

EQUINE SYNDICATION AGREEMENT

THIS SYNDICATE AGREEMENT (this "Agreement") is made and entered into as of the day of _____, 2007, by and among:

John Doe Syndication, LLC, a Florida Limited Liability Company, ("Syndicate Manager"), having an address at _____ Road, _____, and

1) _____, having an address at

© equinelawgroup.com ; and

2) _____, having an address at

_____ ; and

3) _____, having an address at

DRAFT ; and

4) _____, having an address at

_____ ,

(hereinafter referred to collectively as the "Initial Fractional Interest Owners" and each individually as an "Initial Fractional Interest Owner").

All subsequent purchasers of fractional interests in the horse hereinafter named shall be bound by and subject to all the terms and conditions of this Agreement. All persons who, at any time, own a fractional interest in the horse, whether such persons are Fractional Interest Owners or subsequent purchasers, shall hereinafter be referred to collectively as the "Members" or "co-owners".

DISCUSSION
WITNESSETH:

WHEREAS, the Syndicate Manager is the present owner of the entire interest in and to the Holsteiner Warmblood, dark bay gelding known as:

"_____", otherwise identified by USEF # _____ and by passport # GER _____
_____ year old, foaled _____ by _____ out of _____,

and

WHEREAS, the Syndicate Manager desires to act as Syndicate Manager of _____ and perform all the duties connected with such position; and

WHEREAS, the Syndicate Manager desires to divide the ownership interests in _____ into eight (8) equal undivided fractional interests (hereinafter the “Fractional Interests”), to form a syndicate of owners of Fractional Interests (hereinafter the “Syndicate”) and to enter into this Agreement to provide for the respective rights and obligations of the co owners of such interests, (including their respective right to sell or otherwise dispose of their respective Fractional Interests), to govern the maintenance and standing of _____ for exhibition and possible resale purposes and to provide for the management of the Syndicate so created, by designating _____ Syndication, LLC, or its designee to act as the Syndicate Manager thereof;

NOW, THEREFORE, in consideration of the premises, and the mutual covenants and agreement herein contained, the parties hereto agree as follows:

1. SYNDICATION OF _____

A. Upon the execution of this Agreement, ownership of _____ shall be divided into the ten (10) equal undivided Fractional Interests described above, which shall be evidenced by copies of this Agreement serially numbered one (1) through eight (8), inclusive, and which are held by the Initial Owners, Syndicate Manager and subsequent Owners as tenants in common.

B. Each Fractional Interest shall represent an undivided one-eighth interest in and to _____, shall be indivisible, shall be entitled to equal rights and privileges and shall be subject to equal duties and obligations, and shall be subject to all of the terms and conditions of this Agreement.

C. Value of _____:

I) For purposes of this Agreement, _____ shall be valued at Two Million Dollars, U.S. (\$2,000,000.00).

D. Purchase Price of Initial Fractional Interest.

ii) Each of the first four (4) Fractional Interests shall be known as “Initial Fractional Interests” and shall be purchased from Syndicate Manager for Two Hundred and Fifty Thousand Dollars, U.S. (\$250,000.00) for each Initial Fractional Interest.

iii) The purchase price of any subsequent Fractional Interests retained by Syndicate Manager shall be at the purchase price as determined solely in the discretion of the Syndicate Manager.

iv) RIGHT OF FIRST REFUSAL. Should Manager decide to subsequently sell any of Manager’s interest, subject to the terms of this Agreement, Manager must first offer said interest(s) to the Initial Fractional Interest owners at the same selling price. Manager shall give the Initial Fraction Interest owners (10) days to notify Manager of intent to purchase, and thirty (30) days thereafter to complete the purchase transaction.

E. Joint Ownership of Fractional Interest.

I) If any Fractional Interest shall be owned jointly by two or more parties, the Members and the Syndicate Manager shall be entitled to deal with and accept and rely upon and act upon any information, instructions or facts represented by any one of such persons.

ii) If a Fractional Interest is held by a corporation, partnership or similar entity, the Members and the Syndicate Manager shall be entitled to deal with and accept and rely upon and act upon any information, instructions or facts

represented by any officer of the corporation or general partner of a partnership.

