SCHEDULE 1 TO THE AUSTRALIAN RULES OF RACING – THE TOR RULES

TOR Rule 1 – Commencement and operation of the TOR

(1) The TOR, including the TOR Rules, will commence pursuant to these Rules on the TOR Commencement Date.

(2) From the TOR Commencement Date:
   (a) persons bound by these Rules must comply with the TOR Rules;
   (b) all Trainers and Owners (except Exempt Trainers and Exempt Owners) must comply with the Racing Australia Standard Training Agreement (STA) and the STA is deemed to apply as between those Trainers and Owners subject to TOR Rule 1(4); and
   (c) all Co-owners, except for Co-owners who have obtained their interest in a horse through a Promoter Syndicate and who do not own their interest in the horse with other Owners who are not in a Promoter Syndicate, must comply with the Racing Australia Co-owner Agreement (COA) and the COA is deemed to apply as between those Co-owners subject to TOR Rule 1(5).

(3) Notwithstanding TOR Rule 1(2):
   (a) specific terms of the STA can be excluded, varied or limited by agreement in writing between a Trainer and an Owner, provided that a Trainer and Owner cannot exclude, vary or limit the operation of any provision of these Rules (including any of the TOR Rules); and
   (b) specific terms of the COA can be excluded, varied or limited by agreement in writing by the Co-owners of a horse if that is done in accordance with the terms of the COA, provided that Co-owners cannot exclude, vary or limit the operation of any provision of these Rules (including any of the TOR Rules).

(4) If a Trainer and an Owner:
   (a) are, as at the TOR Commencement Date, party to a separate written agreement in relation to Training Services, they can in writing agree that the other agreement continues to operate after the TOR Commencement Date in conjunction with, or instead of, the STA; or
   (b) enter, after the TOR Commencement Date, into a separate written agreement in relation to Training Services, they can in writing agree that the other agreement operates in conjunction with, or instead of, the STA, provided that they are bound by, and must comply, with these Rules (including the TOR Rules).

(5) If one or more of the Co-owners:
   (a) is, as at the TOR Commencement Date, party to a separate written agreement with other Co-owners in respect of the Horse Ownership Venture, the Co-owners can agree in writing that the other agreement continues to operate after the TOR Commencement Date in conjunction with, or instead of, the COA; or
   (b) enter, after the TOR Commencement Date, into a separate written agreement with other Co-owners in respect of the Horse Ownership Venture, the Co-owners can in writing agree that the other agreement operates in conjunction with, or instead of, the COA,
provided that they are bound by, and must comply with, these Rules (including the TOR Rules).

(6) The TOR applies equally to a training partnership licensed pursuant to the Rules as it does to individually licensed Trainers.

(7) These TOR Rules, the STA and the COA apply equally to a lessee of a horse as an Owner, unless a particular provision of these TOR Rules, the STA and/or the COA expressly states that it only relates to a person with an ownership interest (rather than a lease interest) in a horse.

(8) Any company or other business structure through which a Trainer provides Training Services (including the billing of Training Services) is bound by these TOR Rules and must comply with them (to the intent that the requirements of the TOR cannot be avoided on account of a Trainer providing Training Services through a corporate entity or other business structure which is not licensed or registered by Racing Australia or a PRA).

(9) The COA does not apply to Promoter Syndicates which own the whole of the ownership of a horse. Promoter Syndicates must however comply with the STA (subject to TOR Rules 1(2)(b), 1(3)(a) and 1(4)).

(10) If an Owner’s ownership interest in a horse is as a member of a registered Syndicate, including as a member of a Promoter Syndicate, then for the purposes of the TOR:
(a) the Syndicate Manager is responsible for representing the Syndicate;
(b) the Syndicate is deemed to be the only Owner of the combined ownership interest held by the Syndicate, as if it was a separate legal entity, and the Syndicate Manager will be its expressly authorised legal representative; and
(c) all actions and decisions made by the Syndicate Manager will be taken to be made on behalf of the relevant Syndicate.

(11) To the extent that there is any conflict or inconsistency between a provision of these Rules (including any of the TOR Rules) and a term of the STA or the COA (including as amended, whether in accordance with TOR Rule 1(3) or otherwise), or a term of any other separate agreement made in relation to Training Services or a Horse Ownership Venture (whether made in accordance with TOR Rule 1(4) or 1(5) or otherwise), these Rules (including the TOR Rules) prevail to the extent of the conflict or inconsistency.

