# MAPLEVIEW RACING LLC.

# Partnership Agreement

This partnership agreement is entered into as of the date written below by and among Mapleview Racing LLC., (The Managing Agent), and the Partners whose names appear on the signature pages hereof

1. FORMATION OF PARTNERSHIP; The Mapleview Racing LLC. Partnership, (hereinafter, (the “Partnership”) is a LLC Partnership formed under Massachusetts law, operating from the date of this agreement until terminated as provided in Article 20..
2. PURPOSE: The business of the Partnership is but not limited to, purchase, own, lease, claim, train, race, retire, sell or breed, one or more thoroughbred race horses, to be raced primarily in Massachusetts and New York, and all legal partnership activity.
3. MANAGING AGENT, MANAGING OWNER, AND TRAINER: The Managing Agent will be Mapleview Racing LLC. The “managing owner” for purposes of race track licensing and entries will be Beverly Allard. Except as otherwise provided below, the trainers will be George Brown in Massachusetts, and or Gary Contessa in New York. The managing owner and the trainers will be designated as authorized agents of the Partnership for dealings with race tracks, regulatory bodies, and other individuals and entities concerning the business of the Partnership.
4. REPLACEMENT OF MANAGING OWNER AND TRAINER: The Managing Owner or any successor Managing Owner and the trainers may be replaced by a three-quarters vote of all the interests in the Partnership’s capitol account (“Partnership Interests”). In addition, the Managing Owner and the Trainers, or any one of them, can decide at any time and in his or their sole discretion to terminate the relationship, in which case the Managing Agent will select a new trainer or owner, who will succeed to all duties and responsibilities of the trainer, or owner.
5. LICENSING OBLIGATION: You can live anywhere in the world and be a Partner, but each Partner who owns a 3% or greater interest in the Partnership’s horse(s) or, if there are fewer than 36 partners, then each partner regardless of his or her percentage interest, shall take all necessary steps, at such Partner’s own expense, to obtain a thoroughbred owner’s license in Massachusetts and New York. If the trainer or Managing Agent, in their discretion, uses Partnership funds to pay any or all of the costs of such licensing, in order to make the Partnership eligible to run a horse, then those persons on whose behalf the Partnership has made such payments shall promptly reimburse the Partnership. If the Partnership runs a horse in a jurisdiction other than Mass. or NY, each Partner agrees to lease his or her interest in that horse to the Managing Owner, solely for the purposes of complying with licensing requirements in other jurisdictions, and the managing owner will account to the Partnership for any earnings and costs associated with such races. Any partner who cannot be legally licensed will have their subscription funds refunded, as a horse cannot be run unless all partners are licensed, according to the terms herein stated.
6. PARTNERSHIP DECISIONS: Except where this agreement specifies otherwise, all decisions of the Partnership will be made by the Managing Agent.
7. MEETINGS: Meetings of the Partnership may be called either by the Managing Agent or by the holders of 50% or more of the Partnership Interests. Such meetings may be held either in person, or by way of conference call or online internet chat or other similar electronic means. Notice of Partnership meetings must be in writing, including email, and must be given at least two weeks in advance of the meeting. Notice will be deemed to be received when mailed, if by first class mail, or when sent to a Partner’s email address, as furnished to the Managing Agent, if emailed.
8. COMMUNICATIONS. The Partners may communicate with the Managing Agent and each other via email, using an email list to be established for that purpose by the Managing Agent. The Partners agree that communications via email will be civil, polite, and respectful of others opinions. The Managing Agent may, in its discretion, suspend the email privileges of any partner not complying with this provision. If a partner repeatedly abuses such email privileges by posting what, in the reasonable judgment of the Managing Agent, are defamatory or abusive messages, then the Managing Agent may return such partner’s capitol account balance, net of any outstanding cash calls, and the partner will forthwith cease to be a partner. All matters of business will be announced and conducted via, first class mail or email and if you do not vote in a voting matter, then you forfeit your right to be heard on said issue.
9. USE OF PARTNERSHIP FUNDS: Except as provided in this Agreement, all Partnership funds will be used by the Partnership for the purchase, or lease of thoroughbred race horses and for payment of reasonable, ordinary and necessary expenses of the horse and the Partnership, including but not limited to trainer fees, trainer and jockey shares of purse earnings, blacksmith and veterinarians bills, horse transportation costs, licensing and entry fees, the cost of researching possible purchases, and related services or activities. In addition, the Managing Agent will charge the Partnership an office and administration fee (the (“Overhead”) in lieu of charging the partners for the costs of maintaining the business and running the office; such Overhead to include office rental, bank fees, accounting/legal, internet and web access, and supplies, accounting and tax software, office staff, copies, postage, telephone, and office supplies and other reasonable administrative expenses, but not including costs attributable to sales of Partnership Interests, to organizing the Partnership or purchasing a horse for it, or to partner liaison activities. The Overhead shall be set at $500.00 per month per partnership for the balance of 2016, and shall be adjusted at the beginning of each year thereafter, to take into account changes in the costs of doing business.
10. CONTRIBUTIOON TO THOROUGHBRED RETIREMENT: The Partnership will contribute1% of all its net purses to a licensed Thoroughbred retirement organization of its choice.
11. PARTNERSHIP ACCOUNTS: The Managing Agent shall maintain the Partnership accounts and shall regularly provide each Partner with reasonably detailed statements of Partnership income and expenses. The funds of the Partnership will generally be deposited in a bank account in the name of Mapleview Racing LLC. and may be co-mingled with the funds of other Mapleview Racing LLC. partnership’s. The Managing Agent shall insure that sufficient funds are on deposit with the horsemen’s bookkeeper at each track where the Partnership is racing to enable the Partnership’s horses to be entered in races.
12. TAX RETURNS: The Managing Agent shall arrange in a timely fashion for the filing of Partnership tax returns and for the provision of Internal Revenue Service K-1’s and such other information as Partners may reasonably require in preparing their individual tax returns. Profits and losses will be allocated among the Partners in proportion to their Partnership Interests and otherwise as required by Subchapter K of the United States Internal Revenue Code. All costs of bookkeeping, financial statements, and tax return preparation will be included in Overhead.
13. PAYMENTS TO MANAGING AGENT: In return for its services in establishing and managing the business of the Partnership, the Managing Agent will receive the payments set out below