F. Only the holder of a full Fractional Interest holder shall have any rights hereunder.

G. Upon execution of this Agreement and payment in good funds to Syndicate Manager of the Purchase Price of the Initial Fractional Interest, the Syndicate Manager shall issue and deliver Fractional Interests one (1) through four (4), inclusive, to the Initial Owners making such payments.

H. The Syndicate Manager shall retain all Fractional Interests not issued to the Initial Owners and shall further retain all rights of custody and control of _____ no matter how many Fractional Interests are issued; and shall further retain all voting rights of any and all Fractional Interests not issued and delivered.

2. EFFECTIVE DATE.

The syndication of the ownership of _____ and the terms and conditions of this Agreement shall be effective and binding immediately upon the execution of this Agreement and payment by the parties hereto.

3. CARE, CUSTODY AND CONTROL OF _____.

Notwithstanding the Fractional Interests that are issued under this Agreement, _____ shall remain in the sole care, custody and control of the Syndicate Manager, or its designee, which shall have sole and exclusive discretion as to the training, veterinary care, exhibition and transport of _____ throughout the entire world.

4. MEMBERSHIP OF THE SYNDICATE.

A. Membership in Syndicate. Each person or entity which acquires a Fractional Interest shall become a member of the _____ Syndicate. The use of the term "Syndicate" to refer to the aggregate of persons owning _____ as tenants in common pursuant to this Agreement is solely for convenience, and is not intended, and shall not be deemed to imply that such Syndicate constitutes a partnership, association, legal person or jural entity.

B. Allocation of profits, expenses and losses.

(i) Any profit made on _____ by virtue of keeping, maintenance, care, resale, advertising, promotion, training, handling and/or veterinary care of _____, as well as all other expenses incidental to the operation of the Syndicate shall first be utilized to pay outstanding debts related to the Horse, then shall be divided among the Owners proportionate to Fractional Interests owned.

(ii) Any expenses and losses incurred by _____ by virtue of keeping, maintenance, care, resale, advertising, promotion, training, grooming and/or veterinary care of _____, as well as all other expenses incidental to the operation of the Syndicate shall be borne by the Manager alone.

(iii) Any prize money earned by the Horse shall first be used to satisfy any and all expenses borne by the Manager which are directly related to the entry of the Horse in competition, such as stall fees, entry fees, nomination fees, drug fees, office charges, shipping and housing of rider, the Horse. Any remaining balance of prize money, if any, shall be equally distributed according to shares owned.

(iv) In the event the Horse is sold, the proceeds of sale shall first be used to satisfy any and all expenses borne by the Manager which are directly related to the entry of the Horse in

competition, such as stall fees, entry fees, nomination fees, drug fees, office charges, shipping and housing of rider, the Horse. Any sales tax, if not paid by the purchaser, shall also be paid out of said proceeds prior to further distribution. Any remaining balance of the sales proceeds of the Horse, if any, shall be equally distributed according to shares owned.

C. Relationship of the Members Among Themselves and to the Syndicate Manager. The relationship of the Members among themselves shall be that of tenants in common of a chattel (_____), the right to possession of which shall be vested in the Syndicate Manager. The relationship of the Members to the Syndicate Manager shall be that of principals and agent as limited by the terms and conditions of this Agreement, which the agency of the Syndicate Manager being one that is coupled with an interest in the subject matter of the agency during any period in which _____ shall be maintained under the care of the Syndicate Manager. The Syndicate Manager shall be expressly permitted to conduct any other business activities and to accept any other engagements, including, with no limitation, the management of other horses, the purchase, sale, exhibition, training of any and all breeds of horses, for any one or more of them.

5. PURCHASE AND SALE OF FRACTIONAL INTERESTS.

A. Transferability of Fractional Interest. Each Fractional Interest shall be transferable by the Initial Owners or Purchaser thereof, subject to all of the provisions of this Agreement. Any of the eight (8) Fractional Interests retained by the Initial Owners shall be subject to all of the provisions of this Agreement, except as specifically set out herein.

