

The California Thoroughbred Racing Club was founded by Cutter Nehf Racing Stable to make participation in the sport of Thoroughbred racing possible for all the viewers of the Jay C. Nehf YouTube Channel. We recognized that the greatest obstacle to participation is the high cost of maintaining a racehorse.

We have eliminated this obstacle by adding the projected maintenance cost to the value of the horse and dividing the total into sixty parts containing ten single membership shares each. A portion of these packages will be divided and sold as single shares. **These terms define single shares only, not ten share packages.**

Each membership share costs \$325.00 and is non-refundable and non-transferable and entitles the owner of the package to 0.166% ownership of the horse.

- Buyers may purchase as many available membership shares as available.
- Each membership share is entitled to one equal share, 0.166%, of the horse's net earnings, including purse earnings and bonuses.
- Net earnings are the sum remaining after:
- standard deductions by the racing association (i.e. Santa Anita Park) such as up to 10%

jockey fee, 10% trainer fee, and other miscellaneous fees such as Lasix injection, from gross purse and purse bonus earnings.

- 18% deducted from the club's gross earnings (not the horse's gross earnings) for club management including accounting, attorney, and office expenses.
- Earnings will be paid to members quarterly.
- There are no additional fees or charges.

Each membership share, as part owner of the horse, is also entitled to 0.166% of the net selling price of the horse in the event that she is sold. Sale expenses may include veterinary exams, transportation and commission of up to 7%.

The California Thoroughbred Racing Club is managed by Charles J. Constantine of the First Northern Bank of Wyoming.

Trainer Jay C. Nehf will train the horse for The California Thoroughbred Racing Club. Mr. Nehf's decisions, including choice of races, sale, breeding or retirement and adoption, will be final.

## **Race Attendance and Barn Visits**

Individual club members may choose to obtain a California Horse Racing Board owner's license for the current fee, but this is not required unless the member owns six or more membership packages constituting 10% or more ownership of the horse. This license will grant the licensee free admission to the races and access to the stable area. All members can attend the races free with passes arranged through trainer Jay C. Nehf. Access to the parade ring where the jockeys mount up and to the winner's circle is limited for safety reasons. Members can visit the stable area with a pass arranged by the trainer. For the horse's races, 2 club members and one guest per member may request access to the parade ring via email to [jaynehf@gmail.com](mailto:jaynehf@gmail.com) one week in advance of the race. Access to the winner's circle can accommodate up to eight people and may be requested one week in advance via the same email address. Requests will be granted on a first come first served rotational basis.

Purchasing membership in the club should be regarded as highly speculative. Jay C. Nehf and the Club's management do not guarantee the success or performance of the horse or the club.

## **Addendum**

There are many variables and unknowns in this enterprise such as final bid amount, date of end of racing campaign and date of sale. These factors determine actual amounts spent and may result in a surplus or shortfall of funds in the club's account. As stated above, there are no additional fees or charges to the members and consequently, **Cutter Nehf Racing Stable, LLC, is responsible for any shortfall.**

### **Surplus funds will be dealt with as follows:**

- **Final Bid**

- The amount of the final bid is, of course, unknown at this time. The projected maximum bid is \$83,000.00. However, trainer Jay C. Nehf may exceed this amount at his discretion. Should the final bid fall short of the projected maximum, the resulting surplus will be added to the Club's account. See below.

- **Excess funds created by early sale or retirement**

- At the time of the filly's sale, retirement or other resolution, all funds left after the resolution of all of the club's financial obligations, including funds left from the bidding (see above), will be refunded to the members on a per membership share basis. A statement will be provided to all members at time of payment.