



## DISCLOSURE STATEMENT FORTUNA COLOUR SERGEANT SYNDICATE (NO 153)

### 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 New Zealand and Australia with **Mark Walker/Sam Bergerson** being its principal NZ based Trainers, **Mark Walker** its Australian based Trainer. **Kevin Myers** and **Robbie Patterson** also train NZ based horses for Fortuna and **Brett Scott** also trains Australian 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"*

### 2. 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>

### 3. Business Plan

- This Syndicate will race just one horse, that being the Seven Year Old Gelding COLOUR SERGEANT
- 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.
- COLOUR SERGEANT was acquired at the Inglis November Digital (late) Sale on 27 November 2024 – he is now in work at Cranbourne in the hands of our Trainer, Mark Walker, and Mark's Assistant Trainer, Ben Gleeson.
- Mark and Ben will assess COLOUR SERGEANT as they build up his training with the aim of getting him to a jumpout late January and from there onto the races
- Based on his pedigree, physical type and confirmation, his best distances are likely to be in the 2000 metre to 3200 metre range or even further if he becomes a jumper

#### 4. Bloodstock

(a) Name	COLOUR SERGEANT
(b) Breeding (Sire/Dam)	Kingman – Quilita
(c) Sex	Gelding
(d) Foaling Year	2018 (DOB 21/03/2018)
(e) Microchip number	985101045309233
(f) Brand Marks	F/BS - 118/7

#### 5. Initial Costs and Expenses

(a) Purchase of Bloodstock	
(i) Purchase Date	27th November 2024
(ii) Public Auction	Inglis Digital (Late) November Sale
(iii) Cost	A\$15,000 Plus GST
(iv)	
(b) Breakdown of other Initial Costs	
Promoter Fee	\$ 10,000 plus GST
Marketing Fee	\$ Nil
Sales/Research Fee	\$ 2,500 plus GST
Vet Reports	\$ 1,500 plus GST
Insurance (to 32/01/25)	\$ 1,100 plus GST
Working Capital	\$ 10,330 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\$2250

**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 **\$60,000 inclusive of GST if any.**
- (b) Members will be required to meet all ongoing costs associated with educating, training, spelling, racing, transportation, animal health, 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. \$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> January 2025**
  - (iii) **03-1557-0246029-003 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>26th November 2024 to 31<sup>st</sup> January 2026</b> |
| c. Value          | <b>\$25,000 incl GST if any</b>                           |
| d. Type of policy | <b>Death Only</b>   |

## 8. Veterinary Report(s)

### Dr Paddy Todhunter - Dated 26th November 2024

The veterinary report 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.com](mailto:syndication@nzhorse.com)).

## 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**

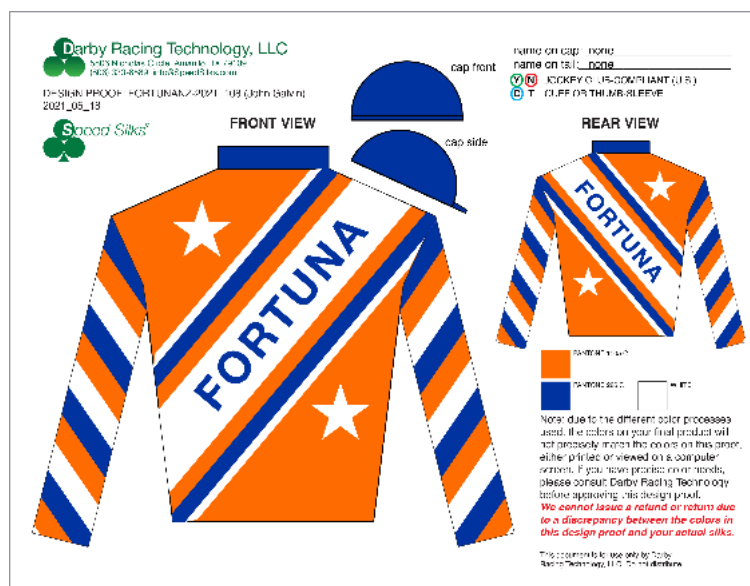
- The Syndicate Agreement which governs the Syndicate is attached

## 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 **\$Nil** 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 plus GST 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 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\$10,330**

### 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 **\$60,000 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. Statements showing the state of each member's current account within the Syndicate are available on request. The monthly amount is **\$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

(all amounts are in NZ\$)

Colour Sergeant	#153	Syndicate	
	Amount	GST	Total
Horse Purchase Price	16300	1080	17380
Promoter Fee	10000	1500	11500
Marketing Fee		0	0
Sales/Research Fee	2500	375	2875
Veterinary fee	1500	150	1650
Insurance to 31 Jan 2026	1100	165	1265
Working Capital	10330	0	10330
<b>Grand Total</b>	<b>41730</b>	<b>3270</b>	<b>45000</b>
<b>Share 10%</b>			<b>4500</b>
<b>Share 5%</b>			<b>2250</b>
<b>Share 2.5%</b>			<b>1125</b>
<b>Share 1%</b>			<b>450</b>

