



NTRA Safety and Integrity Alliance Pledge

As a Member of the NTRA Safety and Integrity Alliance (the “Alliance”), the undersigned affirms the following Articles:

1. The health and safety of our human and equine athletes and the integrity of our sport are our highest priorities;
2. NTRA Alliance Members shall participate in, mutually support and/or endorse the uniform application of each of the reforms and related initiatives set forth on the document attached to this pledge (the “Reforms”) and the issuance by NTRA of annual public reports to monitor the progress of achieving Alliance objectives;
3. The NTRA Alliance shall develop an objective certification/accreditation methodology to recognize Members who support and comply with the Reforms.
4. NTRA Alliance Members shall petition regulators in their racing jurisdictions to adopt the regulatory reforms set forth in the document attached;
5. NTRA Alliance Members shall begin implementation of the reforms immediately unless otherwise provided;
6. The NTRA Alliance shall provide regular, public communications with horseracing fans, regulators, legislators and industry stakeholders to maintain transparency;
7. In the future, the NTRA Alliance shall consider additional Reforms, including expansion of its focus from health and safety for equine and human athletes in horseracing to other more broadly defined initiatives (e.g., wagering security) directed to the improvement of the sport’s integrity and transparency.

The undersigned affirms his/her commitment personally and as the authorized agent, of any association listed below to these Articles and the attached list of reforms as a member of the NTRA Safety and Integrity Alliance.

Name Date

Association

NTRA Safety and Integrity Alliance

The health and safety of our equine and human athletes and the integrity of our sport are horseracing's top priorities. To accomplish these important priorities, the National Thoroughbred Racing Association (NTRA) has organized the NTRA Safety and Integrity Alliance.

The Alliance is composed of racetracks, owners, breeders, horsemen, jockeys, sales companies, veterinarians, racing fans, regulators and breed registries.

The Alliance's purpose is to implement safety and integrity reforms affecting horseracing's human and equine athletes.

As outlined in the following pages, the horseracing industry has identified measures to reduce the incidence and severity of injuries to our equine and human athletes. The Alliance is committed to implementing these and other measures as soon as reasonably possible.

Medication and Testing. The Alliance members will support the ongoing efforts of the Racing Medication and Testing Consortium (RMTC) in establishing a medication and testing program that can meet the challenges of today. Performance-enhancing drugs have no place in our sport. We must be able to identify and detect them on a uniform basis across the country and punish those who use them. Better equipped and fully accredited reference and research labs for the conduct of our industry's drug testing are essential to improving the quality of our drug testing program in every state.

Injury Reporting and Prevention. Alliance members will benchmark racing and training injury rates using standardized reporting systems developed by The Jockey Club and InCompass Solutions. Members agree to participate in the injury reporting system and to advocate for nationwide participation beginning immediately. Collection and reporting of the necessary data are vital to developing policies and programs that will result in a safer racing environment.

Safety Research. The Alliance will work with the Grayson-Jockey Club Research Foundation and others funding equine medical research to prioritize and fund more research to reduce injuries to our athletes – both horse and human. The Alliance's goal is to establish a standing research program in which we share the expense of safety research in a collective and fair manner through annual, guaranteed funding mechanisms. Our long-term objective is the creation of an endowed Horseracing Safety Research Fund.

A Safer Racing Environment. The horseracing industry as a whole must collectively invest in the infrastructure that is needed to make a safer racing environment. Such an investment has already been made by many forward-thinking racetracks, but the industry must commit to investing millions of dollars more on safety enhancements. Alliance members will lead by example in adopting safety measures and in identifying and prioritizing those that will most effectively reduce the incidence and severity of injuries.

Aftercare for Retired Racehorses. Alliance members will commit to a nation-wide aftercare system for our retired racehorses that meets the guidelines established by the American Association of Equine Practitioners. The Alliance and the horseracing industry as a whole share in the responsibility for providing care and retraining for racehorses after they can no longer compete on the racetrack.

