



## DISCLOSURE STATEMENT FORTUNA SYNDICATE NO 150

### 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 and **Harry Eustace** trains its Great Britain based horses.

**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 6yo Gelding, DREAMFLIGHT (by FRANKEL out of DREAM PEACE)
- 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.
- DREAMFLIGHT was acquired at the Inglis Digital Sale on 11<sup>th</sup> September 2024 – based in Sydney at time of sale, he was transported to Victoria into the care of Fortuna's Cranbourne based Trainer, Mark Walker, of Te Akau Racing Stables where, after a six week paddock spell, he will commence his first stable preparation under Mark's care
- DREAMFLIGHT has had 20 raceday starts in his career for his former Owners, 9 in France, where he won two Stakes races and 11 in Sydney, under the care of Trainer Bjorn Baker
- A strong, well developed Gelding, standing at 16.1 hands high and weighing in at 500 kgs, DREAMFLIGHT 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
- He also has the pedigree and physique to suggest he could be a capable Jumps type in the future

## 5. Bloodstock

- (a) Name **DREAMFLIGHT**
- (b) Breeding (Sire/Dam) **FANKEL – DREAM PEACE**
- (c) Sex **Gelding**
- (d) Foaling Year **2019 (DOB 27/01/2019)**
- (e) Microchip number **985101045301481**
- (f) Brand Marks **Twin Circles - 17/19**

## 6. Initial Costs and Expenses

- (a) Purchase of Bloodstock
  - (i) Purchase Date **17<sup>th</sup> September 2024**
  - (ii) Public Auction **INGLIS DIGITAL SALE**
  - (iii) Purchase Price **A\$30,000 No GST (NZ\$32,500 approx)**
  - (iv)
- (b) Breakdown of other Initial Costs
  - Promoter Fee **\$ 10,000 plus GST**
  - Marketing Fee **\$ 7,500 plus GST**
  - Sales/Research Fee **\$ 2,500 plus GST**
  - Vet Reports **\$ 1,200 no GST**
  - Insurance **\$ 1,000 plus GST**
  - Working Capital **\$ 17,150 no GST**
  - Other (specify) **Nil**

**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\$3,750</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 **\$72,000 inclusive of GST if any**
- (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 (**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
- (c) Regular monthly payments
  - (i) **\$300 per 5% share**
  - (ii) **1<sup>st</sup> of each month commencing 1<sup>st</sup> November 2024**
  - (iii) **03-1557-0246029-028 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	<b>New Zealand Bloodstock Insurance</b>
b. Term	<b>11<sup>th</sup> September 2024 to 31<sup>st</sup> January 2025</b>
c. Value	<b>\$50,000 incl GST if any</b>
d. Type of policy	<b>Death Only</b>

## 8. Veterinary Report(s)

**Dr Churo Pellegrini - Dated 11<sup>th</sup> September 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@nzracing.co.nz](mailto:syndication@nzracing.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**

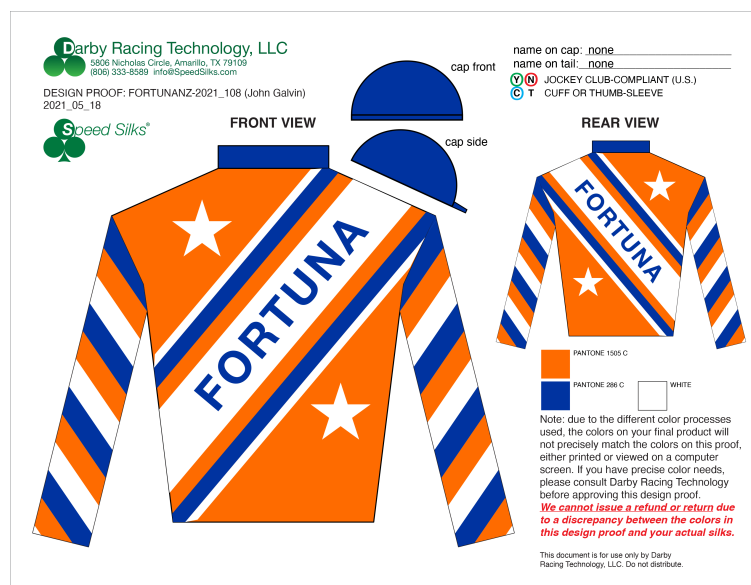
- The Syndicate Agreement which governs the Syndicate is attached

## 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 **\$10,000 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\$1,200 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

