APPROVED by the General Meeting of Members of the Horse Breeding Development Association, Minutes No. 4 dated 10 February 2019.

[The original bears the Association's horse logo, a handwritten signature and a round seal: Horse Breeding Development Association, Moscow, OGRN 1187700005426.]

STANDARD OF BUSINESS ACTIVITIES IN HORSE BREEDING AND PERFORMANCE TRIALS OF PEDIGREE HORSES BY MEMBERS OF THE HORSE BREEDING DEVELOPMENT ASSOCIATION

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These standards of business activities in horse breeding and performance trials of pedigree horses were developed in accordance with the Federal Laws On Self-Regulatory Organisations, On Non-Profit Organisations and On Pedigree Livestock Breeding, and the Charter of the Horse Breeding Development Association (hereinafter the Association). They establish requirements for those activities that are binding on all Association members.

1. Key concepts

1.1. Trade secrecy is a regime of information confidentiality that enables its holder, in existing or possible circumstances, to increase income, avoid unjustified expenditure, maintain its position in the market for goods, works or services, or obtain another commercial benefit.
1.2. Information constituting a trade secret (production know-how) is information of any nature (production, technical, economic, organisational or otherwise), including results of intellectual activity in science and technology and methods of professional activity, that has actual or potential commercial value because it is unknown to third parties, is not freely accessible to third parties on a lawful basis, and is subject to a trade-secrecy regime introduced by its holder.

1.3. Interested persons are Association members, persons serving on its governing bodies and its employees working under employment or civil-law contracts. An interest of governing-body members or employees under those contracts means a material or other interest that affects or may affect protection of the rights and legitimate interests of the Association and/or its members.
1.4. A conflict of interest is a situation in which such persons' personal interest affects or may affect performance of their professional duties and/or causes a contradiction, or a risk of contradiction, between that personal interest and the Association's legitimate interests, capable of harming those interests.

1.5. Competition is rivalry between economic entities whose independent actions prevent or restrict unilateral influence on the general conditions of circulation of goods or services in the relevant market.
1.6. Unfair competition means any actions of economic entities (a group of persons) aimed at obtaining advantages in business activities, contrary to Russian legislation, business customs and the requirements of good faith, reasonableness and fairness, that have caused or may cause losses to competing economic entities or have damaged or may damage their business reputation.
1.7. Pedigree horse breeding means breeding pedigree horses and producing and using breeding products (material) for selective breeding purposes.

1.8. A pedigree horse is a horse of documented origin, used to reproduce a particular breed and registered under the prescribed procedure.
1.9. A pedigree horse breeding organisation is a legal entity that breeds pedigree horses, produces and uses breeding products (material) for selective breeding purposes and conducts horse performance trials.
1.10. Breeding appraisal means assessment of the breeding and productive qualities of horses and the qualities of other breeding products (material) for their subsequent use.
1.11. Marking means identifying a pedigree animal by applying a numbered tattoo or brand or attaching a tag that permits exact identification of that animal.

2. Rules and requirements

2.1. Organisations breeding horses and conducting performance trials of pedigree horses shall comply in their activities with federal laws and other regulatory legal acts of the Russian Federation, including regulatory documents on horse breeding.
2.2. This Standard also establishes requirements for organisations breeding pedigree horses.
2.3. Pedigree horses are subject to state registration by entry respectively in the State Studbook of Pedigree Horses and the State Breeding Register.
2.4. Those books and registers shall record breeding and productive qualities and other data needed to identify horses and determine their origin and economic value.

2.5. A pedigree horse is used to reproduce a breed if:
1) it has been marked or otherwise identified in a way permitting exact identification;
2) it is registered and/or has a breeding certificate.
2.6. Minimum indoor and outdoor space for pedigree horses is shown in Table 1.

Table 1. Horse accommodation requirements.

Minimum live weight (kg)	Indoor area available per horse (m^2)	Outdoor exercise area, excluding pasture, per horse (m^2)
Up to 100	1.5	1.1
Up to 200	2.5	1.9
Up to 350	4.0	3
Over 350	5	3.7

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Table 1 (continued): indoor minimum area 1 m²/100 kg; outdoor minimum area 0.75 m²/100 kg.

