

## **PART 4 - SELLING RACES AND CLAIMING RACES**

### **CHAPTER 1 - SELLING THE WINNER IN A SELLING RACE**

#### **47. Application of Chapter 1**

47.1 This Chapter applies to any Selling Race.

47.2 The provisions in this Chapter are subject to Chapter 3.

#### **48. The sale process**

48.1 The winner of a Selling Race must be offered for sale by auction immediately after the race.

48.2 No horse which has run in a Selling Race, apart from the winner, may be offered for sale until authorised by the Clerk of the Scales.

48.3 In the case of a dead-heat, each of the dividing horses is to be regarded as a winner for the purposes of this Chapter and both shall be put up to auction.

48.4 If a horse walks over (or there is no second horse placed), the winner is still liable to be sold.

48.5 From the moment the winner has weighed in until the conclusion of the sale, the auctioneer may give such instructions relating to the control of and showing of the horse being auctioned as he considers appropriate, including an order to remove bandages.

48.6 No Person may

48.6.1 prevent or seek to prevent any other Person from bidding for the winner, whether by offering any consideration or guarantee or by means of a threat or otherwise, or

48.6.2 accept or offer to accept any consideration or guarantee or other inducement to refrain from bidding.

48.7 Contravention of Paragraph 48.6 by any Person shall result in that Person being reported to the Authority.

#### **49. The sale price**

49.1 Where the Total Prize Fund is £6,000 or less, the selling price must not be less than £3,000.

49.2 Where the Total Prize Fund is more than £6,000, the selling price must not be less than £4,000.

49.3 The division of any surplus over the selling price must be stated in the conditions of the race.

49.4 The selling price is subject to VAT, where applicable.

#### **50. The sale transaction**

50.1 A sale by auction of the winner of a Selling Race is made subject to the following terms

50.1.1 in the event of a cheque or other negotiable instrument tendered in payment being dishonoured on presentation, the Authority may declare the sale null and void,

50.1.2 the effect of such a declaration is to rescind the sale with immediate effect (without prejudice to any claim or rights in law any Person may have against the auctioneer or bidder), and

50.1.3 until the payment is honoured, the Authority may, under Part 5, refuse to accept entries for the horse or refuse to allow the horse to run in any race.

50.2 A horse which is sold or bought in must not leave the place of sale without

50.2.1 permission of the auctioneer, and

50.2.2 a written order given for his delivery to the actual bidder.

50.3 Where a horse is sold or bought in, the Person who issues the delivery order for the horse is responsible for the money and must pay it over to the Stakeholder for payment in accordance with Rule 129 to be made to the Person or Persons entitled.

50.4 Unless the horse is paid for, or the price is secured to the satisfaction of the auctioneer, within thirty minutes of the sale

50.4.1 the auctioneer must put the horse up for sale a second time, and

50.4.2 the purchaser at the first sale is responsible for any deficiency arising from the second sale and is treated as a defaulter until it is paid.

## **CHAPTER 2 - CLAIMING HORSES IN A CLAIMING RACE OR SELLING RACE**

### **51. Application of Chapter 2**

51.1 This Chapter applies to any claim made in a Selling Race or a Claiming Race in respect of any horse in the race which has come under Starter's orders

51.1.1 including a horse that has walked over in a Claiming Race, but

51.1.2 excluding the winner of a Selling Race.

51.2 The provisions in this Chapter are subject to Chapter 3.

51.3 The Authority may publish a Protocol for Claimants.

51.4 The Protocol for Claimants for the time being in force is set out in Schedule 4.

51.5 Failure to observe a provision of the Protocol for Claimants does not itself amount to a contravention of a requirement imposed by or under these Rules but

51.5.1 such failure may be relevant in determining whether or not a Person has complied with a requirement imposed by or under these Rules, and

51.5.2 accordingly, may result in Disciplinary Action being taken against him.

51.6 Any failure to comply with the requirements of this Chapter or to observe a provision of the Protocol for Claimants shall result in a Person being reported to the Authority.

51.7 Where a person contravenes a requirement imposed on him by this Chapter, the Authority may

51.7.1 withdraw a security code allotted to him for the purposes of Rule 55,

51.7.2 instruct The Racing Calendar Office to refuse to accept any claim from him, and

51.7.3 take such other Disciplinary Action as the Authority considers appropriate.

