



NZTR CIRCULAR No. 1

1 August 2022

NZTR CIRCULAR 2022/23 – No. 1

TO EACH TOTALISATOR CLUB AND SECTOR ORGANISATION

PROPOSED AMENDMENTS TO THE RULES OF RACING

NZTR seeks comment on the following proposed amendments to the Rules of Racing. Should you wish to make any comments or provide any other feedback please do so in writing to colin.hall@nztr.co.nz on or before Friday, 31 August 2022.

Except for the Rule amendment which provides for the establishment of an apprentice academy, the proposed Rule changes arise from the transition from NZTR's ageing information system to the more up-to-date Single National System (SNS). These changes include:

- The registration of syndicates as standalone racing owner entities,
- The time which must pass before a name can be used again,
- The naming of horses before being allowed to trial or presented for barrier certification.

This move to naming before trials has previously been flagged with the Recognised Industry Organisations. Initial feedback was predominantly regarding "wasting" a good name; however, it is widely understood that this is the gamble we take every time we name a horse. There is no guarantee it will get to the races, win a race, or live up to its great name.

There were also concerns expressed regarding possible GST implications. However, NZTR has received advice that GST does not become payable until the horse takes part in a race. Naming horses before they trial will therefore have no effect on the time that GST becomes payable.

Why are we doing this?

- SNS will not accept an unnamed horse when taking nominations for trials. This is a default of the system and cannot be changed.
- It will ensure there is no delay or refusal of nomination.
- Improved financial accounting. Accounts will be sent directly to the owner, rather than to the trainer as is the case with unnamed horses at present.
- It provides punter visibility.
- It will aid traceability.

NZTR asks that the above be taken into account should you wish to submit any comments or feedback on the proposed Rule changes.

PROPOSED RULE CHANGES

Words to be added are underlined and words to be deleted are ~~struck out~~.

1. Amend the definition of Agreement of Apprenticeship as follows:

Agreement of Apprenticeship means an agreement of apprenticeship between an Apprentice and a ~~Club~~ Apprentice Training Facility or Trainer, as applicable, provided the agreement is executed in the form prescribed by NZTR and is entered into in accordance with the Apprentice Policy.

2. Include the following new definition:

Apprentice Training Facility means a private training establishment, which is registered with, and accredited by, New Zealand Qualifications Authority which delivers qualifications recognised by the New Zealand Qualifications Framework for the purpose of qualifying Apprentices.

3. Amend the definition of **Owner** by including the following words:

Owner includes, in relation to a horse, a person, being a natural person or a group of natural persons or a Legal Ownership Entity, who has an Ownership interest in a horse including, for the avoidance of doubt, a Syndicate and any member of a Syndicate, and "**Ownership**" and "**Owned**" have a corresponding meaning.

4. Include the following new definitions:

Syndicate means a combination of two or more persons registered with NZTR as a Syndicate under Rule 421.

Syndicate Manager means the person appointed by a Syndicate as the manager of the Syndicate in accordance with Rule 421 or any regulations made by NZTR under that Rule.

5. Amend Rule 309(a) by including the following words at the end of the rule:

309 Any Trainer who wishes to:

- (a) train in partnership with another Trainer must seek NZTR's permission to do so, which permission may be granted on such conditions as NZTR sees fit provided that a training partnership cannot comprise more than three Trainers.

6. Amend Rule 341 as follows:

341 (1) Only a Trainer who has been approved as an employer of Apprentices by NZTR or an ~~Club~~ Apprentice Training Facility (as applicable) which has been approved as employer of Apprentices by NZTR, may employ an Apprentice.

- (2) An Apprentice must be employed pursuant to an Agreement of Apprenticeship in accordance with the Apprentice Policy, and during the term of that particular Agreement of Apprenticeship the relevant Apprentice and Trainer, or ~~Club~~ Apprentice Training Facility, or any person who is party to a transfer of the Apprentice (as applicable) must comply with the provisions of the Agreement of Apprenticeship and the Apprentice Policy.

7. Include a new Rule 424(3):

424 (3) If a Syndicate is registered as:

- (a) the Owner or lessee of a horse, the horse will race in the name of the Syndicate and not in the names of the members of that Syndicate;
or
- (b) as an Owner or a lessee of a horse, the names in which the horse races will include the name of the Syndicate and not the names of the members of that Syndicate.

8. Amend Part IV of the Rules as shown below:

PART IV
REGISTRATION OF HORSES FOR RACING AND BREEDING;
AND OWNERS AND LESSEES

DETERMINATION OF AGE FOR HORSES

401 The age of each horse shall be determined as follows:

- (a) in the event that the mare was first covered before 1 September in a calendar year, then the produce of that mare which is born in the following calendar year (regardless of its date of birth) will be deemed to have commenced its second year of life on 1 August of the calendar year in which it is born (ie. it will become a yearling on that day);
or
- (b) in the event that the mare was first covered on or after 1 September in a calendar year, then the produce of that mare which is born in the following calendar year (regardless of its date of birth) will be deemed to have commenced its first year of life on 1 August of the calendar year in which it is born, provided that date of birth is consistent with such covering.

APPROVAL OF NAME OF HORSES

- 402 (1) The Owner of a horse must propose the name under which the horse is to be registered at the time he or she applies for registration of the horse pursuant to Rule 406 and may only use that name for the horse once NZTR has approved that name for registration in accordance with sub-Rule (2) below.
- (2) NZTR may approve a name for registration, or require a change to a registered name, provided that NZTR shall, subject to sub-Rule (3) of this Rule, not approve for registration any name:
 - (a) under which any other horse was previously registered under these Rules until a period of ~~15~~17 years has elapsed from the date on which such other horse was foaled; or
 - (b) ~~which has previously been registered for a mare whose name has appeared in the New Zealand Stud Book until a period of 12 years has elapsed from the year in which NZTR is notified that the mare has died or has ceased breeding; or 20 years after the year of birth of the youngest produce of the horse with the same name.~~
 - (c) ~~which has previously been registered for a stallion whose name has appeared in the list of stallions at stud in the New Zealand Stud Book until a period of 15 years has elapsed from the last year in which such stallion's name appeared in such list; or~~

- (~~c~~) which is recorded in a list of names designated from time to time by NZTR as names which cannot be used or repeated.
- (3) If a Foreign Horse is imported into New Zealand with a name that is not able to be approved under Rule 402(2), NZTR may nevertheless approve the name of that foreign horse unconditionally or on the condition that it is registered with a numeral or letters, in which case the name with the relevant numeral or letters shall be the name of the Foreign Horse in New Zealand.

