

TERMS AND CONDITIONS
BETWEEN SYNDICATE AND MEMBERS

1. **DEFINITIONS**

The following words shall have the meanings set out below:

- 1 "business": the business of forming, marketing and managing racehorse and breeding syndicates as carried on by the LLP.
- 2 "**Commencement Date**": the period shown on the Membership Certificate.
- 3 "**general terms and conditions**": the terms and conditions set out in this document which govern all syndicates.
- 4 "**horse**" or "**racehorse**": any horse acquired by the LLP for the purpose of forming a syndicate.
- 5 "**Intellectual Property**": all industrial and intellectual property rights now or subsequently owned by or licensed to the LLP (including without limitation) domain names, patents, trademarks and service marks (whether registered or unregistered), registered designs, unregistered designs and copyrights (and any applications for any of the same) which are used in connection with the business and all confidential information so owned and used.
- 6 "**LLP**": The Pendil Partnership LLP (a limited liability partnership No. OC438360).
- 7 "**Members**": all such persons in one syndicate who have a membership interest in the same horse for whom that syndicate was formed. The term "**Member**" shall relate to one person in such a syndicate.
- 8 "**Membership Certificate**": the document issued by the LLP to the Member on successful completion of the application process to become a Member in any given syndicate and formation of that syndicate.
- 9 "**Membership Interest**": means an equal division of the membership interest of a horse as determined by the LLP at its absolute discretion.
- 10 "**Membership Subscription Fee**": the published amount that the LLP required for an applicant to become a Member of any given syndicate.
- 11 "**Syndicate**": a racehorse syndicate formed, marketed or managed by the LLP for the purpose of the business.
- 12 "**Syndicate Period**": being the 12 month period from the Commencement Date of a syndicate.
- 13 "**syndicate terms and conditions**": all such terms and conditions issued by the LLP that govern one specified syndicate alone and are described by the LLP as being specific to that syndicate.
- 14 "**Terms and Conditions**": means both the general terms and conditions and syndicate terms and conditions in relation to any one syndicate.

2. **THE LLP**

The LLP carries on the business of forming, marketing and managing racehorse syndicates.

3. **CONTRACT**

The Terms and Conditions herein form the basis of the contract between the Syndicate and the Member. An application by an individual to join a syndicate shall be deemed to be an offer to purchase a membership interest, pursuant to the Terms and Conditions. The issuing of a Membership Certificate with its unique membership interest number, shall be confirmation of the Syndicate's acceptance of the consumer's offer to purchase.

4. **THE SYNDICATE**

4.1 The syndicate and all matters associated with it shall be managed by the LLP whose decisions shall be final, binding on the syndicate's Members and not open to query or appeal. If any person considering becoming a Member is not happy with this, they should not proceed with their application to become a Member.

4.2 The choice of racing silks and syndicate name will be the LLP's decision alone.

4.3 The LLP owns the business, the horses and the Intellectual Property. The LLP derives its income from managing the syndicate. The Members are the valued clients of the business and all client information is strictly confidential. The data relating to the LLP's clients are protected by, and subject to The Data Protection Act 1998. Any attempt to access the client database or to obtain any personal information relating to the Members (including for example names, addresses or other personal information) by any means is prohibited.

5. **THE MEMBERSHIP INTEREST**

5.1 A membership interest buys the Member into the life of a racehorse for a 12 month period of time from the Commencement Date.

5.2 The purchase of a membership interest must not be treated as an investment opportunity.

5.3 Any past success of any horse owned by the LLP does not offer a guarantee of the future success of any horse owned by the LLP.

5.4 A Membership Interest cannot be subdivided and a Member can only hold one Membership Interest in any one syndicate.

5.5 A Membership Interest cannot be purchased by a person under the age of 21 or over the age of 40 at the point of their application. If a Member is offered the opportunity to renew their Membership of an existing Syndicate but at the date of that renewal they no longer meet the age requirement of the LLP, that Member will be granted the ability to renew.

5.6 The LLP alone determines how many Membership Interests are to be offered in a horse or horses.

5.7 When the Syndicate accepts an applicant's offer to purchase a Membership Interest, it shall grant the ownership of that Membership Interest to that applicant, subject to the Terms and Conditions. A Membership Certificate will be issued on receipt of the Membership Subscription Fee.