Management. The Alliance will be managed by a standing committee of the board of directors of NTRA that is broadly representative of all major horse industry stakeholders. The Alliance will be funded by NTRA to enable its staff to ensure timely action and full compliance by members. NTRA will coordinate all programs with state regulators, who, together with the entire industry, bear the ultimate responsibility for ensuring the safety and integrity of horseracing. This public/private partnership is designed to expedite change by allowing input from each jurisdiction and stakeholder group at each point in the reform process.

Implementation. Alliance members will use every means available to effect reforms, including house rules, uniform model rule development through the Association of Racing Commissioners International (ARCI), uniform model rule adoption at the state level and – as a last resort – legislation. The Alliance will lead these advocacy efforts with the financial support and cooperation of its members. Certain components of the reforms will be implemented once definitive conclusions are reached by the Alliance.

Costs. The Alliance members agree that the costs of implementing the reforms should be the collective responsibility of the industry. Each segment of the industry must contribute to the cost of the reforms and such costs should be borne by the elements of the industry that either benefit from the reform or cause the cost to be incurred, e.g., horsemen should help bear the additional cost of equipment changes for their horses while racetracks should bear the cost of improving their infrastructure to implement the reforms.

Certification/Accreditation. The Alliance will develop an objective evaluation program by which it will recognize regulators, racetracks, sales companies, racing industry organizations, trainers and owners who have adopted and implemented these safety and integrity reforms and who consistently uphold racing medication and safety rules and regulations. The Alliance will cause periodic independent audits to be performed to assess the progress of, and compliance with, the reforms.

The goal is greater health and safety through improved drug testing, additional research funding, greater transparency, better aftercare and more effective, uniform regulation of racing. To accomplish this goal will require an implementation strategy led by the NTRA and built upon consensus building and capital investment. The following is a broad based, strategically planned industry initiative for the accomplishment of that goal.

NTRA Safety and Integrity Initiative

The Alliance supports adoption of rules and mandatory uniform standards in the following areas:

1. Medication and Testing (Addendum A)

Situation Analysis:

- Funding for testing has not changed in 3 decades.
- There is an inconsistent level of testing from state to state.
- Less than \$3 million has been spent on R&D by RMTC and the Equine Drug Research Institute (EDRI/ Dr. Don Catlin).
- Litigation is more prevalent and costly.
- 18 equine drug testing laboratories have divergent levels, types of testing.
- The average amount spent per sample ranges from \$85 to \$340 – in contrast, Hong Kong Jockey Club spends \$750 per sample.
- Drug-related cheating scandals in other sports have heightened public perception that drug use has increased.
- Integrity is essential to marketing of pari-mutuel horseracing and its \$39 billion agri-business.

Alliance Initiatives:

- a. Regulate drugs and therapeutic medications (ARCI model rules based on RMTC recommendations);
- b. Adopt TCO2 testing rules (RMTC recommended best practices);
- c. Ban exogenous anabolic steroids in training and competition (ARCI model rule based on RMTC recommendation);
- d. Require out of competition testing for blood and/or gene doping (ARCI model rule based on RMTC recommendation);
- e. Require uniform reporting of medication regulation violations;
- f. Adopt uniform mandatory penalties (ARCI model penalties based on RMTC recommendation) and continuing education of accredited stewards concerning the consistent application of all model rules and penalties;

- g. Establish drug testing laboratory mandatory standards of best practices, quality assurance and internationally recognized accreditation; and
- h. Ban exogenous anabolic steroids at equine sales within 45 days of the date of weanling, yearling and horses-in-training sales

2. Injury Reporting and Prevention (Addendum B)

Situation Analysis:

- Until June 2007, the horseracing industry had no systematic program for collecting data on equine injuries or fatalities at racetracks.
- The entire industry is affected by negative perceptions of racehorse safety and inconsistent standards.
- Loss of competitive horses to injury costs the industry millions of dollars in veterinary expenses and lost pari-mutuel handle as race fields shrink.
- Little government funding is available to study horses – USDA research focuses on “food or fiber” livestock.
- The industry’s average expenditure on equine research is \$2.5 million annually – largely focused on foal health and mare reproductive issues.
- More than 30 North American universities have an active equine research component but funding dollars are thinly spread and universities emphasize human health issues for fundraising.
- New research will form the basis for continuing education programs for trainers, grooms and other equine care givers.