NOTIFICATION OF GELDING

- 403 The Owner, lessee, or Racing Manager of a horse which has been registered under these Rules must notify NZTR as soon as practicable, but in any event before the Withdrawal Deadline for its next Race or before there is any change in the ownership or any lease is granted in respect of that horse, if such horse is gelded.

HORSE IDENTITY

- 404 (1) Once the name of a horse is registered in accordance with Rule 402, the name used for that horse in any Race or trial (including a jump-out or test for certification purposes) or otherwise in connection with racing in New Zealand or elsewhere must be its registered name.
- (2) A person shall not enter, accept, start or intend to start a horse in a Race or trial (including a jump-out or test for certification purposes) under a name other than its registered name. A horse does not have to be registered and named in accordance with these Rules to be entered for or start in a jump-out but a barrier certificate may only be issued for a horse that has been registered and named. ~~or its recorded breeding details in the case of an unnamed horse that is entered for or starts in a trial.~~
- (3) A person shall not, in any matter connected with racing, use a name of and/or breeding details in relation to a horse other than its registered name and its breeding details recorded with NZTR. A person who acts in contravention of this sub-Rule (3) commits a Serious Racing Offence.

REGISTRATION OF HORSES

- 405 A horse may only be entered for, and start in, a Race, or a trial (or a jump-out or test for certification purposes) if it is registered and has been named in accordance with these Rules.
- 406 (a) A person who wishes to register a horse must apply, on the prescribed form, to NZTR. The application form must:
- (i) be accompanied by payment of the applicable fee set by NZTR, from time to time; and
 - (ii) subject to paragraph (e) of this Rule, state the full name of every Owner of the horse and any other person who has a legal or beneficial interest in the horse; and
 - (iii) subject to paragraph (e) of this Rule, be signed by each person named as an Owner of the horse on the application form; and
 - (iv) nominate a Racing Manager for the horse; and [Amended 1 August 2014]
 - (v) specify whether the Owner is registered under the Goods and Services Tax Act 1985, and if so, specify its Good and Services Tax registration number; and
 - (vi) if the Owner(s) wish to do so, nominate a replacement Accountable Person for the horse in accordance with Rule 1431(1). [Amended 1 September 2020]

- (b) If a Legal Ownership Entity is the Owner or an Owner of (or otherwise has a legal or beneficial interest in) a horse, then the application for registration of that horse must be accompanied by the full name of every person who:
 - (i) has a legal or beneficial interest (directly or indirectly, whether as a shareholder or otherwise) in that Legal Ownership Entity; and
 - (ii) is a member of the board of directors or other governing body of that Legal Ownership Entity.
- (c) If a lease has been entered into in respect of a horse for which an application for registration is being made, then the application for registration of that horse must also be accompanied by a notice of lease completed in accordance with Rule 422 and payment of the applicable fee for registration of a lease of a horse.
- (d) NZTR may require an application for registration of a horse to be verified by way of statutory declaration by the Owner(s), Horse Breeder(s) or Trainer of the horse and/or for such other particulars or information concerning:
 - (i) the horse; and/or
 - (ii) the Owner(s) of the horse or any other person with a legal or beneficial interest in the horse; and/or
 - (iii) any Legal Ownership Entity which has an Ownership interest, or otherwise has a legal or beneficial interest, in the horse, and, in the case of any such Legal Ownership Entity, the persons referred to in sub-Rule (b) of this Rule; and
 - (iv) the nominated Racing Manager; and/or [Amended 1 August 2014]
 - (v) the Accountable Person of the horse. [Amended 1 September 2020],
to be disclosed to it as NZTR may require in its absolute discretion.
- (e) If a Syndicate is the, or an, Owner of a horse, the application for registration of the horse need only state the name of the Syndicate as the, or an, Owner and not each member of the Syndicate, and may be signed by the Syndicate Manager on behalf of the Syndicate and its members.

407 In order to be eligible for registration, a horse must:

- (a) be micro-chipped, freeze branded, DNA-typed or identified in such other manner as is permitted or required by NZTR;
- (b) be eligible for entry, and have been accepted for inclusion: [Amended 1 September 2020]
 - (i) in the New Zealand Stud Book or in the stud book of Another Racing Authority; or
 - (ii) in the Register of Non Stud Book Mares as the produce of a sire and dam each registered under these Rules; and
- (c) be the product of a natural service, which is the physical mounting of a mare by a stallion with intromission of the penis and ejaculation of semen into the reproductive tract. A natural gestation must take place and delivery must be from the body of the same mare in which the foal was conceived. For the avoidance of doubt:
 - (i) this natural service may include the immediate reinforcement of the stallion's service by using residual semen ejaculated by the stallion whilst it penetrated the mare during that service of the same mare, provided that the reinforcement of service must be immediately after the natural covering and the semen must not be processed or altered in any way before it is used for reinforcement; and

- (ii) semen obtained from a stallion by any artificial means may not be used to reinforce a service, and any other form of artificial breeding (including artificial insemination, embryo transfer or transplant, cloning, or any form of Genetic Manipulation or Gene Doping) at any stage of the horse's existence) may not be used to produce the horse. [Amended 1 August 2014]

Notwithstanding paragraphs (a) to (c) above, any horse which NZTR reasonably believes has been subjected to Gene Doping shall be ineligible for registration. [Amended 1 September 2020]