(a ) The Managing Agent will receive five percent (5%) of all purses, bonuses and state owner awards earned by Partnership’s horses and the Managing Agent remains the owner of said horses, and this agreement is a lease of said horses with rights described herein and risk of losing said rights to said lease, as outlined in this agreement.

(b ) The Managing Agent will receive an additional five percent of any purses, bonuses or awards ( i.e., a total of 10%) earned by any horse that has earned in excess of $100,000 while racing for Mapleview Racing LLC., and another five percent (i.e., a total of 15%) of any purses, bonuses and awards so earned in excess of $200,000, with the exception, if said horse is a Mass. Bred and part of the Mass. Breeder Program, and was raised by Beverly Allard as the Breeder, then she will get the total breeder’s Awards.

(c ) With respect to any horse purchased and sold by the Partnership or claimed away, the Managing Agent will receive ten percent (10%) of the excess, if any, of the sales price over the price paid by the partnership to acquire the horse, and if said horse is a Mass. Bred and part of the Mass. Breeder Program, and was raised By Beverly Allard as the Breeder, then she will get up to (20%) of the excess, if any, of the sales price over the price paid by the partnership to acquire the horse.

1. INITIAL COMMISSION AND FEES: The Managing Agent will receive an amount equal to 5% of the total initial capitalization of the Partnership. This amount is a sales commission payable in connection with the formation of the Partnership, and the Managing Agent will retain a minimum of 55 shares in each horse partnership, primarily to manage each horse partnership with the same goals and thought process as our partners, this 5% only applies to horses purchased for the partnership, it does not apply to leased MVF, horses.
2. BILLING PROCEDURES: The Partnership will bill partners monthly for their pro rata share of all amounts currently due and payable, in advance of services, with respect to the training and care of their horses, and for their share of Overhead, due to the nature of this business, monthly fees are due in advance of services and billing is done by email on the first of the month. Any partner who fails to pay his or her pro rata share within 15 days after receipt of such notice or to make arrangements with the Managing Agent for the later payment of such Partner’s pro rata share in the event of the Partner’s unforeseen absence or other emergency, may be charged the greater of a late fee of $20.00 per share, or interest on the amount due at 24% per annum, beginning on a date 15 days after receipt of the monthly bill and continuing until the date of payment. Any such late fee or interest received will be credited to the Partnership as a whole. If a Partner has fallen behind in payments, as described in this Article, that Partner, (Defaulting Partner), will not share in any distributions made to Partners until the Defaulting Partner has fully paid all outstanding cash calls, and any such distributions that would have been due to such Defaulting Partner, shall instead be paid pro rata, to those Partners who are in good standing with respect to their cash calls, and the Managing Agent may, in its discretion, forfeit any or all of the Defaulting Partner’s interest in the Partnership, and that forfeited Partnership Interest may, in the Managing Agent’s sole discretion, thereupon be distributed pro rata to the remaining Partners or sold to one or more partners in this or other Mapleview Racing LLC. Partnerships.

If a Partner is due to receive a distribution from the Partnership or from any other Mapleview Racing LLC., partnership as of the end of any month and that partner owes money to the Partnership or to any other Mapleview Racing LLC., partnership, the amount of that unpaid cash call will be deducted from the distribution of monies otherwise payable.

