

DISCIPLINARY PANEL'S DECISIONS FOLLOWING ENQUIRY INTO BREACHES OF THE RULES OF RACING BY GARY CARTER AND OTHERS

On Wednesday 28th September 2005, the Disciplinary Panel of the Jockey Club held an enquiry to consider whether or not Gary Carter - a licensed jockey at the time of the events considered at the enquiry, and Christopher Coleman, Dean Coleman, Neil Yorke, Stephen Hobbs, Linda Hobbs, and James Nash had committed breaches of the Rules of Racing as detailed below.

The enquiry looked into the conduct of these individuals in connection with the running of eight races during August and September 2003. These were:

1 August 2003	Newmarket	6.05pm	MEADAAF (IRE)
2 August 2003	Doncaster	4.05pm	ALJAZEERA (USA)
4 August 2003	Windsor	7.00pm	KRISTAL'S DREAM (IRE)
8 August 2003	Lingfield	4.45 pm	TASNEEF (USA)
8 August 2003	Lingfield	5.15pm	DODONA
17 August 2003	Pontefract	2.45pm	SILVALINE
25 August 2003	Warwick	4.10pm	SAXE-COBURG (IRE)
26 September 2003	Ascot	4.55pm	LILLI MARLANE

Gary Carter

In relation to each of the races, Carter was said to be in breach of Rule 243, which prohibits the provision for reward of private information about a horse. Alternatively, he was said to be in breach of Rule 220(i), for allegedly assisting Christopher Coleman and others in organising a corrupt betting operation, in which they laid Carter's mounts to lose in the eight races with the benefit of the inside information Carter provided to Christopher Coleman.

Carter was also alleged to be in breach of Rule 220(iv), because he associated with Christopher Coleman, whom he knew to be an excluded person at the time of the eight races, about horseracing matters.

Finally, Carter was alleged to be in breach of Rule 220(viii), because he was said to have tried to mislead Jockey Club investigators at various stages of their investigations into the eight races. On 20 February 2004, it is said that he falsely told Richard Wall that he had last spoken to Christopher Coleman in March 2003, when in fact he had been in frequent telephone contact with Mr Christopher Coleman between the 30 July 2003 and 9 December 2003. On 29 April 2004, it is said he falsely told Richard Wall and John Elsey (i) that he did not know Mr Christopher Coleman that well, and had probably spoken to him once or twice a year when in fact he did know Mr Christopher Coleman well and had been in frequent telephone contact with him; (ii) that on the occasions he telephoned the mobile phone number ***** 162163 between 30 July and 9 December 2003, he was calling and spoke to Dean Coleman about the purchase of a car, when in fact all the calls were with Christopher Coleman. He was also said to have tried to mislead investigators in June 2004, by providing them with a phone bill for the mobile phone number ***** 162163, showing it as registered to Dean Coleman when in fact, as Carter knew, that number was at the material times used by Christopher Coleman.

The Panel also considered whether or not Christopher Coleman, Dean Coleman, Neil Yorke, Stephen Hobbs, Linda Hobbs and James Nash should be excluded, under Rule 2(v)(a), from premises owned or licensed by the Stewards of the Jockey Club. The particular allegations against these individuals were, in summary:-

Christopher Coleman

He was alleged to be in breach of Rule 220(ix), because of his dealings with Carter which caused Carter to be in breach of Rule 243, and in breach of Rule 201(v), in that he organised a corrupt betting operation to lay the horses ridden by Carter to lose the eight races, using information which had been communicated to him privately by Carter to the effect that this would occur.

It was further said that he had failed to cooperate with the investigation.

Mr Dean Coleman

He was said to have been in breach of Rules 201(v) and 220(i) because he participated in the corrupt betting operation to lay the horses ridden by Carter to lose the eight races.

Also, he was alleged to be in breach of Rules 220(i) & (viii), because he provided Carter with a copy of the mobile phone bill for ***** 162163, showing it was registered in his name, to help Carter to try to mislead Jockey Club investigators about the calls between that number and Carter's phone.

He was also said to have acted contrary to Rule 220(iv) in associating with Christopher Coleman, whom he knew to be an excluded person at the time of the eight races, about horseracing matters.