5.8 Membership Interests shall not in any way be transferred, transmitted, given or offered for sale or otherwise disposed of. The Membership Interests may not be charged or offered or granted as security to anyone other than to the LLP. The Membership Interests may not be subject to any third party rights or interests.

5.9 Where a Membership Interest is being purchased as a gift for someone else, the donor of the gift is required to nominate a recipient (at the time of payment) who shall be a person between

the age of 21 and 40 (both years being inclusive) and at the point of purchase, the nominated recipient shall automatically become the owner of the Membership Interest and shall be bound by the LLP terms and conditions. All ownership rights shall belong to the nominated recipient of the gift.

- 5.10 In acquiring a Membership Interest a Member does not acquire a membership interest in the LLP or the LLP's business. The legal and beneficial ownership of the business shall at all times remain vested with the LLP absolutely.
- 5.11 A Member must only use his/her Membership Interest for personal enjoyment and must not use the Membership Interest for any commercial purpose, regardless of whether or not it is a profit-making venture.
- 5.12 The offer for new Members to join a syndicate is dependent on the LLP finding a suitable number of people to join. The LLP has the final decision as to whether a syndicate is formed.
- 5.13 In the event of the death of a Member, prior to the dissolution of the syndicate, all rights and liabilities attached to that Membership Interest shall pass to the personal representatives of that Member's estate.
- 5.14 The price payable by the Member for the Membership Interest, covers all costs associated with racing and training the racehorse, for the duration of the term of the syndicate.
- 5.15 Consumer Legislation gives the Member the right to cancel a new contract they enter into with the Syndicate within 14 days of the date it is concluded (agreed). A Member can cancel their new membership interest purchase by returning their ownership membership interest within 14 days of purchase and the Syndicate will refund their payment in full.
- 5.16 Before the Syndicate Period is due to expire, the LLP will give an opinion as to whether a new syndicate will be formed. In the event that the LLP decides to renew a Syndicate, Members will then be invited to make a decision whether or not to continue into the next Syndicate Period.
- 5.17 Where the LLP decides that the quantity of Members wishing to renew into the next Syndicate Period has reached a sufficient quantity to warrant continuation, the syndicate may be restructured to cater for a significantly reduced quantity of Members.
- 5.18 The quantity of membership interests being sold in the new syndicate will be the same as the previous one, save for occasions when an insufficient number of membership interests are renewed and a new structure is then formed for the new syndicate.
- 5.19 Members who have not renewed their membership interest(s) before the end of the Syndicate Period will cease to receive any share of prize money won by the horse in races after that date and will not have any liability for, or involvement in, the relevant membership interest(s) in the new Syndicate Period.
- 5.20 Where a share of prize money is due to the Member, this sum will be specified in the Member's general account and can be claimed at any time, or used in whole or part towards the purchase of a renewal syndicate membership interest or in a new syndicate(s).
- 5.21 Where a syndicate is recommended for renewal and Members are invited to renew their interest by joining for the new Syndicate Period, any renewal payment made will be refunded in the event that there is insufficient interest and the LLP decides, at a later date, not to continue with the extended period for this, or any reason.
- 5.22 Where a horse dies during a Syndicate Period and that death leads to a valid insurance claim, Members will receive their pro rata share of the insurance pay out.

- 5.23 Horses that have been syndicated will not be sold during a Syndicate Period.
- 5.24 A Member can request the Syndicate to pay the whole or part of any eligible credit held in the Member's general account at any time. Such payment shall be made by bank transfer and subject to the deduction of any banking fees.

