Anthology**
- (b) Sex **Gelding**
- (c) Foaling Year **2018 (DOB 31/08/2018)**
- (d) Microchip number 985125000107459
- (e) Brand Marks **Left - GH Right - 41/8**

5. Initial Costs and Expenses

- (a) Purchase of Bloodstock
- | | |
|---------------------|-------------------------|
| (i) Purchase Date | 4th October 2021 |
| (ii) Public Auction | Gavelhouse |
| (iii) Cost | \$50,000 No GST |
- (b) Breakdown of other Initial Costs
- | | |
|-------------------------|---------------------------|
| Promoter Fee | \$ 10,000 plus GST |
| Marketing and Promotion | \$ 7,500 plus GST |
| Sales & Research Fee | \$ 2,500 plus GST |
| Valuations | \$ 300 plus GST |
| Vet Reports | \$ 600 no GST |
| Insurance | \$ 1,100 plus GST |
| Working Capital | \$ 9,790 no GST |
| Singapore Travel | \$ 15,000 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\$5,000

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)

- (a) Pre-Training, Training, Nominations and Acceptances, Transportation, Covers, Vet Care, Farrier, Management Fees, - Annual Estimated costs of **\$45,000 inclusive of GST if any.**
- (b) Members will be required to meet all ongoing costs associated with educating, training, spelling, racing, transportation, animal health and 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. \$200 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
- (c) Regular monthly payments
- | | |
|-------|---|
| (i) | \$200 per 5% share |
| (ii) | 1st of each month commencing 1st December 2021 |
| (iii) | 03-1557-0229077-025 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	4th October 2021 to 31st January 2022
c. Value	\$80,000 Including GST if any
d. Type of policy	Death Only

8. Two Valuation Reports

a. Adrian Clark	15th October 2021 A\$50,000
b. Marcus Corban	15th October 2021 A\$50,000

The valuation reports are not attached. A copy of the valuation reports may be obtained from the Promoter by request at its mailing address or its email address john@fortuna-nz.com or by requesting copies from NZ Thoroughbred Racing (syndication@nzracing.co.nz).

9. Veterinary Report(s)

Dr Neil Houston of Veterinary Associates, Karaka– Dated 30th September 2021

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@nzracing.co.nz).

10. 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

11. 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**

12. 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 Singapore 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 whether colts are to be gelded)
 - g. agistment,
- provided those decisions are in the best interests of the Members.

In practice, Members are invariably 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**
- **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 plus GST** is collected as part of the Syndicate's Capital.
- **Sales/Research Fee.** Covers the cost of any travel/accommodation/research and inspections by Team Te Akau. **Fee is \$2,500 plus GST.**
- **Singapore Transport Fee.** This covers the costs of quarantine and shipping - **\$15,000 approx**
- **Valuation Fees.** Under the NZTR syndication rules, valuations of the Bloodstock must be obtained from two NZTR approved valuers and their valuations must be disclosed on the Disclosure Statement. These fees are **\$150 plus GST per horse per valuation.**
- **Veterinary Fee.** This fee relates to the Veterinary inspections and reports provided by our Veterinary Surgeon as we undertake due diligence. This fee is **\$600 plus GST.**
- **Bloodstock Insurance.** The cost of this is **4%** 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 ongoing contingencies. This sum is usually in the vicinity of **\$5,000 and \$10,000** total per Syndicate. This capital remains the property of the Syndicate and its Members.

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 **\$45,000 per annum** inclusive of GST if any
- **Fortuna Ltd Administration fee.** This fee is **\$350 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 **\$400 per month for a 10% share, \$200 per month per month for a 5% share, \$100 per month for a 2.5% share and \$40 per month for a 1% share. These figures are GST inclusive.** Under normal circumstances the regular monthly payments made by Members (i.e \$200 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

Rocky	\$117	Syndicate	
	Amount	GST	Total
Horse Purchase Price	50000	0	50000
Promoter Fee	10000	1500	11500
Marketing Fee	7500	1125	8625
Sales/Research Fee	2500	375	2875
Veterinary fee	600		600
Valuation fee	300	45	345
Insurance to 31 Jan 2022	1100	165	1265
Singapore Transport	15000	0	15000
Working Capital	9790		9790
Grand Total	96790	3210	100000
Share 10%			10000
Share 5%			5000
Share 2.5%			2500
Share 1%			1000

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

Ongoing monthly contributions \$200 pm (per 5% share) commencing 1st December 2021