- 408 (1) A horse shall only be registered if the application for registration of that horse is approved by NZTR.
- (2) A natural person may have an Ownership interest in a horse for the purposes of racing only if he has attained the age of 18 years.
- (3) A person to whom any of sub-Rules 411(b)(i) to (vii) applies may not be:
- (a) an Owner of, or otherwise have a legal or beneficial interest in, a horse;
 - (b) a shareholder of, or otherwise have a legal or beneficial interest (directly or indirectly) in, a Legal Ownership Entity that is an Owner of, or otherwise has a legal or beneficial interest in, a horse; or
 - (c) a Racing Manager of a horse; or.
 - (d) an Accountable Person of a horse; or [Amended 1 September 2020]
 - (e) the Syndicate Manager of a Syndicate that Owns, or is an Owner, of a horse.
- (4) NZTR has complete discretion whether or not to approve an application for registration of and register a horse, and may approve registration of a horse on such terms and conditions as it sees fit in its absolute discretion, including (but not limited to) requiring a guarantee or other security in a form acceptable to it in its absolute discretion, from such person or persons as it may require (including, if applicable, the directors and shareholders of and any other persons with Ownership interests in, any Legal Ownership Entity which owns or is an Owner of a horse).
- (5) If NZTR approves a horse for registration, notification of registration of the horse shall be given to the Owner(s) and be published in the Official Calendar. NZTR shall also provide the Owner with a certificate of registration in respect of the horse. [Amended 1 September 2020]
- 409 A horse may not be entered for, or start in, a Race if a person has:
- (a) an Ownership interest in, or an interest as lessee of, that horse; or
 - (b) a legal or beneficial interest (whether as a shareholder or otherwise) in a Legal Ownership Entity which has an Ownership interest in, or an interest as lessee of, that horse,

which has not been notified to NZTR in accordance with these Rules.

REGISTER OF HORSES

- 410 NZTR shall keep a register in respect of each horse approved for registration under Rule 408 stating:
- (a) the registered name of the horse; and
 - (b) the branding, micro-chip or DNA-typing for the horse; and
 - (c) the breeding of the horse; and

- (d) subject to paragraph (i) of this Rule, the name(s) of the Owner(s) of the horse (which shall be a *prima facie* record of the registered Owner(s) of a horse, but not absolute evidence of Ownership); and
- (e) subject to paragraph (i) of this Rule, the name(s) of lessee(s) of the horse (which shall be a *prima facie* record of the registered lessee(s) of a horse, but not absolute evidence of a leasehold interest), if a lease of the horse has been registered by NZTR in accordance with these Rules; and
- (f) whether the horse is registered to:
 - (i) race; or
 - (ii) breed; or
 - (iii) race and breed; and [Amended 1 December 2013]
- (g) the Racing Manager of the horse; and
- (h) the Accountable Person of the horse. [Amended 1 September 2020]
- (i) If a Syndicate is the, or an, Owner of a horse, the register need only state the name of the Syndicate as the, or an, Owner of the horse and not each member of the Syndicate.

CANCELLATION OF REGISTRATION AND DE-REGISTRATION OF HORSES [Amended 1 December 2013]

- 411 (1) The registration of a horse, or the registration of a lease in respect of a horse, may be cancelled (and where sub-Rule 411(1)(d) applies, may be de-registered in full or in part) by NZTR at any time in its absolute discretion if: [Amended 1 December 2013]
- (a) a person has, or has acquired:
 - (i) an Ownership interest in, or an interest as lessee of, that horse which has not been notified to and registered by NZTR; or
 - (ii) a legal or beneficial interest in that horse or a legal or beneficial interest (directly or indirectly) in a Legal Ownership Entity which:
 - (A) has an Ownership interest in; or
 - (B) has an interest as lessee of; or
 - (C) otherwise has a legal or beneficial interest in,
 that horse without such interest having been notified to NZTR, in accordance with these Rules.
 - (b) an Owner, lessee, Syndicate Manager or the Racing Manager or Accountable Person, or any person who otherwise has a legal or beneficial interest in, the horse, or a shareholder or person who otherwise has a legal or beneficial interest (directly or indirectly) in a Legal Ownership Entity which has an Ownership interest in, or an interest as lessee or has a legal or beneficial interest in, the horse:
 - (i) is a disqualified person in accordance with these Rules or the official rules of Another Racing Authority; or
 - (ii) is named for the time being in the Arrears List or in the Official Calendar in respect of any entry in such list, or in the list of arrears or other similar list of Another Racing Authority; or
 - (iii) who is or has been an illegal bookmaker or an illegal bookmaker's clerk or agent; or

- (iv) is a person who is excluded from entering a Racecourse pursuant to Rules made under section 40 of the Racing Industry Act 2020; or
- (v) commits a Serious Racing Offence; and/or
- (vi) commits a breach of Rules 1401 to 1405, fails to comply with any requirement made or prohibition imposed pursuant to a Thoroughbred Welfare Compliance Notice or is issued a permanent Thoroughbred Welfare Possession Order; and/or [Amended 1 September 2020]
- (vii) is declared bankrupt (in the case of a natural person) or is being wound up or a liquidator or provisional liquidator or a receiver or statutory manager has been appointed in respect of it (in the case of a Legal Ownership Entity);
- (viii) is warned off by NZTR under Rule 659; [Added 1 July 2021]
- (c) any information or evidence requested by NZTR under Rules 406(d), Rule 428 or 430 has not been provided to NZTR by the time fixed by it;
- (d) requested to do so by an Owner who is no longer intending to use that horse for the purpose of:
 - (i) racing; or
 - (ii) breeding; or
 - (iii) racing and breeding,
 in accordance with the Rules. [Amended 1 December 2013]
- (e) the horse is not, or is no longer, eligible for registration under Rule 407; and
- (f) such other grounds determined by NZTR in its absolute discretion; [Amended 1 September 2020]
- (2) On receipt of a validly completed form for de-registering a horse, NZTR may update the appropriate register(s) if the horse is only being de-registered for either racing or breeding purposes and shall keep a separate register of horses that have been de-registered for both racing and breeding purposes. [Amended 1 December 2013]
- (3) A person who wishes to re-register a horse for racing and/or breeding, shall apply in writing to NZTR to seek re-registration of that horse. NZTR shall determine in its absolute discretion and on such conditions (if any) as it thinks fit whether to grant re-registration. If NZTR exercises its discretion to re-register a horse in respect of racing and/or breeding, it will amend the appropriate register(s) accordingly. [Amended 1 December 2013]

412 Notification of:

- (a) the cancellation of registration, or disqualification, of a horse; or
- (b) the cancellation of registration of a lease of a horse,

shall be given to the Owner(s) and lessee(s) (if any), together with the reasons for such cancellation or disqualification, and be published by NZTR from time to time. NZTR may, on being satisfied in its absolute discretion that the reasons for any such cancellation no longer exist, direct that such horse or the lease of it (as the case may be) be again registered under these Rules.