**20 shares (each share 5%) @ \$2250. (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> January 2025**

**Finalised by John Galvin on 12<sup>th</sup> December 2024**



**PEDIGREE**

## COLOUR SERGEANT (IRE)

Bay Gelding

Foaled in 2018

Sire	Invincible Spirit	Green Desert .....	Danzig
<b>KINGMAN (GB)</b>		Rafha .....	Kris
2011	Zenda	Zamindar .....	Gone West
		Hope .....	Dancing Brave
Dam	Lomitas	Niniski .....	Nijinsky
<b>QUILITA (GER)</b>		La Colorada .....	Surumu
2010	Quirigua	Intikhab .....	Red Ransom
		Quila .....	Unfuwain

**KINGMAN (GB) (Bay 2011-Stud 2015). 7 wins-2 at 2, Royal Ascot St James's Palace S., Gr.1, Sire of 766 mrs, 523 wns, 89 SW, inc. Palace Pier (Deauville Prix Jacques Le Marois, Gr.1), Persian King, Kinross, Commissioning, Domestic Spending, Friendly Soul, Sparkling Plenty, Zardozi, Schnell Meister, Sauterne, Elmalka, Feed the Flame, King Colorado, Technical Analysis, Public Sector, Summer Romance, Celandine, Habana, Quddwah, Calyx, Headman, etc.**

### 1st dam

**Quilita**, by Lomitas. Winner at 1800m in Germany, 2d Hamburg Almased Cup, **Gr.3**, Baden-Baden Iffezheimer Diana Trial, **L**. Dam of seven foals, all raced, six winners, inc:-  
 Quilixios (g by Maxios) 8 wins from 3200m to 3800m, £93,938, €168,930, to 2024 in GB, Ireland and France, Leopardstown Tattersalls Ireland Spring Juvenile Hurdle, Naas Barberstown Castle Chase, Cheltenham Triumph Hurdle, 2d Sandown Tingle Creek Chase, Naas Fishery Lane Hurdle, Limerick Limerick Hurdle, 3d Gowran Park Red Mills Trial Hurdle.  
 Colour Sergeant (g by Kingman) 4 wins. See below.  
 Queen Constantine (f by Holy Roman Emperor) 4 wins-1 at 2-from 1650m to 2200m in GB and NZ.  
 Queen of Rome (f by Holy Roman Emperor) 2 wins at 2350m in Italy.  
 Naomi's Charm (f by Charm Spirit) Winner at 1m in GB.  
 Queen Cathrin (f by Exceed and Excel) Winner at 1200m in Germany.

### 2nd dam

**QUIRIGUA**, by Intikhab. Unraced. Half-sister to **QUIJANO**, Quiana (dam of **QUIAN**). Dam of 4 named foals, all raced, 3 winners, inc:-  
**Quilita** (Lomitas) Winner. See above.  
 Quinevere. Winner at 1m in U.S.A.  
 Quila Saeda. Winner at 2000m in Germany.

### 3rd dam

**QUILA**, by Unfuwain. Winner at 2 in Germany, 2d Mülheim Vogelpark Walsrode-Pokal, 3d Mülheim Berberis Rennen. Dam of 7 foals, 6 to race, 4 winners, inc:-  
**QUIJANO** (Acatenango) Champion Older Horse in Germany in 2007 (Long) Champion Older Horse in Italy in 2008 & 2009 (Long). 14 wins from 2000m to 2400m, €618,190, US\$469,655, HK\$3,530,000, 2,651,440Dhs in Italy, Germany and U.A.E, Baden-Baden Grosser Preis von Baden, **Gr.1**, Gran Premio di Milano, **Gr.1**-twice, Nad al Sheba Dubai City of Gold S., **Gr.3**, Köln Ilse & Heinz Ramm Erinnerungsrennen, **L**-twice, Baden-Baden Internationaler Club Pokal, Nad al Sheba Gulf News Trophy, Aman Trophy, Hamburg Credit Suisse Rennen, Baden-Baden Ossian-Rennen, 2d Baden-Baden Grosser Preis von Baden, **Gr.1**, Woodbine Northern Dancer Turf S., **Gr.1**, Düsseldorf Deutschland Preis, **Gr.1**, Hong Kong Vase, **Gr.1**, Nad al Sheba Dubai City of Gold S., **Gr.2**, 3d Woodbine Canadian International S., **Gr.1**, Northern Dancer Turf S., **Gr.1**, Belmont Man o' War S., **Gr.1**, Hamburg Grosser Preis von Lotto Hamburg, **Gr.1**, Köln Preis von Europa, **Gr.1**, Meydan GNA4U H., 4th Gran Premio di Milano, **Gr.1**, Nad al Sheba Dubai Sheema Classic, **Gr.1**, Köln Rheinland Pokal, **Gr.1**.  
 Quicuyo. 9 wins from 2m to 19f, £78,208 in GB.  
 Qadan. 3 wins at 1800m in Switzerland.  
 Quiana. Winner at 2400m in Germany. Dam of-  
**QUIAN** (Mastercraftsman) 8 wins-2 at 2-from 1600m to 3300m, £6,696, €149,680 in GB and Germany, Hoppegarten Oleander Rennen, **Gr.2**, Dortmund Deutsches St Leger, **Gr.3**, Hoppegarten Hoppegartener Steher-Preis, **L**, München BBAG Auktionsrennen, 4th Cagnes-sur-Mer Grand Prix du Departement, **L**, Hamburg Langer Hamburger, **L**.  
 Quijana Starlet. 2 wins at 2000m in Germany.