Finally he was alleged to have failed to cooperate with the investigation.

Mr Neil Yorke

He was said to have been in breach of Rule 201(v) because he participated in the corrupt betting operation to lay the horses ridden by Carter to lose the eight races.

Secondly, he was alleged to have failed to cooperate with the investigation.

Mr Stephen Hobbs

He was said to have been in breach of Rule 201(v) because he participated in the corrupt betting operation to lay the horses ridden by Carter to lose the eight races.

Secondly, he was alleged to have failed to cooperate with the investigation.

Mrs Linda Hobbs

She was said to have been in breach of Rule 201(v) or 220(i) because she participated in the corrupt betting operation to lay the horses ridden by Carter to lose the eight races.

Secondly, she was alleged to have failed to cooperate with the investigation.

Mr James Nash

He was said to have been in breach of Rule 201(v) because he participated in the corrupt betting operation to lay Lilli Marlane, ridden by Carter to lose the last of the eight races.

Secondly, he was alleged to have failed to cooperate with the investigation.

The Disciplinary Panel's decisions

Having considered the evidence and arguments put before it, the Panel found:-

- (1) that Gary Carter was in breach of Rules 243, 220(iv) and 220(viii). The Panel declared him to be a disqualified person for 5 years, effective from 12 October 2005, and imposed a fine of £2000 for the breaches of Rule 220(viii).
- (2) that Christopher Coleman was in breach of the Rules as alleged and that he had also unreasonably refused to cooperate with the investigation. The Panel ordered that he should continue to be excluded indefinitely.
- (3) that Dean Coleman was in breach of the Rules as alleged and that he had also unreasonably refused to cooperate with the investigation. The Panel ordered that he should be excluded from all premises owned or licensed by the Stewards of the Jockey Club with immediate effect for an indefinite period.
- (4) that Neil Yorke was in breach of the Rules as alleged and that he had also unreasonably refused to cooperate with the investigation. The Panel ordered that he should be excluded from all premises owned or licensed by the Stewards of the Jockey Club with immediate effect for an indefinite period.
- (5) that Stephen Hobbs was in breach of the Rules as alleged and that he had also unreasonably refused to cooperate with the investigation. The Panel ordered that he should be excluded from all premises owned or licensed by the Stewards of the Jockey Club with immediate effect for an indefinite period.
- (6) that Linda Hobbs was not in breach of the Rules, and did not refuse unreasonably to cooperate with the investigation.
- (7) that James Nash was in breach of the Rule as alleged and that he had also unreasonably refused to cooperate with the investigation. The Panel ordered that he should be excluded from all premises owned or licensed by the Stewards of the Jockey Club with immediate effect for an indefinite period.

REASONS FOR DISCIPLINARY PANEL'S DECISIONS

1. These reasons are intended to express the essence of the Disciplinary Panel's thinking when reaching its decisions on the evidence and arguments presented at an enquiry held on 28th September 2005: they are not an exhaustive recitation of every point that could be made.

Background

2. The enquiry was about allegations of breaches of Rules of Racing said to have occurred in connection with 8 races held at various racecourses between 1st August and 26th September 2003. In each of these races, Gary Carter ("GC") rode a reasonably well fancied horse that was beaten. Each of his mounts was heavily backed to lose through accounts at Betfair that were in the names of or used by the other six individuals whose conduct was considered at the enquiry.
3. The betting patterns for these races aroused suspicion at Betfair, and the Jockey Club's Security Department then began a detailed and intensive investigation. A number of applications were made to the High Court to compel disclosure of various telephone and computer records. The Panel wishes to record its view that without this material it is almost certain that it would have proved impossible to bring to light the serious breaches of the Rules of Racing to which it refers below.
4. None of the seven persons whose conduct was the subject of the enquiry attended the hearing on 28th September. GC was legally represented until shortly before the preliminary hearing held in June 2005, and at that stage continued to assert that he was blameless, that the Jockey Club's allegations were too weak on their face to justify any findings against him, and that he needed time to prepare a full defence. That time was allowed to him. But he did not thereafter put forward any written indication of his contentions, as he was required to do at the preliminary hearing. Instead, by a letter dated 26th August, he announced that, as he intends to retire from riding (he now lives and rides in Spain), he would not attend the hearing that

was fixed or present any case to the Panel. He announces in that letter that he continues to assert his innocence. None of the other individuals has played any part in these proceedings, which they have all ignored from the start.