Dreamflight	#150	Syndicate	
	Amount	GST	Total
Horse Purchase Price (NZ\$)	32500	0	32500
Promoter Fee	10000	1500	11500
Marketing Fee	7500	1125	8625
Sales/Research Fee	2500	375	2875
Veterinary fee	1200	0	1200
Insurance	1000	150	1150
Working Capital	17,150	0	17150
Other			
<b>Grand Total</b>	<b>\$71,850</b>	<b>\$3,150</b>	<b>\$75,000</b>
<b>Cost of Share 10%</b>			<b>\$7,500</b>
<b>Cost of Share 5%</b>			<b>\$3,750</b>
<b>Cost of Share 2.5%</b>			<b>\$1,875</b>
<b>Cost of Share 1%</b>			<b>\$750</b>

**20 shares (each share 5%) @ \$3,750. (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> November 2024**

**Finalised by John Galvin on 20<sup>th</sup> September 2024**



## PEDIGREE

# DREAMFLIGHT (GB)

Bay Gelding

Foaled in 2019

Sire	Galileo	Sadler's Wells .....Northern Dancer Urban Sea..... Miswaki
<b>FRANKEL (GB)</b> 2008	Kind	<b>Danehill</b> .....Danzig Rainbow Lake .....Rainbow Quest
Dam	Dansili	<b>Danehill</b> .....Danzig Hasili .....Kahyasi
<b>DREAM PEACE (IRE)</b> 2008	Truly a Dream	Darshaan ..... Shirley Heights Truly Special ..... Caerleon

**FRANKEL (GB) (Bay 2008-Stud 2013). 14 wins-4 at 2, Ascot Champion S., Gr.1. Champion Sire in GB/Ire in 2021. Sire of 860 mrs, 612 wnrs, 149 SW, inc. Alpinista (ParisLongchamp Prix de l'Arc de Triomphe, Gr.1), Inspiral, Hurricane Lane, Mostahdaf, Westover, Adayar, Crackman, Nashwa, Hungry Heart, Anapurna, Soul Stirring, Triple Time, Homeless Songs, Logician, Courage Mon Ami, Quadrilateral, Chaldean, Measured Time, Converge, Mozu Ascot, etc.**

## 1st dam

**DREAM PEACE**, by Dansili. 4 wins-1 at 2-from 1500m to 2000m, €183,100, US\$536,080, Deauville Prix de la Nonette, **Gr.2**, Saint-Cloud Prix Volterra, **L**, Deauville Prix de la Louviere, Saint-Cloud Prix Nubienne, 2d Saratoga Diana S., **Gr.1**-twice, Deauville Prix de Psyché, **Gr.3**, 3d Woodbine EP Taylor S., **Gr.1**-twice, Belmont Flower Bowl S., **Gr.1**, New York S., **Gr.2**, Beaugay S., **Gr.3**, Chantilly Prix Chloé, **Gr.3**, Craon Critérium de l'Ouest, **L**, Nantes Prix des Sablonnets, **L**, 4th Chantilly Prix Allez France, **Gr.3**. Three-quarter-sister to **Catcher in the Rye**, half-sister to Truly Yours (dam of **TRUE TO FORM**, **TRULY MINE**). Dam of six named foals, five to race, all winners, inc:-

**SOUL SISTER** (f by Frankel) 3 wins-1 at 2-from 1m to 1½m, £388,421, €68,580, The Oaks, **Gr.1**, York Musidora S., **Gr.3**, 3d ParisLongchamp Grand Prix de Paris, **Gr.1**.

**DREAMFLIGHT** (g by Frankel) 2 wins. See below.

**Herman Hesse** (g by Frankel) 6 wins from 2000m to 2800m, £13,052, €3,300, A\$387,850, to 2023-24, ATC Ranvet H., MRC Mal Seccull H., MRC (Mornington) Penang Turf Club Trophy, 2d ATC Christmas Cup, **L**, VRC National Jockeys Trust Trophy, ATC XXXX H., 3d ATC Colin Stephen H., **Gr.3**, Mornington Cup, **L**, Yarra Valley Cup, Sandown Slug & Lettuce Tanqueray 2YO S., MRC Evergreen Turf H.

**Questionare** (g by Galileo) Winner at 9½f, 3d Limerick Martin Molony S., **L**, 4th Naas Finale S., **L**.  
Guru - Powerful Wings (H.K.) (g by Kingman) 3 wins-1 at 2-from 1400m to 1600m, £23,382, HK\$3,696,000, Ascot Porsche H., HKJC Advancing Sports & Culture H., 2d Ascot Biowavego Goyou H., HKJC Wu King H., FWD Insurance 10yrs Young H., Amethyst H., Sight Winner H., 3d HKJC FWD Insurance Goahead Group H., Hing Man H., Viva Pataca H.