B. Right of First Refusal.

(I) Syndicate Owner shall have the first right of refusal to purchase any Fractional Interest which any other owner may desire to sell.

(ii) The value of said Fractional Interest shall be determined at the time of sale by a independent certified equine appraiser, and Siad value may or may not be more, less or the same as the initial purchase price of the Fractional Interest

C. Related Party Transfers. Fractional Interests granted pursuant to Section 10 may pass by inheritance or will without such transfer being subject to the right of first refusal, but subject to all other terms and conditions of this Agreement. Further, Fractional Interests granted pursuant to Section 10 may be transferred to any member of any owner's immediate family or to any firm, entity or trust owned or controlled by the owner of such Fractional Interest granted pursuant to Section 10 or to a trust, the beneficiaries of which are descendants or immediate family members of the owner of such Fractional Interest granted pursuant to Section 10 (hereinafter collectively referred to as Related Parties), without being subject to the right of first refusal, provided, that (I) in the case of a transfer to a firm, entity or trust owned or controlled by the transferor an affidavit stating ownership or control of the transferee be signed by the transferor and provided to the Syndicate Manager and (ii) such transfer is not being made for the purpose of avoiding any of the terms of this Agreement. Any subsequent transfers to individuals or entities who are not Related Parties will be subject to the right of first refusal.

D. Transfer of Ownership. Each Agreement shall be executed in triplicate and the original shall always remain in the files of the Syndicate Manager. Each Owner shall receive and keep a duplicate for so long as he owns the Fractional Interest. The third copy of this Agreement shall be retained by the Initial Owners for their files. Each Agreement shall be attached to a certificate executed by the Syndicate Manager, in the form attached hereto as Exhibit "A".

E. Form of Transfers. For any subsequent transfer of a Fractional Interest, the selling Owner and his transferee shall execute three (3) _____ "ASSIGNMENT OF FRACTIONAL INTEREST" forms (the "Assignments"), in a form provided by the Syndicate Manager. The selling

Member shall forward all three (3) assignments along with his copy of this Agreement to the Syndicate Manager. All three (3) assignments must be signed by the selling Member and the transferee before delivery to the Syndicate Manager. Upon receipt of the duly executed assignment, the Syndicate Manager will sign all three (3) assignments, and it will then forward one (1) copy of the executed assignment along with the selling Member's copy of this Agreement to the transferee. He will retain the other copy of the executed assignment in his Syndicate files, and will mail a copy of the executed assignment to the selling Member to evidence that the transfer has been completed. No transfer of a Fractional Interest shall be effective as against the Members and the Syndicate Manager until the Syndicate Manager has executed the assignments and been provided with a copy of an instrument setting forth the price, terms and conditions of the sale between the selling Member and his transferee.

6. DUTIES, RIGHTS AND AUTHORITY OF SYNDICATE MANAGER

The Syndicate Manager shall have the following duties, rights and authority in addition to those provided elsewhere in this Agreement:

A. In General. The Syndicate Manager shall have all reasonable authority and discretion with respect to the keeping, maintenance, care, management, exhibition, advertising, promotion and handling of _____, the disbursement of funds which may be necessary to, or in furtherance of, the objectives contemplated by this Agreement and all bookkeeping, accounting and legal matters pertaining to the operation of the syndicate, including, without limitation, (i) the selection of a veterinarian to attend _____, (ii) determining, the training and exhibition schedule and (iii) the keeping of books and records for the Syndicate, and the filing of reports of operation for the Syndicate, as required by this Agreement.