5. Despite this, the Panel was concerned to evaluate critically the evidence put before it. Given the seriousness of the allegations being considered, the Panel has made findings of breach only when it has been sure that the evidence and the common-sense inferences from the evidence justify them.

The telephone evidence and the betting patterns

6. GC produced his mobile phone bills in response to a production order from the Jockey Club, and was interviewed by investigators on 3 occasions between January and April 2004. At the last of those interviews he was asked about the large number of calls he both made to and received from a mobile number ***** 162163 ("the 163 number" – for confidentiality reasons, full numbers are not given in these reasons). There were over 20 calls between GC's mobile and the 163 number, usually on the same day as (or on 3 occasions the day before) the first 6 of the races that this enquiry has dealt with. Within minutes of the end of each of the first 3 races, GC called the 163 number, and within minutes of the end of the stewards' enquiry that followed the fifth race, (Dodona at Lingfield on 8th August 2003), GC phoned the 163 number 3 times and received one call from it. And within minutes of the end of the 6th race, he again called the 163 number. GC denied that he was calling Chris Coleman ("CC") on these occasions, and said that he was speaking with Dean Coleman ("DC"), who is CC's son, about a possible car purchase for a friend. This was not a casual or offhand suggestion by GC in his interview in April 2004 – the matter was put to him a number of times by the investigator, and GC always and in some detail denied that he spoke with CC on the 163 number and gave detail about his supposed chats with DC.
7. The Panel has concluded that these assertions by GC were false, because it is clear that the 163 number was being used by CC alone at all relevant times. He used it on 25th August 2003, (the day of Saxe-Coburg (IRE)'s race at Warwick) to speak with Betfair about a transfer of money between his wife Ann's account and his own. CC was using the 163 number in 2004, when contacted by Mr Elsey of the

Jockey Club in April and Mr O'Reilly of Betfair in July. But most importantly of all, there are well over 40 calls on the race days in question between the 163 number and DC's work or mobile numbers. If DC had the 163 number, (which is what GC asserted), he must have been phoning himself on these occasions, which is an absurd proposition.

8. What is more the Panel has been driven to the conclusion that GC's evidence was deliberately calculated both to conceal the fact that GC was in contact with CC in August and September 2003 (when, as GC well knew at the time, CC was an excluded person), but even more importantly to conceal the contents of those conversations.
9. In the Panel's view, GC's lies about these calls, plus the very timing of the conversations and the betting patterns, show that GC was both passing information to CC about how his rides would fare in the races now under investigation, and (when he phoned immediately after the races) checking on how the betting operations described below had worked.
10. All of GC's rides in the 8 races were laid to lose considerable sums at prices well beyond those offered by licensed bookmakers, using the Betfair accounts in the names of all the unlicensed individuals except DC. For instance, in the first of the eight races, (Meadaaf (IRE) at Newmarket), a total of £52,682 was risked successfully to win £10,127. In fact, this horse opened at 3/1 on course, and the SP was returned at 7/2. Another striking example is the fifth race (Dodona at Lingfield), where £95,079 was risked to win just £13,174. Dodona had opened on course at 3/1, and was returned at 5/1 joint favourite. The total risked in relation to the eight races on the five accounts in the names of CC, Neil Yorke ("NY"), Stephen Hobbs ("SH"), Linda Hobbs ("LH") and James Nash ("JN") was £483,790. As all GC's eight rides were successfully laid, the total return was £83,121.
11. The willingness to lay these horses at prices above those available on course and in betting shops was further clearly illustrated in the evidence before the Panel from the way in which, as the time of races approached, both CC and SH (during telephone calls to Betfair) would urgently take money available to lay at almost any

price. For the fourth race, Tasneef at Lingfield, which opened on course at 5/1 and started 6/1 second favourite, prices as high as 10/1 were laid on the NY and SH accounts with Betfair.