6. **THE COSTS**

Where the LLP and/or the Syndicate's fees relating to syndicate management and racing/training, amount to a sum greater than the aggregate of the LLP and the Syndicate's actual costs, the Members shall not be entitled to any refund. Conversely, Members are not asked for any additional payments where the LLP and/or the Syndicate incurs costs greater than the Members Subscription Fee during the term of any syndicate. The Membership Subscription Fee covers the pro rata costs associated with racing and training the racehorse, for the duration of the term of the syndicate, save for any costs involved in racing outside of Great Britain (racehorse transport, race entry fees/supplements, trainer/jockey/groom/LLP representative expenses) and Group/Listed/Graded/Premier Handicap race entry fees in Great Britain, which shall be deducted (at cost price) from the total net prize money accrued by the horse. In the event that the costs for Group/Listed/Graded/Premier Handicap races are not covered by overall prize money won by the relevant horse in the Syndicate Period, the loss will be absorbed by the LLP and the Syndicate and therefore no further payment will be required from any Member, in any event.

7. **MISCELLANEOUS**

- 7.1 Most racecourses impose restrictions on the number of people allowed into the paddock and winner's enclosure, for health and safety reasons. The number of the Members in a relevant syndicate who want to enter the paddock, more often than not, exceeds the racecourse's figure. In such cases a ballot will be held by the Syndicate to determine the 'owners badge' allocation. This may or may not be on a complimentary basis but whatever the case, applies to the one race on the card for which the relevant part-owned horse is running. Members may not enter the pre-parade ring area, even if they are in possession of an 'owners badge'. Entry costs to the racecourse are normally the responsibility of the Member. If a Member is successful in obtaining an owners' badge but is subsequently unable to attend, they must inform the Syndicate's office as soon as possible, so that the badge can be offered to an alternative Member. If a successful Member fails to show (without letting the Syndicate's office know in advance), this will have a negative impact on their chances of obtaining an owners' badge during the balance of the Syndicate Period.
- 7.2 Any Member who is granted a racecourse 'owners badge' agrees to abide by the racecourse dress code.
- 7.3 Stable visits to the relevant trainer's yard are organised from time to time and are published in advance on the LLP website Membership page. These stable visits can become oversubscribed, particularly with the top trainers. A ballot will usually be held for each visit therefore, no guarantee of a place can be made. In a ballot, there will be no priority for early applications, so the Member can apply up until the published ballot closing date. A Member can bring one guest (more at some visits) but there may be an entrance charge for each guest. Some visits may include hospitality and where so, a charge may be made for both Owner and guest.
- 7.4 The LLP may from time to time take photographs or video footage at the racecourse or at a stable event. By attending such an event, Members accept that such photography may take place and that it may be used by the LLP in the public domain with no payment made to any participant. Members not wishing to appear, need to position themselves behind the camera but there are still no guarantees of exclusion. Members also need to be aware that various television companies will show live or recorded scenes at the racecourse or at a trainer's yard.

- 7.5 Where a declared horse becomes a non-runner in a race, the Syndicate will endeavour to relay this information to Members as soon as possible, but there could be occasions where we are unable to do this. All decisions relating to entries and declarations are made by the trainer, meaning a horse becoming a non-runner is beyond the control of the LLP or the Syndicate. Therefore, neither the LLP nor the Syndicate can accept any responsibility or liability in relation to a horse not running in a race. A horse can be withdrawn from a race for a number of reasons, including the health/fitness of the horse, or a change to the 'official going' (ground conditions).
- 7.6 All Intellectual Property, including, without limitation, all intellectual property rights relating to the image and name of any horse, the LLP name, logo and the racing colours are and shall remain legally and beneficially vested with the LLP alone.
- 7.7 Under the Rules Of Racing, a person holding a membership interest in a racehorse is permitted to place bets on that horse, in the same way that any other punter does. This is known as 'backing the horse'. However, it is against the Rules to act in a 'bookmaker' capacity for that horse, for example, on a betting exchange, this is known as 'laying the horse'.
- 8. RACE PRIZE MONEY / TROPHIES**
- 8.1 Race prize money (the sum paid by Weatherbys in accordance with the rules of horse racing) is distributed amongst the Members of the syndicate concerned at the end of each syndicate term, save where a sum in excess of £200,000 accrues, in which case distribution shall be made within a reasonable period from the date of the Syndicate's receipt from Weatherbys.
- 8.2 Where a perpetual trophy is won by a winning horse, it shall be awarded to the LLP.
- 9. THE HORSE**
- 9.1 Where a horse does not live up to expectations on the racecourse, or fails to make it to the racecourse, the Members shall not be entitled to any refund. Where prolonged training is not in the best interest of the welfare of the horse, the horse will be retired. If the horse is re-homed prior to the scheduled syndicate end date, the syndicate will end prematurely. At that point, Members will not receive any refund.
- 9.2 The LLP may decide at any time to retire a horse (normally with little or no residual value) to a rehabilitation centre (or anywhere), in which event the Members shall not receive any refund.
- 10. THE TRAINER**
- 10.1 Choice of trainer shall be vested with the LLP alone. The LLP may decide to change trainers for any reason whatsoever.
- 10.2 All decisions relating to training and racing are normally placed in the charge of the trainer whilst the horse is in his/her care.
- 11. EVENTS**
- 11.1 The LLP undertakes to the Members that it shall use reasonable endeavours to organise one or more social events for the Members during each Syndicate Period.
- 11.2 In the event that the LLP organises an event for the Members, the Members will be offered the opportunity to attend such an event for an additional fee, the fee to be determined by the LLP.
- 11.3 In the event that an event is organised but is over-subscribed by the Members, tickets to attend such an event will be allocated by the LLP on a first come, first served basis.