B. Emergencies. In the event of an emergency brought on by injury or illness the Syndicate Manager shall have total discretion in determining, with the advice of qualified veterinarians, whether _____ should be destroyed or otherwise rendered incapable for future competition or exhibition, on account of injury or illness, and the Syndicate Manager shall not be liable to any Member or any other person for the good faith exercise of such discretion, regardless of whether or not the Member has obtained insurance. Provisions of certain insurance policies purchased by the Members may provide that the insurance carriers shall have the right to exercise sole and absolute discretion concerning the control of _____ (including control of the treatment, location, use, retention and/or disposal of _____) in the event of sickness of, or accident to, _____. The Syndicate Manager shall not be bound by, and shall have no obligation or liability from failing to abide by, any such provisions. The Syndicate Manager may, however, in its sole and absolute discretion, nevertheless allow the insurance carriers to exercise such policy provisions relating to control and shall be no liability for or obligation with respect to any action taken by such carriers or their representatives. Nothing in this paragraph shall be construed to divest any Member of his Fractional Interest.

C. Standard of Care. The Syndicate Manager shall employ the degree of care customarily employed by persons who keep, train and exhibit show horses. The Syndicate Manager shall not be liable for loss of, theft of, or injury to _____ to anyone other than a Member who establishes by clear and convincing evidence that such degree of care has not been employed. Any liability of Syndicate Manager for any Member shall be offset by any insurance proceeds available to such Member, and the insurance carried by any Member shall contain waivers of subrogation with respect to the Syndicate Manager. The Syndicate Manager shall not be responsible for any injury,

disease or death of _____ or any other horse or person as a result of the training, exhibition or riding of _____.

D. Public Liability Insurance. The Syndicate Manager shall keep and maintain in full force, as an expense of the Syndicate, a policy of public liability insurance in a reasonable amount, providing the same can be obtained, insuring the Members, the Syndicate Manager and the Farm against loss or liability by reason of the negligence of the Syndicate Manager, or the Farm, their agents, servants, and employees, in the keep, maintenance, and standing of _____.

E. Books and Records. Separate books and accounts shall be kept and maintained by the Syndicate Manager at the office of the Syndicate Manager which shall accurately reflect all expenses, disbursements and gross profits, if any, in connection with keeping, maintenance, care, management, training, advertising, promotion and handling of _____ and the operation of the Syndicate, and such books and records shall be open to inspection by the Members upon reasonable notice during reasonable business hours. The Syndicate Manager shall furnish each Member, as soon after each calendar quarter as is reasonably practicable, an invoice showing (i) all the costs and expenses incurred during that calendar quarter in connection with the _____, and (ii) other expenses incident with the operation of the Syndicate as provided therein. The Members to whom an invoice is furnished shall pay the amount shown to be due thereon within ten (10) days after the date of such invoice. A service charge of one and one-half percent (1 ½%) per month may be made by the Syndicate Manager on all past due accounts. On or before December 31st of each year the Syndicate Manager shall furnish each Member with a statement showing the results and expenses of the preceding horse show seasons and such other information as the Syndicate Manager may deem pertinent.

F. Security. The Syndicate Manager shall be entitled to and shall have a lien under Florida Statutes §713.65 and is granted a recordable security interest under the Uniform Commercial Code of Florida in any Fractional Interest in _____ as to which any portion of the charges, costs and expenses due and owing to the Syndicate Manager by any Owner of Fractional Interest have not been paid. The Syndicate Manager shall be entitled to commence legal action upon ten (10) days prior written notice to an Owner, the date of such notice being the date upon which the cause of action for nonpayment shall be deemed to occur. In the event the default shall continue for a period of twelve (12) months, commencing on the last day of the first quarter for which the Owner shall be in arrears, the Syndicate Manager shall be entitled to sell the Fractional Interest, as agent and attorney-in-fact, for the Owner who is in default. In addition, the Syndicate Manager may withhold Fractional Interest certificates and may refuse to permit the sale of said Owner's Fractional Interest if the owner or transferee of which is (i) in arrears on amounts payable by such person pursuant to this Agreement; or (ii) is in arrears on any other amounts payable to the Syndicate Manager, including amounts payable in connection with _____;

H. Powers of Attorney. In accordance with, and subject to the terms and limitations hereof, each Member authorizes and empowers the Syndicate Manager, and constitutes and appoints the Syndicate Manager as his agent and attorney-in-fact to execute such elections as may be required by the taxing authorities of the United States and as may be provided herein.