12. There are further features of the bets laid on GC's rides through the five Betfair accounts that contribute to a picture of a betting operation that was based upon information about their chances of that was perceived to be reliable (rightly, as things turned out). Firstly, the five accounts were taking a very large proportion of the totals laid with Betfair against the horses in question, which is a pointer to the fact that there was not a general market view that the horses should be laid. Secondly, the totals risked through the five accounts were larger than the amounts which CC and DC were generally prepared to lay on most other occasions. Thirdly, the betting through the five accounts on the eight races shows that the only bets made were bets against GC's rides - there is no suggestion of any attempt to act like a normal licensed layer who spreads and reduces risk by laying all or at least some runners.

13. Who was making the transactions on the five accounts? The evidence before the Panel clearly establishes: -
 - (1) where bets were made online, they were placed by DC using either his computer terminal at his workplace (Benfield), or a computer terminal at his house. Such bets were placed on the accounts in the names of CC, NY, and JN.
 - (2) where bets were made by phone, they were placed by CC, DC and SH. CC placed many bets, using either the mobile phone number 163 or his home landline on the NY account, and pretended to be NY during those calls. When DC placed bets by phone, he did so on CC's account, pretending to be CC. All the bets placed on the SH and LH accounts were placed by SH.

14. In the Panel's view, the spreading around of bets between the five accounts (albeit that most were placed on the NY account) was designed to deflect suspicion at Betfair. The reality was that CC and DC were the real moving forces behind the operation. Although SH placed all the bets on his and his wife's

account personally, it is clear from the telephone records that he did so following regular contacts with CC, who must have relayed to SH his own confidence about the outcome of the races derived from GC. In the case of NY, who did not personally transact the large amount of business on his Betfair account, it is obvious that he authorised it by providing his account details and password to CC and DC who did place the bets. The telephone records show that a large number of calls was made by CC to NY around the times when CC was phoning Betfair to place bets on NY's account, which shows that NY was intimately involved in the betting.

15. It is not possible to know how the participants divided up the gains between themselves, but the Panel is sure that all the unlicensed individuals (with the exception of LH) will have shared in them in some way or another. The question of what rewards GC received is dealt with separately below, where the consequences of the Panel's findings already described are put into the context of the Rule breaches alleged against each individual.

Gary Carter

16. It is clear to the Panel that GC had extensive contacts with CC before and after the eight races in question. Though no phone contacts have been identified for the last two of the eight races, the Panel concludes that contacts must have taken place between them by so far unidentified means, because
 - (a) the betting patterns on these last two races were similar to those on the races for which there is ample evidence that CC and GC were phoning each other.
 - (b) GC's general denial of contacts with CC in August and September 2003 is patently untrue.
 - (c) GC's riding in the last race (Lilli Marlane at Ascot) was, to put it at its lowest, not intended to achieve the best possible placing.
17. The Panel has also concluded that GC was passing information to CC about how his rides would perform. This of course motivated CC and his allies to carry out their remarkably confident betting operations. It is not possible to say

precisely what GC said, because he has not told the truth and because CC and the others to whom he relayed GC's information have kept silent. But common sense indicates that the information must have been pretty specific and was certainly not generally known. It may well have included expressions by GC of how he intended to ride the horses in the eight races. At all events it was to the effect that his mounts would not win. The Panel viewed videos of each of the races, and considered them in the light of all the other evidence that has since emerged. It has concluded that, again to put it at its lowest, GC did not ride them to achieve the best possible result. This is particularly striking in the cases of Dodona and Lilli Marlane.

18. What if anything did GC get for providing this information? GC pointed out in a letter that he wrote before the preliminary hearing that there was no evidence that he received any reward, so there could be no breach of Rule 243. It is correct that there is no primary evidence of precisely how much GC received. But the Panel concludes that he was rewarded substantially, even though it is not possible to say exactly how. CC was in the habit of paying large amounts to jockeys who provided him with information that produced betting profits for him - - he admitted this during the trial of Barrie Wright at Southampton in October 2001. As a matter of simple common sense, it defies belief that GC was providing information and riding as he did on a "charitable" basis.

