



APPLICATION FOR A LICENCE TO MANAGE A SYNDICATE OR RACING CLUB

GUIDANCE NOTES

INTRODUCTION

1. These guidance notes should be read before completing the application for a Licence to manage a Syndicate or Racing Club. They are designed to assist but should any matter be unclear, applicants are encouraged to contact the British Horseracing Authority (BHA) Ownership Team for further confidential guidance.
2. Applications should be submitted online via the required form. New applicants should allow at least two weeks for the application to be considered and currently licensed applicants applying for renewal a period of at least one week.

NB Processing times may initially be longer immediately following the launch of the Licence owing to an expected high volume of applications. All applicants will be kept informed of progress and we apologise for any possible delays.

3. Applications are considered on their individual merits and within the framework of these guidance notes and [BHA Licensing Objectives](#). The BHA will decide a Licence application in accordance with Rules [\(B\)12-14](#) and the Applicant may appeal a decision of the BHA in relation to a Licence in accordance with Rule [\(B\)19](#).
4. The detailed guidance contained in the remainder of this document sets out what is required and what each applicant will need to show.

OVERVIEW

5. Applications will be considered from any person or corporate body wishing to act as a Syndicator or Club Manager. For the avoidance of doubt, the definitions of both are provided below:
 - **SYNDICATOR:** Any person or corporate body, who has ultimate responsibility for the finances, promotion and/or management of a Syndicate.
 - **RACING CLUB MANAGER:** Any person or corporate body, who has ultimate responsibility for the finances, promotion and/or management of a Racing Club.
6. Applicants are required to demonstrate or confirm that:
 - a. They have the competence and capability to manage and operate a Syndicate/Racing Club;
 - b. They understand and comply with all relevant requirements relating to the promotion and advertisement of Syndicates/Racing Clubs;
 - c. They understand and comply with the Rules of Racing, specifically as they relate to Syndicates and Racing Clubs;
 - d. The necessary financial resources are available to the Syndicate/Racing Club; and
 - e. They are otherwise in all the circumstances suitable to hold a Licence (i.e. that they are 'fit and proper').
7. In the instance the applicant is a corporate body, where appropriate, the assessment and questions outlined in these guidance notes will apply to the company officers.
8. Should a Trainer, or any other already Licensed Person if appropriate, wish to act as a Syndicator



or Racing Club Manager an application for a Licence to manage a Syndicate or Racing Club will still need to be made to the BHA.

9. Ahead of making an application for a licence to manage a Syndicate or Racing Club, all applicants must ensure they are registered, or have submitted an application to register, as an Owner with the BHA.
10. Should an application be approved, the Licensed Person will be able to act as both a Syndicator and Racing Club Manager for the period the Licence remains valid, save for if the Licence is withdrawn or suspended by the BHA in accordance with Rules [\(B\)20-22](#).
11. Please be aware, the renewal of a Licence is not automatic and the applicant's previous performance in operating and managing Syndicates/Racing Clubs will be considered.

COMPETENCE AND CAPABILITY

12. Each applicant will have to satisfy the BHA that they are competent and capable to manage and operate Syndicates/Racing Clubs with due regard to the interests of Members, and the sport. In determining an applicant's competence and capability the BHA will have regard to all relevant matters.
13. The assessment will consider both the applicant's business competence and capability and also their ability to meet the racing industry's aims and standards.

Business Competence and Capability

14. Relevant matters in assessing an applicant's business competence and capability will include their experience of running a business and within the Syndicate/Racing Club industry, their knowledge of how to operate a Syndicate/Racing Club and the structure of their Syndicate/Racing Club business. First time applicants will normally have to demonstrate or detail, and provide evidence to support, at least the following:
 - a. Their experience of running businesses and/or their knowledge of running and managing businesses, specifically relating to, insurance, business administration, finance, business planning, marketing and laws and regulations relating to business;
 - b. A sufficient working knowledge of the Syndicate/Racing Club industry, including the day-to-day operations of running a Syndicate/Racing Club;
 - c. The proposed structure of the applicant's Syndicate/Racing Club business, including, but not limited to:
 - d. Projected profit and loss accounts for the next 12 months of the Syndicate/Racing Club business;
 - e. The projected business plan;
 - f. A cash flow projection for the next 12 months of the Syndicate/Racing Club business;
 - g. Accounts and balance sheets for any prior period of trading of the proposed or of any other relevant business as may be requested by the BHA;
 - h. The corporate structure of the Syndicate/Racing Club business;
 - i. The management structure of the Syndicate/Racing Club business; and
 - j. What systems, procedures and practices are in place to ensure that the Syndicate/Racing Club finances will be managed with reasonable care, skill and diligence.
15. If an applicant is already engaged in the management of a Registered Syndicate/Racing Club, and has been for a minimum of three years, the BHA may grant dispensation to provide alternative evidence to assess the applicant's business competence and capability. This will be considered on an individual basis.