Finalised by John Galvin on 15TH October 2021

Pedigree

BAY GELDING

Foaled 31st August 2018

Sire	Fastnet Rock	Danehill	Danzig
EL ROCA (AUS)		Piccadilly Circus	Royal Academy
2010	Rubimill	Rubiton	Century
		Mill Rani	Millionaire
Dam	Encosta de Lago	Fairy King	Northern Dancer
ANTHOLOGY (AUS)		Shoal Creek	Star Way
2011	Imananabaa	Anabaa	Danzig
		Iman	Zemindar

EL ROCA (AUS) (Bay 2010-Stud 2015), 3 wins to 1200m, ATC Eskimo Prince S., L. Sire of 129 mrs, 71 wns, inc. SW Travelling Light (WRC Levin Classic, Gr.1), Ima Roca Bee, SP Bella Mente, Irish Girl, Moeraki, Paleontologist - Lucky Patch (H.K.), Flash Mary, Esta la Roca and of Summaroca - Circuit Mighty (H.K.), Mega Bourbon, Old Town Road, Tina Again, Viva Hunter, El Nymph, Everyone's Delight, Roc Cha, Bea a Roca, Chevron, Clever Ruds, etc.

1st dam

ANTHOLOGY, by Encosta de Lago. Placed, 3d Scone RC Newgate Stallions P. This is her first living foal.

2nd dam

IMANANABAA, by Anabaa. 5 wins-1 at 2-at 1200m, 1400m, NZ\$326,125, A\$57,250, ARC Railway H., **Gr.1**, Soliloquy S., **L**, Waikato RC James & Annie Sarten Memorial S., **L**, ARC Suburban Community Newspapers H., 2d Avondale JC Concorde H., **Gr.2**, Counties RC Auckland Thoroughbred Breeders' S., **Gr.2**, ARC Darley P., **Gr.3**, AJC Aspiration H., **L**, Counties Bowl, **L**, ARC Lindauer Special Reserve Cuvée Riche H., 3d ARC Railway H., **Gr.1**, STC Queen of the Turf S., **Gr.1**, Waikato RC Cal Isuzu S., **Gr.2**, Counties Challenge S., **L**, Hawkes Bay Towkay H., 4th ARC Rich Hill Mile, **Gr.2**, Sister to **Ms Bowie**, three-quarter-sister to **Anabatik**, Space Talk (dam of **ROSTOVA**). Dam of 7 named foals, all raced, 5 winners, inc:-
All in Rhythm. 5 wins-1 at 2-to 1400m, A\$126,325, to 2020-21, 3d ATC Ranvet H.
Superbellaa. 2 wins at 2 in Aust.
Aloneinabaa. 2 wins at 900m, 1200m in Aust.
I Am the Rock. 2 wins at 1400m in Aust.
Imanana. Winner at 1200m. Dam of-
Virgo. 2 wins at 1000m, 1100m, A\$93,970, to 2021-22, ATC Bowermans Commercial Furniture P, 2d ATC Schweppes P, Schweppes H., 3d ATC Hyland Race Colours H.

3rd dam

IMAN, by Zemindar. Unraced. Three-quarter-sister to Florins (dam of **SCENIC SILVER**), half-sister to **BORN PRICELESS, Rich Inheritance**, Rich Haul (dam of **THE HEAVYWEIGHT, BORN WESTERN, HAPPY STRIKE - LISBOA STAND (MAC.), ZEDRICH**), Rich Resource (dam of **TRIGGER EXPRESS**). Dam of 11 foals, 10 to race, 8 winners, inc:-
IMANANABAA (Anabaa). 5 wins. See above.

Ms Bowie (Anabaa). 4 wins-2 at 2-to 1550m, A\$156,690, AJC Energy Australia H., Mosman 2YO H., STC PJ Gallagher's Irish Pubs H., 2d STC Tea Rose S., **Gr.2**, AJC Leda Holdings H., STC Merrylands RSL Club H., AJC Longines H., STC Webster Signage Group H., 3d AJC Sailor's Guide H., 4th AJC Flight S., **Gr.1**, Gosford Guineas, **L**. Dam of-

Lakers Bay (Magic Albert). 5 wins from 1400m to 1750m, CJC Win a Ford Fiesta at Riccarton Park H., 2d MRC Alannah & Madeline Foundation H., Riverton RC White Robe Francolin S., 3d Otago RC White Robe Lodge H., **Gr.3**, Natural Destiny at Clearview Park H., 4th CJC Great Easter S., **L**.

