

**SMART CHOICE STABLES**  
**FILLY OFFERING**  
**Ownership Agreement**

**Three 2-year old Fillies in training**  
**See Attachment 1 to this Agreement for Pedigree**

**(Said Fillies being hereinafter referred to as “Smart Choice Fillies”)**

Agreement made this (Insert Date)\_\_\_\_\_ by and between Smart Choice, LLC, d/b/a Smart Choice Stables (“Smart Choice”), a Massachusetts limited liability company with its office in Chelsea, Suffolk County, Massachusetts, and the individual or entity whose name and address are set out at the end of this Agreement, and who have subscribed there signature to this Agreement (“Owner”);

WHEREAS, Smart Choice owns the Smart Choice Fillies, the information on said Fillies is as stated on the Offering Sheet, Attachment 1; and

WHEREAS, Smart Choice desires to have certain investors to share the ownership of the Smart Choice Fillies; and

WHEREAS, the Owner desires to purchase an interest in the Smart Choice Fillies.

NOW THEREFORE, in consideration of the mutual agreements contained herein, it is hereby agreed as follows:

**AMOUNT SUBSCRIBED FOR: \$\_\_\_\_\_ OWNERSHIP % \_\_\_\_\_**

1. Ownership: The record title of ownership for the Smart Choice Fillies shall remain in the name of Smart Choice, and the ownership of the Smart Choice Fillies shall be allocated to all the owners that have purchased ownership interest. The Owner does hereby purchase the amount subscribed for and set forth above. In the event that less than 100% of the ownership is subscribed, then the remaining percentage of ownership shall remain with Smart Choice. Upon signing hereof, the Owner shall pay the amount subscribed.

2. Management: Smart Choice shall have full charge and control over the management of the Smart Choice Fillies and all matters arising in connection therewith. Smart Choice shall keep all records of financial transactions involving the Smart Choice Fillies and shall report to each Owner on a quarterly basis. Smart Choice shall provide annually financial statement sufficient to facilitate each Owner's filing of tax returns.
3. Transfer of Ownership: Ownership interest may be transferred, provided however, Smart Choice shall have the first refusal to purchase any ownership interest that an Owner may desire to sell. An Owner who desires to sell their interest must first offer same to Smart Choice in writing stating the price and payment terms. Smart Choice shall have thirty (30) days in which to purchase the interest at the price stated. In the event that Smart Choice does not purchase the interest within thirty (30) days, or notifies the Owner that it is not going to purchase the ownership interest, the Owner may then sell its ownership within the next thirty (30) days at the price stated.
4. Expenses: The purchase price includes all of the expenses for the Smart Choice Fillies for the first thirty (30) months of ownership. Following the first thirty months, each owner shall pay his pro-rata share of expenses related to the ownership of the Smart Choice Fillies. The owner may then offer to withdraw by offering his share to Smart Choice for a stated amount. If Smart Choice does not purchase such share within thirty (30) days, the owner may sell his share on the open market.
5. Liability: Smart Choice shall not be liable for any acts of omissions committed by it, or its agent and/or representatives, except for willful misconduct or gross negligence.
6. Insurance: Smart Choice shall have the right to make a decision whether or not to insure the Smart Choice Fillies, and if Smart Choice does insure the Smart Choice Fillies, the cost of insurance shall be pro-rata shared by the Owner. The Owner may insure its own interest at Owner's expense, provided such insurance is available.
7. Failure to Make Payments: In the event that an Owner fails to make the payments required hereunder, such failure continuing for thirty (30) days after receipt of notice from Smart Choice, then and in such event, Smart Choice shall have the right to

declare the Owner in default and shall take over the Owner's interest in the Smart Choice Fillies by payment of One (\$1.00) Dollar. Notwithstanding, Smart Choice reserves the right to exercise any other legal remedy it has regarding collection of expenses not paid by an Owner.

8. Notices: All required notices shall be effective and binding if sent by certified mail, return receipt requested to an Owner at the address as set forth at the end of the Agreement. An Owner may change the address by sending via notice to Smart Choice a new address. Notice to Smart Choice may be made by sending notice to: Smart Choice, 130 Crescent Avenue, Chelsea, Massachusetts 02150, or such other address as Smart Choice designates to the Owner by notice properly given.
  
9. Miscellaneous: This Agreement may be executed in several counterparts when executed by the parties hereto shall constitute an agreement between the parties, and will be binding on the parties, their heirs and assigns. This Agreement shall not be deemed or create a relationship by reason of which any party to this Agreement may be held liable as a result of actions taken by the other party.

Signed and sealed on the day and year first stated on this Agreement.

**Owner**

**Smart Choice, LLC**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

John P. Anderson, Manager

Address: \_\_\_\_\_

Percentage Purchased: \_\_\_\_\_

Dollar Amount of Purchase: \_\_\_\_\_