Racing Industry Aims and Standards

16. First time applicants will have to confirm to the BHA that they have completed the Licence to manage Syndicates and Racing Clubs learning module.
17. While not mandatory, applicants are also recommended to complete learning on:
 - a. [Bloodstock industry code of practice](#);
 - b. [Respect in racing – code of conduct](#)
 - c. [Safeguarding in the horseracing industry](#); and
 - d. [LGBT+ awareness and inclusion for the British Horseracing Industry](#)
18. For applicants who have previously been licensed or registered outside Great Britain, a Certificate of Clearance, together with licensing and disciplinary records from the relevant Recognised Racing Authority (under whose Rules they were last licensed or registered), should also be provided.

PROMOTION AND ADVERTISEMENT

19. First time applicants are required to demonstrate to the BHA that all promotion and advertising of their Syndicate/Racing Club business is aligned to the requirements of the BHA (outlined in the BHA Shared Ownership Manual) and Trading Standards.
20. To meet the requirements listed above the applicant will be required to provide details of any Syndicate/Racing Club promotion or advertisement, including, but not limited to those that appear on any website, social media or in print and indicate any such place where an offer is made to consumers.

RULES OF RACING

21. All applicants will need to satisfy the BHA that:
 - a. They understand the Rules of Racing, and specifically the Rules relating to Syndicates and Racing Clubs, and those that relate to the whereabouts and welfare provision in relation to horses when under their care;
 - b. They can and will apply the Rules to ensure that all Syndicates/Racing Clubs are in adherence; and,
 - c. Where applicable, they are able to communicate the Rules to their Members.
22. To meet these requirements, applicants will be required to provide documentation relating to their Syndicates/Racing Clubs including copies of:
 - a. Template Syndicate/Racing Club contracts;
 - b. Terms and conditions provided to prospective Members; and,
 - c. Any template used to provide a copy of accounts to Members as outlined in the Syndicate/Racing Club contract.

FINANCIAL RESOURCE

23. The applicant must have the financial security to ensure that the Syndicate/Racing Club can remain stable in the case of any unexpected changes or deviation from the proposed business plan.
24. As such, the BHA requires the applicant to provide a financial reference from a satisfactory source indicating they have available working capital or overdraft facilities of not less than £15,000 or such other amount as may be requested on behalf of the BHA having regard to the circumstances of the



application.

GENERAL SUITABILITY ('FIT AND PROPER')

25. In considering any application, the BHA must also be satisfied, taking into account any fact or matter that it considers appropriate, that the applicant is suitable to hold a Licence. Relevant considerations include the applicant's honesty and integrity, business competence and capability and financial soundness.
26. In relation to each section below, the BHA expects full and frank disclosure from the applicant, who is required to disclose matters known to them and those which they can be expected to discover by making enquiries. Failure to do so will be a relevant factor in the assessment as to an applicant's, competence, honesty and integrity.
27. A person whose conduct, behaviour or character is not in accordance with that which, in the opinion of the BHA, should be expected of a licensed person, may not be considered suitable and therefore may be refused a Licence.
28. In some cases a single factor may lead to the conclusion that someone is not suitable, whereas in another case the determination of whether someone is not suitable may depend upon the cumulative assessment of a number of matters.
29. It is not possible to produce a definitive list of all matters that would be relevant to a particular application. This document should be considered a guide as to the sorts of considerations that the BHA will have in mind when making such an assessment.

