



AMENDMENTS TO AUSTRALIAN RULES OF RACING

AR 36A & AR 36B Fitness and propriety of owners

Summary:

The introduction of new rules covering the fitness and propriety of owners (AR 36A and AR 36B) has been under consideration by the Racing Australia Board since February 2021. Following extensive consultation, Principal Racing Authorities unanimously supported the introduction of these new rules which were subsequently endorsed by the Racing Australia Board.

Challenges have previously been faced when seeking to restrict certain persons from being owners in order to protect racing's integrity. Express ownership restrictions are now to be included in the Rules which cover all aspects of ownership and leasehold of horses including ownerships within trust or equitable holdings.

Further, ownership restrictions will be imposed on undischarged bankrupts (and other similar persons, eg, those entering into a personal insolvency agreement), to protect trainers and co-owners from issues resulting from non-payment of training fees.

In order to ensure individual circumstances can be taken into account, the ownership restrictions for persons with criminal offences or animal cruelty offences and undischarged bankrupts would be subject to the discretion of racing authorities to allow such persons to be owners.

In addition to AR 36A, AR 36B has been introduced to ensure racing authorities have a line of sight to all persons that could possibly have an interest in a horse.

Insert new AR 36A as follows:

AR 36A Fitness and propriety restrictions on persons who can own or race a horse

- (1) Racing Australia, a PRA or the Stewards (as applicable) may restrict any person from holding an ownership or lease interest in a horse if, in their opinion, the person is not a fit and proper person to own or lease a horse.
- (2) Without limiting subrule (1), except where otherwise permitted by Racing Australia, a PRA or the Stewards (as applicable), a person is not permitted to hold an ownership or lease interest in a horse if the person:
 - (a) has been convicted of an indictable criminal offence or a criminal offence involving violence against a person or dishonest activity in the previous 10 years;
 - (b) has been convicted of an offence under any animal welfare or prevention of cruelty to animals legislation in the previous 10 years; or

(c) is an undischarged bankrupt or is taking advantage of the laws in force for the time being relating to bankruptcy.

(3) Subject to subrule (4), a person must not enter or cause to be entered a horse in a race, official trial or jump-out where a person who is not permitted to hold an ownership or lease interest in the horse pursuant to subrule (1) or (2) purports to hold such an interest in the horse.

(4) Notwithstanding Racing Australia, a PRA or the Stewards assessing a person as fit and proper or not, any other PRA/s may conduct its own assessment as to that person's fitness and propriety before permitting him or her to own, lease or race a horse in that PRA's jurisdiction.

(5) For the sake of clarity and without limiting any other provisions of the Rules, an ownership or lease interest includes an interest held by a person (from 0% to 100% inclusive) as a:

(a) director or shareholder of a company;

(b) partner of a partnership or firm;

(c) trustee of a trust;

(d) manager or member of a syndicate,

and any other interest or position where the person is able to exercise any control or influence in respect of a horse, or either directly or indirectly has the power to vote or participate in decisions in respect of the horse.

Date of effect: 6 May 2022

Insert new AR 36B as follows:

AR 36B Ownership via certain trusts prohibited

Without limiting any other provisions of the Rules and except where permitted by a PRA, an ownership or lease interest in a horse is not permitted to be held in a trust where the persons having an interest in the horse, beneficial or otherwise, are not readily and accurately identifiable (for example, where the trust is a discretionary trust with broad and potentially unlimited beneficiaries).

Date of effect: 6 May 2022