

JRA Individual Owner Registration (Non-Residents of Japan)

1. Standards for deeming an applicant ineligible as a JRA owner, with a view to upholding the integrity of horseracing

(1)	Relationship with Criminal Organizations	<p>① A member of a criminal organization (meaning a person who belongs to an organization deemed to commit, as a group or habitually, illegal acts as specified in each of the Items of Article 1 of the Enforcement Regulations of the Law on Prevention of Gangsters' Injustice (1991, Items 4 of the National Public Safety Commission's Rules)).</p> <p>② A person who is deemed to be in collusion with a member of a criminal organization as defined in ① above, or a person who is deemed to have colluded with the same in the past and who is deemed capable of endangering the integrity of horseracing.</p>
(2)	Relationship with Crime	<p>① A person who has been fined for a crime as specified in each of the Items of Article 1 of the Enforcement Regulations of the Law on Prevention of Gangsters' Injustice, or for some other crime, and who is deemed capable of endangering the integrity of horseracing.</p> <p>② A person who has been charged on suspicion of committing a crime defined in ① above or who has been arrested but not yet sentenced, and who is deemed capable of endangering the integrity of horseracing.</p>
(3)	Income and Assets	<p>A person who, in view of the circumstances of his or her income or assets, is deemed to have difficulty in entrusting a racehorse to a trainer on a continuous basis. (A person with an income of at least equivalent to 17 million yen, which is expected to be received continuously in future, and assets of at least equivalent to 75 million yen shall be treated as not falling under the above description. For these sums, the exchange rate nearest to the date of review board shall be applied.)</p>
(4)	Racing Organization	<p>① When a racing organization, where an applicant is licensed or registered, is not a member of the International Federation of Horseracing Authorities (IFHA) or an authoritative national owner registration body.</p> <p>② When the reply from said racing organization concerning the following matters is inadequate.</p> <ul style="list-style-type: none"> ▪ The owner registration or license status of the applicant (date of registration, number of horses owned, activity status, etc.) ▪ Matters to be surveyed and confirmed by said racing organization upon owner licensing and registration (background details, character aspects, financial aspects, etc.)

(5)	Others	<p>① A person who has been sentenced to imprisonment without hard labor or a heavier punishment, a person who has been prohibited or suspended from participating in horse racing, or a person who shares the same family register or subsistence with the person falling under (1) or (2) above.</p> <p>② A person, from the applicant's personal background, financial circumstances or other details, who is likely to undertake nominal transfer of a horse.</p> <p>③ A person who, within the space of a year until the date of application, was a JRA trainer, jockey, training assistant, jockey candidate or groom.</p> <p>④ A person who shares the same family register or subsistence with a JRA trainer, jockey, training assistant, jockey candidate or groom (including persons who were one of these within the space of a year until the date of application), and who has considerable influence in racing circles and is deemed capable of endangering the integrity of horseracing.</p> <p>⑤ A trainer, jockey, jockey candidate or groom in NAR (municipal government racing), (including persons who were one of these within the space of a year until the date of application).</p> <p>⑥ A person who was a JRA director of official within the space of a year until the date of application.</p> <p>⑦ A person who is under 20 years of age.</p> <p>⑧ A person who operates or is engaged in bookmaking, Internet betting or other business that takes, or has the possibility of taking bets on JRA races, or a person who has a working relationship with such a business.</p> <p>⑨ A person who operates or is engaged in a business that provides racing tipping and betting information for a fee to a limited group of members (so-called "membership-based race tipping and betting business"), or a person who has a working relationship with such a business.</p> <p>⑩ A person who frequently engages in acts that lack awareness of common decency or a spirit of compliance with law, or other such persons deemed inappropriate to be registered as owners.</p> <p>⑪ A person who gives sufficient reason to deem that he or she could endanger the integrity of horseracing.</p> <p>⑫ Duration of activity as an individual owner or a controlling representative of a corporate owner at the recognized racing authority is less than one year.</p> <p>⑬ A person who works as a trainer, jockey, training assistant, groom, etc abroad.</p> <p>⑭ A person who is judged inappropriate to be registered as an owner, judging from the content of the reply from a racing authority where he or she is registered or licensed.</p>
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2. Other matters taken into account when reviewing applications

(1)	Documents required	<p>Besides those specified in Article 14- 3 of the JRA Rules of Racing, certificates and other documents that need to be submitted when applying for owner registration shall be as follows.</p> <ol style="list-style-type: none"> 1. Application form (with photograph attached) 2. Copy of valid passport 3. Copy of income tax return documents 4. Official document certifying income 5. Bank deposit statements, share certificates, and other documents certifying the amount of assets owned by the applicant <p style="padding-left: 40px;">*These may only be originals issued by a financial institution</p> <ol style="list-style-type: none"> 6. Documents certifying the amount of debts 7. Certification of corporate registration, final accounts report, and other documents indicating the business content and management status of the applicant's company (whether as owner or employee) 8. A document certifying that the applicant possesses a bank account in Japan (may be submitted after conclusion of review). 9. Besides the above, other documents deemed necessary by the JRA <p style="padding-left: 40px;">* If there are any omissions or incompleteness in the documents submitted, including those specified in the JRA Rules of Racing, the application shall not be deemed suitable for review (with the exception of 8. above).</p>
(2)	Calculation of income	<p>The method of calculating income shall be revenue minus expenses, while temporary or short-term income shall be excluded from the amount of income specified in 1 (3) above.</p> <p>The method of calculating the amount of employment income shall be as specified in Japan's Income Tax Law Article.28.</p> <p>The amount of income shall be confirmed by a copy of the final tax return and a certificate of income issued by an official organization, or similar.</p> <p>The income from past immediate two years shall be taken into account.</p>

