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RULES AND REGULATIONS (AS FURTHER AMENDED) GOVERNING HORSE RACING IN THE PHILIPPINES

CHAPTER I The Commission: Jurisdiction, Powers, Functions, Officers

SECTION 1. Declaration of Purpose — The Philippine Racing Commission (PHILRACOM) shall promote and direct the accelerated development and continuous growth of horse racing not only in furtherance of the sports development program of the government but also in order to insure the full exploitation of horse racing as a source of revenue and employment.

Horse Racing as one of the oldest and universally popular diversions of man has become highly specialized and sophisticated so as to necessitate more attention of the government.

SECTION 1.0 Composition and Term of Office — The PHILRACOM shall be composed of a Chairman and four (4) members. The term of office of the Commissioners shall be for four (4) years; Provided, That no vacancy shall be filled except for the unexpired portion of any term, and Provided further, that any member of the PHILRACOM whose term of office has expired shall remain in office until his successor shall have been duly appointed and qualified.

SECTION 1.1 Meetings and Quorum — The PHILRACOM shall meet regularly once a week, and as often as the exigencies of the service may demand, upon the call of the Chairman or upon the request of two (2) members of the PHILRACOM. The vote of at least three (3) members shall be necessary for the adoption of any rule, resolution, or decision of the PHILRACOM.

SECTION 2. Jurisdiction — Generally, the PHILRACOM shall have exclusive jurisdiction and control over every aspect of the conduct of horse racing, including the framing and scheduling of races, the construction and safety of race tracks, the allocation of prizes and the security of racing, and such other powers, duties, and functions as provided for under Presidential Decree No. 420 and other applicable laws, decrees, directives, executive orders, and rules and regulations.

SECTION 2.0 Powers and Functions — The PHILRACOM shall have the following powers and functions:

a. to enforce all laws, decrees, directives, executive orders, and letters of instructions relating to horse racing;

b. to adopt and prescribe rules and regulations;

c. to review, modify, approve, or disapprove the rules and regulations issued by persons or entities concerning the conduct of horse races held by them;

d. to issue permits and licenses and to impose and collect fees for the issuance of such licenses and permits to persons or entities required to obtain the same;

e. in case the weather or race track is in an unfit state for running, or where the race facilities such as starting gate, photo patrols, or video recording, communication is in such bad or defective condition as to adversely affect the result of the races, or in case of exceptional circumstances taking into account the interest of the betting public, to postpone or abandon any race for that day whether before or after commencement of the race meeting;

f. to register racehorses, their owners, and associations or federations thereof;

g. to regulate the construction of race tracks and to grant permits or licenses for the holding of races;

h. to supervise all such race meetings, to assure integrity at all times, and to order the suspension or cancellation of any racing event in case of violation of any law, decree, directive, ordinance, or rules and regulations;

i. to prohibit the use of improper devices, drugs, stimulants, or other means to enhance or diminish the speed of horses or materially harm their conditions;

j. to approve the annual budget of the PHILRACOM and such supplemental budgets as may be necessary;

k. to enter into contracts involving obligations chargeable to or against the funds of the PHILRACOM;

I. to impose fines, penalties, and forfeitures on erring parties under these rules and regulations which shall accrue directly to the funds of the PHILRACOM;

m. in its discretion or upon the petition of any interested party, after notice and hearing, to modify, suspend, or revoke any permit or license for failure to comply with or for violation of any provision of law, decree, directive, or any executive order, rules and regulations issued thereunder; Provided, that for good cause and without notice and hearing, the PHILRACOM may order the temporary suspension of such permit/license whenever such step, in the judgment of the PHILRACOM shall be necessary and for the best interest of racing and the public;

n. to summon parties, issue subpoena, or require the production of such documents, books, papers, contracts, records, or statement of accounts as may be necessary to a just determination of any matter under investigation;

o. to have access to all stands during a racing day, to inspect/check on the consequences of betting, the track, grandstands, jockeys' quarters, stables, and such other premises within the clubs; and

p. to perform such other duties and exercise all other powers incidental or necessary to the accomplishment of the aims and objectives of the PHILRACOM.

SECTION 3. Officers — The Executive Officers of the PHILRACOM shall consist of the EXECUTIVE DIRECTOR and such other officers as the PHILRACOM may appoint or designate from time to time.

SECTION 3.0 Chairman — The Chairman shall be the presiding officer of the Commission in all its meetings.

In the event of the permanent or temporary incapacity of the Chairman, the Vice-Chairman or in his absence, any officer as may be designated by the Chairman shall exercise the powers and perform the duties of the Chairman, until such time as his successor shall have been duly appointed and qualified or his incapacity no longer exists.

SECTION 3.1 Executive Director — The PHILRACOM shall appoint an Executive Director who shall be the head of the office. He shall have overall supervision over every aspect of the conduct of horse racing. He shall perform such other duties and exercise such other powers as maybe determined by the PHILRACOM. Those who are directly involved in the conduct of horse racing shall be under the immediate supervision of the Executive Director.

SECTION 3.2 Assistant Executive Director (Director for Racing) — The PHILRACOM shall appoint an Assistant Executive Director (Director for Racing) who shall assist the Executive Director in the exercise of the powers and the performance of the duties of his office. In the event of the permanent or temporary incapacity of the latter, the former shall assume the office of the Executive Director, until such time as his successor shall have been duly appointed and qualified or his incapacity no longer exists.

