

1. Why should I sign a training agreement?

Owners often have a lot of questions about their training fees and the management of their horse in racing. This contract sets out the horse racing industry practice which protects trainers, owners and horses so it is advisable to have an agreement in place with your trainer.

2. What does a monthly training fee include?

The monthly training fees usually include stabling, bedding, training, groom's costs and feeding of your horse. The training fees vary from trainer to trainer and are set out in Schedule B. The trainer will tick a box if any additional items are included in your training fee, however, most of these items may be separate so it is important to understand what the owner will pay for in addition to the standard items.

3. What additional fees will an owner be liable for?

Additional fees may include farrier costs, transportation costs, equine dentistry, vet services, equine physiotherapy, equine therapists, equine chiropractor, race entries, National Horse Racing Authority Fees (for racing colours, change of ownerships and authority to act) and/or raceday expenses.

4. Can a trainer charge a commission for wins and places in races?

If a trainer wants to charge a commission in addition to the racing operator's deductions, the trainer must get an owner's permission in Schedule B and disclose what the percentage of the prize money this commission will be.

5. What is sale commission?

If a horse becomes valuable due to its performance and because the trainer has done a good job of training the horse for an owner(s), some trainers may require a sale commission to be paid to them if the horse is sold, which is a percentage payable to the trainer by the owner(s).

6. If a horse earns prize money (ie stakes and any other money made available) in a race, where does this get paid to?

A trainer and an owner must agree who will receive the prize money. If a horse earns prize money and the trainer is receiving the prize money, the trainer must credit the owner's statement and pay over the net amount due to the owner within 5 days of receiving the prize money.

An owner may request that the prize money be paid directly to him/her or, in the case of multiple ownership, the owners may request that their relevant portion of the prize money is paid to each individual owner in accordance with their percentage ownership in the horse.

7. What is an authority to act?

This is a standard document issued by the National Horse Racing Authority that must be signed by an owner(s) or the manager to give a trainer authority to train a horse. There is a fee that must be paid by the owner on signing and submission of this form.

8. Is a trainer allowed to geld a horse if the horse is a colt or a stallion, without an owners permission?

A trainer must get the permission of an owner or manager to geld a horse. If multiple parties are owners in a horse, the trainer may obtain the permission of the majority owner or the holder of the largest percentage in the horse as this person is deemed to be the manager of the horse, unless the owners have decided on a particular manager. In the case of a syndicate, the nominee of the syndicate will be allowed to make the decision. If the owner is a company, the nominee for the company will be allowed to make the decision to geld a colt or a stallion.

9. Can a trainer sell a horse if an owner has not paid their account?

Yes, a trainer can sell a horse if an owner has not paid their account. A trainer has to give an owner a notice of

breach before he can sell the horse in terms of the Training Agreement and must follow the steps in the Training Agreement before s/he is allowed to sell the horse.

10. Do I need to insure my horse?

Insuring a horse (such as in the event of the horse's death or if requiring life saving surgery) is not mandatory but may be advisable depending on the amount paid for the horse or if it becomes valuable as a result of its racing performance and racing career.

11. What happens to my racehorse if the owners agree to retire their racehorse?

There are several options available to owners for racehorses for retirement.

- a. Sometimes trainers will take ownership from you of the horse and then undertake to feed your horse and care for it while they find a good home for your horse. It is a good idea to discuss this with your trainer and agree with the trainer that he can take ownership of the horse on condition that it gets retired and that he finds a good home for the horse.
- b. You can also pay a donation to the East Cape Horse Care Unit or provide a donation to the Highveld Horse Care Unit, and they will undertake the care of your horse as they have programmes for adoption of your horse where they ensure that the horse finds a great home.
- c. If the horse is a mare and has a good track record, you may consider selling the mare on an auction with Bloodstock South Africa in which case she may attract buyers, depending on her health and track record for breeding purposes. At this point, if the mare has achieved black type, she may be attractive for breeders to purchase for purposes of breeding and the proceeds can be paid to the owner(s) pro rata to their shares or to the nominee for distribution to the owners. You will have to identify a suitable auction and pay the trainer to keep the horse in the interim or place her in suitable stabling whilst

you are making these arrangements. You can discuss these arrangements with your trainer and the auction house.

- d. If your horse is a colt or a stallion (entire) with an excellent track record of black type (having won group races and placed multiple times), you must discuss this with an expert for breeding purposes. Typically, your trainer will help you make arrangements for the stallion management and agreements must be put in place for this purpose. You can also discuss this with experts in stallion management to decide the best way forward.
- e. If you want to keep your horse after racing, you must arrange suitable stabling to ensure your horse is well taken care of. You can discuss the needs of your horse with your trainer.
- f. If your horse is retiring due to injury and is likely to recover, but may not be fit for racing, you can discuss this with your trainer and your vet and obtain a second career assessment form from the vet which will determine what activities the horse may be suitable for in future after recovery.
- g. In the unfortunate event of your horse suffering a life-threatening injury and a vet recommends euthanasia, your trainer and vet will make humane arrangements for your horse.

12. What is the procedure for retirement of a racehorse?

A qualified vet must complete a second career assessment form which says that the horse may be suitable for various second career options. This second career assessment form must be arranged by the trainer and filed with the National Horse Racing Authority. If the horse leaves the training facility, a copy of this form must be furnished with the horse to its new home. The form with the name of the new owner must be provided to The National Horse Racing Authority by the trainer. The National Horse Racing Authority must pass this information onto the National Racing Bureau to reflect the change of ownership.