- 413 The Owner, lessee, Racing Manager or Accountable Person (as applicable), of a horse must notify NZTR in writing if and as soon as any of the events set out in Rules 411(1)(a) and (b) occur and must ensure that the relevant horse is not trained on a Racecourse or Training Facility, or entered for or started in a Race or a trial (including a jump-out or test for certification purposes), while any such event continues. [Amended 1 September 2020]

- 414 In any case where the registration of a horse, or the registration of a lease of a horse, has been cancelled under Rule 411 because an event described in Rule 411(1)(b)(vi) has occurred, NZTR may, in its absolute discretion and on such conditions (if any) as it thinks fit, on the application of the liquidator, provisional liquidator, receiver, statutory manager or official assignee (as the case may be) reinstate the registration of that horse or the lease of it.

REGULATIONS FOR OWNERSHIP INTERESTS, RACING MANAGERS AND ACCOUNTABLE PERSONS

- 415 NZTR may, at any time, make, amend or revoke such regulations (not inconsistent with these Rules) as it thinks fit in respect of:
- (a) Ownership interests in and leases of horses; and
 - (b) Racing Managers; and
 - (c) Accountable Persons; and [Amended 1 September 2020]
 - (d) Syndicate Managers.

REGISTRATION OF STALLIONS

- 416 (1) NZTR shall keep a Stallions' Registration List in which the name of each stallion registered in a particular Racing Year will be recorded.
- (2) A thoroughbred stallion shall only be used for stud purposes in New Zealand if it has been registered for such purpose in the Stallions' Registration List in accordance with the New Zealand Stud Book Regulations.

NOTIFICATION OF RETIREMENT OR DEATH OF HORSE [Amended 1 May 2015]

- 417 (1) On the retirement of any registered horse from racing and/or breeding, the Owner or Racing Manager of the Horse (as the case may be) at the time of retirement shall, within one month of the date on which the horse was retired, notify NZTR of the retirement by completing the prescribed form and forwarding it to NZTR. [Added 1 May 2015]
- (2) NZTR may de-register a horse from racing and/or breeding (as the case may be) and update the appropriate register(s):
- (a) on receipt of a notice of retirement of a horse under Rule 417(1); or
 - (b) if NZTR believes on reasonable grounds that the horse has been retired from racing and/or breeding.
- NZTR shall give written notice of the de-registration of a horse pursuant to paragraph (b) of this sub-Rule to the Owner(s) and lessee(s) (if any), together with the reason for such de-registration. Rule 411(3) shall apply to a horse that has been de-registered under this Rule 417. [Amended 1 September 2020]
- (3) On the death of any horse which has not already been retired under this Rule 417, the Owner or Racing Manager of the Horse (as the case may be) at the time of death shall, within one month of the date on which the horse died, notify NZTR of the death of the horse by completing the prescribed form and forwarding it to NZTR. [Amended 1 December 2013], [Amended 1 September 2020]
- (4) Notwithstanding sub-Rules 417(1) to (3) above, where the death of a horse occurs within 72 hours, and as a direct result, of an injury, illness, disability or other health issue sustained while running in a Race, trial or jump out or while being trained for racing, the Owner or Racing Manager of the Horse (as the case may be) shall, within 72 hours of the death, ensure that:
- (a) notification of the death of the horse is given to NZTR as required pursuant to this Rule 417; and

- (b) a veterinary certificate containing details of the injury, illness, disability or other health issue is provided to NZTR together with the notification referred to in paragraph (a) above (provided that no such certificate is required to accompany the notification where the death occurred at a Race Meeting and the Veterinarian appointed for that Race Meeting has separately provided a veterinary certificate to NZTR). [Amended 1 September 2020]

FOREIGN HORSES

418 NZTR may approve the registration of a Foreign Horse in accordance with Rules 406 and 407 on such terms and conditions it sees fit in its absolute discretion provided it has been provided with such evidence of the identity of a Foreign Horse as it may require in its absolute discretion.

CERTIFICATE OF PEDIGREE

- 419 (1) A person may obtain from NZTR a certificate of pedigree (if any) of:
- (a) any Foreign Horse which arrives in New Zealand; or
 - (b) any horse about to leave New Zealand,
- which endorses the certificate of identity of the horse.
- (2) Any person who wishes to obtain a certificate of pedigree shall apply, on the prescribed form to NZTR. The application must be accompanied by the applicable fee set by NZTR, from time to time.
 - (3) NZTR may require an application for a certificate of pedigree to be verified by way of statutory declaration by the Owner(s), Horse Breeder(s) or Trainer of the Foreign Horse and/or for such other particulars or information to be disclosed as NZTR may require in its absolute discretion, including if it requires verification from Another Racing Authority.
 - (4) An application for a certificate of pedigree may be approved and a certificate issued by NZTR under this Rule 419 in its absolute discretion.

