May 4, 2018

Dear Members:

In the efforts of keeping the membership informed we would like to advise you that the CTHS (Ontario Division) has not signed the Ontario Racing Membership Agreement. This decision was made after many hours of review, discussion and on recommendation from Legal Counsel.

Over the last 18 months, OLG, OR, WEG and the Ministry of Finance have collectively created a Long Term Funding Proposal for horse racing without any involvement from horse industry participants. Even with consultations around the province, by Ontario Racing, the suggestions and changes to the proposal were not incorporated.

The breeders had 12 business days to assess the entire restructuring of the horse racing industry in a legal document of nearly 200 pages. Not fully understanding or not being in full agreement wasn’t an option open for negotiations! It was continually stated it didn’t matter if horse industry participant organizations, the investors, the horse producers, and participants signed the 19 year deal for the future or their livelihood. It was only the racetrack operators who were important.

It is our duty as a Board to do what is in the best interest of the Breeders in the province and the OR Membership Agreement as drafted did not provide enough assurance of our continued involvement in the development of the Thoroughbred Improvement Program (TIP). The TIP Program, that has been managed by the CTHS for over 25 years, is the only avenue for direct funding for breeders of Ontario, is to be taken over by OR, who in turn will allow ORM (A For Profit subsidiary of Woodbine Entertainment) to administer and manage the program going forward. Your Board, duly elected by the breeders, of the CTHS (Ontario Division) know and understand what breeders of Ontario need and require for a prosperous Breeding Industry.

Since the devastation caused by the removal of the Slots At Racetracks Program to breeders, and the struggles for individual breeders to be prosperous or even sustainable, the horse industry needs participant input for a successful future for Ontario Breeders.

The deadline to sign the OR Membership Agreement was May 1st. We did reach out to the OLG to request the following as recommended by our lawyer and unanimously passed by the Board:

“The Board of Directors have determined that the CTHS will not sign in favour of the Membership Agreement as it is currently drafted. However, in the event that the proposal is appropriately amended, in writing and executed as such by all other parties, such that the CTHS, under the Membership Agreement and for the term of the new long term agreement, will continue, without interruption, change, deviation or diminishment from its current rights and ability, to administer and manage the Thoroughbred Improvement Program as related to Thoroughbred breeders, together with the sole exclusive right to
determine the Breeder member(s) to be the representative of the Thoroughbred breeders on any TIP committee and the Board of OR, then the Board of Directors will sign the Membership Agreement”

Unfortunately we were informed that the above request would not be granted. These new agreements are being forced upon us, will not serve breeders or racing participants well, but are for racetracks.

We will continue to work on your behalf to secure the position of the Breeders in this Province for the future.

If you have any questions please don’t hesitate to contact us.

On behalf of the Board of Directors

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