### 4th dam

**QUEST OF FIRE**, by Rainbow Quest. Winner at 1800m in France. Three-quarter-sister to **Funsie** (dam of **AUTHORIZED**), half-sister to **BROOKLYN'S DANCE** (dam of **SOLEMIA**, **PROSPECT WELLS**, **PROSPECT PARK**, **BROOKLYN'S GOLD**, **GOLD DODGER**, **NEVER GREEN**), **PRINCESSE DANSANTE** (dam of **SKIFFLE**), **Krissante** (dam of **OKAWANGO**), **Green Bend** (dam of **DOUBLE GREEN**). Dam of 9 named foals, all raced, 8 winners, inc:-  
 Quorum. 6 wins from 1600m to 2000m in Oman and U.A.E, Nad al Sheba Fayette P, Dubai S., 2d Nad al Sheba Dubai Potline Cup.  
 Quo Dubai. 4 wins from 1850m to 2450m, €76,720 in Germany, Hannover Grosser Preis der Eilert Bauunternehmung, 3d Baden-Baden Ferdinand Leisten-Memorial BBAG Auktionsrennen, Preis der BBAG Jahrlingsauktionen, 4th München Bavarian Classic, **Gr.3**.

### 5th dam

**VALLEE DANSANTE**, by Lyphard. Winner at 1600m in France. Sister to **Green Mount**, three-quarter-sister to **LA ROMANCE**, **LYPINK**, Northern Valley (dam of **JUDICIAL**), half-sister to **GREEN DANCER**, **VAL DANSEUR**, **ERCOLANO**, **PINK VALLEY** (dam of **PINK**, **RING PINK**), **SIR RALEIGH**, **SOVIET LAD**, **Goldmine**, Valthea (dam of **VERT VAL**), Irish Valley (dam of **ALHAARTH**, **GREEN POLA**). Dam of 12 foals, 11 to race, 9 winners, inc:-  
**BROOKLYN'S DANCE** (Shirley Heights) 3 wins-2 at 2-at 1600m, 2100m, Evry Prix Cléopâtre, **Gr.3**, 2d Longchamp Prix de Royallieu, **Gr.2**. Dam of-  
**SOLEMIA** (Poliglote) Champion Older Female Stayer in France in 2012. 5 wins-1 at 2-from 1800m to 2400m, €2,542,155, Longchamp Prix de l'Arc de Triomphe, **Gr.1**, Saint-Cloud Prix Corrida, **Gr.2**, Prix Joubert, **L**, Longchamp Prix Lord Seymour, **L**, Maisons-Laffitte Prix Aquatinte II, 2d Longchamp Prix du Conseil de Paris, **Gr.2**, Prix d'Hédouville, **Gr.3**, Saint-Cloud Prix des Tourelles, **L**, 3d Longchamp Prix Vermeille, **Gr.1**, Saint-Cloud Prix Dictaway, 4th Deauville Prix de Pomone, **Gr.2**. Producer.  
**PROSPECT WELLS** (Sadler's Wells) 6 wins from 2000m to 4250m, £108,818, €229,060, Saint-Cloud Prix Greffulhe, **Gr.2**, Pontefract Castle S., **L**, Fontwell National Spirit Hurdle, 2d Longchamp Grand Prix de Paris, **Gr.1**, Prix de Champperret, Saint-Cloud Prix Diatome, Wincanton Elite H. Hurdle, 4th York Grand Cup, **L**.  
**PROSPECT PARK** (Sadler's Wells) 5 wins from 2000m to 2400m, €444,510, US\$75,660, Longchamp Prix du Lys, **Gr.3**, 2d Chantilly Prix du Jockey Club, **Gr.1**, Hollywood Park Jim