HORSES RETURNING TO NEW ZEALAND

- 420 Unless NZTR approves otherwise, a horse which enters New Zealand for the first time, or which has been exported from New Zealand and is brought back to New Zealand, shall not be eligible to be entered for or started in a Race until NZTR has received:
- (a) a certificate of pedigree issued under Rule 419 in respect of that horse, duly endorsed by Another Racing Authority in which the horse raced overseas, or if it did not race each country from which the horse has returned; and
 - (b) evidence from Another Racing Authority of each country or state in which the horse raced while overseas of:
 - (i) the distance, conditions and name of each Race in which the horse started in that country or state; and
 - (ii) the date on which each such Race was run and the place it was run at; and
 - (iii) the stake offered to the winner, the weight which the horse carried, its placing and the type and amount of any prizes and/or stakes earned in each such Race.

~~[No Rule 421]~~ Insert new Rule 421

SYNDICATES

- 4.21 (1) Any person who wishes to register a Syndicate must apply to NZTR on the prescribed form and must provide all information regarding the Syndicate and its members as may be required by NZTR.
- (2) Every Syndicate must appoint a natural person who has attained the age of 18 years, and been approved by NZTR, as its Syndicate Manager. Each Syndicate Manager is authorised by the Syndicate members to act for and on behalf of the Syndicate to the extent permitted by the Rules and any agreement governing the Syndicate.
- (3) Every Syndicate member is bound by the Rules and any agreement governing the Syndicate irrespective of the nature or extent of that member's interest in the Syndicate.
- (4) The name of a Syndicate must be approved by NZTR before it can be registered or used.
- (5) The registration of a Syndicate may be cancelled by NZTR if:
- (a) the Syndicate Manager or a member of the Syndicate is a person of the type referred to in any of Rules 4.11(1)(b)(i) to (vi); or
 - (b) a person has become a member of the Syndicate without NZTR having been notified; or
 - (c) any information or evidence requested by NZTR in respect of the membership, or any of the members, of the Syndicate has not been provided by the time fixed by it; or
 - (d) any information provided to NZTR in respect of the Syndicate, or its members, is found to be inaccurate, deficient or false.
- (6) A Syndicate Manager:
- (a) must, when exercising powers or performing duties in that capacity, act in good faith and in what they believe to be the best interests of the Syndicate; and
 - (b) may be appointed as the Racing Manager of horses owned or leased by the Syndicate in accordance with Rule 4.06(a)(iv); and
 - (c) must keep proper and accurate records of the affairs and activities of the Syndicate and of all income, costs and expenses, assets and liabilities of the Syndicate, and provide copies of the same to the members of the Syndicate on request; and
 - (d) may, when the relevant Syndicate is the Owner or lessee of a horse and the Rules require an Owner to give a notice or take some other action in connection with the horse, give that notice or take that action for and on behalf of the Syndicate as Owner; and
 - (e) may not sub-contract or delegate the performance or exercise any of their duties, powers or obligations as Syndicate Manager without notifying the Syndicate members and will remain liable for the proper performance or exercise of any such duty, power or obligation; and
 - (f) must use Syndicate funds only for purposes related to the affairs or activities of the Syndicate or as otherwise authorised by the Rules or the agreement (if any) governing the Syndicate.
- (7) NZTR may make, amend or revoke regulations in respect of the registration, conduct and oversight of Syndicates including, without limitation, in respect of:

- (a) the process, and supporting information or evidence required, for registering a Syndicate; and
 - (b) the functions and powers of, and the process for appointing and changing, a Syndicate Manager; and
 - (c) the information or evidence NZTR may request in respect of:
 - (i) the operation, management or conduct; or
 - (ii) the membership, or any of the members, of the Syndicate; and
 - (d) information in relation to any horse owned or leased by the Syndicate; and
 - (e) changes in the membership of a Syndicate or in the percentage interest that each member of a Syndicate has in the Syndicate, and the notification requirements for the same; and
 - (f) the termination of a Syndicate,
- which regulations are to apply to Syndicates in place of the Rules, if any, referred to in any such regulations.
- (8) NZTR accepts no responsibility for, or for any issues or disputes that may arise in respect of, the management or operation of a Syndicate. If a member of a Syndicate feels aggrieved by, or is dissatisfied with, the management or operation of a Syndicate, they must endeavour to resolve the matter privately or take such legal steps as their legal advisors may advise in respect of the matter.

LEASING

- 422 (1) If a lease is entered into in respect of a registered horse, the Owner(s) and lessee(s) must apply, on the prescribed form, to NZTR for registration of the lease. The application form must:
- (a) be accompanied by payment of the applicable fee set by NZTR, from time to time; and
 - (b) subject to the proviso to this Rule, state the full name of:
 - (i) every Owner of the horse; and
 - (ii) every lessee of the horse; and
 - (iii) any other person who has an interest (directly or indirectly) in the horse and
 - (c) subject to the proviso to this Rule, be signed by each person named as an Owner or lessee of the horse on the application form. and
 - (d) nominate a Racing Manager for the horse; and [Amended 1 January 2016]
 - (e) specify whether the lessee is registered under the Goods and Services Tax Act 1985, and, if so, specify its Good and Services Tax registration number; and
 - (f) if the lessee(s) wish to do so, nominate a replacement Accountable Person for the horse in accordance with Rule 1431(2). [Amended 1 September 2020]

Provided that, if a Syndicate is the, or an, Owner or lessee of the horse, the application for registration of the lease need only state the name of the Syndicate as the, or an, Owner or lessee (as the case may be) and not each member of the Syndicate and may be signed by the Syndicate Manager on behalf of the Syndicate and its members.