Music Maestro. 6 wins from 1400m to 2000m, A\$129,995, AJC Starcraft at Arrowfield H., 2d AJC Ryan Wilks Pty Ltd H., Sky Chase H., STC Baby & Children's Expo H., Caravan Camping Supershow H., 3d ATC Lawler Partners H., BRC Channel Seven H.
Abukuda. 2 wins-1 at 2-at 1350m, 1600m, BTC Glenlogan Park 2YO S., 2d BTC Bernborough Bar H.

4th dam

BORN RICH, by Beau Sovereign. 3 wins at 2, WATC Gimcrack S., **L**, Queen's P, **L**, KEMH Research Foundation H., 2d WATC Initial S., 4th WATC Karrakatta P., **Gr.2**, Sister to **SOVEREIGN GHOST, Beau Monarch, Holborn Court**, Bibiana Girl (dam of **GETTING THERE**), half-sister to **BRITISH STEEL, Beer Bandit**. Dam of 9 foals, 7 to race, all winners, inc:-

BORN PRICELESS (Pricelessly). 2 wins at 2, A\$284,885, WATC Karrakatta P., **Gr.2**, Paklani 2YO P, 2d WATC Sires' Produce S., **Gr.3**, Gimcrack S., **L**, MVRC Meadowlea H., WATC Queen's 2YO P.H., 3d MVRC Champagne S., **Gr.2**, VRC Vanity S., **Gr.3**, WATC Willoughby H. Producer.

Rich Inheritance (Jungle Boy). 5 wins-1 at 2-to 1500m, WATC Coca-Cola H., Carbineer Weiler H., 3d WATC Lindsay Rosenthal S., **L**. Dam of-
Fortunate Sally. 3 wins at 1000m, 1250m, WATC Lift H. Dam of-
SIMPLY ADORABLE (Blackfriars). 2 wins at 1700m, 2300m, A\$191,415, Pinjarra Cup, **L**, 3d WATC Perth Cup, **Gr.2**, Producer.

Florins. Unraced. Dam of-
SCENIC SILVER (Scenic). 9 wins-1 at 2-from 1150m to 1600m, A\$249,710, TTC Newmarket H., **L**, 2d TRC Thomas Lyons S., **L**.

Rich Haul. 9 wins-2 at 2-to 1400m, A\$100,615, WATC Albany Advertiser Sprint H., Diet Coke H. Dam of-

THE HEAVYWEIGHT (Zeditave). 8 wins-3 at 2-to 1200m, A\$377,935, VRC Maribyrnong P., **Gr.2**, 2d AJC Hobartville S., **Gr.2**, Royal Sovereign S., **Gr.3**, VATC Blue Diamond Prelude, **Gr.3**, Merson Cooper S., **Gr.3**, 3d AJC Galaxy H., **Gr.1**, VATC Oakleigh P., **Gr.1**, AJC Shorts H., **Gr.3**.

HAPPY STRIKE - LISBOA STAND (Mac.) (Gold Fever). 9 wins-1 at 2-at 1000m, 1200m, A\$166,250, M\$2,716,650 in Aust. and Macau, MRC Vain S., **L**, 3d MVRC CS Hayes S., **Gr.3**.

BORN WESTERN (Western Symphony). 2 wins at 1300m, 1400m, VATC Mercedes-Benz S., **L**, 3d VRC Waltzing Lily H., **L**. Dam of-

Origami. Unraced. Dam of-
MALIBU STYLE (Magnus). 11 wins to 1300m, A\$1,024,185, VRC Victorian Sprint Final H., **L**, 3d VRC Gilgai S., **Gr.2**.

Alborada. Unraced. Dam of-
EXCELOORADA (Exceed and Excel). 10 wins at 1000m, 1100m, A\$351,990, WATC Summer

Scorcher, **L**, RS Crawford S., **L**.

ZEDRICH (Zeditave). 2 wins at 2, VRC Criterion H., **L**, 2d STC Pago Pago S., **Gr.2**. Sire.

Addictive. Raced once. Dam of-

SO ANYWAY (General Nediym). 2 wins-1 at 2-at 1000m, 1400m, A\$355,525, Scone RC Dark Jewel Classic, **L**, 3d AJC Surround S., **Gr.2**.

Key Satellite. 2 wins at 1000m, 1100m, WATC Kensington H. Dam of-
Space Talk. Placed in Aust. Dam of-