### **52. The Advertised Claiming Price**

52.1 The Advertised Claiming Price, in relation to a Claiming Race or Selling Race, is the claiming price at which a horse may be claimed in accordance with the conditions of the race and which in respect of each entry, is advertised in the racecard and on the Racing Administration Internet Site.

52.2 With regard to a Claiming Race

52.2.1 the maximum Advertised Claiming Price must not be less than the advertised Prize Money, and

52.2.2 the minimum Advertised Claiming Price must not be less than £2,000.

52.3 With regard to a Selling Race run at a meeting, the Advertised Claiming Price must not be less than the advertised selling price of the winner.

52.4 A weight allowance in accordance with the conditions of the race shall be included when the Owner is prepared to accept an Advertised Claiming Price below the maximum permissible Advertised Claiming Price laid down in the conditions of the race.

52.5 The Advertised Claiming Price is subject to VAT, where applicable.

52.6 Any premium (plus VAT) levied on the Advertised Claiming Price must be stated in the conditions of the race.

52.7 Where the only claim for a horse is a claim made in the name of the Owner no premium shall be levied on the Advertised Claiming Price.

### **53 . The claiming process**

53.1 A horse which is liable to be claimed in a Claiming or Selling Race

53.1.1 must not leave Racecourse Property for at least 60 minutes after the 'Weighed In' announcement has been authorised under Part (B)6 (after the race), and

53.1.2 may be claimed at the Advertised Claiming Price (together with any additional amount referred to in Rules 52.5 and 52.6).

53.2 Any claim must be made to the Racing Calendar Office in accordance with Rule 55,

53.3 The Authority may instruct The Racing Calendar Office to refuse a claim at any time.

53.4 The horse shall go to the Person submitting a successful claim but the Owner in whose name a horse ran remains entitled to any Prize Money that is due under the conditions of the race.

53.5 If there are two or more claims for the same horse, the successful claim shall be determined by ballot at The Racing Calendar Office.

53.6 Each claimant must provide a contact telephone number.

53.7 Unless the successful claimant is available after the ballot for the purpose of making arrangements for payment in accordance with Rule 57, he forfeits his right to the horse and the ballot shall be re-conducted until a successful claimant is contacted by The Racing Calendar Office.

53.8 In the event of any dispute, the decision of the Stakeholder on any matter falling within Paragraphs 53.4 to 53.7 is final.

53.9 No Person may

53.9.1 prevent, or seek to prevent, any other Person from claiming a horse liable to be claimed, whether by offering any consideration or guarantee or by means of a threat or otherwise, or

53.9.2 accept or offer to accept any consideration or guarantee or other inducement to refrain from submitting a claim.

53.10 Contravention of Paragraph 53.9 by any Person shall result in that Person being reported to the Authority.

## **54. Deleted**

## **55. Making a claim to The Racing Calendar Office**

55.1 A claim made at The Racing Calendar Office must be made by telephone.

55.2 The claim must be made by one of the following

55.2.1 an Owner who is registered under these Rules on the register of Owners,

55.2.2 a Person who, in accordance with the requirements of Rule (E)90 (authorised agents of an owner), is authorised by the Owner to make a claim on the Owner's behalf,

55.2.3 a Trainer,

55.2.4 an employee of a Trainer authorised to act on the Trainer's behalf,

55.2.5 where the claimant is a Recognised Company, a Registered Agent, or

55.2.6 where the claim is made on behalf of a multiple-ownership (other than a Recognised Company), a Person who

55.2.6.1 is an Owner or a Trainer, and

55.2.6.2 is nominated to make the claim on behalf of the multiple-ownership.

55.3 No claim shall be accepted unless

55.3.1 the Person making the claim has a security code which has been allotted to him by the Authority, and

55.3.2 sufficient details are given at the time the claim is made so as to identify

55.3.2.1 the Person making the claim,

55.3.2.2 the type of claim, and

55.3.2.3 the horse which is the subject of the claim.

55.4 Only one claim per horse in the name of the Owner shall be accepted.

55.5 A claim made to The Racing Calendar Office shall not be accepted unless it is made on the day of the race but no later than 15 minutes after the start of the race.