- (2) If a Legal Ownership Entity is the lessee or a lessee of the horse (or otherwise has an interest in the horse), then the application for registration of the relevant lease must be accompanied by the full name of every person who:
- (a) has a legal or beneficial interest (directly or indirectly, whether as a shareholder or otherwise) in that Legal Ownership Entity; and
 - (b) is a member of the board of directors or other governing body of that Legal Ownership Entity.
- (3) NZTR may require an application for registration of a lease to be verified by way of statutory declaration by the lessee(s), Owner(s), or Trainer of the horse and/or for such other particulars or information concerning:
- (a) the horse;
 - (b) the lessee(s) of the horse or any other person with a legal or beneficial interest in the lease of that horse or any of the members of a Syndicate that is the, or a, lessee of the horse;
 - (c) any Legal Ownership Entity which has a legal or beneficial interest in the horse, and, in the case of any such Legal Ownership Entity, the persons referred to in sub-Rule (2) of this Rule; and
 - (d) the nominated Racing Manager of the lessee(s) for the horse (if one is required under these Rules); and
 - (e) the Accountable Person of the lessee(s) for the horse, [Amended 1 September 2020] to be disclosed to it as NZTR may require in its absolute discretion.
- (4) A lease of a horse shall only be registered on the approval of NZTR.
- (5) A natural person may have an interest in a horse as lessee for the purposes of racing only if he has attained the age of 18 years.
- (6) A person to whom any of the sub-Rules 4.11(b)(i) to (viii) applies may not be:
- (a) a lessee of, or otherwise have a legal or beneficial interest in the lease of, a horse; or
 - (b) a shareholder of, or otherwise have a legal or beneficial interest (directly or indirectly) in a Legal Ownership Entity that is a or the lessee of, or which otherwise has a legal or beneficial interest in the lease of, a horse; or
 - (c) a Racing Manager of a horse for the lessees of the relevant horse; or
 - (d) an Accountable Person of a horse for the lessees of the relevant horse; or [Amended 1 September 2020]
 - (e) the Syndicate Manager of a Syndicate that is the, or a, lessee, of a horse.
- (7) NZTR has complete discretion whether or not to approve the registration of a lease of a horse, and may approve registration of a lease on such terms and conditions as it sees fit in its absolute discretion, including (but not limited to) requiring a guarantee or other security in a form acceptable to it, in its absolute discretion, from such person or persons as it may require (including, if applicable, the directors and shareholders or any other persons with Ownership interests in any Legal Ownership Entity which is a or the lessee of the horse).
- (8) If NZTR approves the lease of a horse for registration, notification of registration shall be given to the Owner(s) and lessee(s) of the horse.

- (g) If a lessee of a horse is required to nominate a Racing Manager in accordance with Rule 422(1)(d), then the Racing Manager nominated by such lessee and approved by NZTR is the Racing Manager of that horse for the purpose of racing in place of any Racing Manager nominated by the Owner(s) of the horse. [Amended 1 September 2020]

CHANGE OF OWNER(S) OR LESSEE(S)

- 423 (1) Notice of any change in the legal or beneficial Ownership of a horse or in the lessees of a horse (including, for the avoidance of doubt, any change in the percentage interest held by any Owner, lessee) must be given to NZTR within fifteen working days of any such change taking place, and in any event, before the horse is started in any Race, provided that where any such change takes place: [Amended 1 September 2020]

- (a) during a Race Meeting; or
- (b) within the period of seventy-two hours immediately preceding the commencement of a Race Meeting at which the horse has been accepted for a start,

such notice must be given as soon as possible to NZTR, and when so given and acknowledged by NZTR during that Race Meeting it shall be deemed, only for the purposes of such Race Meeting, to have been accepted by NZTR.

- (1A) NZTR may, in its absolute discretion, accept a notice required under Rule 423(1) outside of the timeframes specified in that Rule on such conditions as NZTR thinks fit, which may include a late fee or charge. [Amended 1 September 2020]

- (2) Subject to Sub-Rule (10) of this Rule, the notice of a change in the Ownership of a horse or in the lessees of a horse must be submitted by the new Owner(s), new lessee(s), new Racing Manager (as the case may be) on the prescribed form to NZTR, with such further information as NZTR may require in its absolute discretion, and must: [Amended 1 May 2015]

- (a) be accompanied by payment of the applicable fee set by NZTR, from time to time;
- (b) subject to the proviso to this Rule 423(2), state the full name(s) of:
 - (i) each person who is selling, transferring or otherwise disposing of all or any part of any interest he or it has in that horse (whether as Owner, lessee or otherwise);
 - (ii) each person who is acquiring any interest in that horse (whether as Owner, lessee or otherwise); and
 - (iii) if any person referred to in Rule 423(2)(b)(ii) is a Legal Ownership Entity, the full name of every person who:
 - (A) has a legal or beneficial interest in that Legal Ownership Entity (whether as a shareholder or otherwise);
 - (B) is a member of the board of directors or other governing body of that Legal Ownership Entity;
- (c) subject to the proviso to this Rule 423(2), be signed by:
 - (i) each person who is selling, transferring or otherwise disposing of all or any part of any interest he or it has in that horse (whether as Owner, lessee or otherwise);
 - (ii) each person who is acquiring any interest in that horse (whether as Owner, lessee or otherwise); and

(iii) the Racing Manager,

or by a person who has been authorised to sign the notice on behalf of any such person; and [Amended 1 May 2015]

(d) if applicable, specify whether the new Owner/lessee is now registered under the Goods and Services Tax Act 1985, and if so, specify its Good and Services Tax registration number.

Provided that, if a Syndicate is the, or an, Owner or lessee of a horse, the notice of a change in the Ownership or lessees of a horse under sub-Rule (2) of this Rule, need only state the name of the Syndicate and not each member of the Syndicate, and may be signed by the Syndicate Manager on behalf of the Syndicate and its members.