12. **VOTING / DECISION MAKING**

A Member shall have no voting or decision making rights relating to any aspect of the operation and/or running of the Syndicate.

13. **ENFORCEABILITY**

If at any time one or more of the provisions of these Terms and Conditions becomes invalid, illegal or unenforceable under any law or is held by a court to be invalid, illegal or unenforceable, the validity and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

14. **VARIATIONS**

The Syndicate reserves the right at its discretion to amend or vary the Terms and Conditions from time to time and will supply the syndicate Members with copies of the latest revised version which shall apply with effect from the date stated in that latest version.

15. **LAW AND JURISDICTION**

The contract (including for the avoidance of doubt the Terms and Conditions) shall be governed by and construed in all respects in accordance with the laws of England, and the Member and the Syndicate hereby agree to submit to the exclusive jurisdiction of the English Courts.

16. **WAIVER**

The failure by the LLP to enforce at any time or for any period any one or more of the Terms and Conditions shall not be a waiver of them or of the right at any time subsequently to enforce any or all Terms and Conditions.

17. **PREVAILING TERMS**

17.1 If any provisions of the general terms and conditions at any time conflict with any provisions of the syndicate terms and conditions, the syndicate terms and conditions shall prevail.

17.2 Any person who is banned from entering a racecourse and/or 'warned off' by the British Horseracing Authority, cannot become a client of the Syndicate.

17.3 All text created by the LLP or the Syndicate (including, but not limited to, all horse reports and these terms and conditions), as well as all photographic images, both still and moving, including written and spoken words, are subject to copyright law and cannot be copied or transmitted in any format. The image and/or name of any LLP horse, in any format, cannot be exploited for any commercial purpose (whether or not for profit). These restrictions include the placing of material within social media sites, such as, but not limited to, Facebook, Instagram and Twitter.

17.4 Force Majeure - whilst the Syndicate is in the fortunate position of providing a large number of services online, there may be some occasions during an unexpected event (such as, but not limited to, outbreak of a disease or bad weather), that renders the Syndicate unable to provide some or all services. For example, events held at racecourses, stables etc. may be subject to postponement or cancellation, the supply of the Syndicate magazine hard copy may be disrupted and/or the website, emails and other services may be interrupted. However, the Syndicate has contingency plans in place so will do everything possible to continue to provide as many services as possible and keep Members updated.

17.5 Any personal information the Member provides to the Syndicate including and similar to the Member's name, address, telephone number and email address will not be released, sold, or rented to any entities or individuals, unless explicitly stated below:

- (a) to HMRC;
- (b) to manufacturers of mail order items (this data will only be stored for the purposes of manufacturing/sending the item); or
- (c) to an event host, such as a racecourse.

17.6 Whilst these Terms and Conditions are comprehensive, and we believe compliant with fair trading practices prescribed by Consumer Protection Legislation, if the Member disputes any element of our service, your recourse is to write in the first instance, detailing the nature of your complaint and we will attempt to resolve the issue. Write to: Contracts Department, The Pendil Partnership, []. Or email: [].