19. There are two further matters which the Panel relied upon to reinforce these conclusions.
 - (1) Firstly, there is GC's conduct in the stewards' enquiry held after the Dodona race at Lingfield. Dodona was beaten a short head, and in the final furlong was struck on the face by the winning jockey's whip. At the enquiry, GC denied that he had suffered any interference. The stewards found that there had been interference, but did not reverse the placings because they could not be clear that the interference had cost Dodona the race. So all bets were settled, including of course the bets placed against Dodona on the five Betfair accounts, on the basis that Dodona had been beaten. The trainer of Dodona appealed this result to Portman Square, and called GC as a witness. On this occasion, when there was

no danger to the bets laid against Dodona in the five accounts, GC's evidence underwent a remarkable change. He announced that "the only thing that stopped her from winning was the smack on the head". The Panel has decided that the content of GC's evidence to the enquiry by the Lingfield stewards was shaped by his participation in the betting operation.

- (2) Secondly, in June 2004, shortly after GC's third interview with Jockey Club investigators, GC put forward through an agent a mobile telephone bill for the 163 number, which shows that it was registered in the name of DC. This was done to bolster his case that, when phoning that number in August and September 2003, he spoke with DC. While it was accepted before the Panel that this number was indeed registered in the name of DC, the other evidence to which we have already referred shows beyond any doubt that CC was using it at all relevant times. This further attempt to deceive the investigators shows continuing effort by GC to conceal both the fact and the content of his phone contacts with CC.

20. Hence the Panel has found that GC acted in breach of Rule 243 in relation to each of the eight races. It is not therefore necessary to consider the alternative case of breach of Rule 220(i) that was advanced in relation to each of the races.

21. The Panel has also found that GC acted in breach of Rule 220(iv) in associating with CC, who was an excluded person at the time as GC well knew, during August and September 2003.

22. Finally in relation to GC, the Panel has concluded that he was in breach of Rule 220(viii) in the respects alleged against him. The basis for this finding will already be clear. He spoke regularly and frequently with CC in August and September 2003 about his rides in the eight races and about the outcome of the betting operation organised by CC. Thus: -

- (1) he tried to mislead Mr Wall of the Jockey Club during an interview on 20 February 2004 by telling him that he (GC) had last spoken with CC in March 2003.

- (2) he tried to mislead Mr Wall and Mr Elsey of the Jockey Club during his interview on 29 April 2004 by telling them that the calls with the 163 number were between him and DC about buying a car, whereas they were of course the contacts between himself and CC in which he improperly provided the information that led to the betting operations.
23. The Panel considers that GC's breaches of Rule 243 and 220(iv) are extremely serious. He was cheating the connections of the horses he rode in the eight races and the punters who bet on them. He is therefore declared to be a disqualified person for a period of 5 years. The Panel considers that that period reflects the gravity of GC's behaviour, is consistent with recent practice, and takes into account what little GC has chosen to tell the Panel about his personal circumstances.
24. The breaches of Rule 220(viii) are also serious, and the Panel imposes a fine of £2000. This would have been higher but for the fact that GC has been declared a disqualified person as well.

Christopher Coleman

25. CC is alleged to be liable to exclusion under Rule 2(v)(a) on one or both of two bases: either because his dealings with GC bring about GC's breach of Rule 243, so that Rule 220(ix) exposes CC to exclusion, or because he was engaged in corrupt practice when organising and carrying out the betting operation, contrary to Rule 201(v).
26. The findings of the Panel recorded above amply demonstrate that CC is liable to exclusion on both grounds. His dealings with GC created GC's breach of Rule 243. His use of the information he obtained from GC was corrupt. He knew from that information that GC's rides were not intended to win, and that gave him and those who joined him in the betting operation an improper advantage over those punters whose bets he was so keen to take at almost any price. To put it bluntly, those punters were being cheated. And the rewards which the Panel

has found must have been provided to GC gave GC the incentive to cheat both those punters and the connections of the eight horses.

27. Finally, it is alleged that CC failed to cooperate with the Jockey Club security department. That fact is self-evident. He refused to be interviewed. That exposes him to exclusion under Rule 2(v)(a) if this non-cooperation leads to the conclusion that it is undesirable that he should be allowed onto any premises owned licensed or controlled by the Jockey Club.
28. The Panel has no doubt that CC should be excluded pursuant to Rule 2(v)(a), and that such exclusion should be indefinite.

