



香港賽馬會  
The Hong Kong Jockey Club

## **BLOODSTOCK CODE OF PRACTICE**

### **1. Introduction and Application**

- 1.1. This Code of Practice sets out principles and standards expected by The Hong Kong Jockey Club (the “Club”) of agents involved in the sale and purchase of bloodstock that is intended to be registered for racing with the Club to ensure that the interest of Members of the Club are protected.
- 1.2. By providing bloodstock services in the sale and purchase of bloodstock that is intended to be registered for racing with the Club, the agent shall be deemed to have agreed to be bound by this Code.

### **2. Definitions**

- “**Agent**” means any consignor, bloodstock agent, racing or stud manager or other person or entity who represents and/or advises a principal in the sale or purchase of bloodstock, whether or not the agent is paid by way of retainer, commission or other forms of remuneration, or as part of ongoing or future financial arrangements.
- “**Principal**” means a person or entity who, either formally or informally, appoints an agent to represent and/or advise him in the sale or purchase of bloodstock as in the definition above.
- For clarification, words importing the singular include the plural and the plural include the singular, unless the context requires otherwise; and words importing the masculine gender shall be deemed and taken to include females unless the contrary is expressly provided; and words importing the feminine shall be deemed and taken to include the masculine unless the contrary is expressly provided.

### **3. Obligations of Agents**

- 3.1. An agent owes a fiduciary duty to his principal to act at all times in accordance with his principal’s best interests. An agent shall act in accordance with the instructions of his principal and within the authority granted by his principal.
- 3.2. An agent shall not place himself in a position in which his personal interests conflict with his fiduciary duties to his principal.
- 3.3. An agent shall not acquire an interest in or buy for himself, any member of his immediate family, his firm or any member thereof, or for an entity in which he has an ownership interest (other than a public company), bloodstock listed with him, without making the true position known to his principal.

- 3.4. 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 interest and the benefit derived from that transaction.
- 3.5. If an agent acts in a transaction for more than one principal (which might be both the vendor and purchaser), the agent can only do so if he has before completion, disclosed this fact to all his principals, and obtained their consent.
- 3.6. 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 or should reasonably be aware he will or is likely to benefit from a third party, or transactions concerning horses which he has previously purchased or sold.
- 3.7. An agent shall disclose to his principal in advance of the sale of the horse and, if required, account to his principal for any financial payment or payment in kind made by or on behalf of a vendor to a purchaser or his agent in relation to the sale of a horse, after the sale of the horse has been concluded. In particular, an agent shall not use his position to obtain an undisclosed profit or other benefit. An agent shall make, keep and maintain accurate records and accounts of his dealings on behalf of his principal and shall, at the request of his principal, produce all books, records and documents relating to any dealings with or on behalf of his principal.
- 3.8. If an agent receives an offer to purchase a horse he must relay that offer in its entirety to his principal at the earliest opportunity and respond in accordance with the principal's instructions.
- 3.9. An agent must exercise due diligence when performing his services and disclose all relevant information about any horse under the principal's consideration. He must not make any misrepresentation or withhold or conceal any relevant facts or information.
- 3.10. Where an agent is, on behalf of his principal, bidding on a horse at an auction the agent must not enter into any arrangement, agreement or understanding with any person to directly or indirectly inflate the price at which it is sold.
- 3.11. An agent must collect, use and/or keep the personal data of his principal or otherwise any Member of the Club as potential client in compliance with the standards required under the applicable law or regulation on personal data protection and in any event no less than the standards required under the Personal Data (Privacy) Ordinance (Cap. 486, Laws of Hong Kong). Without prejudice to the generality of the foregoing, the agent:-
  - (a) must not collect any personal data of Members of the Club or their family members or use any personal data of the persons concerned in their possession for business promotion or direct marketing purpose unless with express written consent of such persons;

- (b) must use the personal data of his principal(s) only for the purposes of his engagement with his principal; and
  - (c) must keep the personal data obtained confidential and shall not disclose the same to any third party unless for the purposes of performance of services for his principal.
- 3.12. An agent shall provide such information as required by his principal or the Club for the purpose of registration of the horse concerned with the Club and ensure that all such information is true, complete and accurate. An agent shall also observe and comply with the Rules of Racing and Bye-laws of the Club.

#### 4. **Enforcement**

- 4.1. Any complaint of non-compliance with this Code should be reported to the Chief Stipendiary Steward of the Club. It is the responsibility of the complainant to provide evidence in support of the allegation.
- 4.2. The Club may investigate into a complaint or otherwise any matter relating to the sale and purchase or otherwise the ownership of a horse in its discretion. All parties, including the agent, shall provide full assistance in respect of such investigation including, but not limited to, providing such information as required by the Club for such purpose. The agent shall ensure that all such information provided to his principal and/or the Club is true, complete and accurate.
- 4.3. If the Club is satisfied that there has been a non-compliance with this Code, it may:-
- (a) remove that person's name from the list of bloodstock agents as referred to in Clause 5;
  - (b) inform Members of the Club of any such non-compliance, which may be accompanied by a warning of the risk of engaging that person as an agent; and/or
  - (c) report that person's conduct to any relevant racing authority and/or industry body.
- 4.4. If the Club considers that there is a non-compliance with this Code or otherwise the act of an agent is likely to affect or be contrary to the integrity, proper conduct or good reputation of horse racing, such person may, in addition to the consequences set out in Clause 4.3, be penalised pursuant to the Rules of Racing of the Club, warned-off under Rule 8(19) of the Rules of Racing of the Club and/or excluded from all premises of the Club under Rule 12(3) of the Rules of Racing of the Club and Bye-law 8 of the General Bye-laws of the Club. A warned-off person shall become a disqualified person who shall not, among other things, associate with any owner or person licensed or employed by the Club in connection with horseracing.

## 5. **Publication of Register**

- 5.1. The Club will publish on its website a register of bloodstock agents which / who have provided bloodstock services to Members of the Club or otherwise agreed to be included in the register. The register may contain any or all of the following information:-
- (a) a list of agents who have acknowledged or agreed to be bound by this Code with information relating to horses registered with the Club that are acquired through such agents;
  - (b) a list of agents who have declined or have not indicated their agreement to be bound by this Code;
  - (c) a list of agents (whether or not included in the lists under paragraph (a) or (b) above) who have been found to have been in breach of this Code or whose conduct have been considered as falling below the standards expected under this Code. Information about such breach or conduct may be included and a warning may be given about the risk of engaging such agents.

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