Alliance Initiatives:

- a. Safety Research. Create a research and development model that shall focus on determining the safety of synthetic, dirt and turf racing surfaces, with additional research in other areas to follow.
- b. Establish uniform mandatory protocol for veterinary examinations of horses.
 - i. Pre-race examinations;
 - ii. Post-race examinations;
 - iii. Necropsies.
- c. Require reporting of injuries and fatalities.

- i. Mandatory participation in The Jockey Club and Incompass Solutions' Equine Injury Database interactive on-track and non-racing injury reporting system.
 - ii. Encourage participation in Incompass Solutions pre-race inspection program including mandatory cross-jurisdictional sharing of information.
 - iii. Uniform mandatory protocol for necropsies.
- d. Equipment. Ban toes grabs and other traction devices in accordance with the ARCI model rule as recommended by TJC Safety Committee.
- e. In-training sales (See Addendum A).
 - i. Establish mandatory uniform standards at under tack shows (e.g., one per sale).
 - ii. Eliminate exogenous anabolic steroids and other performance enhancing drugs.
 - iii. Adopt ARCI riding crop and shoe standards.
- f. Jockeys & Exercise Riders. Establish guidelines and safety equipment standards (e.g.; helmet & vest) for the health and safety of jockeys and exercise riders.

3. **A Safer Racing Environment (Addendum C)**

Situation Analysis:

- More than 1,000 horses suffer catastrophic injuries on racetracks each year.
- Trainers, jockeys, and exercise riders suffer severe injuries, paralysis or death – nearly 60 former riders are permanently disabled as a result of injuries sustained in race riding.
- The public has a negative perception of racing injuries and holds racetracks and horsemen accountable.
- Universal use of personal safety devices (vests, helmets) will reduce injury rates with little cost.
- Improved standards for medical care for human and equine athletes will save lives and reduce insurance costs and medical expenses.

Alliance Initiatives:

- a. Safety equipment and staffing
 - i. Install protective inner rail as outlined in ARCI model rule
 - ii. Install padded starting gate

- iii. Mandate minimum standards for on-track traumatic medical care of human and equine athletes
 - iv. Mandate use of safety vests and other equipment on assistant starters
 - v. Mandate adoption of upgraded safety standards for riding helmets as adopted by The Jockeys' Guild
- b. Mandate standards for racetrack security
 - i. Pre-race security
 - ii. Post-race security
 - iii. Mandatory testing standards and protocols
 - c. Mandate uniform licensure, continuing education and/or accreditation programs for stewards, regulators, jockeys, trainers, grooms, starters, farriers, track maintenance personnel and backstretch security personnel

4. Aftercare for Retired Racehorses (Addendum D)

Situation Analysis:

- A comprehensive program for equine rehabilitation, retraining, adoption and owner education provides positive public relations, reinforces owner responsibility, creates a secondary market for racehorses and completes the "life cycle" of the racehorse.
- Equine retirement facilities are overburdened and underfunded. The supply of unwanted horses greatly exceeds the capacity of the nation's 400 equine retirement facilities, most of which handle fewer than 100 horses per year.
- On-track adoption programs offer added opportunities for racetracks to help provide the aftercare and second-careers of racehorses.

Alliance Initiatives:

Develop a program to provide for care, retraining, placement and other services to Thoroughbred horses that are no longer competing in racing jurisdictions as well as a funding mechanism for the program.

5. Management (Addendum E)

An alliance of industry stakeholders (the "Alliance") will be formed and managed by NTRA for the purpose of implementing and funding these initiatives.

6. Certification/Accreditation (Addendum F)

- a. The Alliance shall develop an objective certification/accreditation methodology to recognize those in the sport of horseracing who support and comply with the reforms described in this document.
- b. The Alliance will cause periodic audits to be performed to assess the progress of, and compliance with, the reforms.

7. Implementation (Addenda G and H)

- a. An Alliance-managed effort with broad industry buy-in and financial support will be implemented.
- b. Phase I: House rules commencing upon the start of each racetrack's first full racing meet in 2009 unless otherwise noted in specific areas. (See Addendum H).
- c. Phase II: ARCI adoption of rules and mandatory standards.
- d. Phase III: State-by-state adoption of ARCI model rules.
- e. Breeders' Cup Limited and the North American Graded Stakes Committee of the Thoroughbred Owners and Breeders Association have implemented measures aimed at eliminating the use of exogenous anabolic steroids in Thoroughbred racing.