I. Allocation of Monies. The Syndicate Manager shall allocate to the account of each Member such Member's proportionate share of any awards received by the Syndicate Manager by virtue of the exhibition of _____.

J. No Liability to Third Parties. The Syndicate Manager shall have no duty to note or record third party claims of ownership or other rights, including without limitation, security interests, in and to Fractional Interests, or any other interest or right created pursuant to this Agreement. The Syndicate Manager shall be entitled to rely upon directions given by the record owner of any such

rights, as determined by the records of the Syndicate Manager, notwithstanding actual or constructive notice of purported third party rights in and to such interests.

7. RIGHTS AND OBLIGATIONS OF THE MEMBERS.

The specific rights and obligations pertaining to the Fractional Interests and the Members shall be as specified in this Agreement, including the following:

A. Each Fractional Interest Owner shall pay such proportion of all charges, costs and expenses incurred in connection with the keeping, maintenance, care, exhibition, advertising, promotion and handling of _____, as well as all other expenses incidental to the operation of the Syndicate.

B. The Syndicate Manager or the owners of a majority of the then-issued Fractional Interests may call a meeting of the Members to consider and act upon any matter which properly may be the subject of consideration and action by the Members by giving notice of such meeting to all Members and the Syndicate Manager at least (10) days prior to the date of such meeting. Such notice shall specify with particularity the subject matter or matters to be considered and acted upon by the Members. Only such matters as have been specified in the notice shall be considered and acted upon at the meeting.

C. At all meetings of the Members, the Members shall be entitled to one vote for each Fractional Interest owned, and the Fractional Interests may be voted in person or by agent or proxy duly authorized in writing. Any action which may be taken at a meeting may be taken without a meeting of Members if the required number of Fractional Interests vote to take such actions by written instrument.

8. MORTALITY INSURANCE ON _____.

_____ shall NOT be insured by the Syndicate Manager for the benefit of or at the expense of the Members of the Syndicate herein created. Each Member may, at his election, insure the mortality of _____ at his individual cost and expense to the extent of, but only to the extent of, his insurable interest in _____. No member shall be entitled to obtain or maintain in force mortality insurance on _____ to the prejudice or exclusion of any other Member who has an insurable interest in _____ and who desires to obtain such insurance.

9. TAX ELECTION.

It is not the purpose or intention of this Agreement to create, and this Agreement shall not be considered as creating a joint venture, partnership or other relationship whereby any party shall be held liable for the omissions or commissions of any other party. No partnership, legal person, association, or jural entities are intended or hereby created by the parties.

A. **Election Not to Be Treated as a Partner.** If for federal tax purposes this Agreement, the relationships established hereby and the operations conducted hereunder are regarded as a partnership, as that term is defined by the Internal Revenue Code of 1986, as amended (the "Code"), then the owners of all Fractional Interests, whenever owned, hereby elect not to be treated as a partnership and to be excluded from the application of all the provisions of Subchapter K of the Code, pursuant to an election under Section 761(a) of the Code (Treas. Reg. §1.761-2). In addition, to the extent that the laws of the State of Florida, or any other state with jurisdiction over the subject matter hereof, contain, or hereafter contain, provisions similar to those contained in Subchapter K of the Code, under which a similar election is permitted, the owners of all Fractional Interests,

whenever owned, hereby agree and elect to be excluded from such provisions. In making this election, the owners of all Fractional Interests, whenever owned, acknowledge that the income derived by each Member by virtue of his ownership of same can be determined adequately without the necessity for any computation of partnership taxable income, and all such owners agree not to give any notice or to take any action inconsistent with the election hereby made.

B. Documents Evidencing Election. The Syndicate Manager is hereby authorized and directed to execute such evidence of the foregoing election pursuant to Treas. Reg. §1.761.2, or to make such election if the election herein contained is insufficient for any reason, as may be required by the Secretary of the Treasury of the United States or the Internal Revenue Service. Should there be any requirement that the Members evidence further such an election, the Members agree to execute such documents and furnish such other evidence as may be required to evidence such election.

