

AQHA INCENTIVE FUND INFORMATION SHEET



What is the AQHA Incentive Fund?

The Incentive Fund is a multimillion-dollar program involving stallion and foal nominations with pay backs to the stallion nominators, foal nominators and owners of the competing horses. The program is owned, managed and operated by AQHA.

How does the program work?

The money comes from the enrollment of stallions into the program and subsequent nomination of their foals.

For a stallion's offspring to be eligible, he must be enrolled by November 30 prior to each breeding season at a fee based on the number of mares on his previous year's breeding report. This annual enrollment makes his foals, resulting from that breeding year, eligible to be nominated into the program.

Foals by these stallions are currently eligible to be nominated into the program during their first 12 months of age, provided the foal has not earned a 1/2 point or more in an AQHA-approved event, for a one-time, "for-life" nomination fee. From the foaling date to the seventh month birth date, the nomination fee is \$100. After the seventh month to the 12th month birth date, the fee is \$200. Foals may be nominated to the Incentive Fund from the 12- to 18- month birth date at a fee of \$1,000 and from the 18- to 24- month birth date at a fee of \$2,500.

The Incentive Fund utilizes the most familiar and proven concept in the American Quarter Horse Show industry, points won at AQHA shows. Each point earned at an AQHA-approved show in the open and/or amateur division by an Incentive Fund nominated horse will be worth a specific amount. The exact amount will depend on total money in the Fund for that show year and the total number of points earned in that year by Incentive Fund nominated horses.

How do I know what stallions are nominated prior to breeding my mare?

Check The Quarter Horse Journal. Beginning in October, a listing of stallions nominated for the upcoming breeding season is carried monthly through April of the breeding year.

Nominators of stallions also have a Nomination Certificate for each year that the stallion is nominated. Also, you may call AQHA to verify a nomination. .

How and to whom is the money paid?

At the end of every show year, the total number of points earned by Incentive Funded horses is divided into the total amount of money in the Fund for that year. This establishes a dollar value for each point.

That value is then multiplied by the number of points earned by each nominated horse, with 10 percent of the total being paid to the nominator of the stallion for the appropriate breeding year, 10 percent to the nominator of the foal, and the remaining 80 percent paid to the recorded owner of the point-earning horse as of December 31 of the year in which the points are earned.

When are checks mailed?

Points are tabulated on shows held through December 31. Show management has 10 days in which to submit the show results. It then takes several days to process the results and make any necessary corrections. The computation of Incentive Fund earnings is based on AQHA records as of January 31. Subsequent corrections to show records will not affect the money earned or paid.

Are Youth and Novice programs included in the Incentive Fund?

No. Initially youth points were not included so that they would not jeopardize AQHYA members' University Interscholastic League eligibility. When the program was reviewed, all agreed that youth should show for fun and experience, not money. They felt there is already too much pressure on youth exhibitors to "win," and to make Incentive Fund money available would only increase that pressure.

The Novice program is not included because it is a division limited by the experience of the rider.

EARNINGS**COMPUTATION OF POINT DISTRIBUTIONS FOR THE YEAR ENDING DECEMBER 31, 2006
Payout Information – Year:**

2006 Points Earned: 134,380

Value per point: \$26.49

Total Money Paid: \$3,559,760