(12) Racing Australia (including its officers and employees), each PRA (including its officers and employees) and each TDT (including its members), shall not be liable to any person, and no person shall be entitled to make any claim for damages, for any loss or damage sustained as a result of, or in any way (either directly or indirectly) arising out of, the exercise of any right, privilege, power, duty or discretion conferred or imposed, or bona-fide believed to have been conferred or imposed, under the TOR Rules.

(13) If a dispute between a Trainer and an Owner arises under the TOR Rules:
(a) neither party may commence External Proceedings in respect of the matters the subject of the dispute, save as to proceedings seeking urgent interlocutory relief, until all processes set out in the TOR Rules through which Training Fees and/or Training Disbursements can be recovered, or
disputes in relation to them resolved or determined, have been followed; and

(b) if a party commences *External Proceedings* in respect of the matters the subject of the dispute, this subrule may be relied upon or pleaded by the other party as a bar to any such proceedings.

**TOR Rule 2 – Powers of Principal Racing Authorities (PRAs) in relation to the TOR**

(1) A PRA shall, in addition to the powers conferred by these *Rules*, have power, in its discretion, to put in place *Local Rules*, regulations, policies or procedures, and/or take steps incidental or conducive to *Trainers* and *Owners* of horses complying with the TOR.

(2) Without limiting TOR Rule 2(1), a PRA has power:
   (a) to appoint a person or persons, who must have relevant experience in dealing with commercial disputes, as a *Training Disputes Tribunal* (*TDT*) member for the purpose of determining disputes in relation to *Training Fees* and/or *Training Disbursements*;
   (b) to make and enforce policies or procedures in respect of the role, powers and functions of the *TDT*, and any member of it;
   (c) to *freeze* the payment of *prizemoney* to which an *Owner* would otherwise be entitled and pay that prizemoney to a *Trainer* in payment of *Training Fees* and/or *Training Disbursements* due and payable to the *Trainer*;
   (d) to take whatever action it thinks fit (including to refuse to accept the nomination of a *horse* to race, or to take disciplinary action permitted by *the Rules* against a *person* who contravenes any provision of these *TOR Rules* or any regulations, policies or guidelines made by or pursuant to a direction of *Racing Australia* in relation to them;
   (e) to require fees (including administrative, or transaction processing fees) to be paid to *Racing Australia* or to a PRA in connection with the TOR, including in connection with the operation of the *TDT*.

(3) If there is any inconsistency between a rule contained in these *TOR Rules* and that contained in a PRA’s *Local Rules*, to the extent of any conflict or inconsistency, the provision in these *TOR Rules* will prevail (except where a PRA makes a local rule in relation to the *TDT'*s role and/or processes pursuant to TOR Rule 8(8)).

**TOR Rule 3 – The requirement for Trainers to issue a Fees Notice**

(1) As from the *TOR Commencement Date*:
   (a) any *Trainer* who currently trains for an *Owner* must issue a *Fees Notice* to the *Managing Owner* within 28 days of the *TOR Commencement Date*;
   (b) any *Trainer* who is appointed as a Trainer on or after the *TOR Commencement Date* must issue a *Fees Notice* to the *Managing Owner*:
      (i) if the *Trainer* is appointed in the period from the *TOR Commencement Date* up to and including 28 days after the *TOR Commencement Date* – within 35 days of the *TOR Commencement Date*; or
      (ii) if the *Trainer* is appointed more than 28 days after the *TOR Commencement Date* – within 7 days of the date on which the *Trainer* is appointed;
   (c) the *Managing Owner* must provide a copy of the *Fees Notice* to each *Owner* within 5 days of being issued the *Fees Notice* by the *Trainer*; and
(d) if the Managing Owner does not object to the Trainer within 14 days of being issued the Fees Notice, the basis for providing Training Services set out in that notice is deemed to have been accepted by the Owner/s.

(2) The Fees Notice must set out:
   (a) the Training Fees itemised by category of service or item provided;
   (b) the anticipated Training Disbursements by name of service and anticipated provider (if known);
   (c) the anticipated Direct Payment Disbursements by name of service and anticipated provider (if known);
   (d) any additional fees the Trainer proposes to charge the Owner, including bonuses for winning races, or commissions on the sale of a horse; and
   (e) whether a Trainer proposes to charge interest on any unpaid Training Fees and/or Training Disbursements. The Trainer is entitled to do so from the day after an amount falls due and payable, at an interest rate not more than the rate prescribed from time to time for pre-judgment interest in the Supreme Court of the State or Territory of the TDT at which any dispute in relation to Training Fees and/or Training Disbursements would be heard pursuant to TOR Rule 5(4).