C. Allocation of Income, Expenses and Depreciation of a Partnership. If for federal income tax purposes the Syndicate is regarded as a partnership, then to each Member shall be allocated the proportion of income, expenses, and depreciation arising from such operations as set forth in this Agreement. Notwithstanding the foregoing if the relationship established by this Agreement is treated as a partnership for tax purposes, all depreciation, gain, loss, deduction, credit or item thereof shall, as required by Section 704 of the Code, be determined with respect to _____ and shared among the Members so as to take full account of the variation (if any) between the basis of _____ in the Syndicate and _____'s fair market value at the time of the Syndicate's formation using the traditional method with curative allocations within the meaning of Treas. Reg. §1.704-3(c). The Syndicate Manager shall not, without the prior consent of the owners of a majority of the Fractional Interests, be required to make the election described by Section 754 of the Code.

D. Tax Matters Partner. If the Syndicate is regarded as a partnership the Syndicate Manager is, if permitted by law, hereby designated as the "tax matters partner" described in Code Section 6231(a)(7) and shall possess all necessary power and authority to act in such capacity on behalf of the Syndicate. If the Syndicate Manager is not permitted by law to be the tax matters partner, such partner shall be chosen by a simple majority of the members. All costs incurred by the tax matters partner including, without limitation, the cost of legal accounting services, shall be reimbursed to the tax matters partner by the Members.

10. TERMINATION OR MODIFICATION OF AGREEMENT

This Agreement and the Syndicate created hereby may not be terminated, canceled, altered, amended, or modified in any manner or respect, without the written consent of a majority vote of the Fractional Interests.

11. BREACH OF WARRANTY OR REPRESENTATION.

Should any purchaser of any Fractional Interest institute an action against the person from whom he acquired such Fractional Interest based upon an alleged breach of one or more representations or warranties made by such seller, the person against whom that action is instituted (upon being notified hereof) shall defend such action at this individual cost and expense, and, if a final judgment is entered from which no appeal can be taken to the effect that such a breach did occur, the person against whom that action was instituted shall be solely liable to the person or persons who instituted the same for such damages as they, or any of them, may have sustained by reason of such breach, limited, however, to the cash consideration paid for each Fractional Interest

owned by such person or persons, plus interest and court costs, exclusive of counsel fees. Each Selling Member agrees to hold harmless and indemnify each non-selling Member and the Syndicate created hereby from any costs, expenses and liabilities resulting from a breach or alleged breach of one or more representations or warranties made in connection with the sale or transfer of a Fractional Interest granted by such selling party. This provision shall be governed by ¶ 19 of this Agreement.

12. NOTICES.

Any notice given or required to be given to any party hereunder shall be effective and binding if, and the same shall be deemed to have been given when delivered in writing, (I) delivered in person; (ii) mailed postage prepaid by certified or registered mail, return receipt requested; or (iii) dispatched by express courier, to be given at his address designated herein or to such other address as he shall designate by written notice sent to the Syndicate Manager for that purpose, and notices to the Syndicate Manager shall only be effective and binding upon the actual and timely receipt thereof by the Syndicate Manager.

Notices shall be given to the Syndicate Manager as follows:

John Doe Syndication, LLC

~~DRAFT~~

Notices shall be given to the Initial and any other Fractional Interest Owners as on the address of said owner affixed to this Syndication Agreement and/or the Certificate of Fractional Interest Ownership.

13. WAIVER OF RIGHT TO DEMAND PARTITION.

The Members hereby waive whatever right they may have to demand the partition, or sale for partition, of _____ under any law of the State of Florida, or any other jurisdiction, and they do hereby agree that the sole and adequate means by which an owner of a Fractional Interest may divest himself of his interest in _____ shall be the transfer of the Fractional Interest(s) which he owned therein pursuant to the provisions of this Agreement.

14. BINDING EFFECT OF AGREEMENT.

This Agreement and each and every provision hereof shall be binding upon and shall inure to the benefit of the parties to this Agreement and all other persons who acquire Fractional Interests or the right thereto, and their respective heirs, personal representatives, administrators, successors, assigns and transferees, whether with or without consideration.