Addendum A

Medication and Testing

1. Equine Medication and Testing
 - a. Regulators shall be petitioned to adopt rules substantially similar, in form and substance, to the Racing Medication and Testing Consortium (“RMTC”) model rules designated as Equine Veterinary Practices, Health and Medication – Chapter 11, as same may be amended from time to time, as fully as possible if such model rules have not already been adopted in such jurisdictions, including specifically the provisions at ARCI-011-015 relating to prohibited practices, at ARCI-011-020(B) relating to penalties (including the Recommendations of The Jockey Club Thoroughbred Safety Committee dated August 17, 2008), at ARCI-011-020(J) relating to exogenous anabolic steroids and ARCI-011-022 relating to out of competition testing for blood and/or gene doping, as each may be amended from time to time. In addition, so long as such model rules have not been fully adopted in a given racing jurisdiction, any racetrack in such jurisdiction shall adopt house rules substantially similar, in form and substance, to the RMTC model rules provisions not adopted by such jurisdictional regulatory body or legislature, with the exception of ARCI-011-020(B) relating to penalties as the same may be amended from time to time.
 - b. Regulators shall be petitioned to adopt rules substantially similar, in form and substance, to the Recommendations of The Jockey Club Thoroughbred Safety Committee dated August 17, 2008, relating to the Racing Medication and Testing Consortium (RMTC) “Recommended Best Practices in TCO2 Testing and Sample Collection” for TCO2 (total carbon dioxide) testing. In addition, so long as such TCO2 testing rules have not been fully adopted in a given racing jurisdiction, any racetrack in such jurisdiction shall adopt house rules substantially similar, in form and substance, to The Jockey Club Thoroughbred Safety Committee dated August 17, 2008, relating to TCO2 testing.
 - c. Regulators shall be petitioned to adopt rules under the terms of which violations of medication regulations will be recorded in writing and reported to the Association of Racing Commissioners International (ARCI) national licensing and rulings database. Any violations of house rules relating to medications will be recorded in writing and reported to the ARCI national database in a timely manner.
2. Uniform Mandatory Penalties. Regulators shall be petitioned to adopt the ARCI uniform mandatory penalties for violations of medication regulations based on the RMTC recommendations.
3. Continuing Education. The Racing Officials Accreditation Program (ROAP) continuing education program for stewards concerning the application and interpretation of all medication rules and the penalties for violation of same shall

be continued; and regulators shall adopt the ARCI Model Rule requiring accreditation and continuing education for stewards.

4. Drug Testing Laboratories. A world class drug testing infrastructure shall be developed in the United States with the assistance of the task force described in the Recommendations of The Jockey Club Thoroughbred Safety Committee dated August 17, 2008, and consisting of representatives from the RMTC, EDRI, and the Association of Official Racing Chemists (AORC).
 - a. The ARCI and regulators shall be encouraged to work with the RMTC and the AORC to expedite the laboratory harmonization of as many concentrations of drugs as possible in order to uniformly regulate withdrawal times for permitted therapeutic medications.
 - b. Regulators shall contract with laboratories that can achieve the developed industry standards necessary for the required international accreditation compliance.
 - c. Industry stakeholders, racing commissions and state legislatures shall be requested to provide increased funding for equine drug testing and research.

5. Equine Sales.
 - a. Entities that conduct Thoroughbred horse sales shall adopt rules that prohibit the administration of exogenous anabolic steroids in horses within 45 days of the weanling, yearling or horses in training sale at which such horses will be sold.
 - b. The rules of racing, including medication regulations, shall be applicable as well to horses in training sales, including without limitation, rules of consignment that are adopted in advance of regulations and described in this Initiative.
 - c. The rules relating to horse shoes and safety riding crops described below shall be applicable to horses in training sales.
 - d. Entities conducting horses in training sales should review their policies on timed workouts with consideration to distance, gait, crops, spurs and times. Only one under tack show should be held at each in-training sale.