TOR Rule 4 – The circumstances in which the TOR’s Presumption of a Training Debt arises

(1) As a condition precedent to a Trainer being able to rely on the Presumption of a Training Debt, the Trainer must provide the Trainer’s invoice (or invoices) in relation to Training Fees and/or Training Disbursements to the Owner of the relevant horse by the 15th day of any calendar month following a period of time in which Training Services were provided by the Trainer to the Owner.

(2) A Trainer who fails to issue an invoice by the end of the 15th day of a month following a period of time in which Training Services were provided must wait until the subsequent month to seek to rely on the Presumption of a Training Debt, and can then only do so if an invoice has been provided to the Owner by the end of the 15th day of that subsequent month.

(3) If an invoice is issued in accordance with TOR Rule 4(1), the Owner may formally dispute the invoice (or part of it) by serving a Dispute Notice which complies with the requirements in TOR Rule 5(1) on the Trainer. A copy of the Dispute Notice must also be provided to Racing Australia.

(4) If a Trainer issues an invoice in accordance with TOR Rule 4(1) and the invoice is not fully paid by the end of the month in which it is issued, then unless a Dispute Notice is provided by the Owner to the Trainer by the last day of the month in which the invoice is issued, the invoice is deemed to be due and payable to the Trainer at the end of that month. (That is known as the Presumption of a Training Debt against the Owner).

(5) The provision of a Dispute Notice by an Owner to a Trainer by the last day of the month in which the invoice the subject of the dispute is issued has the effect that the Presumption of a Training Debt does not arise. In that instance, unless the dispute is settled by consent, the Trainer and Owner each may apply in accordance with TOR Rule 5 to have the dispute heard and determined by the TDT.
TOR Rule 5 – Requirements in relation to, and the effect of, a Dispute Notice

(1) A Dispute Notice:
(a) must be in a form prescribed by Racing Australia from time to time, and must provide the information required by that form;
(b) must clearly identify the invoice/s (or part of the invoice/s) disputed by the Owner, the amount in dispute, and the grounds for the dispute;
(c) must be provided by an Owner to a Trainer with supporting documentation (to be enclosed with the Dispute Notice) that the Owner intends to rely on in relation to the dispute;
(d) must be served on the Trainer, with a copy also required to be provided by the Owner to Racing Australia:
   (i) subject to TOR Rule 5(1)(e) and TOR Rule 6(2), within 6 months of the date of the relevant invoice; and
   (ii) by the last day of the month in which the relevant invoice is issued if the Owner wishes to prevent the Presumption of a Training Debt arising; and
(e) must not be served on the Trainer after an Enforcement Action Application (EAA) is filed with Racing Australia by the Trainer under TOR Rule (6)(1), and any purported service of a Dispute Notice after that time will not be valid.

(2) If a Dispute Notice challenges part, but not the whole of an invoice issued by a Trainer to an Owner, the Owner must pay to the Trainer the part not in dispute by the last day of the relevant month in which the invoice is issued in accordance with TOR Rule 4(1). Failing that, the part not in dispute is deemed due and payable to the Trainer at the end of the month in which the invoice is issued.

(3) Once a Dispute Notice is served by an Owner on a Trainer in accordance with TOR Rule 5(1), each has the right to elect to have the dispute determined by a TDT by filing a Notice of Election of Hearing with Racing Australia within 14 days of the Dispute Notice being served, with a copy also required to be served on the other party to the dispute.

(4) Once a Notice of Election of Hearing is filed with Racing Australia, it will allocate the matter to the TDT of the relevant PRA as follows:
(a) the matter is to be allocated to the PRA of the State or Territory in which the Trainer who is party to the dispute is licensed to train horses;
(b) if the Trainer is licensed in more than one State or Territory of Australia, the matter is to be allocated to the PRA of the State or Territory in which the horse the subject of the dispute (or a majority of the horses where there is more than one horse the subject of the dispute) is predominantly located, based on the most recent Stable Return/s lodged by the Trainer with Racing Australia in respect of the horse/s; and
(c) if the Trainer is licensed in more than one State or Territory and has an equal number of horses the subject of the dispute predominantly located in more than one State or Territory, the matter is to be allocated to the PRA that Racing Australia thinks fit.