Honesty and Integrity

30. The criteria to which the BHA will have regard in assessing honesty and integrity include the following:
 - a. Whether the applicant has been convicted of any criminal offence in Great Britain, or a foreign jurisdiction, excluding offences which are spent under the Rehabilitation of Offenders Act 1974 and in the case of foreign offences, such as may be appropriate. Particular consideration will be given to offences of dishonesty, fraud and those relating to sexual conduct, violence, animal welfare and health and safety.
 - b. Whether the applicant is the subject of any proceedings of a criminal nature, has been charged in connection with any alleged criminal offence or is aware of circumstances which may lead to them being so charged.
 - c. Whether the applicant has been the subject of any adverse finding by a judge in any civil proceedings, or has settled civil proceedings brought against him/her relating to any matter which could reasonably be said to materially affect his/her suitability to be registered as an owner.
 - d. The applicant's record of compliance with the regulatory requirements of the BHA or its predecessors, of any other Turf Authority or of a regulator of any other sport in which they have participated or has been otherwise involved.
 - e. Whether the applicant has been candid, open and truthful in all their dealings:
 - i. with the BHA in relation to the present or relevant past Licence applications; and;
 - ii. with any other Turf Authority or other sports regulator.
 - f. Whether or not the applicant has been dismissed from any previous employment or position of trust or has been asked to resign or resigned on grounds connected with their honesty or integrity.
 - g. Whether an applicant has been convicted of, or dismissed or suspended from employment for drug or alcohol abuses or other abusive acts or has other lifestyle or social issues, which are likely either to render the applicant a threat to the health, welfare or safety of

- others involved in horseracing, or to the integrity of the sport.
- h. Whether the applicant has engaged in conduct or there are circumstances which may render the applicant susceptible to pressure from persons seeking to corrupt horseracing and whether the applicant is likely to or may engage in such conduct.
 - i. An applicant's fitness and propriety includes assessment of the fitness and propriety of those with whom they are or may be associated or connected with in their personal or business dealings. For example, if the applicant has been a director or shareholder of a company that has committed a criminal offence, that matter will be taken into account and its ultimate relevance to their suitability will be assessed in the light of the applicant's responsibility (if any) in relation to that offence.

Financial Soundness

31. Relevant factors include:

- a. Whether the applicant has been the subject of any judgment debt or award in Great Britain or elsewhere, which remains unpaid or was not satisfied within a reasonable period.
- b. Whether the applicant has ever, in Great Britain or elsewhere, made arrangements with their creditors, filed for bankruptcy, had a bankruptcy petition served on them, been adjudged bankrupt, or been the subject of any other bankruptcy process (including any restrictions order or undertaking or sequestration of assets).
- c. Whether the applicant has ever, in Great Britain or elsewhere, been a director of any company, or partner in any partnership, which has gone into receivership, liquidation (voluntary or compulsory), administration, voluntary arrangement or arrangement with its creditors.

INTEGRITY PROVISIONS

32. The following Integrity Provisions set out the standards of behaviour to be observed by all Licensed Persons as conditions of their Licence. As a Licensed Person, you agree to:

- a. Avoid the company of Persons whose conduct, character or reputation indicate that they may pose a threat to the integrity of horseracing.
- b. Refrain from passing Inside Information to anyone other than the connections of the horse, even where there is no reward except in cases specifically allowed for in the Rules.
- c. Ensure that relationships with Betting Organisations or any Person representing a Betting Organisation do not confer special privileges or concessions which may invite adverse inferences to be drawn.
- d. Report to the BHA any suspicious or unusual financial transactions (for example, cash payments in excess of a total of £10,000 for a transaction connected with the business of syndicating racehorses).

SUMMARY OF REQUIREMENTS

33. Below a summary of requirements for any new applicant is presented:

Requirements	Guidance Notes Reference Point
To submit: profit and loss accounts, a projected business plan, cash flow projections as well as documentation detailing the corporate and management structure of the Syndicate/Racing Club business as required.	14
To describe: their experience and or knowledge of running a business and the Syndicate/Racing Club industry.	14
To undertake learning on: the promotion and advertising of	16

Syndicates and Racing Clubs.	
To highlight: all consumer offers.	20
To provide: a template contract and accounts for members and, Syndicate/Racing Club terms and conditions.	22
To show: available working capital or overdraft facilities of not less than £15,000 or such other amount as may be requested on behalf of the BHA.	24

34. The mere provision of the documents required above may not be sufficient to ensure that an application is considered by the BHA. Such documents must also be complete and fit for purpose. Similarly, whilst satisfaction by the applicant of the other requirements in paragraph 33 (as a matter of fact) will enable the BHA to consider their application, the applicant should not presume that will result in a Licence being granted. The way such requirements are met will be one of the factors for the BHA to consider in assessing the applicant's suitability in accordance with these Guidance Notes, and in deciding whether or not to grant a Licence.