2.7. General indoor-enclosure dimensions depend on whether horses have daily access to grazing and/or other physical activity. Table 2 assumes such opportunities. Otherwise enclosure dimensions shall be substantially increased.

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Table 2. Minimum enclosure dimensions.

Withers height (WH), m	Individual or group up to 3: box area per horse (m²)	Group of 4 or more: box area per horse (m²)	Foaling or mare with foal: box area per horse (m²)	Minimum box height (m)
1-1.4	9.0	6.0	16	3.00
1.4-1.6	12.0	9.0	20	3.00
Over 1.6	16.0	(2 x WH)	20	3.00

[Translator's note: the original Table 2 gives (2 x BX), meaning twice withers height, in a column measured in m². No squared exponent is printed; the formula is preserved without an assumed correction.]

Note: to ensure equids have sufficient space, enclosure dimensions should be calculated from the withers height of the horses kept there.
2.7.1. The shortest enclosure wall shall be at least 1.5 x WH.
2.7.2. For horse welfare, the height of an indoor enclosure shall allow horses to rear to their full height.
2.7.3. Floors with gaps shall not be used for horses housed indoors.
2.8. Stocking requirements per 1 ha of improved pasture are given in Table 3.

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Table 3. Horse stocking per 1 ha of improved pasture.

Farm animal	Number of horses per ha of improved pasture per year*
Horses over six months	2.0

* On pastures with natural herbage, stocking per ha should be reduced by a factor of 2-3 according to herbage yield and quality.

2.9. Association members shall not:

- conduct their activities to the detriment of other business entities;

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- impose requirements conducive to unfair competition;
- act in a way damaging the business reputation of an Association member or the Association;
- engage in unfair competition by disseminating false, inaccurate or distorted information that may cause losses to an economic entity or damage its business reputation, or by misleading others about the quality of services and products supplied by organisations;
- unlawfully obtain, use or disclose information constituting a trade, official or other legally protected secret.

2.10. The organisation has established a Control Commission and a Disciplinary Committee to prevent or resolve conflicts of interest involving Association members, their employees and members of the Association's Supervisory Board.
2.11. Members shall implement decisions of the Association's executive bodies, including decisions governing interaction among members, and submit reports to the Association under the procedure established by its Charter and governing bodies.

2.12. Members shall conduct economic activities in compliance with federal, regional and municipal legislation, applicable state standards and technical regulatory documents, including:
- maintaining regulatory and methodological documentation;
- complying with rules for care of farm animals and transportation (movement), keeping and use of horses;
- complying with occupational safety rules and having the means to ensure safety;
- implementing orders of supervisory authorities;
- having a system to monitor quality of work performed (a service-quality control system);
- taking fire and electrical safety measures and having responsible specialists brief personnel;
- preparing current-year activity plans taking contractual obligations into account;
- complying with other statutory requirements.

3. Laws of the Russian Federation, standards and guidance documents

3.1. Members shall be guided in their work by national and international standards, enterprise standards and other guidance documents and sectoral technical regulatory documents.
3.2. In its activities, the Association may apply standards and internal guidance documents developed by its members and approved by the General Meeting of Members under the prescribed procedure.

4. Providing Association members with access to information and protecting information from misuse

4.1. By publication in mass media and/or information and telecommunications networks, the Association shall provide access to information on:
1) its membership;
2) conditions, methods and procedures for securing members' liability towards consumers of their goods, works and services;
3) former members and grounds for termination of their membership, and business entities joining the Association;
4) membership conditions;
5) the content of its standards and rules;
6) the structure and competence of its governing and specialised bodies;
7) decisions adopted by its governing bodies;
8) cases in which members are held liable for breaches of Russian legislation governing business activities or of Association standards and rules;

9) any claims or applications filed by the Association in court;
10) the composition and value of the Association Compensation Fund's assets;
11) certificates issued to members or their employees following training;
12) progress and results of examination of a regulatory legal act in which the Association participated;
13) results of inspections of members' activities;
14) the Association's annual financial statements and audit results;
15) other information on its activities, provided disclosure does not breach members' established procedures and conditions of access to trade-secret information or create a conflict between the Association's interests and those of its members.