TOR Rule 6 – Consequences for a Trainer and Owner if the Presumption of a Training Debt arises

(1) Once the Presumption of a Training Debt arises, a Trainer may file an EAA with Racing Australia (with a copy also required to be served on the relevant Owner) seeking that one or more of the following consequences be applied against the
Owner: (a) if the defaulting Owner owns 50% or more of the total of the ownership of the relevant horse, that Racing Australia will not process any Stable Return seeking to transfer the horse to another Trainer; (b) that Racing Australia and/or the relevant PRA responsible for any registration function in respect of the relevant horse will not register any transfer of the Owner’s share or ownership interest in the horse; and (c) that Racing Australia will notify the relevant PRA/s and the PRA/s will, other than in a Special Circumstance determined in its discretion, Freeze the payment of prizemoney to which the Owner would otherwise be entitled, and direct payment of that prizemoney to the Trainer owed the Training Fees and/or Training Disbursements. Subject to any Special Circumstance determined by a PRA, the defaulting Owner expressly waives any right to objecting to a PRA’s payment of that prizemoney to the Trainer.

(2) Once an EAA is filed with Racing Australia by a Trainer under TOR Rule 6(1), an Owner is not permitted to serve a Dispute Notice on the Trainer and any purported service of a Dispute Notice after that time will not be valid.

(3) Once an EAA is filed with Racing Australia by a Trainer under TOR Rule 6(1), unless Racing Australia or the relevant PRA, as applicable, considers that a Special Circumstance warrants another course, each of the consequences stated in TOR Rule 6(1)(a) to 6(1)(c) which were applied for by the Trainer will apply until: (a) the relevant Training Fees and/or Training Disbursements which are due and payable are paid to the Trainer; (b) the Trainer notifies Racing Australia that the Trainer has come to a settlement with the Owner in relation to the disputed amount; or (c) the Owner notifies Racing Australia that the Owner has come to a settlement with the Trainer in relation to the disputed amount and provides sufficient evidence (as determined by Racing Australia in its sole discretion) of such settlement.

(4) A Trainer must notify Racing Australia in writing within 24 hours of becoming aware of having received payment from an Owner of any Training Fees and/or Training Disbursements referred to in an EAA, and/or of becoming aware of the settlement with the Owner of a dispute in respect of Training Fees and/or Training Disbursements the subject of an EAA.

TOR Rule 7 – Further rights of a Trainer (when the Presumption of a Training Debt has not arisen) to object to the transfer of a horse to another Trainer, or the transfer of an ownership interest in relation to a horse

(1) If, despite the Presumption of a Training Debt not having arisen, a Trainer contends that Training Fees and/or Training Disbursements are due and payable to the Trainer in respect of a horse, the Trainer may object by written notice provided to Racing Australia to the transfer of the horse from the Trainer to another Trainer, or to the transfer of an ownership interest in the horse from one Owner to another. A copy of that written objection must also be served on the relevant Owner.

(2) If a Trainer objects pursuant to TOR Rule 7(1):
   (a) the following consequences apply:
      (i) Racing Australia will notify the relevant Owner of the objection;
(ii) if the Owner owns 50% or more of the total ownership of the relevant horse, Racing Australia will not process any Stable Return seeking to transfer the horse to another Trainer; and

(iii) Racing Australia and/or the relevant PRA responsible for any registration function in respect of the relevant horse will not register any transfer of an Owner’s ownership interest in the horse.

(b) the consequences stated in TOR Rule 7(2)(a)(ii) and 7(2)(a)(iii) will cease after 5 business days unless the Trainer provides Racing Australia with copies of the invoice/s outstanding to the Trainer (clearly identifying the parts of them alleged to be due and payable to the Trainer) within 5 business days of the proposed transfer (which period is not to be extended in any circumstance);

(c) upon receipt of that information, Racing Australia will notify the relevant Owner who may then either:

(i) pay the amount of the invoice/s to Racing Australia (in which case Racing Australia will pay those funds to the Trainer and Racing Australia and/or the relevant PRA, as applicable, will process the relevant transfer request); or

(ii) serve a Dispute Notice on the Trainer (with a copy also required to be provided to Racing Australia). Once that is done, either party may elect to have the matter determined by the TDT by filing a Notice of Election of Hearing with Racing Australia within 14 days of the date of issue of the Dispute Notice (with a copy also required to be served on the other party). However, a Notice of Election of Hearing will only be valid and accepted by Racing Australia if the Dispute Notice related to the dispute was served within 6 months of the date of the invoice the subject of the dispute.