## 2nd dam

**TRULY A DREAM**, by Darshaan. 3 wins-1 at 2-from 1600m to 2400m, 82,323fr., US\$250,336, Woodbine EP Taylor S., **Gr.2**, Saint-Cloud Prix de Royaumont, **Gr.3**, 2d Deauville Prix de Psyché, **Gr.3**, Longchamp Prix Finlande, **L**, 3d Evry Prix Corrida, **Gr.3**, 4th Saint-Cloud Prix de la Seine, **L**. Three-quarter-sister to **CERULEAN SKY** (dam of **HONOLULU**), **L'ANCRESE** (dam of **SIBILA SPAIN**, **MASTER OF REALITY**, **CHAMONIX**), **Qaatef**, **Russian Society**, half-sister to **WAREED Solo de Lune** (dam of **MOONSTONE**, **DINER DE LUNE**), True Glory (dam of **PORTRAYAL**), Libretto (dam of **COLETTE**, **METASTASIO**). Dam of 14 foals, 12 to race, 8 winners, inc:-

**DREAM PEACE** (Dansili) 4 wins. See above.

**Catcher in the Rye** (Danehill) Winner at 1m, €99,531, Leopardstown March S., 2d Longchamp Poule d'Essai des Poulains, **Gr.1**, Curragh Irish Examiner 2YO S., 3d Leopardstown Rochestown S., **L**. Champion sire.

Truly Yours. Winner at 2 in France. Dam of-

**TRUE TO FORM** (Rock of Gibraltar) 11 wins from 7f to 1¼m, Lingfield Quebec S., **L**, 2d Kempton Peter Slattery Big Birthday H., 3d Lingfield Mike Lilley 60th Birthday H.

**TRULY MINE** (Rock of Gibraltar) 2 wins at 9f, 10½f, €86,174, Dundalk Salsabil S., **L**, Leopardstown Kingston S., 2d Leopardstown Irish Stallion Farms 2YO S., 3d Curragh Park Express S., **Gr.3**. Dam of-

**ONLY MINE** (Pour Moi) 5 wins-2 at 2-at 6f, £30,988, €175,720, Naas Lacken S., **Gr.3**, Curragh Belgrave S., **L**, Newmarket Bosra Sham S., **L**, Naas Sweet Mimosa S., **L**, 2d Curragh Greenlands S., **Gr.2**, Grangecon Stud S., **Gr.3**, Ballyogan S., **Gr.3**, Ayr Firth of Clyde S., **Gr.3**, 3d Curragh Ballyogan S., **Gr.3**, Cork S., **L**, Navan Power S., **L**. Dam of-

**Uxmal** (Galileo) 3 wins from 14¼f to 21¼f to 2024, Royal Ascot Queen Alexandra S., 2d Saint-Cloud Prix Scaramouche, **L**.

Colour Rhapsody. Winner at 2 in Ireland. Dam of-

**MUSICAL RHAPSODY** (Holy Roman Emperor) 5 wins from 1¼m to 1½m, €22,245, US\$175,200, to 2024 in Ireland and U.S.A, Santa Anita Santa Barbara S., **L**, 2d Del Mar Red Carpet S., **Gr.3**, Santa Anita Astra S., **L**, Possibly Perfect S., **L**, 3d Del Mar CTT & Thoroughbred Owners of California S., **L**.

**Motabaary** (Tamayuz) 8 wins from 1600m to 1900m, €141,500, 1,110,000ft in France and Germany, Chantilly Prix du Pays de France, Baden-Baden German Tote Cup, 2d Chantilly Prix du Vergaly, Deauville Prix Tendance Ouest, Prix de Balme, 3d Vichy Prix Jacques de Brémond, **L**, Kincsem Park Millenniumi Díj, Deauville Prix du Val Martin, Prix RMC.

**Race Record** : 20 Starts 2-4-1 €111,950, A\$47,200.

2 wins-1 at 2-at 1600m, €111,950, A\$47,200, Saint-Cloud Prix Thomas Bryon, **Gr.3**, Prix Omnium II, **L**, 2d ParisLongchamp Prix La Force, **Gr.3**, Chantilly Prix de Saint-Patrick, **L**, ATC Toyota Forklifts H., Saint-Cloud Prix Kendor, 3d Deauville Prix Hipodromo de Gavea, 4th Chantilly Prix de Guiche, **Gr.3**.