Addendum B

Injury Reporting and Prevention

1. Safety Research. The initial research and development model shall focus on determining the safety of synthetic, dirt and turf racing surfaces, with additional research in other areas to follow.
 - a. Develop procedures and methods to determine requirements such as shear strength, load bearing, etc., for new racing surfaces.
 - b. Determine best practices for track maintenance on all surfaces.
 - c. Develop a format for the monitoring and daily reporting of track maintenance.
 - d. Link results from track maintenance monitoring to pre-race exam and the Equine Injury Database.
 - e. Continue improvement of track maintenance equipment design and utilization.
 - f. Continue the annual NTRA Track Superintendents Field Days and require attendance by representatives from all racetracks.
 - g. Establish an industry-owned laboratory where track surface materials can be readily and uniformly analyzed.
 - h. Fund the development of the necessary track surface testing equipment for every racing jurisdiction or circuit.

2. Equine Examinations.
 - a. Pre-race veterinary examinations shall be performed on all entered horses. Regulators shall be petitioned to adopt a mandatory protocol for pre-race veterinary examinations of horses substantially similar, in form and substance, to the RMTC model rule identified as ARCI-011-030(A), including modification to the model rule based upon any subsequent recommendations by the American Association of Equine Practitioners (AAEP) Regulatory Veterinarians Committee. In addition, so long as such model rule has not been adopted in any racing jurisdiction, racetracks in such jurisdictions shall adopt a house rule substantially similar, in form and substance, to ARCI-011-030(A) and to provide adequate personnel to perform such pre-race examinations, record the examination information, and promptly submit same to the racing commission.
 - b. Post-race examinations should be performed on all horses that are injured or return lame or unsound at the conclusion of the race. Regulators shall be petitioned to adopt a mandatory protocol for post-race veterinary examinations of horses as recommended by the American Association of Equine Practitioners (AAEP) Regulatory Veterinarians

Committee. In addition, so long as such model rule has not been adopted in any racing jurisdiction, racetracks in such jurisdictions shall adopt a house rule and provide adequate personnel to perform such post-race examinations, record the examination information, and promptly submit same to the racing commission.

- c. Post-mortem examinations shall be performed on all horses that die at a racetrack or licensed training center. Regulators shall be petitioned to adopt uniform protocols for equine necropsies substantially similar, in form and substance, to the model rule on necropsies developed by the RMTTC and identified as ARCI-011-030(C), including modification to the model rule based upon any subsequent recommendations by the American Association of Equine Practitioners (AAEP) Regulatory Veterinarians Committee,[including the identification of drugs, shoes and pre-existing injuries].

3. Reporting of Injuries and Fatalities.

- a. Racetracks and training facilities shall report promptly to the Equine Injury Database developed by The Jockey Club and InCompass Solutions the following information:
 - i. Racing injuries and fatalities
 - ii. Non-racing injuries and fatalities
- b. Information acquired as a result of pre-race, post race and post mortem examinations of horses shall be recorded in accordance with the Recommendation of The Jockey Club Safety Committee dated August 17, 2008, relating to Recommended Injury Reporting Model Rules.

4. Equipment.

- a. Regulators shall be petitioned to adopt the ARCI Model Rule on Shoeing as it pertains to the June 17, 2008, Recommendation of the Thoroughbred Safety Committee of The Jockey Club relating to the eliminations of toe grabs and other traction devices on front horse shoes in Thoroughbred racing. So long as such rule has not been adopted in any racing jurisdiction, racetracks in such jurisdiction shall adopt a house rule consistent with ARCI Model Rules relating to toe grabs and other traction devices on front horse shoes in Thoroughbred racing.
- b. ARCI and regulators shall be petitioned to adopt an ARCI Model Rule relating to safety riding crops. Then, so long as such rule has not been adopted in a racing jurisdiction, racetracks in such jurisdiction shall adopt a house rule consistent with the approved ARCI Model Rule relating to safety riding crops.

