

THE BLOODSTOCK INDUSTRY CODE OF PRACTICE

Introduction

The Code of Practice sets out the principles which apply to all sales of bloodstock and sales of stallion shares and nominations, be they private sales or sales at public auction, ensuring that sales of bloodstock in Britain set and maintain a high standard of integrity and transparency, which will safeguard the interests of vendors, consignors, bloodstock agents, owners, trainers and the sales companies.

Definitions

- “Agent” means any trainer, consignor, bloodstock agent, racing or stud Manager or other person or entity who represents a Principal in the sale or purchase of bloodstock, stallion shares and nominations, whether the Agent is paid by way of retainer, commission or other forms of remuneration, or has ongoing financial arrangements (for example the payment of management or training fees), or not.
- “Principal” means a person or entity who appoints an Agent to act as agent on his behalf in the sale or purchase of bloodstock, stallion shares and nominations as in the definition above.
- For clarification, words importing the masculine gender shall include the feminine.

Code

1. An Agent owes a duty to his Principal to act at all times in accordance with his Principal’s best interests.
2. An Agent shall not place himself in a position where personal interests conflict with the duty to his Principal. In particular, an Agent shall not use his position to obtain a secret profit.
3. When an Agent acts as a vendor or part-vendor and sells or intends to sell any horse in which he has an interest to a Principal, or intended Principal, the Agent must disclose to his Principal, before completion, the full extent of that ownership or interest and the benefit derived from that transaction.
4. If an Agent acts for more than one Principal in a transaction (which might be both the vendor and purchaser), the Agent can only do so if he has first disclosed this fact, before completion, to all his Principals, and obtained their consent.
5. An Agent must notify his Principal, wherever possible in advance, when a conflict of interest could arise, such as transactions involving

third parties with whom he has a retainer, transactions where he is aware he will benefit from a third party, or transactions concerning horses which he has previously purchased or been involved with.

6. An Agent shall disclose to his Principal and, if required, account to his Principal for any Luck Money paid to him by or on behalf of a vendor. "Luck Money" refers to any financial payment or payment in kind made by or on behalf of a vendor to a Purchaser or his Agent, after the sale of a horse has been concluded.
7. If an Agent receives an offer to purchase a horse he must relay that offer in its entirety to his Principal and respond in accordance with the Principal's instructions.
8. A vendor must not offer any secret profit to any person whom he believes to be an Agent acting for a prospective purchaser.

Enforcement

9. Any alleged breach of the Code of Practice should be reported to the Jockey Club. It is the responsibility of the complainant of an alleged breach to provide evidence to the Jockey Club in support of the allegation. All parties involved will provide their full assistance to the Jockey Club in the respect of any complaint. If the Jockey Club is satisfied there has been a breach of this Code of Practice it is likely to consider this to be contrary to the integrity, proper conduct or good reputation of horse racing, and the persons involved, whether bound by the Rules of Racing, or not, may be banned from British racecourses and other licensed premises.

This Code of Practice has been drawn up and published by the following organisations:

*British Horseracing Board
Doncaster Bloodstock Sales Ltd
European Federation of Thoroughbred Breeders Associations
Federation of Bloodstock Agents
National Trainers Federation
Racehorse Owners Association
Tattersalls Ltd
The Jockey Club
Thoroughbred Breeders Association*