SECTION 3.3 Other Officers — The PHILRACOM shall appoint such other officials and employees, as it may deem necessary to assist the PHILRACOM in the performance of its powers, duties, and functions. They shall perform such other duties and functions as maybe assigned to them from time to time.

SECTION 4. Board of Stewards — The PHILRACOM shall act through a Board of Stewards who shall have supervision and control over the conduct of races during racing days.

SECTION 4.0 Composition of the Board of Stewards — The Board of Stewards shall be composed of a Chairman and six (6) members, to be appointed by the PHILRACOM. A majority vote of the Stewards shall be necessary for a valid act, ruling or decision of the Board. The reason for any dissenting vote shall be placed on record and duly reported. In case of incapability of the Chairman or any member during a particular racing day, the PHILRACOM shall designate any or all of the cadet Stewards to fill up the vacancy.

SECTION 4.1 Qualifications — A Steward shall be of legal age, of good moral character, with at least two (2) years of college education, physically and mentally

fit, have passed the examination given by the PHILRACOM and obtained from the same the corresponding license.

SECTION 4.2 Compensation — The compensation of the Stewards shall be for the account of the PHILRACOM.

SECTION 4.3 Stewards Cannot Be Handicappers — Stewards cannot be Handicappers but may act as Judges in the event of the temporary incapacity of the latter, provided they are so separately licensed as such.

SECTION 4.4 Stewards in Session — The Board of Stewards shall remain in session and shall not adjourn until its report on the conduct of horse races held in a Racing Club shall have been submitted to the PHILRACOM.

SECTION 4.5Powers and Duties of Stewards — The Board of Stewards shall have the following powers and duties:

a. to control the opening and closing of ticket sales for every race;

b. to give the starter the order to start the race;

c. to investigate and decide all incidents related to the conduct of the races;

d. to annul any race before the horses have reached the finish line where by reason of a bad start or other incidents such action is necessary;

e. except in summary proceedings, to observe due process, to apply, impose and enforce the penalties provided herein against erring jockeys, trainers, horse owners and their horses, track officials and employees, and other persons who in any way perform duties connected with horse racing, subject to these rules and regulations;

f. to have free access to all stands, weighing rooms, enclosures, paddocks, and other places within the grounds of the Racing Clubs;

g. to exclude or expel from all places under its control any person who is warned or ruled off, and to inform the club of the Board's decision;

h. to regulate the conduct of all owners, trainers, jockeys, and their helpers, grooms, and other persons attendant on the horses as well as any person, including officials or employees of the Racing Clubs who are under the influence of alcoholic drinks or drugs and his conduct becomes unruly.

i. to submit to the PHILRACOM, through the Racing Manager, a written report on the conduct of the races held and the unusual incidents therein during the first non-racing day thereafter, unless for serious reasons more time is needed, in which case the PHILRACOM shall determine the deadline for submission of said report;

j. to disqualify any winning horse or placer in accordance with Section 59.0 and 59.1 of rules on disqualification or for lack of weight, in its stead, to declare as winner or placer the horse occupying the next position at the finish post and qualifies;

k. to order the club veterinarian to extract blood, saliva, or urine from any racehorse for drug detection upon directive from the PHILRACOM or if in its opinion the horse concerned might have been drugged with depressant/s or injected with stimulant/s;

I. to order the cancellation of races if warranted. In the regular daily double where several horses are withdrawn from a race leaving only two (2) horses or starters and the race is cancelled by the racing club due to deliberate acts or negligence of its officials, the latter shall indemnify the owners of the remaining horse in the amount of P1 ,000.00 for each horse.

The Racing Club, in turn, may demand from the owners of the horses withdrawn without justifiable cause, as determined by the same, for reimbursement of the amounts paid by the Club to the owners of the entries. In the event reimbursement by the owners concerned is not made within two (2) weeks, the horses withdrawn shall be suspended for a period of three (3) months.

Whenever a start is cancelled by the Board of Stewards, the PHILRACOM shall investigate the racing club concerned and if found guilty, the club shall be penalized by a fine of not less than One Thousand Pesos (P1 ,000.00) per horse in the said race.

m. to correctly interpret and enforce all these rules and regulations.

SECTION 4.6 Cadet Steward/s — There shall be Cadet Steward/s whose functions and duties shall be as follows:

a. to sit with the Board of Stewards during racing days and assist in the conduct of race meetings;

b. to exercise all the powers, duties and authorities conferred upon the Stewards by the Rules;

c. to take part in the deliberation of the Board of Stewards but shall not be entitled to a vote except when acting in the place of a Commission Steward who is absent or is unable to perform as such;

d. to represent and act as an extension of the Board of Stewards in the field or at any point within the premises of the Racing Clubs, to observe, investigate or conduct inspection whenever called upon by the Board to do so or whenever the circumstance so warrants; and

e. to perform such other functions which may be required of him by the Commission.

SECTION 4.7 Stewards' Attire — While in the exercise of their official functions, the Stewards must be properly attired by wearing either barong tagalog, shirt and tie, or polo barong.

SECTION 4.8 Finality of Penalty Meted by Stewards — Any penalty or punishment meted out by the Racing Stewards cannot be reconsidered by them after the log book has been signed.