4.2. The Association shall provide information to federal executive authorities under the procedure established by Russian legislation.
4.3. As a justified measure to improve self-regulation and information openness, the Association may disclose the following information about its members' activities:
1) the member's full name, primary state registration number (OGRN), taxpayer identification number (INN) and other information in the Unified State Register of Legal Entities (EGRUL), except officials' passport details;
2) licences and other permits for particular activities;
3) the member's location, contact telephone and fax;
4) types of activities undertaken by each member;
5) other information about members' activities, provided disclosure does not breach their established procedures and conditions of access to

trade-secret information, or create a conflict between the Association's interests and those of its members.

4.4. Trade-secret information comprises:
1) scientific information (ideas, inventions, discoveries, particular formulas, new technical projects, new methods of organising work and production, computer software, scientific research results, etc.);
2) technological information (design documentation, drawings, diagrams, records, descriptions of technical tests, know-how, information about experimental conditions and equipment, etc.);
3) business information (concluded or planned contracts, market reviews, marketing research, confidential negotiations, organisational development plans, etc.).
The above constitutes the Association's trade secrets and shall not be disclosed to third parties without special permission from its authorised body.

4.5. On a reasoned demand from a public authority, another state body or a local self-government body, the Association, as holder of trade-secret information, shall provide it free of charge. Unless federal law provides otherwise, the demand shall be signed by an authorised official and specify the purpose and legal basis of the request and the deadline for providing the information.

5. Conflict of interest

5.1. The Association shall not conduct activities or take actions creating a conflict between its interests and those of its members, or conduct activities creating a risk of such conflict.
5.2. Interested persons shall respect the Association's interests, particularly its objectives, and shall not use or permit use of opportunities arising from their professional duties for purposes contrary to the objectives stated in its constituent documents.

5.3. Where a conflict arises, the Association shall take measures to prevent or resolve it, up to submitting the interested persons' names to the appropriate Association body for dismissal from the Association or removal from the relevant body, including:
1) increasing supervision of an employee's performance of duties;
2) increasing supervision of the exercise of powers and performance of duties by a governing-body member;
3) reporting the conflict to the Disciplinary Committee;
4) taking other preventive or resolution measures.

6. Monitoring compliance with Association rules and standards. Disciplinary measures

6.1. The Association's specialised bodies are the Control Commission and the Disciplinary Committee.
6.2. The Control Commission monitors compliance with rules and standards. Its operating procedure and its members' rights and duties are determined by the Regulations on the Control Commission.
6.3. The Disciplinary Committee decides on disciplinary measures. Its operating procedure and its members' rights and duties are determined by the Regulations on the Disciplinary Committee.
6.4. Any member whose rights and legitimate interests are infringed by the Association's or its employees' actions or omissions and/or governing-body decisions may challenge them in court and claim compensation from the Association for the harm caused, under Russian legislation.

7. Property liability of Association members

7.1. The Association may secure members' property liability towards consumers of their goods, works and services and towards other persons by establishing a Compensation Fund.
7.2. The Compensation Fund is established to secure members' property liability towards consumers of goods, works and services produced by members and towards other persons, for a member's obligations arising from harm caused by defects in that member's goods, works or services.
7.3. The method of securing property liability and the amounts of members' Compensation Fund contributions shall not conflict with the Federal Law On Self-Regulatory Organisations, other regulatory legal acts of the Russian Federation or the Association's Regulations on the Compensation Fund.

8. Final provisions

8.1. This Standard takes effect on approval, but not before information about the Association has been entered in the state register of self-regulatory organisations under Federal Law No. 315-FZ of 1 December 2007, On Self-Regulatory Organisations.
8.2. Amendments and additions to this Standard are adopted by the General Meeting of Members and documented in writing.

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