5. Jockeys
 - a. Establish scientifically-based jockey scale of weights and uniform procedures in the weighing of jockeys.
 - b. Establish uniform jockey nutritional program and uniform penalties for unsafe and unhealthy practices.
 - c. Racing Commissions shall be petitioned to mandate the use of safety helmets, vests and reins by all jockeys and exercise riders as per the ARCI model rule
 - d. Racing Commissions shall be petitioned to mandate adoption of an ARCI model rule on use of the safety riding crop.
 - e. Identify access to affordable health and accident coverage for jockeys, exercise riders and other backstretch personnel.
 - f. Mandate participation in The Jockey Club and InCompass Solutions jockey medical records program.

Addendum C

Safety Equipment and Security

1. Equipment.

- a. Racetracks shall install and have in place at their facilities inside and outside rails, including gap rails, designed, constructed and maintained to provide for the safety of jockeys and horses, consistent with the standards set forth in the model rules at ARCI-007-020(E) requiring the top of the rail to be at least 38 inches but no more than 42 inches above the cushion and no less than 24 inches of overhang and a continuous smooth cover on the inside rail, and shall follow the model rules relating to padded starting gates at ARCI 007-020(F), as each shall be amended from time to time.
- b. Racetracks shall establish and provide minimum standards of on-track traumatic medical care for human and equine athletes.
- c. Racetracks shall require their assistant starters, outriders and pony persons to be properly trained and to utilize safety vests, helmets and other protective equipment to prevent injury in their job performance.
- d. Racetracks shall adopt the upgraded safety standards for riding helmets for jockeys and exercise riders as adopted by The Jockeys' Guild.

2. Security.

Racetracks shall provide pre-race and post-race security for the horses located at their facilities for racing purposes sufficient to ensure that there is no unauthorized contact with such horses and that there is compliance with racing rules and regulations, including, without limitation, medication regulations.

3. Competence of Racing Personnel.

Racing Commissions shall be petitioned to adopt ARCI Model Rules requiring adequate levels of experience and certification in the licensing of jockeys, trainers, grooms, farriers, assistant starters, racetrack security personnel and other designated licensees. Racing Commissions shall be petitioned to adopt ARCI Model Rules requiring specified levels of continuing education for jockeys, trainers, grooms, farriers, assistant starters, racetrack security personnel, track maintenance personnel and other designated licensees. The National HBPA Groom Elite Program, the THA Groom Development Program or an equivalent program, shall be instituted at each racetrack.

Addendum D

Aftercare for Retired Racehorses.

1. Retirement and Retraining. Develop a program to provide for care and services to Thoroughbred horses that are no longer competing in racing jurisdictions. The program shall conform to the standards for accredited Thoroughbred retirement, rehabilitation and retraining programs and facilities developed by the American Association of Equine Practitioners.
2. New Owners. Develop a program to attract and inform individuals interested in adopting a retired racehorse including the necessary education concerning the cost and care requirements for horse ownership.
3. Funding. Develop a funding mechanism for the program for the retirement, rehabilitation and retraining of Thoroughbred horses, and for the distribution of funding to duly accredited Thoroughbred retirement, rehabilitation and retraining programs and facilities.

Addendum E

Management; Alliance

1. Formation of Alliance.
 - a. In order to carry out the purpose and intent of this Initiative, a NTRA Safety and Integrity Alliance (the "Alliance") shall consist of the members executing the NTRA Safety and Integrity Alliance Pledge. Its purpose shall be to investigate, research and formulate safety and integrity reforms in the Thoroughbred industry and to petition regulators to adopt same. The Alliance's activities shall include, but not necessarily be limited to, the activities set forth in this Initiative. In addition, the Alliance shall assist Alliance members in their compliance with this Initiative, shall participate in petitioning regulators in the racing jurisdictions in the United States for the adoption of the reforms described in this Initiative and shall solicit persons and entities to become additional members of the Alliance.
 - b. The Alliance shall be managed by a standing committee of the Board of Directors of the National Thoroughbred Racing Association, Inc. ("NTRA"), which shall consist of members of the Board of Directors of NTRA and may include other representatives of constituencies in the horse racing industry. NTRA shall appoint an individual to oversee the day to day operations of the Alliance. The normal operating costs of the Alliance shall be funded by NTRA. Extraordinary costs shall be funded in an amount and manner to be determined by the standing committee.
 - c. The Alliance shall work cooperatively with The Jockey Club, the RMTC, the Welfare and Safety of the Racehorse Summit, the Alliance Members and others in carrying out its mission.

