



Amendments to Rules of Racing to implement Trainer and Owner Reforms

1.0 Background

In the August 2017 Board meeting, the Board resolved that NZTR should commence drafting and consulting on the amendments to the Rules to implement reforms along the lines of the Trainer and Owner Reforms recently introduced in Australia.

NZTR regularly receives requests to intervene in or resolve disputes between trainers and owners. In many cases these issues arise as a result of poorly documented arrangements between trainers and owners, uncertainty about financial arrangements, and a lack of clear mechanisms to resolve disputes. This can leave parties out of pocket and unhappy with their experience in racing.

The Australian experience has been that the Trainer and Owner Reforms have been highly successful and the number of matters requiring formal resolution by racing authorities has declined significantly since their introduction.

2.0 Discussion

The following sections propose the substance of Rule amendments.

2.1 Prescribing Default Agreements

Key relationships between owners, lessors/lessees, and trainers should be standardised and participants should be deemed to have agreed to standard terms unless they specifically agree otherwise and advise NZTR otherwise at the time of registration.

NZTR will publish draft Training Agreements, Co-Ownership Agreements, and Lease Agreements before the commencement of the new Rules

1502	The NZTR Training Agreement is deemed to apply as between a trainer and an owner or lessee unless the trainer and owner/lessee have agreed otherwise in writing and advised NZTR accordingly.
1503	The NZTR Co-Owner Agreement is deemed to apply as between the owners of a thoroughbred, other than a thoroughbred which has been syndicated by an Authorised Syndicator, unless the co-owners have agreed otherwise in writing and advised NZTR.
1504	The NZTR Lease Agreement is deemed to apply between each lessor and lessee unless the parties agree otherwise in writing and advise NTZR.

2.2 Payment of Fees

2.2.1 Fees Notice

Require each trainer to provide a Fees Notice to owners at the start of the training relationship which sets out the basis on which fees will be charged.

1510(1)	Trainers are required to issue a Fees Notice within specified timeframes, which racing managers must provide to owners.
1510(2)	Fees Notices must set out the basis on which fees will be charged.

2.2.2 Presumption of Training Debt

A Training Debt in relation to which NZTR can take action arises where the:

- The trainer issues an invoice by the 15th day of the month following the month where the services to which the invoice relates were provided; and
- The owner has not disputed the debt in accordance with the relevant Rule.

1511	When a presumption of a Training Debt arises.
1512	How an owner can dispute a Fees Notice.

2.2.3 Consequences of a Training Debt

Once the Presumption of a Training Debt has arisen, the trainer may seek to enforce that debt by application to NZTR. NZTR can take various steps, including limiting the circumstances in which the horse can be transferred or applying stakes won by the horse to the trainer.

1513	Sets out the various consequences that will apply once a trainer seeks to enforce a Training Debt, and when those circumstances cease to apply.
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2.2.4 How an Owner Disputes a Training Debt

An owner can dispute an invoice by filing a dispute notice with NZTR. If this is done before the invoice is due then the Presumption of a Training Debt does not apply.

1512	Sets out how dispute notices can be issued and their consequences.
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2.2.5 Further rights to object

A Trainer who claims that training invoices are unpaid may object to the transfer of the interest in a horse, and apply to NZTR to pause such transfers.

1514	Sets out a trainer's further rights of objections and what happens when objections are filed.
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2.2.6 *Trainer Disputes Tribunal*

The new Rules establish a Trainer Disputes Tribunal to resolve disputes about training fees and their enforcement, which is designed to be speedy and low-cost means to resolve issues and move on.

1515	Sets out how a Trainer Disputes Tribunal works, its powers and its process.
1516	Sets out how a Trainer Disputes Tribunal's decisions are enforced.

2.3 **Other matters:**

2.3.1 *Gene Doping*

Gene doping should be prohibited.

407 (c)	Horse which has been gene doped or genetically manipulated will become ineligible for registration.
801 (ad)	Gene doping is a Serious Racing Offence
SB 3 (2) (3)	Genetically manipulated horse not eligible for registration in Stud Book

2.3.2 *Treatments Logbook*

To introduce a standard form of Treatment and Medication Logbook (ideally as an NZTR administered online tool).

345 (1)	Horse must have a Treatment Log Book as soon as it starts training.
453 (2)	Trainer must fill in all required details into treatment Log Book.
345 (3)	Treatments and medication to be entered into Treatment Log Book

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