HRNSW STALLION INCENTIVE SCHEME CRITERIA

Pacing Stallion:

- 1 Stallions which are physically standing in NSW;
- 2 Stallions physically present in the Northern Hemisphere where a NSW stud holds the Australian Breeding rights and the semen is stored in and distributed from NSW;
- 3 Stallions which have Australasian progeny no older than yearlings (ie progeny may be two-year-olds in final year of incentive funding);
- 4 Stallions with older progeny may be included in the Scheme for its first season at stud in NSW; and
- 5 Stallions with a service fee of \$2,000 (GST exclusive) or greater after allowing for all HRNSW approved industry associated discounts (ie not less than \$2,000 (GST exclusive) once the discounts are taken into account).

Trotting Stallion:

- 1 Stallions which are physically standing in NSW;
- 2 Stallions physically present in the Northern Hemisphere where a NSW stud holds the Australian Breeding rights and the semen is stored in and distributed from NSW;
- 3 Stallions which have Australasian progeny no older than two-year-olds (ie progeny may be three-year-olds in final year of incentive funding);
- 4 Stallions with older progeny may be included in the Scheme for its first season at stud in NSW; and
- 4 Stallions with a service fee of \$1,000 (GST exclusive) or greater after allowing for all HRNSW approved industry associated discounts (ie not less than \$1,000 (GST exclusive) once the discounts are taken into account).

Funding:

- 1 Funding initial season to be <u>no more than</u> double the equivalent dollar value of the service fee after HRNSW approved associated discounts to a maximum of \$7,500 per season. Funding may reduce from breeding season-to-breeding season. This does not void that the credentials of the stallion are to be assessed by HRNSW Management prior to acceptance into the Scheme;
- 2 Funding in year two to be no more than the equivalent value of the service fee after HRNSW approved associated discounts. This does not void the maximum age of the progeny Condition; and
- 3 Funding in year three to be no more than 50% of the equivalent value of the service fee after HRNSW approved associated discounts if matched dollar-for-dollar by the Stallion promoter.

Ancillary:

- 1 If a Pacing Stallions serves less than 25 mares (Trotting Stallion 10) in a breeding season the next following breeding season the stallion will not be eligible for or accepted into the Scheme;
- 2 The Scheme is for three consecutive breeding season from acceptance into the Scheme; and

- 3 If the Stallion is relocated away from NSW (Northern Hemisphere shuttle stallions excluded) inside of the three consecutive years the funding ceases and won't be reinitiated.
- 4 HRNSW Executive Management to administer the Scheme.
- 5 Annual applications must be received no later than May 31 each year. (For clarity renewal is on application year-by-year.)

John Dumesny Chief Executive