15. APPLICABILITY OF AGREEMENT TO SUBSEQUENT PURCHASERS OF FRACTIONAL INTERESTS.

Any person or entity not a party to this Agreement at the time of its original execution who purchases or otherwise acquires a Fractional Interest in _____ shall be deemed a party to this Agreement to the same extent and in the same manner as though he had signed and executed the original hereof, and any such person or entity agrees to execute any agreement reasonably requested by the Syndicate Manager evidencing such person's consent

to the terms of this Agreement.

16. REPRESENTATIONS; DISCLAIMERS.

A. As a condition of sale, any Purchaser of a Fractional Interest acknowledges and agrees, and represents and warrants the following, which representations and warranties such Purchaser shall make by his act of submitting the transfer form or other required documentation to the Syndicate Manager:

(I) That the Purchaser is familiar with the business of owning and exhibiting show horses and that the purchase of the Fractional Interest is for the purpose of facilitating such endeavor; and

(ii) The Purchaser is not dependent upon the expertise or management of the Syndicate Manager in order to successfully conduct the affairs of the purchaser's own endeavor either as a result of the Purchaser's acquisition of the Fractional Interest or otherwise, other than the purchaser's reliance upon the Syndicate Manager's normal custodial responsibilities as set forth in this Agreement.

(iii) The Purchaser is acquiring the Fractional Interest with the intention of using the Fraction Interest in the Purchaser's own business with said Fractional Interest being purchased for the Purchaser's own account and not for the present purpose of reselling, assigning or in any way redistributing same.

(iv) The Purchaser is aware of the costs and risks associated with the ownership of show horses.

(v) The Purchaser understands that the purchase of an undivided fractional interest in _____ is speculative and involved a high degree of risk, and Purchaser is able to afford the payment of the purchase price of the Fractional Interest and is financially able to bear the costs associated with the ownership thereof; that he has the ability to retain the Fractional Interest for an indefinite period of time and to sustain a possible loss of the purchase price and any subsequent expense contributions without a significant impact on the Purchaser's other assets.

(vi) The Purchaser acknowledges that he and/or his representatives have been afforded the opportunity to ask questions of and to receive answers from the Syndicate Manager and Initial Owners or persons authorized to act on their behalf concerning _____, the Syndicate operations, and any aspect of membership in the Syndicate, all to Purchaser's satisfaction.

(vii) The Purchaser acknowledges that he and/or his representatives have been granted the right to inspect _____, and the Syndicate's legal documents, and to obtain any additional information to the extent the Syndicate Manager or Initial Owners possess such information or can acquire it without unreasonable effort or expense, which is necessary to make an informed business decision or to verify any other information provided.

B. Each of the representations set forth in Section 16 above are also made by the Initial Owners each to the other and to the Syndicate Manager.

C. THE INITIAL OWNERS AS BETWEEN THEMSELVES, AND THE INITIAL OWNERS AND THE SYNDICATE MANAGER AS TO ALL PURCHASERS OF FRACTIONAL INTERESTS DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, AS TO _____, INCLUDING WITHOUT LIMITATION (A) ANY WARRANTY AS TO SOUNDNESS, (B) FITNESS FOR ANY INTENDED PURPOSE, AND (C) MERCHANTABILITY.

17. GOVERNING LAW.

This Agreement, as well as all instruments executed with respect to or pertaining to any right or interest created hereunder, shall be governed by and construed under the prevailing law of the State of _____.

18. LIMITATIONS; JURISDICTION; ATTORNEYS FEES AND COSTS.

No action for the breach of any provision of this Agreement or in connection with _____ or the operation hereof may be commenced more than six (6) months after the event giving rise to such cause of action shall have occurred. Venue for any action brought hereunder or otherwise in connection with _____ shall be in _____. The prevailing party in any action or arbitration brought with respect to claims, disputes or other matters in question between the parties to this Agreement arising out of or relating to this Agreement, or breach thereof shall be entitled to recover reasonable attorneys fees and costs from the non-prevailing party.