(3) If an Owner serves a Dispute Notice in the circumstances referred to in TOR Rule 7(2)(c)(ii), and the Owner still wishes for the relevant transfer to proceed without delay, the Owner can pay the amount of the disputed invoice/s into the Training Disputes Trust Account pending determination of the dispute, at which point Racing Australia and/or the relevant PRA, as applicable, will process the relevant transfer.

TOR Rule 8 – The TDT Process

(1) If an Owner has served a Dispute Notice on a Trainer in accordance with TOR Rule 5(1), either of them may, within 14 days of the service of the Dispute Notice, elect to have the dispute determined by a TDT by paying the Filing Fee to Racing Australia and at the same time filing a Notice of Election of Hearing with Racing Australia and serving it on the other party to the dispute. Once a valid Notice of Election of Hearing is filed with Racing Australia, it will transfer the Filing Fee to the PRA allocated the dispute in accordance with TOR Rule 5(4).

(2) A Notice of Election of Hearing will only be valid and accepted by Racing Australia if the Dispute Notice related to the dispute was served within 6 months of the date of the invoice the subject of the dispute and before any EAA was filed by the Trainer.

(3) When a valid Notice of Election of Hearing is received by Racing Australia from an Owner or a Trainer, then the consequences set out in TOR Rule 7(2)(a)(ii) and 7(2)(a)(iii) will apply unless the amount disputed in the Notice
of Election of Hearing has been paid by the Owner into the Training Disputes Trust Account pending resolution of the relevant dispute.

(4) The TDT may make directions in relation to the preparation of the dispute for hearing as the TDT sees fit, except that a hearing on the papers can only take place if all parties agree to it.

(5) In relation to an oral hearing before the TDT:
   (a) there is no immediate right to legal representation before the TDT; and
   (b) the TDT may grant leave to the Trainer and/or Owner to be legally represented if in the opinion of the TDT that is warranted having regard to one or more of the following matters:
      (i) the complexity of the issues arising on the dispute;
      (ii) the amount disputed;
      (iii) whether or not the case is of general importance to the racing industry;
      (iv) the interests of justice in the circumstances of the case.

(6) In respect of a hearing before the TDT:
   (a) the TDT:
      (i) must, other than in exceptional circumstances, make all reasonable efforts to determine a dispute within 10 days of the hearing of that dispute; and
      (ii) is only required to provide written reasons of the TDT’s decision if at least one party to the dispute requests that;
   (b) the decision of the TDT will be binding on all parties as a decision under these Rules;
   (c) the TDT may:
      (i) determine whether Training Fees and/or Training Disbursements must be paid and in what amount, including in relation to any amounts paid into the Training Disputes Trust Account; and/or
      (ii) recommend to any PRA that the PRA/s apply the Rules against a Trainer or an Owner in a manner recommended by the TDT (in which case it will then be a matter for the relevant PRA as to whether it implements that recommendation);
   (d) if either party intends to challenge the decision of the TDT by way of External Proceedings, it must provide written notice of that intention to the other party, the relevant PRA, and Racing Australia within 7 days of the TDT’s decision. If that is done, then from that point Racing Australia and/or the relevant PRA, as applicable, must not take any action in relation to the relevant disputed Training Fees and/or Training Disbursements until, subject to TOR Rule 8(6)(e), the outcome of the External Proceedings is known;
   (e) if notice of an intention to commence External Proceedings is provided in accordance with TOR Rule 8(6)(d), but the notifying party has not provided Racing Australia with evidence of the commencement of External Proceedings within 28 days of the TDT’s decision then:
      (i) if the TDT has ordered that an amount be paid to a Trainer in respect of Training Fees and/or Training Disbursements, the Owner must pay the Trainer the amount determined by the TDT within 2 days of that date (that is, within 30 days of the TDT’s decision);
      (ii) Racing Australia and/or the relevant PRA, as applicable, may take any action in relation to the relevant disputed Training Fees and/or Training Disbursements that it is permitted to take under the Rules,
provided it does not receive evidence of the commencement of External Proceedings before taking such action; and

(iii) if Racing Australia receives evidence of the commencement of External Proceedings more than 28 days after the TDT’s decision, then from that point Racing Australia and/or the relevant PRA, as applicable, must not take any action in relation to the relevant disputed Training Fees and/or Training Disbursements until the outcome of the External Proceedings is known.