55.6 In the event of any dispute, the decision of the Stakeholder on any matter falling within this Rule is final.

## **56. Restrictions as to the making and withdrawal of claims**

56.1 No Person may

56.1.1 submit or be a party to more than one claim per horse,

56.1.2 submit or be involved in the submission of a claim for a horse if a claim has already been submitted by another Person with whom he is involved in a horse through any ownership category registered under Part (E)3, or

56.1.3 submit a frivolous or deliberately misleading claim.

56.2 A Person who makes a claim or who procures another Person to make a claim must not procure any other claim to be submitted for that horse.

56.3 No Person may withdraw a claim once it is made except in circumstances falling within Paragraphs 56.4 and 56.5.

56.4 No Disciplinary Action shall result from any claim made in contravention of Paragraph 56.1.1 if

56.4.1 the party or parties to the claim determine between them which claim for the horse is to remain valid, and

56.4.2 all other claims are withdrawn.

56.5 For the purposes of Paragraph 56.4.2, a claimant may (but cannot be required to) withdraw a non-offending claim with a view to avoiding Disciplinary Action against a Person who put in a subsequent claim.

56.6 The Authority may decide not to take Disciplinary Action for failure to comply with Paragraph 56.1.2 if the Person or Persons who put in the subsequent claim satisfy the Authority that they were not aware, and could not reasonably have been aware, that they were involved in the ownership of the horse with the Person who submitted the earlier claim.

## **57. The claim transaction**

57.1 Where a horse has been claimed, the price determined in accordance with Rule 52 must be paid to the Stakeholder, or secured to his satisfaction, as set out in Schedule 4.

57.2 Any payment must be made using a method determined by the Authority.

57.3 The successful claimant must honour payment of the Advertised Claiming Price within 12 days of the date of the meeting when the horse was claimed.

57.4 In the event that Paragraph 57.1 or 57.2 are not complied with or that a cheque or other negotiable instrument tendered in payment is dishonoured on presentation

57.4.1 the Authority may declare the claim null and void,

57.4.2 the effect of such a declaration is to rescind the sale with immediate effect (without prejudice to any claim or rights in law any Person may have against the claimant), and

57.4.3 until the payment is honoured the Authority may, under Part 5, refuse to accept entries for the horse or refuse to allow the horse to run in any race.

57.5 A Person shall be taken to have contravened a requirement imposed on him by this Rule if, after the Authority takes such action as is described in Paragraph 57.4.3

57.5.1 the Person takes any step which results in a horse being entered for or run in a race, or

57.5.2 he causes such a step to be taken.

57.6 In any case where

57.6.1 a claimant forfeits his right to the horse, by virtue of Paragraph 57.4, and

57.6.2 the only other claim made for the horse in question has been made in the name of the Owner,

the claiming procedure shall be regarded as rescinded and the horse shall remain the property of the Owner (without prejudice to any claim or rights in law any Person may have).

## **58. Powers of the Authority to intervene in cases of non-payment**

58.1 This Rule applies where any payment due from the claimant or purchaser of a claimed or sold horse is not made in accordance with the requirements of this Chapter.

58.2 The Authority shall be regarded as having the authority of the claimant or purchaser

58.2.1 to make a payment of the full claiming or purchase price on his behalf, or

58.2.2 to cause the Stakeholder to make payment under Rule 129.

58.3 If the Authority makes such a payment, it may take possession of the horse and may sell or otherwise deal with it in all respects unrestricted as if it were the owner.

58.4 Where

58.4.1 the Authority arranges for a horse to be sold, and

58.4.2 the net sale receipts amount to less than the price paid by the Authority,

the claimant or the purchaser on whose behalf the payment was made shall be liable to the Authority for any balance.

58.5 Any balance due under Paragraph 58.4 shall be regarded as being Arrears due under these Rules, but this is without prejudice to

58.5.1 any civil legal action that may otherwise be available to the Authority, and

58.5.2 the Authority's general powers to take Disciplinary Action against the claimant or purchaser who has failed to make the payment.

58.6 The Authority

58.6.1 may direct any Person who has possession of the horse to deliver it up free of any lien for unpaid training or other fees or any other claims of any description, and

58.6.2 where the Authority gives such a direction, it shall be responsible for all keep fees from the time the direction is given.

