- 1.1. This Code of Conduct applies to all ownership arrangements registered as a Syndicate where
  - 1.1.1.1. the arrangement is managed, administered or promoted by a Syndicator who receives payment in relation to their role and/or
  - 1.1.1.2. the method(s) of attracting participation in the arrangement include invitations to the public, whether by way of advertisement or otherwise.
- 1.2. All references to the Syndicator are to the person(s) registered with the Authority who assumes responsibility for the Syndicate under the Rules of Racing.
- 1.3. The Syndicator must ensure that at the time of commencement of the Syndicate and throughout its duration, there is a written contract between the Syndicator and the participants which addresses and identifies, but may not be limited to, the following matters:-
  - 1.3.1. The express acknowledgement that the purpose of the involvement in the Syndicate is for the enjoyment of co-ownership in a racehorse and not to receive a financial return;
  - 1.3.2. The intended duration of the Syndicate, the mechanism for its termination and the methods and conditions (if any) by which participants may leave the Syndicate other than on final termination;
  - 1.3.3. Whether the horse(s) is wholly owned by the participants or whether the horse is subject to a lease or other arrangement;
  - 1.3.4. The number of horses involved in the Syndicate, the proportionate interest in the Syndicate of each participant and their rights of (or lack of) to sell, lease, transfer or assign their share/s;
  - 1.3.5. The cost of participation for each participant and whether such cost is fixed or susceptible to alteration;
  - 1.3.6. The details and/or means of calculating and paying any remuneration to be received by the Syndicator and any third parties;
  - 1.3.7. A full financial statement for the Syndicate and the process by which any financial surplus or deficit will be credited or charged to the participants in the Syndicate;
  - 1.3.8. The time at which and procedure by which the statement(s) of the Syndicate's costs recovered and expenditure will be presented to the participants. Such statement(s) shall be exclusive or inclusive of VAT as appropriate depending upon the VAT status of the Syndicate;
  - 1.3.9. Whether and in respect of which risks the horse(s) will be insured and whether the participants of the Syndicate are the beneficiaries;
  - 1.3.10. Whether the horse(s) will be initially trained by a named trainer; and
  - 1.3.11. The process by which the Syndicate makes any decisions relating to the management, training, and time and method of sale of the horse(s).
- 1.4. This Code does not purport to dictate what the terms will be on the matters set out at Paragraph 1.3, only that they are matters that are to be agreed at the outset of a Syndicate. Each contract between the Syndicator and the participants in that Syndicate must contain materially identical terms on the matters set out in Paragraph 1.3.
- 1.5. Each participant in the Syndicate should be aware that they are bound by the Rules of Racing. Particular attention should be drawn to those Rules prohibiting the sharing of Inside Information (Rule (A)36) and prohibiting the Lay Betting of owned horses (Rule (E)92).

Note:

In all cases it is the responsibility of the participant in the Syndicate on complaint of a failure to comply with this Code of Conduct to provide to the Authority the evidence which the Authority considers necessary to support that allegation.