NY STATE THOROUGHBRED BREEDING & DEVELOPMENT FUND (FUND)

WHISTLEBLOWER POLICY AND PROCEDURES

BACKGROUND

Title 12 of Article 9 of the Public Authorities Law requires the NYS Authorities Budget Office and the NYS Office of the Attorney General to develop a whistleblower access and assistance program.

The purpose of the program is to provide board members, management and staff of state and local public authorities with a confidential means to report credible allegations of misconduct, wrongdoing, or unethical behavior and to protect these individuals, when acting in good faith, from personal or professional retaliation.

To this end, a model whistleblower policy was developed for public authorities to use when developing their own specific policy.

PURPOSE & APPLICABILITY

It is the policy of the NYS Thoroughbred Breeding and Development Fund (ñthe Fundò) to afford certain protections to individuals who in good faith report violations of the Fundôs Code of Ethics or other instances of potential wrongdoing within the Fund.

The Whistleblower Policy and Procedures set forth below are intended to encourage and enable employees to raise concerns in good faith within the Fund, without fear of retaliation or adverse employment action.

DEFINITIONS

Good Faith ï Information concerning potential wrongdoing is disclosed ñin good faithò when the individual making the disclosure reasonably believes such information to be true and reasonably believes that it constitutes potential wrongdoing or unethical behavior.

Public Authority Employee ï All board members, officers and staff employed at the Fund, whether full-time, part-time, employed pursuant to contract, employees on probation or temporary employees

Whistleblower ï Any Fund employee who in good faith discloses information concerning wrongdoing by another Fund employee, or concerning the business of the Fund itself

Wrongdoing ï Any alleged corruption, fraud, criminal or unethical activity, misconduct, waste, conflict of interest, intentional reporting of false or misleading information, or abuse of authority engaged in by a Fund employee that relates to the Fund

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Personnel Action ï Any action affecting compensation, appointment, promotion, transfer, assignment, reassignment, reinstatement or evaluation of performance

I. REPORTING WRONGDOING

a) All Fund employees who discover or have knowledge of potential wrongdoing concerning board members, officers, or employees of the Fund; or a person having business dealings with the Fund; or concerning the Fund itself, shall report such activity in accordance with the following procedures:

b) Employee shall disclose any information concerning wrongdoing, either orally or in a written report, to his or her supervisor, general counsel or Board member, as applicable.

c) All Fund employees who discover or have knowledge of wrongdoing shall report such wrongdoing promptly and in a timely manner.

d) The identity of the whistleblower and the substance of his or her allegations will be kept confidential to the greatest extent possible.

e) The individual to whom the potential wrongdoing is reported shall investigate and handle the claim in a timely and reasonable manner, which may include referring such information to the Authorities Budget Office or an appropriate law enforcement agency, where applicable.

f) Should a Fund employee believe in good faith that disclosing information within the Fund pursuant to I a) above would likely subject her or him to adverse personnel action or be wholly ineffective, the Fund employee may instead disclose the information to the Authorities Budget Office (ABO) or an appropriate law enforcement agency. The ABO toll-free number is 1-800-560-1770 and should be used in such circumstances.

II. NO RETALIATION OR INTERFERENCE

a) No Fund employee shall retaliate against any whistleblower for the disclosure of potential wrongdoing, whether through threat, coercion, or abuse of authority; and no Fund employee shall interfere with the right of any other Fund employee by any improper means aimed at deterring disclosure or potential wrongdoing. Any attempts at retaliation or interference are strictly prohibited, and:

b) No Fund employee who in good faith discloses potential violations of the Fundôs Code of Ethics or other instances of potential wrongdoing shall suffer harassment, retaliation or adverse personnel action.

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c) All allegations of retaliation against a whistleblower or interference with an individual seeking to disclose potential wrongdoing will be thoroughly investigated by the Fund.

d) Any Fund employee who retaliates against or attempts to interfere with any individual for having in good faith disclosed potential violations of this Fund Code of Ethics or other instances of potential wrongdoing is subject to discipline, which may include termination of employment.

e) Any allegation of retaliation or interference will be taken and treated seriously and, irrespective of the outcome of the initial complaint, will be treated as a separate matter.

III OTHER LEGAL RIGHTS NOT IMPAIRED

a) The policy and procedures set forth herein are not intended to limit, diminish or impair any other rights or remedies that an individual may have under the law with respect to disclosing potential wrongdoing free from retaliation or adverse personnel action.

b) The policy and procedures set forth herein are not intended to limit any rights or remedies that an individual may have under the laws of the State of New York, including but not limited to the following provisions:

c) Civil Service Law Section 75-b, Labor Law Section 740, State Finance Law Section 191 (commonly known as the ñFalse Claims Actò) and Executive Law Section 55 (1)

d) With respect to any rights or remedies that an individual may have pursuant to Civil Service Law Section 75-b or Labor Law Section 740, any employee who wishes to preserve such rights shall, prior to disclosing information to a governmental body, have made a good-faith effort to provide the appointing authority or her or his designee a reasonable time to take appropriate action, unless there is imminent and serious danger to public health or safety. (See Civil Service Law Section 75-b (2) (b); Labor Law Section 740 (3).)

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