(f) if notice of an intention to commence External Proceedings is not provided in accordance with TOR Rule 8(6)(d), and the TDT has ordered that an amount be paid to a Trainer in respect of Training Fees and/or Training Disbursements, the Owner must pay the Trainer the amount determined by the TDT within 7 days of the TDT’s decision;

(g) an unsuccessful party to an application before the TDT must bear the cost of the relevant Filing Fee in respect of that application;

(h) further to TOR Rule 8(6)(g), if the Trainer succeeds before the TDT and the proceeding was commenced by the Trainer, the unsuccessful Owner must pay the successful Trainer an amount equivalent to the Filing Fee within 7 days of the TDT’s decision;

(i) further to TOR Rule 8(6)(g), if the Owner succeeds before the TDT and the proceeding was commenced by the Owner, the unsuccessful Trainer must pay the successful Owner an amount equivalent to the Filing Fee within 7 days of the TDT’s decision; and

(j) other than as provided in TOR Rule 8(6)(g) to 8(6)(i), the parties to a dispute before the TDT must bear their own costs (including any legal costs) in connection with that dispute, except that the TDT retains a discretion to order that a party (first party) pay some or all of the costs of the other party if the TDT is satisfied that:

(i) the first party commenced or responded to the TDT proceedings vexatiously; or

(ii) the first party’s commencement of, or response to, the TDT proceedings had no reasonable prospect of success.

(7) A TDT has jurisdiction to determine all issues or questions relevant to determining a dispute between a Trainer and an Owner (or Owners) in relation to the payment of Training Fees and/or Training Disbursements. A TDT does not have jurisdiction to determine disputes between Co-owners.

(8) Despite anything in TOR Rule 8 and TOR Rule 2(3), a PRA is entitled to make its own rules and regulations specific to its State or Territory in relation to the role and/or processes of its TDT, provided that they are procedurally fair and are not inconsistent with the overriding purpose of TOR Rule 8, being to have in place a TDT to impartially and efficiently determine disputes in respect of Training Fees and/or Training Disbursements. This subrule means that a PRA is able to make local rules inconsistent with TOR Rules 8(4) to 8(6), but only if they are procedurally fair and not inconsistent with the stated overriding purpose of TOR Rule 8.

TOR Rule 9 – Facilitating payment after a decision of a TDT

(1) If a TDT makes an award in favour of a Trainer:

(a) subject to TOR Rule 8(6)(d) and 9(2), the following consequences apply to the defaulting Owner:
(i) if the Owner owns 50% or more of the total ownership of the relevant horse, Racing Australia will not process any Stable Return seeking to transfer the horse to another Trainer;

(ii) Racing Australia and/or relevant PRA responsible for any registration function in respect of the relevant horse will not register any transfer of the relevant Owner’s interest in the horse; and

(iii) the relevant PRA/s must, other than in a Special Circumstance to be determined in its discretion, Freeze the payment of any prizemoney to which the Owner would otherwise be entitled.

(2) The consequences in TOR Rule 9(1)(a) will apply until the Training Fees and/or Training Disbursements the subject of the TDT’s award are paid by the Owner to the Trainer.

(3) If 14 days have passed after a decision of a TDT and the Trainer has not been paid by the Owner as required by the decision of the TDT and informs Racing Australia of that, in addition to the consequences stated in TOR Rule 9(2):

(a) Racing Australia will notify the Owner, the Trainer and the relevant PRA/s of that, after which the relevant PRA/s must, other than in a Special Circumstance to be determined in its discretion, pay any prizemoney to which the Owner would otherwise be entitled to the Trainer in payment of any Training Fees and/or Training Disbursements outstanding to the Trainer. Subject to any Special Circumstance determined by a PRA, the defaulting Owner expressly waives any right to objecting to a PRA’s payment of that prizemoney to the Trainer;

(b) the relevant PRA/s will retain its powers under the Rules to take action against the defaulting Owner (including to refuse to accept a nomination for a horse to race); and

(c) the Trainer will retain the Trainer’s rights under the STA and at general law.

(4) For the purposes of TOR Rule 9(1)(a)(iii) and 9(3), if the PRA of the TDT in which the decision was made notifies Racing Australia that it is not in possession of an amount of prizemoney to which the Owner would otherwise be entitled that is sufficient to satisfy (in whole or in part) the payment of any Training Fees and/or Training Disbursements outstanding to the Trainer:

(a) Racing Australia will notify the Owner, the Trainer and any other PRA/s which may be in possession of such prizemoney; and

(b) if:

(i) one of those PRAs is in possession of an amount of prizemoney to which the Owner would otherwise be entitled that is sufficient to satisfy (in whole or in part) the payment of any Training Fees and/or Training Disbursements outstanding to the Trainer, that PRA is a relevant PRA and Racing Australia may direct that PRA to pay any outstanding Training Fees and/or Training Disbursements to the Trainer from that prizemoney; and

