

**Y KNOT RACING, LLC  
SYNDICATE AGREEMENT  
A.P. VERA**

This syndicate agreement ("Agreement") is made between **Y KNOT RACING, LLC** ("Company") with its principal place of business at **815 Garfield Ave. Alma, Michigan 48801** and

\_\_\_\_\_ ("Owner") whose address is:

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**Definitions.**

"Syndicate Manager": Syndicate Manager means **Y KNOT RACING, LLC** a Michigan Limited Liability Company.

"Shareholder": Shareholder means \_\_\_\_\_, who is purchasing a fractional interest in the Horse which is hereby incorporated and made part of this Agreement.

"Horse": Horse means A.P. Vera sired by Gunnevera; Dam: Albany Park

"Fractional Fee": Fractional Fee means the monthly fee charged by the Syndicate Manager to train, board, and maintain the Horse.

In consideration and reliance upon the terms of this Agreement, Syndicate Manager and Shareholder agree as follows:

**1. Fractional Interests.** This Agreement will become effective when signed by the Parties starting on \_\_\_\_\_ and ending after horse is claimed, auctioned and includes future breeding rights at equal percentage of shareholder percentage ("Shareholder Term").

**2. Shareholder Fees.** Upon signing this Agreement, Shareholder shall pay Syndicate Manager a non-refundable initial fee and a monthly maintenance fee (fractional fee) for each month of the Shareholder Term pursuant to the following schedule:

|             |                       |                                                                |
|-------------|-----------------------|----------------------------------------------------------------|
| <b>1.0%</b> | <b>buy in: \$400</b>  | <b>starting October 2025: monthly maintenance \$30/month</b>   |
| <b>2.5%</b> | <b>buy in: \$1000</b> | <b>starting October 2025: monthly maintenance: \$75/month</b>  |
| <b>5.0%</b> | <b>buy in: \$2000</b> | <b>starting October 2025: monthly maintenance: \$150/month</b> |
| <b>7.5%</b> | <b>buy in: \$3000</b> | <b>starting October 2025: monthly maintenance: \$225/month</b> |
| <b>10%</b>  | <b>buy in: \$4000</b> | <b>starting October 2025: monthly maintenance: \$300/month</b> |
| <b>15%</b>  | <b>buy in: \$6000</b> | <b>starting October 2025: monthly maintenance: \$450/month</b> |

**Shareholder will retain interest for racing, claiming, auction sale and breeding**

**3. Fractional Percentage.** Syndicate Manager shall sell Fractional Interests in the Horse until 100% (One Hundred percent) of the total Ownership of the Horse is achieved.

**4. Monthly Fees.** Shareholders shall be invoiced on a monthly basis by the Syndicate Manager for their share of all costs and expenses incurred regarding the Horse including standard training fees, track fees, farrier fees, veterinary fees (up to \$400: any vet cost over \$400 will be prorated to shareholders equal to their percentage ownership), gear costs, registration fees, and transport costs which shall be due and payable on the first day of each invoiced month. All monthly variable expenses covered by monthly maintenance amount in section 2.

**5. Late Charge Fees.** From the **second** day each month through the **eleventh** day, a late fee of **\$15** per day shall be due. If the Monthly Fee is not paid in full by the **15th** day of the month, Shareholder is in breach of this Agreement and Shareholder shall forfeit his Fractional Share.

**6. Stake Money and Payment to Shareholders.** 100% net payout from stake money and/or prize money shall be distributed to Shareholders pursuant to their fractional percentage. When Members (shareholder) Account reaches \$600 (Six Hundred dollars) payment will be mailed out as a 1099 payment.

**7. Transfer of Share.** Shareholders are not permitted to transfer, encumber or otherwise devalue their Fractional Share in any way. If Shareholder wishes to sell his share to the other Shareholders, the Syndicate Manager shall be in charge of any such sale on terms decided by the Syndicate Manager in his sole discretion.

**8. Termination.** This Agreement shall automatically terminate once the Horse is sold or retired.

**9. No Partnership.** Nothing in this Agreement shall constitute a partnership between, among and by the Shareholders.

**10. Death of Horse.** In the event that the Horse dies or is otherwise incapacitated, this Agreement shall be null and void and there shall be no return of any monies paid by any Shareholder to the Syndicate Manager or for any other purpose.

**11. Governing Law.** Owner expressly agrees this Agreement is governed by the State of Michigan and is intended to be as broad and inclusive as is permitted by Michigan law.

**12. Assignment.** This Agreement cannot be assigned by Shareholder without the express written consent of the Syndicate Manager.

**13. Jurisdiction and Venue.** This Agreement shall be governed by the laws of the State of Michigan. Shareholder and Syndicate Manager agree that jurisdiction and venue for any action shall be in Kalamazoo County, Michigan. This provision is Mandatory.

**14. Entire Agreement- Integration Clause.** The parties agree that this Agreement represents and contains the entire agreement of the parties and supersedes all pre-existing agreements between the parties respecting the subject matter in this Agreement. No representations, promises or conditions not expressed in this Agreement shall be binding upon any party. Any modifications to this Agreement shall not be effective unless set forth in writing and signed by each party.

**15. Severability/Savings Clause.** In the event that for any reason any provision or portion of this Agreement shall be found to be void, unenforceable or invalid, then such provision or portion shall be deemed to be severable from the remaining portions, which portions shall be given full effect as if the void, unenforceable or invalid provisions or portion had not been included in this Agreement.

**16. Execution of Agreement.** This Agreement may be executed in any number of counterparts and duplicates of this Agreement collectively containing the signatures of all of the parties shall constitute the complete Agreement. DocuSign (or its equivalent) or portable document format (PDF) signatures shall have the same effect as original signatures.

**17. Costs and Attorney Fees.** If either party to this Agreement must commence an action, suit or other proceeding to enforce any term or condition set forth herein, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs incurred in the action, suit or proceeding.

**Y KNOT RACING, LLC**

**SHAREHOLDER:**

\_\_\_\_\_  
**Chad Alward**  
**Its: Syndicate Manager**

**Dated:** \_\_\_\_\_

\_\_\_\_\_  
**Printed Name:**

**Dated:** \_\_\_\_\_

\_\_\_\_\_  
**Aaron Baldwin**                      **Dated:**  
**It's: Syndicate Manager**