(3)	Calculation of the amount of assets	<p>① The amount of assets specified in the 1-(3) above refers to the amount after subtracting total liabilities from total assets.</p> <p>② The scope of assets relevant to owner registration screening standards shall be as shown in Table 1.</p> <p>③ The content of liabilities shall be confirmed by a certificate issued by an official body or a private survey organization, or a “Declaration of Personal Assets and Debts” (JRA designated form) signed by the applicant.</p>
(4)	Special measures regarding foreign dignitaries	<p>When such an individual as foreign dignitary has applied for JRA owner registration and it is thought that seeking the submission of a wide range of documents and other certification for him/her would in itself constitute a serious breach of international etiquette, alternative appropriate measures may be used to confirm whether or not there are grounds for refusing owner registration, notwithstanding the provisions of the 2-(1) above.</p> <p>In the case of a person not licensed by, nor registered with any racing organization, but he/she can provide the documents specified in Paragraph 2 of Article 14-3 of the JRA Rules of Racing, he/she shall not be questioned about the items of 1-(4)-①, 1-(4)-②, and 1-(5)-⑫ above.</p>
(5)	Owner registration limited to inherited horses	<p>When a registered JRA owner has died and said owner’s successor has applied for JRA owner registration with the sole purpose of racing inherited horses (“owner registration limited to inherited horses”), the suitability or unsuitability of registration shall be reviewed under the standards set forth herein. However, the matters set forth in the 1-(3) above shall not be taken into account in this case.</p>

3. Matters concerning Liaison Officers

(1)	Ineligibility	<p>① The conditions for ineligibility of Liaison Officer as specified in Article 4 Item (14) of the Notification to Determine Matters Related to a Liaison Officer for an Owner who is a Non- Japanese Resident (2008, Notification No. 45 of the President of the Japan Racing Association) shall be as follows.</p> <ol style="list-style-type: none">1. A person who is not fluent in Japanese (reading, writing, verbal) and cannot communicate smoothly with the applicant for owner registration.2. A person who cannot be expected to fulfill the functions of a Liaison Officer in Japan, on grounds on frequent absence from Japan or being too busy with other work.3. When it is judged that no valid agreement has been concluded between the Liaison Officer and the owner regarding the work to be carried out by the Liaison Officer (matters that must absolutely be included: the signatures of both owner and Liaison Officer concerned, the content and duration of the work to be entrusted to the Liaison Officer, matters for compliance by both parties, etc.).4. Besides the above, a person who is deemed to have difficulty in carrying out work on behalf of the owner. <p>② The conditions for ineligibility of Liaison Officer as specified in Article 4 Item (15) of the Notification to Determine Matters Related to a Liaison Officer for an Owner who is a Non- Japanese Resident (2008, Notification No. 45 of the President of the Japan Racing Association) shall be as follows.</p> <ol style="list-style-type: none">1. A person who operates or is engaged in bookmaking, Internet betting or other business that takes or has the possibility of taking bets on JRA races, or a person who has a working relationship with such a business.2. A person who operates or is engaged in a business that provides racing tipping and betting information for a fee to a limited group of members (so-called “membership-based racing tipping and betting business”), or a person who has a working relationship with such a business3. When clear evidence has been found to prove association with a member of a criminal organization (meaning a person who belongs to an organization deemed to commit, as a group or habitually, as specified in the Items of Article 1 of the Enforcement Regulations of the Law on Prevention of Gangsters’ Injustice (1991, Item 4 of the National Public Safety Commission’s Rules)).4. A person who frequently engages in acts that lack awareness of common decency or a spirit of compliance with law, or other such persons deemed inappropriate to be approved as Liaison Officers.5. Other persons who give sufficient reason to deem that they could endanger the integrity of horseracing.
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(2)	Others	<p>“Cases exceptionally permitted by the President” as specified in Article 7 Item (3) of the Notification to Determine Matters Related to a Liaison Officer for an Owner who is a Non- Japanese Resident (2008, Notification No. 45 of the President of the Japan Racing Association) shall be as follows.</p> <ol style="list-style-type: none">1. In the case where a person who is actually approved as a Liaison Officer and has been carrying out matters related to an Owner (with the exception of the Owner Registration Applicant), will act as a Liaison Officer to another Owner (to include the Owner Registration Applicant. The same shall apply hereinafter Item 2), provided that the efficient execution of the work of Liaison Officer is clear and will not involve any conflicts of interests among the Owners of the said Liaison Officer.2. When the Liaison Officer of a registered owner has died or is otherwise becomes temporary absent, and another owner’s Liaison Officer provisionally carries out work on behalf of said owner.3. Besides the above, cases in which it is judged unavoidable for a single Liaison Officer to carry out work on behalf of more than one owner.
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Table 1

Scope of assets relevant to owner registration screening standards

The scope of “assets” relevant to asset conditions shall be assets owned in the person’s name that fall under the following.

- ① Land, buildings and leaseholds located within Japan
- ② Deposits
- ③ Cash trusts and loan trusts
- ④ Government bonds, local government bonds, bank debentures and corporate debentures
- ⑤ Public bond investment trusts and stock investment trusts
- ⑥ Listed stocks
- ⑦ Shares or investment holdings of non-listed companies located within Japan

Of the above, ② to ⑥ are limited to cases in which JRA can confirm the current value (e.g. the financial institution that issues the relevant certificate also certifies the valuation thereof, etc.).