(ii) if more than one of those PRAs is in possession of an amount of prizemoney to which the Owner would otherwise be entitled that is sufficient to satisfy (in whole or in part) the payment of any Training Fees and/or Training Disbursements outstanding to the Trainer, those PRAs are each a relevant PRA and Racing Australia may determine the order in which one or more of those PRAs are, on Racing Australia’s direction, to pay any outstanding Training Fees and/or Training Disbursements to the Trainer from that prizemoney.
(5) If Racing Australia or a PRA directs prizemoney to which an Owner would otherwise be entitled be paid to a Trainer pursuant to TOR Rule (3)(a), but the disputed amount has already been paid or settled as between Trainer and Owner by the time that payment is made to the Trainer, the Trainer must refund to the Owner the amount paid to the Trainer by that PRA within 7 days.

(6) A Trainer must inform Racing Australia within 24 hours of becoming aware of having received payment from an Owner of any Training Fees and/or Training Disbursements ordered by a TDT to be paid to the Trainer.
APPENDIX 1: INTERPRETATION OF THE TOR RULES

DEFINITIONS

Business Day means a day that is not a Saturday, a Sunday, or a public holiday in the place concerned.

Co-owner in relation to a horse means a person who owns a horse together with at least one other person and is registered or is intended to be registered with Racing Australia as an Owner.

Direct Payment Disbursements means costs or expenses in relation to the training and/or care of a horse which are to be directly invoiced to an Owner of a horse by service providers other than the Trainer (including veterinary fees, breaking in fees, agistment fees and transport costs).

Dispute Notice means the Racing Australia form of that name referred to in these TOR Rules, and in the STA, as amended from time to time.

Enforcement Action Application (EAA) means the Racing Australia form of that name referred to in these TOR Rules, as amended from time to time, which a Trainer is entitled to submit to Racing Australia in accordance with TOR Rule 6 once the Presumption of a Training Debt arises.

Exempt Owner means an Owner who is not required to comply with the STA, being an Owner: (a) who themselves trains a horse pursuant to an owner/trainer licence and does not also train the horse for any other Owner; or (b) who employs (as an employee pursuant to a written contract of employment), or otherwise engages (pursuant to a written contract for services) a Trainer to train a horse or horses exclusively for that Owner so that the Trainer does not train a horse for anyone else.

Exempt Trainer means a Trainer who is not required to comply with the STA, being a Trainer: (a) with an owner/trainer licence who does not also train the horse for any other Owner; and/or (b) who is contracted in writing to provide Training Services exclusively to an Exempt Owner.

External Proceedings means legal proceedings in a court or tribunal (not including a TDT) outside the TOR Rules.

Filing Fee means the fee set and charged by Racing Australia (published on the Racing Australia Website) to cover administrative costs of the Training Disputes Tribunal (TDT) process, and which is to be remitted by Racing Australia to the relevant PRA which is allocated a TDT proceeding by Racing Australia.

Fees Notice means the written fee disclosure notice a Trainer must provide to an Owner of a horse pursuant to TOR Rule 3, and pursuant to the STA.

Freeze means, in relation to prizemoney to which the Owner would otherwise be entitled, a direction by a PRA that that prizemoney be withheld or not allowed for a period of time that is fixed by the PRA.

Horse means a thoroughbred horse bred, kept, cared for, trained, managed and/or raced for a purpose or purposes connected with the thoroughbred racing industry in Australia. It includes a mare, filly, entire, colt, rig or gelding.

Horse Ownership Venture means a venture conducted by Co-owners of a horse, and can include racing a horse together, selling all or part of a horse, and/or breeding of a horse.
**Horse Registration Form (HRF)** means a registration form of that name an Owner must lodge with Racing Australia to register a horse (or an interest in a horse) for racing.

**Managing Owner** means an Owner of a horse who is specified as the managing owner in the HRF or other relevant registration form lodged or to be lodged with Racing Australia.

**Notice of Election of Hearing** means the Racing Australia form of that name referred to in these TOR Rules and in the STA, as amended from time to time, which Racing Australia makes available for the purpose of parties electing to take a dispute in relation to Training Fees and/or Training Disbursements to a TDT.

**Owner** means a person with an ownership interest or share in a horse and, for the purposes of these TOR Rules, includes a Managing Owner.