- (3) If any person whose signature is required by this Rule refuses or fails to sign a notice of change, a notice signed by every other person whose signature is required may be accepted by NZTR as sufficient if accompanied by such evidence as NZTR may require, in its absolute discretion, that the change in the Ownership of the horse or in the lessees of the horse has in fact occurred.
- (4) NZTR may require any notice of a change in the Ownership of a horse or in the lessees of a horse to be verified by way of statutory declaration by the lessee(s), Owner(s), Trainer of the horse, or any of the persons otherwise referred to in Rule 423(b)(i) and (ii), and/or for such other particulars or information to be disclosed in relation to such notice and any person acquiring any interest (whether as Owner, lessee) or otherwise in the horse under it as NZTR may require in its absolute discretion.
- (5) In the case of a mare with foal at foot a separate notice must be given in accordance with this Rule in respect of the mare and the foal.
- (6) Notice of a change in the Ownership of a horse or in the lessees of a horse shall not be registered until such notice has been approved by NZTR and notification of such approval has been given to the Owner(s) of the horse and, where applicable, the lessee(s). NZTR may refuse to accept any such notice in its absolute discretion and shall not be bound to give any reason for such refusal. Notice of acceptance or refusal under this Rule shall be given to the Owner(s) or the lessee(s) as the case may be, and transferee(s) within thirty days after the notice of change of Ownership is received by NZTR.
- (7) A notice of a change in the Ownership of a horse, or in the lessees of a horse, shall not be accepted if any details contained in the notice conflict with the details already recorded with NZTR in its Register or in the Stud Book.
- (8) Subject to the proviso to sub-Rule (1) of this Rule, if there has been a change in the Ownership of a horse or in the lessees of a horse which is leased, that horse shall not be eligible to be entered in, accepted for, or started in a Race until notice of any such change has been approved and registered by NZTR.
- (9) If a horse in respect of which a lease has been registered is sold subject to the terms of that registered lease, the registered lease will remain in full force and effect notwithstanding the sale and the registration of a notice of change in the Ownership of the horse, and the new Owner of the horse shall be bound by the terms of the registered lease, unless the new Owner and the lessee(s) of the horse notify NZTR otherwise in writing. [Added 1 May 2015]

(10) If there is:

- (a) a change in the composition of the membership of a Syndicate that is the, or an, Owner or lessee of a horse; or

- (b) a change in the percentage interest that any member of any such Syndicate has in the Syndicate,

then sub-Rule 2 of this Rule 423 will not apply and notice of that change must be given by the Syndicate Manager of that Syndicate on the form, if any, prescribed by NZTR and may be signed by the Syndicate Manager on behalf of the members of the Syndicate.

OWNERS' NAMES FOR RACING

- 424 (1) A horse registered with up to (and including) ten Owners or lessees shall race in the names of those Owners or lessees (as the case may be), or in the Ownership name(s) nominated by them at the time they were registered as Owners or lessees (as the case may be), provided that Ownership name has been approved by NZTR. For the avoidance of doubt, an Ownership name may include the term "syndicate", "partnership", or "trust" etc if the Owners wish to use that term to describe their Ownership relationship or the nature of their Ownership of the horse.
- (2) A horse registered with more than ten Owners or lessees shall race in the Ownership name(s) nominated by them at the time they were registered as Owners or lessees (as the case may be), provided that Ownership name has been approved by NZTR. For the avoidance of doubt, an Ownership name may include the term "syndicate", "partnership", or "trust" etc if the Owners wish to use that term to describe their Ownership relationship or the nature of their Ownership of the horse.

RACING MANAGER

- 425 A Racing Manager must be a natural person who has attained the age of 18 years.
- 426 (1) Where a horse has a Racing Manager, the Owner(s) or lessee(s) (as the case may be) who appointed the Racing Manager may revoke the appointment and nominate a new Racing Manager at any time. Any such revocation and new nomination must:
- (a) be in writing; and
 - (b) unless NZTR directs otherwise, be signed by persons holding at least a 51% interest as Owner or lessee (as the case may be) in such horse,
- and shall not take effect until it has been notified to, and the appointment of the new Racing Manager has been approved by, NZTR.
- (2) NZTR may in its absolute discretion, at any time and without assigning any reason, withdraw its approval of the Racing Manager of a horse and require another Racing Manager to be nominated for that horse, including if the Racing Manager is or becomes a person to whom any of sub-Rules 411(b)(i) to (vii) apply.
- (3) A horse may only be entered for, and start in, a Race or trial if the horse has a Racing Manager nominated that has been notified to, and approved by, NZTR in accordance with these Rules at the time that the horse is entered for, and starts in, the Race or trial. [Amended 1 January 2016]

RESPONSIBILITIES AND AUTHORITY OF RACING MANAGER

- 427 The Racing Manager of a horse:
- (a) shall in place of the Owner(s) or lessee(s) of that horse who appointed him as Racing Manager:
 - (i) have the authority under these Rules to nominate, enter, or accept that horse for, or withdraw or scratch it from, a Race; and
 - (ii) receive any prizes or stakes in respect of that horse,

and in that respect any reference to an Owner or lessee in any Rule empowering such persons to carry out such acts and to enjoy such rights shall be deemed to include the rights for the Racing Manager to act in the relevant Owner or lessee's place;

- (b) shall ensure by all reasonable means that the Owner(s) or lessee(s) who appointed him as Racing Manager of the relevant horse:
 - (i) meet in full all debts incurred in connection with the racing of that horse;
 - (ii) comply with any conditions imposed by NZTR on the registration of that horse;
 - (iii) carry out every obligation imposed on them under these Rules in their capacity as Owner(s) or lessee(s), as the case may be, of the horse; and
 - (iv) are represented:
 - (i) by him or failing him some other responsible person (not being Counsel or a lay advocate) at any hearing which commences and is heard on Race day; and
 - (ii) by him or failing him Counsel or a lay advocate or some other responsible person at any other hearing;
- (c) (subject to any right of appeal which they may have under these Rules) shall comply with any decisions made in accordance with these Rules which relate to or affect them or the relevant horse; and
- (d) may, if duly authorised to do so, sign a notice of change of ownership on behalf of one or more Owner(s) or lessee(s) provided that:
 - (i) the relevant interest in the horse represented by that change of ownership is no more than 20%; and
 - (ii) in doing so, the Racing Manager warrants to NZTR that he has authority from the relevant Owner(s) or lessee(s) to sign on their behalf;
- (e) shall have the responsibilities, authorisations, rights and powers set out in Rule 1508(1); and.
- (f) shall comply with any obligations imposed on it pursuant to Rule 1508(2). [Amended 1 September 2020]

428 If an Owner or lessee of a horse is a Legal Ownership Entity, then the Racing Manager appointed in respect of that horse by the Owner(s) or lessee(s) (as the case may be) must:

- (a) give notice to NZTR as soon as the Racing Manager becomes aware of any change (directly or indirectly) in the legal or beneficial ownership of any shares, or other similar ownership rights or interests, in that Legal Ownership Entity or any change in the members of the board of directors or other governing body of that Legal Ownership Entity. Each such notice must set out the full name of each person who has:
 - (i) acquired the legal or beneficial ownership (directly or indirectly) of any such shares or other rights or interests; or
 - (ii) been appointed to such board or other governing body; and
- (b) provide to NZTR such information in respect of:
 - (i) the Legal Ownership Entity;
 - (ii) the persons with legal or beneficial ownership (direct or indirect) of the shares or other similar ownership rights or interests in the Legal Ownership Entity; and
 - (iii) the members of the board of directors or other governing body of the Legal Ownership Entity,

as NZTR may require from time to time in its absolute discretion.