58.7 A direction under Paragraph 58.6.1 may include details as to delivery of the horse or may specify that the horse is to be held to the order of the Authority.

## **59. Restrictions after sale**

59.1 No claimant may sell a horse he has successfully claimed to another Person until the earlier of

59.1.1 the honouring of the payment of the Advertised Claiming Price, or

59.1.2 the expiry of the period of 16 days starting on the date of the meeting when the horse was claimed.

59.2 For the period of 6 months starting with the day a horse is successfully claimed, the horse may not return to the care or control of the Trainer in whose name it ran except where

59.2.1 the claim is made in the name of the Owner in whose name the horse ran,

59.2.2 only one claim was submitted for the horse, or

59.2.3 within that period, the horse is

59.2.3.1 the subject of a successful claim in a subsequent Claiming or Selling Race,

59.2.3.2 sold at public auction, or

59.2.3.3 sold at an auction in a Selling Race.

**59.3 For the period of 6 months starting with the day a horse is successfully claimed, the horse may not be entered or run in a race if it is gifted, sold or leased (either entirely or in part) to the previous Owner or any of the unsuccessful claimants except where**

59.3.1 the claim is made in the name of the Owner in whose name the horse ran, or

59.3.2 within that period, the horse is

59.3.2.1 the subject of a successful claim in a subsequent Claiming or Selling Race,

59.3.2.2 sold at public auction, or

59.3.2.3 sold at an auction in a Selling Race.

59.4 Where a horse has been entered or run in a race in contravention of Paragraph 59.3,

59.4.1 the successful claimant and the person to whom the horse has been gifted, sold or leased shall be liable to a financial penalty by the Authority, and

59.4.2 the horse may be suspended from running until such time as the Authority is satisfied that the ownership of the horse is no longer in breach of the Rule.

## CHAPTER 3 - SUPPLEMENTARY PROVISIONS: SELLING RACES AND CLAIMING RACES

### 60. Application of Chapter 3

60. This Chapter applies to any Selling Race or Claiming Race.

### 61. Horse subject to a lease

61.1 No horse which is the subject of a lease may be entered for or run in a Selling or Claiming Race unless the lessee has written consent from the lessor.

61.2 In any case where the lessor's consent has not been obtained

61.2.1 the lessee must advise his Trainer in writing, and

61.2.2 if the horse runs in the race

61.2.2.1 it shall be disqualified on an objection made to the Authority under Part (B)7 (disputes and objections), and

61.2.2.2 the Authority may, by order, annul the sale of the horse which won the race or any claim made.

61.3 Before a horse runs in a Selling or Claiming Race, the lessee must

61.3.1 establish the VAT position of the lessor, and

61.3.2 ensure that the Clerk of the Scales is informed of any discrepancies in the VAT list provided in the Weighing Room before any claiming procedure commences.

### 62. Terms of sale and liability for VAT

62.1 The contract for the sale of any horse which is claimed or auctioned following a Claiming or Selling Race under these Rules shall include the following terms

62.1.1 that the horse is deemed to be claimed or bought 'as it stands' in whatever may be its condition at the time the successful claim or bid is made, and

62.1.2 that no Person may seek to rescind a claim or purchase or resist payment of a claim or the price or seek to recover any sum paid on the basis of any alleged weakness, injury or physical infirmity or other less than satisfactory physical or temperamental attributes of the horse.

62.2 In respect of a Selling Race

62.2.1 the Owner and Trainer of a horse must advise the auctioneer before the sale of the winner if the horse is to be sold either wholly or partially subject to VAT so that this fact can be announced from the rostrum, and

62.2.2 if the sale is subject to VAT, the purchaser is liable to pay VAT calculated on, and in addition to, the final selling price, or, if the horse is only partly owned by a Person or company which is registered for VAT, a proportion of the selling price,

but Paragraph 62.2.2 does not apply if the horse is bought in (in which case no VAT liability occurs).

62.3 Where a horse is claimed out of a Selling Race or a Claiming Race

62.3.1 the claiming price is deemed to be exclusive of VAT, and

62.3.2 the purchaser is liable to pay VAT calculated on, and in addition to, the claiming price, or, if the horse is only partly owned by a Person or company registered for VAT, a proportion of the claiming price.

