

Louisiana Horsemen's Benevolent & Protective Association

Owners:

Evelyn Benoit
Carrol Castille
Christine Early
Bill Foreman
Don Hargroder

Sean Alfortish
President



Mona Romero
Executive Director

Trainers:

Sam Breaux
Keith Bourgeois
Sam David
Larry Robideaux
Gerald Romero

May 25, 2010

Dear Horsemen:

RE: Worker's Comp. Accounts in Arrears & Changes in 2010/2011

By now, you have been contacted by one of our field directors concerning your delinquent workers comp. account needing to be paid up by June 15th. Some of you are not taking our field directors seriously, which is why I am writing you today.

YOU WILL BE SCRATCHED IF YOU HAVE NOT PAID YOUR ACCOUNT IN FULL BY JUNE 15TH. No special arrangements will be honored. The Comp. Program is over 4 years old and all horsemen should know by now exactly how the program works. The HBPA will no longer operate as a collection agency. Some trainers have mistreated our field representatives, who have only been there to assist horsemen in their time of need. I, as executive director and Sean Alfortish have both tried our best to understand the financial woes that horsemen sometimes find themselves in, however it no longer makes good business sense for the Workers Compensation Program and there is a real threat to the rates going up.

Our Program has been audited and scored by AIG/Chartis and Gallagher Insurance. The HBPA was told that we should in NO way be offering insurance to trainers with negative balances (for free) even if for a couple of mounts. Absolutely no insurance of any kind whether it be home, auto or health; if your premium is not paid, allows you insurance coverage. Ninety (90%) percent of our members pay on time; while ten percent (10%) have not been timely. **AIG/Chartis told us that if this practice does not cease, rates for trainers and owners who have not fully funded their accounts on time over the past 4 years will be under review going into the 2010/2011 policy period.**

July 1st, 2010 all accounts must be current and renewed! July 1st, is the absolute deadline for renewing your policy which is a \$1000. non refundable deposit to go toward your worker's comp. insurance. If you do not renew your policy by July 1st, your policy will be cancelled; you will be referred to the stewards; and your horses **will be** scratched. This is nothing new! These are the same rules set forth on day #1 of the Work Comp. Program. This WILL be strictly enforced.

New, for the 2010-2011 policy year

If at any time you let your account go unfunded and your horse is scratched, there will be a "**reinstatement fee of \$100.**" charged to your account; you will need to sign reinstatement papers with the field office before entering you next horse and you will be expected to keep your account OVER funded at all times throughout the remainder of the policy year. This means, no more depositing one work comp fee at a time. The field representatives **will not** be calling trainers to remind them any longer. **Just as Jock mounts are paid up front before running; Workers Comp fees will work in the same manor. Workers Comp. Fees must be deposited before the time of entry!**

July 1st is the absolute deadline for renewal. Horsemen failing to pay the renewal premium will owe the usual \$1000. non refundable policy fee and a policy cancelation fee of \$250. Again, should you have an accident during this time; you will not be covered as you will be receiving a letter of cancelation immediately following the July 1, 2010.

We would like everyone to remember, this is a serious business, one which belongs to the owners and trainers of the Louisiana Horse Racing Industry and it's the responsibility of the Horsemen's Insurance Alliance, SPC to assure that we operate this Program as any Insurance company would operate.

In the four years we have been in existence, we have run an extremely tight ship, holding our losses to 1.2 million per year. With that being said, the 2009 year was our worst year. It is critical that we stay on top of safety, accidents and claims. We have our field directors out in the mornings performing safety checks and meeting with the trainers who are lapse as far as safety.

New for 2010,

"Safety Citations" which will be issued to everyone identified as breaking safety guidelines which could very well lead to accidents and the likely hood of raising their own workers comp. rates.

The HBPA is highly regarded and noted across the United States as having the "Best Worker's Compensation Program" in the United States with the "Best Rates." We need your help to keep this program strong and profitable for our owners and trainers. The better job we do the better rates we can offer you. Thank you in advance for following protocol and keeping your accounts fully funded.

Regards,

Mona Romero,
President
Horsemen's Insurance Alliance, SPC