Addendum F

Certification/Accreditation

1. The Alliance shall develop an objective certification/accreditation methodology to recognize those in the sport of horseracing who have adopted and implemented the reforms described in this document and who consistently uphold racing medication and safety rules and regulations.
2. Horseracing regulators, horse racing organizations, racetracks and sales companies that adopt and implement the reforms described in this document will be recognized, regardless of their membership in the Alliance.
3. Regardless of their membership in the Alliance, owners and trainers who have a record of consistent compliance with racing medication and safety rules and regulations and whose stables make 50% percent or more of their starts at Alliance-certified/accredited racetracks will be recognized.
4. The Alliance will publish a list annually of the certified/accredited participants and will also maintain the list on an Alliance Web site so that it may be periodically updated.
5. The Alliance will authorize certified/accredited participants to use the fact that they are certified/accredited in their marketing.
6. The Alliance will cause periodic audits to be performed to assess the progress of, and compliance with, the reforms.

Addendum G

Implementation

The Alliance will pursue a phased approach to implementation of its proposed reforms.

Phase I: The first step will be the creation of an infrastructure to govern and fund the Alliance, which is expected to take approximately three to four months. NTRA staff will manage the Alliance functions with the aid of an outside consultant until full-time staff can be secured.

Implementation of Alliance-endorsed reforms will be accomplished through House Rules in the short term. Alliance research will further the goals outlined in the Safety and Integrity Initiative and serve as the basis for the development and adoption of RCI Model Rules and for ongoing, Alliance-led improvements in industry standards and practices.

2008 Start-Up

- NTRA staff and outside consultant to finalize Alliance initiatives, costs and personnel needs; secure buy-in from industry stakeholders (now through mid-October)
- Roll out Alliance communications program developed by NTRA communications consultants (mid-October)
- NTRA staff to establish working groups, project timelines, goals and communications strategies for Alliance the functions outlined herein. This effort will form the basis for development of RCI Model Rules and ongoing, Alliance-led improvements in industry standards and practices. (October-November)
- NTRA to hire Alliance director, support staff (November)
- NTRA to announce Alliance's staff, agenda, etc. (early December)

Key Goals

Through the adoption of House Rules, the Alliance will implement the following reforms:

- Ban toe grabs and other traction devices as recommended by The Jockey Club Safety Committee (immediately)
- Participation in TJC/Incompass injury reporting programs (immediately)
- Testing for exogenous anabolic steroids and TCO2 (2009)
- Riding crops meeting new specifications outlined by the ARCI Model Rule (late 2008)
- Reporting of medication violations (2009)
- Adoption of protective safety equipment as recommended by the Alliance (2009)
- Mandatory pre- and post-race examinations of racehorses (2009)
- Out of competition testing (2010)

Alliance Research Projects

- R&D model for ongoing study of racing surfaces and best practices for track maintenance (currently ongoing with pilot project in 2009 and implementation in 2010)

- Best practices for equine retirement programs at racetracks and strategic plan for phased-in mandatory adoption of new standards (developed in conjunction with The Jockey Club, AAEP and others)
- Best practices, quality assurance programs and accreditation standards for drug testing laboratories (undertake with others, pursuant to The Jockey Club study)
- Consolidated benchmark study of performance in key areas such as injury rates, reporting of drug positives and track surface ratings throughout 2009 as a basis for gauging the overall success of Alliance safety initiatives in future years (2009 data presented in first quarter 2010)

Infrastructure/Accreditation

- NTRA staff and outside consultants to develop certification check-list for Alliance racetracks and codes of conduct for Alliance horsemen, owners, jockeys, etc. (October-December 2008)
- NTRA staff and outside consultants to retain a team of independent auditors responsible for independent certification of Alliance members (first-quarter 2009)
- Compliance audits (late 2009/early 2010)

Phase II, beginning Jan. 1, 2009: The Alliance immediately will begin to develop and finalize ARCI rules and mandatory standards for the above initiatives while pursuing short-term implementation of reforms through House Rules.