1. DISTRIBUTION TO PARTNERS: At the conclusion of each month, if the Partnership’s horses have earned purse money during that month, or if any of the Partnership’s owned horses have been sold during the month, the Managing Agent shall distribute to each Partner that Partner’s pro rata share of excess Partnership funds. Such excess funds shall be deemed to exist when the cash on hand as of the end of a month exceeds the aggregate amount of bills then due and payable, plus, in the absolute discretion of the Managing Agent, a reserve for anticipated expenses for up to three months, including, but not limited to, the possible purchase of additional horses for the partnership.
2. TRANSFER OF PARTNERSHIP INTERESTS: The Partnership will not terminate if a Partner ceases to be a Partner. Any Partner wishing to sell his or her Partnership Interest must offer that Interest to the other Partners for a period of at least 15 days before entertaining other offers. Thereafter, the Partner wishing to sell may accept an offer from someone not a Partner, provided such offer is higher than the amount offered by any existing Partner during the 15 day period described above, and provided that the Managing Agent has approved the admission of such purchaser as a Partner, which approval cannot be unreasonably withheld.
3. INITIAL CAPITOL AND CLOSING: The Partnership’s initial capitol will not be less than $10,000 and the Partnership will close, and no additional partners may be admitted, when the Partnership’s horse first races under the ownership of Mapleview Racing LLC., (the “Closing Date”), unless a 2/3 vote is taken to extend the closing date. If the partnership fails to raise initial capitol of $10,000, by the closing date, then the Managing Agent may, in its absolute discretion, elect to terminate the Partnership and refund all subscriptions.
4. PARTNER’S PERCENTAGE INTERESTS: Each Partner’s exact percentage share, (their “Partnership Interest”) will be determined by the amount that has been subscribed by each partner as of the Closing Date. The Managing Agent shall advise all Partners as to their actual percentage interest as of the Closing Date
5. Example of a “Standard Share” Partnership that consists of 45 Partnership Shares, each with an initial cost of $1,000. If the total partnership capitol raised to the closing date is $10,000, then each $1,000 share sold will represent a 4.5% interest. If the total partnership capitol raised is $22,500, then each $1,000 share sold will represent a 2% interest, and if the total partnership capitol raised is $45,000 then each $1,000 share represents a 1% interest.

All Standard Share Owners, pay their pro rated share of expenses and

overhead.

1. A “One Time Cost Share” Partnership owner pays a up front share cost that is double the Standard Cost Share, but they pay NO EXPENSES for the duration of the partnership, so they assume no financial risk for expenses. and The Managing Agent may deduct from any income from purses, bonuses, or awards, the pro rated expenses for any One Time Cost Share holders, as the Managing Agent assumes the expense risk for those One Time Share holder
2. TERMINATION: If a horse owned or leased by the partnership is sold, retired, or claimed away, the Partnership can continue and claim, lease, or purchase another horse, unless three quarters of the partnership interests vote to terminate the partnership and distribute the proceeds. In the absence of such a vote the partnership will terminate as soon thereafter as the Partnership no longer owns or leases any horses, or votes to terminate with a three quarters vote. On the termination date, the Managing Agent shall arrange for the orderly disposition of Partnership assets and the distribution of proceeds to the Partners in proportion to their Partnership Interests. For purposes of this Article, the Managing Agent’s good faith determination of the value of Partnership assets will be conclusive.
3. AMENDMENT: This agreement may be amended by a three quarters vote of all Partnership Interests.
4. GOVERNING LAW: This agreement is to be construed in accordance with, and the partnership shall be governed by, the laws of the State of Massachusetts.

# MAPLEVIEW RACING LLC.

PARTNERSHIP AGREEMENT SIGNATURE PAGE

I HAVE READ AND UNDERSTAND THIS AGREEMENT AND AGREE TO ALL THE CONDITIONS.

Partnership Horse(s) Name(s) and Percentage Desired --------- Check Enclosed with Contract

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_ Amount $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Check #\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name of Partner\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Email\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Street Address\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Mailing POBox\_\_\_\_\_\_\_\_\_\_\_\_\_

City\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_State\_\_\_\_\_\_\_\_\_\_\_\_Country\_\_\_\_\_\_\_\_\_\_\_Zip\_\_\_\_\_\_\_\_\_\_\_\_\_

Partner Signature\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Tel/Cell\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date Signed\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Soc. Sec. or Tax I.D.#\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Standard Partnership Shares Cost $1,000 for each Share – You Pay Your pro rated share of monthly expenses. – Example !/2 Share is $500.00 or 2 Shares is $2,000.

One Time Cost Partnership Shares Cost $2,000 for each Share – You Pay NO out of pocket monthly expenses. – Example 1/2 Share is $1,000 or 2 Shares is $4,000.

Please indicate Name of Partnership Offering Horse and number and type of shares desired on top of page, fill out, sign and date, and mail to us with your check payable to: Mapleview Racing LLC.. Send to Mapleview Racing LLC. – POBox 952 -259 South St. – Bernardston, Mass. 01337, and we will return a signed and accepted copy to you with your member certificate, as soon as your check has cleared.

Accepted for Mapleview Racing LLC. accepted by:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date Authorized\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Ck. Rec.#\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Amount$\_\_\_\_\_\_\_\_\_\_\_\_\_

Authorization Accepted by the Listed Agent: Beverly Allard