19. BINDING ARBITRATION.

All claims, disputes or other matters in question between the parties to this Agreement arising out of or relating to this Agreement, or breach thereof, shall be subject to and decided by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association currently in effect. The parties shall bear equally the costs of the demand for arbitration and hearing thereof. However, the parties expressly agree that the arbitrator may award attorney's fees of the prevailing party against the non-prevailing party. Demand for arbitration shall be filed in writing with the other party to this Agreement and with the American Arbitration Association in accordance with Commercial Arbitration Rules of the American Arbitration Association currently in effect. The location of all meetings, hearings and any other proceeding related to such arbitration shall be _____. The arbitrator shall be chosen by mutual agreement of the parties; and if no agreement, then each party to the arbitration shall choose an individual who then shall agree on an arbitrator. If no such agreement, then the American Arbitration Association shall select the arbitrator.

20. COUNTERPARTS.

This Agreement shall be executed in counterparts, each of which together shall constitute one original contract, and shall be binding with the same effect as if each such counterpart were executed by all of the parties hereto.

21. SEVERABILITY.

If any provision of this Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed entered into or taken hereunder, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement or any other covenant, stipulation, obligation, agreement, act or action, or part thereof, made, assumed, entered into, or taken hereunder, and this Agreement shall remain in force to the fullest extent permitted by law, provided the rights and obligations of the parties remain substantially unchanged.

22. ENTIRE AGREEMENT; WAIVER.

This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes any and all prior and contemporaneous agreements, representations and understandings of the parties. No supplement, modification or amendment to this Agreement shall be binding unless adopted in the manner set forth herein. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

IN WITNESS WHEREOF, each of the parties has executed this Agreement or caused it to be executed by its duly authorized agent as of the day, month and year first above written.

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Initial Owner #1

By:

D R A F T

Initial Owner #2

By:

F O R

Initial Owner #3

By:

D I S C U S S I O N

Initial Owner #4

By:

Syndicate manager:

John Doe SYNDICATION, LLC

By:

Managing Member

CERTIFICATE OF FRACTIONAL INTEREST OWNERSHIP

FRACTIONAL INTEREST No. _____

IN THE SYNDICATE OF THE HOLSTEINER GELDING _____”, OTHERWISE IDENTIFIED BY USEF # _____ AND BY PASSPORT # GER 23048, 11 YEAR OLD, FOALD APRIL 28, 1996 BY CALIDO I OUT OF DANCE I X CARETINO.

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PURSUANT TO THE EQUINE SYNDICATION AGREEMENT, DATED _____, A COPY OF WHICH IS ATTACHED HERETO, THE SYNDICATE MANAGER NAMED THEREIN HEREBY CERTIFIES THAT THIS CERTIFICATE REPRESENTS ONE OF THE TEN (10) FRACTIONAL INTERESTS IN THE HORSE _____, MORE PARTICULARLY DESCRIBED ABOVE. WHICH FRACTIONAL INTEREST IS ISSUED TO AN REGISTERED ON THE BOOKS OF THE SYNDICATE TO:

~~_____ D R A F T _____~~
_____, OWNER.

THE TRANSFERABILITY OF THE FRACTIONAL INTEREST REPRESENTED BY THIS CERTIFICATE IS RESTRICTED, AND THE RIGHTS, OBLIGATIONS AND DUTIES OF THE FRACTIONAL INTEREST OWNER ARE SET FORTH IN THE AFOREMENTIONED EQUINE SYNDICATE AGREEMENT. NO TRANSFER OF A FRACTIONAL INTEREST SHALL BE EFFECTIVE AS TO THE SYNDICATE MANAGER OR THE OTHER OWNERS OF SUCH FRACTIONAL INTEREST UNTIL SUCH TRANSFER SHALL HAVE BEEN RECORDED BY THE SYNDICATE MANAGER ON THE BOOKS AND RECORDS MAINTAINED BY THE SYNDICATE MANAGER.

DISCUSSION
JOHN DOE SYNDICATION, LLC
SYNDICATE MANAGER

By: _____
JOHN DOE, MANAGING MEMBER