

RE: REGARDEZ MOI BREEDING PACKAGE

Congratulations on your purchase of the **Regardez Moi Breeding Package**. This letter is being written by necessity on instruction from our legal advisers. In the past we labeled this opportunity as **Breeding Shares in Regardez Moi**. The use of the word "shares" has legal ramifications which when sold to the public have to be in compliance with numerous government bodies such as ASIC. In reality the package never did equate to a "share" and so the word was inaccurate. Hence the name change to "Regardez Moi Breeding Package". This is all good and the project in essence has been able to go forward with some limited adjustments in the "Sale Terms" and "Additional Notes". All the adjustments simply represent a re-wording so as to meet all government legislation. There are a couple of conditions which have altered slightly but these only improve the package from the buyers perspective. These adjustments do not introduce any new limitations or restrictions on the purchasers in any shape or form.

The following points I believe to have been clearly stated in the original draft of conditions however just for the record we are again bringing them to your attention:

- Regardez Moi is available for live cover only and all participating package holders will need to send their mares to the Heatherbrae property near Newcastle in NSW for covering. All mares will need to fill out the standard Stallion Breeding Contract which clearly outlines the agistment and veterinary costs associated with getting a mare in foal.
- The package starts in the 2009/2010 stud season and concludes at the end of the 2013/2014 stud season.
- In the previous conditions mare owners were to be charged \$8 per week. This sum represented a figure of \$1,888 over the five seasons depending on the exact date the package was purchased/taken up. This charge no longer exists. Instead a more conventional handling fee is to be charged for each mare each season of \$330 (including GST). This equates to a fee of \$1,650 over the five seasons. So not only are the costs now reduced but also in the event that a purchaser decides to sell their nomination for a given year the \$330 handling fee is now paid by the mare owner and not the breeding package owner.

We have now re-documented the Regardez Moi Breeding Package arrangement. Please find enclosed:-

- (a) Copy Terms of Sale;
- (b) Copy Additional Notes.

We apologise for any confusion but it is critical that this documentation is completely in compliance with all the Australian government regulatory bodies. Certainly it is our opinion that in the future this concept has huge potential for Australia's Olympic riders and the retention of top horses in Australia with a view to Olympic successes. This is a project in progress and once a blueprint has been established we expect this concept to make a very real impact in Australian performances Internationally both in the sport and in the sporthorse industry.

Yours faithfully

HEATH AND ROZZIE RYAN