Key Goals

- Coordinate with ARCI to develop and finalize model rules to support basic reforms
- Mandate participation in Groom Elite, ROAP programs for Alliance members
- Develop continuing education modules for trainers, jockeys, starters, farriers and backstretch security personnel
- Achieve 100 percent certification of Alliance member racetracks by December 31, 2009

Alliance Research Projects

- Develop a strategic plan to identify and prioritize key research needs, costs for an ongoing R&D program and funding sources and mechanisms that will enable the establishment of a permanent, endowed scientific research program to support Alliance safety initiatives (January-June 2009)
- Support at least one significant peer-reviewed, scientific study on a key safety issue identified by Alliance members (in conjunction with Grayson-Jockey Club Research Foundation and others)
- Provide epidemiological analysis of data collected through TJC/Incompass injury reporting programs in 2008, with Alliance recommendations for future areas of study

Infrastructure/Accreditation

- Begin racetrack certification program (fourth-quarter 2009)
- Establish certification program standards
- Produce annual survey of compliance / accredited facilities
- Phase-in continuing education/accreditation study programs, beginning with Groom Elite and ROAP programs and widening to include jockeys, trainers, owners, breeders, starters, farriers and backstretch security personnel as CE modules are developed (2009/2010)

Phase III, Jan. 1, 2009-2011: The Alliance will seek state-by-state adoption of ARCI model rules and will establish a permanent mechanism to report industry progress at the state and federal level.

Key Goals

- State-by-state adoption of ARCI model rules, with the goal of achieving full compliance by December 31, 2010.
- Develop annual report module to communicate industry progress to elected officials at the state and federal level (2009)
- Mandatory participation in CE programs for grooms, racing officials, trainers, jockeys, starters, farriers and backstretch security personnel
- Develop continuing education modules for breeders and owners, with mandatory participation in CE programs the following year (2009/2010)

Alliance Research Projects

- Provide annual epidemiological analysis of data collected through TJC/Incompass injury the previous year, with Alliance recommendations for future areas of study
- Secure permanent funding mechanism(s) for safety R&D research

Infrastructure/Accreditation

- Commence compliance audits (2010)
- Work with insurers, industry stakeholder groups and other entities that similarly fall into “high risk” category to achieve lower-cost insurance based on industry self-regulation, accreditation, codes of conduct and safety programs
- Expand base of Alliance members (e.g., AQHA, HTA, USEF) to improve industry’s overall risk management and achieve widespread reduction in injury rates

Addendum H

House Rules

1. Interim Measures. As discussed in this document, house rules are intended to be interim measures promulgated in advance of the promulgation of regulations and/or legislation in racing jurisdictions.
2. Promulgation. In the instances in which racetracks promulgate house rules, they may consider including a rule requiring owners and trainers to acknowledge, at the time of entry at such racetrack, that the race is run under the house rules and that they agree that their horse is subject to such house rules. Racetracks may also consider requiring such owners and trainers to hold the racetrack harmless if a violation of the house rules is established.
3. Publication. In the instances in which racetracks adopt house rules, they shall be published by such racetracks in condition books and elsewhere so that all participants in racing at the race track shall have notice of such house rules and the racetracks shall require compliance with such house rules by the inclusion of appropriate provisions in entry forms, stall applications and the like.
4. Due Process. In the development of any house rules required by any racetrack, it should provide full due process guarantees in such house rules for those subject to sanctions thereunder.
5. Cost Recovery. Racetracks and horsemen shall mutually determine the method of recovering the cost of implementing and enforcing the house rules and such methodology should recognize that costs should be recovered from the participants in horse racing that benefit from the house rule or cause the cost related to the house rule to be incurred, e.g., equipment costs should be borne by horsemen and infrastructure costs necessary to implement the house rules should be borne by racetracks.
6. Enforcement. ARCI shall consider the adoption of a model rule that will allow the stewards and state racing regulators to enforce house rules at racetracks in their respective jurisdictions provided that said house rules and the enforcement thereof does not violate any state laws in that jurisdiction.