Dean Coleman

29. The main allegation against DC is that he is liable to exclusion because he assisted in a corrupt betting operation. For the reasons already given, the Panel has decided that DC did indeed act in the way alleged. He was CC's main assistant in placing the bets, and it is obvious that he knew that it was worthwhile to place these bets, including bets way beyond market prices, because of the information received by his father from GC.
30. It is also alleged that DC is liable to exclusion for failing to cooperate with Jockey Club investigations. It is self-evident that he did not cooperate -- he has remained completely silent. There is additionally a specific complaint that DC assisted GC's attempt to mislead the investigation by providing GC with a copy of a phone bill for the 163 number. He was centrally involved in the original betting operations based upon the information from GC, and the Panel infers from this that he will have been aware that GC was telling Jockey Club investigators that the 163 number calls were made to him. So the Panel concludes that in providing GC's agent with a copy of his phone bill for the 163 number, he was trying to help GC bolster his false story about those calls.
31. Finally, complaint is made that DC is liable to exclusion because he associated with CC, and excluded person, in connection with horseracing, because of his participation in the betting operation. Though this is a somewhat technical

addition to the complaints made against DC, the Panel accepts that the point is made out.

32. In all the circumstances, the Panel finds that DC should be excluded, and that such exclusion should be indefinite.

Neil Yorke

33. NY is said to be liable to exclusion pursuant to Rule 2(v)(a) because he too assisted in a corrupt betting ring. Though he did not personally place any of the bets in relation to the eight races, there is no doubt that he gave CC and DC the ability to use his account with Betfair. He was in regular communication with CC when bets were being placed, and there is no doubt in the Panel's mind that he was a knowing participant rather than an innocent dupe. His silence when asked to explain and cooperate tells against him.
34. The subsidiary complaint of failure to cooperate is made out for the same reasons.
35. In all the circumstances, the Panel finds that NY should be excluded, and that such exclusion should be indefinite.

James Nash

36. JN's account was used just once, for the last of the eight races. The bets on it were placed by DC from his work computer, and this came shortly after CC and JN had been in contact by phone. When spoken to by Mr Elsey, he was clearly aware of the betting on his account but refused to discuss it further. He too failed to cooperate further.
37. In the circumstances, the Panel has found that JN was also a knowing participant in the betting ring for the eight races. He would only have allowed the use of his account for such heavy wagering (he laid £25196 to win £5344) if he had been aware from CC of the inside information that justified it.

38. As with all the others, JN has refused to assist the investigation.
39. The Panel directs that he should be excluded, and that such exclusion should be indefinite.

Stephen Hobbs

40. The main allegations against SH take the same form as those against DC, NY, and JN - participation in a corrupt betting operation. As already recorded, SH personally placed all the bets on his account and on his wife's account. He was in frequent contact with CC, and his bets on the eight races were of the same kind on the same horse as CC and DC were so assiduously taking. In the circumstances the Panel had no hesitation in concluding that SH was a knowing participant in the sense that he was fully aware that the bets were worth laying because of the information from GC.
41. The subsidiary complaint of failure to cooperate is clearly made out in SH's case also.
42. In these circumstances, the Panel finds that SH should be excluded, and that such exclusion should be indefinite.

Linda Hobbs

43. LH faces the same allegation of participation in the corrupt betting ring, as well as an alternative allegation of assisting in it. But the Panel has not seen evidence sufficient to justify making any finding against her in these regards. All that exists is the undoubted fact that her husband, SH, was able to operate her Betfair account. There is no indication that she personally was aware of its use for those of the eight races when GC rides were laid. It is of course possible that she was aware, but possibility is not enough.
44. The Panel has also concluded that it would be wrong to say that LH failed to cooperate. It is unclear whether she was spoken to personally by anybody from the Jockey Club, and though she has been written to, it is not safe to conclude,

in the light of the lack of personal contact, that she is in any way at fault in not replying if she even saw the letter.

4th October 2005