**Presumption of a Training Debt** means the presumption that Training Fees and/or Training Disbursements are due and payable from an Owner to a Trainer which arises in the circumstances identified in TOR Rule 4(4).

**Prizemoney to which an Owner would otherwise be entitled** means, for the purpose of these TOR Rules, any prizemoney which, but for these TOR Rules, an Owner would be entitled to receive from Racing Australia or a PRA in relation to the results in a race of a horse or horses owned or part owned by the Owner which is trained by the Trainer. Such prizemoney may therefore include prizemoney earned through the results of a horse/s other than the horse/s that received the relevant Training Services the subject of action under these TOR Rules.

**Promoter Syndicate** means a Syndicate where the Co-owners own their interest in a horse as a result of acquiring shares in the horse offered by a Promoter approved by a PRA and licensed under the Corporations Act 2001 (Cth) and/or offered pursuant to ASIC Corporations (Horse Schemes) Instrument 2016/790 or a successor or predecessor instrument to it.

**Racing Australia** means Racing Australia Ltd and any successor entity substantially carrying out Racing Australia’s functions.

**Racing Australia Co-owner Agreement (COA)** means the agreement of that name, as amended by Racing Australia from time to time, which is part of the TOR and published on the Racing Australia Website.

**Racing Australia Standard Training Agreement (STA)** means the agreement of that name, as amended by Racing Australia from time to time, which is part of the TOR and is published on the Racing Australia Website.

**Racing Australia Website** means www.racingaustralia.horse or another domain name as notified by Racing Australia.

**Special Circumstance** means, for the purpose of these TOR Rules, a circumstance which is out of the ordinary, including as stipulated to be a “special circumstance” by a PRA under its Local Rules.

**TOR Commencement Date** means 1 August 2017 or another date as notified by Racing Australia.

**TOR Rules** means these rules set out in this Schedule 1 to the Australian Rules of Racing, as amended from time to time.

**Trainer** means a person licensed or granted a permit by a PRA to train horses, and includes any persons licensed to train as a training partnership. A Trainer includes a licensed pre-trainer.
**Trainer and Owner Reforms (TOR)** means the Racing Australia reforms in relation to arrangements between Trainers and Owners, and between Co-owners, commencing on the **TOR Commencement Date**.

**Training Disbursements** means the amounts paid or payable by a Trainer to third parties in relation to the provision of **Training Services** which are not included in the **Training Fees** and for which a Trainer invoices an Owner (including veterinary fees, farrier fees, dentist fees, race acceptance and nomination fees, interstate racing costs, and race-day expenses such as strapper attendance fees).

**Training Disputes Tribunal (TDT)** is a decision-making body set up by each PRA in the States and/or Territories of Australia to determine disputes in relation to **Training Fees** and/or **Training Disbursements**, as provided for in these **TOR Rules** and in the **STA**.

**Training Disputes Trust Account** is the trust account held and operated by Racing Australia for the purposes of the **TOR**.

**Training Fees** means the amounts charged by a Trainer to an Owner in relation to the provision of **Training Services**, which includes the main daily training fee plus any additional daily charges for other items such as track usage fees and administration fees, together with all other costs charged by a Trainer to train and/or care for a horse which are not charged as **Training Disbursements**.

**Training Services** means all the services provided by a Trainer (or qualified and authorised employees or persons engaged or approved by a Trainer) in relation to the care, training and/or racing of a horse including training, pre-training, rehabilitation, maintenance, stabling, feeding, exercising, freighting, agisting, rental of gear, and the provision of veterinary, chiropractic, acupuncture, dental, and farrier services and treatments.

**INTERPRETATION**

In the interpretation of these **TOR Rules**:

1. Unless the context otherwise requires, italicised words and terms shall have the meaning set out in AR. 1 of **these Rules** and this Appendix 1 of these **TOR Rules**.

2. A document (including any notice, form or application) can be served on a Trainer or an Owner:
   (a) at the address (electronic (including email) or otherwise) last provided to the person serving the document by the Trainer or the Owner (as applicable); or
   (b) at the address of the Trainer or the Owner most recently recorded in the records of Racing Australia; or
   (c) at the address of the Trainer or the Owner recorded on the relevant current Racing Australia registration form in respect of the relevant Horse.

3. Unless established to the contrary, a document (including any notice, form or application) is taken to have been received:
   (a) on the fourth Business Day after the date on which it was sent by registered post;
   (b) on the day and at the time that it appears from the record of email communication that the sending of an email concluded; and
   (c) when the facsimile transmission is received by an addressee of a facsimile correspondence.