429 It shall be the responsibility of every Racing Manager of a horse to take all reasonable steps to ensure that no person who:

- (a) nominated him as Racing Manager; or
- (b) is a shareholder or has a legal or beneficial interest in, or is a member of the board of directors or other governing body of, any Legal Ownership Entity which nominated him as Racing Manager,

is a person to whom any of sub-Rules 411(b)(i) to (vii) applies and that all such persons comply with all of the Rules applicable to them.

ONGOING INFORMATION OBLIGATIONS

430 Notwithstanding any other Rule in this Part IV, an Owner, lessee or Racing Manager or Accountable Person of a horse must provide to NZTR such information in respect of: [Amended 1 September 2020]

- (a) that horse;
- (b) the Owners or lessees (as the case may be) of, or any other person with a legal or beneficial interest in, that horse; and
- (c) if an Owner or lessee of a horse is a Legal Ownership Entity, the Legal Ownership Entity and:
 - (i) any persons with legal or beneficial ownership (direct or indirect) of the shares of or other similar ownership rights or interest in that Legal Ownership Entity; and
 - (ii) the members of the board of directors or other governing body of the Legal Ownership Entity,

as NZTR may require from time to time in its absolute discretion.

COMPLIANCE WITH FINANCIAL MARKETS CONDUCT ACT

431 It shall be the responsibility of any Legal Ownership Entity or combination of persons who together own or lease a horse to comply with all applicable requirements of the Financial Markets Conduct Act 2013.

SYNDICATIONS

- 432 (1) NZTR may, if it thinks fit:
- (a) maintain and administer a system for the syndication of thoroughbred bloodstock in New Zealand;
 - (b) include in a Code of Practice that system and all other provisions which it considers necessary or desirable for or in relation to the establishment and maintenance of an effective such system;
 - (c) incorporate in such Code of Practice all the requirements which are to be met by any person, company or other entity which seeks to or does in any way syndicate thoroughbred bloodstock in New Zealand;
 - (d) seek the Financial Markets Authority's approval of the provisions of such Code of Practice;
 - (e) amend from time to time, or revoke, such Code of Practice; and
 - (f) cause such Code of Practice to be set forth as an Appendix to these Rules.
- (2) Every Code of Practice which is set forth as an Appendix to these Rules shall have full force and effect as part thereof.

- (3) Any person who or company or other entity which fails to comply with a provision of any such Code of Practice commits a breach of this Rule and shall be liable to be disqualified or suspended by the Adjudicative Committee for such period (including for life) as it thinks fit and shall, in addition to or in lieu of being disqualified or suspended, be liable to be fined a sum not exceeding \$50,000. Such penalties are in addition to any powers which may be exercised pursuant to the provisions of any such Code of Practice.
- (4) Any charge alleging a breach of this Rule shall be prosecuted by an Investigator. The Investigator and the party charged shall each be entitled to be represented by Counsel.
- (5) An Adjudicative Committee, in addition to or in lieu of imposing on any person who or company or other entity which commits a breach of this Rule the penalty or penalties referred to in sub-Rule (3) of this Rule, may order such person or company or other entity to pay a sum towards the costs and expenses of and incidental to the investigation of and any inquiry into such breach (including but not limited to costs incurred in carrying out an audit of the accounts or financial or other records of a syndicate).
- (6) In any case where it appears to NZTR, that there is reason to suspect that in respect of a horse owned or raced by a Bloodstock Company or Bloodstock Syndicate (as defined in such Code of Practice), or the syndication of such a horse, all the applicable provisions of such Code of Practice have not or may not have been complied with, NZTR may direct that that horse be prohibited from being entered for or started in a Race until such steps as NZTR requires have been taken or until such events as it shall specify have occurred. Every person who or company or other entity which commits a breach of this Rule shall be liable to the penalty or penalties set out in sub-Rules (3) and (5) of this Rule.
- (7) Every Syndicate Promoter, Manager, Bloodstock Company, person with Authorised Syndicator Status, Amateur Authorised Syndicator, Bloodstock Syndicate and Participant (as such terms are defined in such Code of Practice) and any other investor in a Bloodstock Syndicate or Bloodstock Company who or which in any way applies to or does participate in the syndication of thoroughbred bloodstock in New Zealand by so applying or participating shall be deemed thereby to agree that in consideration of NZTR establishing a system for the syndication of thoroughbred bloodstock in New Zealand, including it in such Code of Practice and causing it to be set forth as an Appendix to these Rules:
 - (a) he or it shall not have a right to and will not make any claim or commence any legal proceedings against NZTR itself or any officer or employee or agent thereof on account of or in connection with loss or expense incurred by him or it as a result of any act or omission (including any negligence) on the part of all or any thereof which is in any way directly or indirectly connected with the approval or authorisation of a Bloodstock Company or Bloodstock Syndicate or with the syndication of thoroughbred bloodstock in New Zealand; and
 - (b) the provisions of this Rule may be pleaded against him or it as a complete bar to any such proceedings. [Amended 1 September 2020]

6. The Third Appendix to the Rules amended as follows:

4 ENTRY

- (a) ~~For horses without a registered name, full breeding, sex, age and colour must be advised prior to the official nomination deadline. A horse may only be entered for, and start in, a trial if it is registered and has been named in accordance with these Rules.~~

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