62.4 Where any horse sold in either a selling or Claiming Race is, at the time winning, owned wholly or partially by

62.4.1 an Owner or Trainer who is registered for VAT in the United Kingdom, or

62.4.2 an overseas owner who has appointed a United Kingdom Person which is registered for VAT to act as principal in the importation and supply of a horse,

it is the responsibility of the Owner, Trainer or other Person registered for VAT to account to H.M. Revenue and

Customs for the VAT element.

62.5 Each Owner and Trainer must

- 62.5.1 check the list provided in the Weighing Room about the VAT status of owners, and
- 62.5.2 before the start of the race, inform the Clerk of the Scales of any inaccuracies, for onward communication to The Racing Calendar Office.

62.6 Where a horse is sold without VAT when the Owner is VAT registered, the proceeds shall be treated as being VAT inclusive and the Owner shall be required to account to H.M. Revenue and Customs for the VAT element.

62.7 Where a horse is sold with VAT when the Owner is not VAT registered, the Owner shall be taken to have contravened a requirement imposed on him by this Rule.

### **63. Steps to be taken after sale**

63.1 When a horse is bought or claimed, the Trainer who ran the horse (or his representative) must lodge its passport with an Equine Welfare and Integrity Officer at the meeting concerned as soon as the sale or claim is confirmed.

63.2 When a horse which has been bought or claimed is the subject of an examination by order of the Stewards under Part (B)1

- 63.2.1 the Trainer who ran the horse is responsible for the horse until the examination is completed, and
- 63.2.2 after completion, the Trainer (or his representative) must hand the horse to its new Owner.

63.3 Subject to Rule 53.1, the successful claimant must within three hours of the last race

- 63.3.1 remove the claimed horse from the racecourse stables, or
- 63.3.2 make suitable arrangements with the Racecourse Managing Executive for the care of the claimed horse until it is collected.

### **64. Consequences of disqualification, altered placing or void race**

64.1 The time for selling and claiming shall be authorised by the Stewards where

- 64.1.1 an objection is made to the Stewards on a ground set out in Rule (B)73 (objections dealt with by Stewards) which could result in the winner of a Selling Race being disqualified or having his placing altered, or
- 64.1.2 the result is delayed due to the Judge consulting the photograph.

64.2 Where a race is declared void under Rule (B)66 (void races), any claim made in the race shall be annulled by the Stewards immediately.

### **65. Consequences of the appeal process**

65.1 This Rule applies in any case where the winner of a Selling Race is sold or bought in, or a horse is claimed, in a Selling Race or Claiming Race and

- 65.1.1 an objection which is made to the Authority under Rule (B)74 (objections made to the Authority) is upheld, or
- 65.1.2 an appeal made under Part (A)7 (appeals) is successful and the decision appealed against was made by the Stewards either
  - 65.1.2.1 on a ground set out in Rule (B)73 (objections dealt with by Stewards), or
  - 65.1.2.2 on an enquiry under Part (B)1 (Stewards).

65.2 Subject to Paragraphs 65.3, 65.4 and 65.5

- 65.2.1 the sale of the winner of a Selling Race, the disposal of any surplus and any claim under Chapter 2 shall not be affected,
- 65.2.2 the horse to whom a Selling Race has been awarded instead of the original winner shall not

be offered for sale, and

65.2.3 the original winner shall not be liable to be claimed.

65.3 The Authority may, by order, annul the sale, buying-in or claim of any horse where an objection that is upheld was lodged on either of the following grounds

65.3.1 fraud or substitution, or

65.3.2 the winner of a Selling Race or any horse claimed in a Selling or Claiming Race has run at any Unrecognised Meeting.

65.4 The Authority may by order annul the sale, buying-in or claim of any horse where

65.4.1 the horse has been the subject of an examination by order of the Stewards under Part (B)1 (Stewards) or by an approved Person entering the Trainer's premises under Part (A)5 (enquiries and investigations), and

65.4.2 a sample taken from the horse has tested positive for a prohibited substance, within the meaning of Part (C)4 (prohibited substances).

65.5 The Authority may, by order, annul the sale or claim of any horse where

65.5.1 the sex of the horse was wrongly recorded on the Racing Administration Internet site and

65.5.2 the Authority are satisfied that at the time of the transaction the new owner would not have been aware of the error.