



U.S. Trotting Association

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March 7, 2025

**REPORT IN SUPPORT OF RECOMMENDATIONS
OF THE AD HOC SPECIAL INVESTIGATIVE COMMITTEE TO THE
BOARD OF DIRECTORS OF THE UNITED STATES TROTTING ASSOCIATION**

On October 28, 2024, the Board of Directors of the United States Trotting Association (“USTA”) authorized the President of the USTA to appoint an ad hoc committee (“the Committee”) to investigate suspected violations of the USTA’s Rules and Bylaws by USTA members related to their involvement with former USTA member Nick Surick. The suspected misconduct was identified through investigations undertaken by the Standardbred Racing Investigative Fund (“SRIF”). The Committee was further tasked with making recommendations to the Board about what consequences there should be based on its investigative findings, if any. The President appointed USTA Board members Steven McCoy, Salvatore DiMario, Ivan Axelrod, Cathy Webb, and Edison Hatter to serve on the Committee. The Committee selected Mr. McCoy as its Chairperson.

The Committee commenced its duties by examining all materials gathered in SRIF’s investigations, as well as written responses by the investigated members to allegations of misconduct SRIF previously raised with them. After reviewing the evidence and the members’ positions, the Committee concluded there was a sufficient basis to proceed with their inquiries against certain USTA members. The Committee notified those members that it was considering recommending to the Board that they violated the USTA Rules and thus may be subject to sanctions. Before making any such recommendation, the Committee offered to give those members access to the evidence under consideration and provided them with an opportunity to participate in a virtual hearing before the Committee to address the allegations. Every investigated member was given access to the evidence, and all but one accepted the invitation to appear before the Committee. Those that opted for a hearing were informed about how the hearing would be conducted and received a detailed memorandum prepared by SRIF presenting the factual and legal bases supporting the allegations of

misconduct, to which they were given an opportunity to respond. All but one member that appeared before the Committee did so with the assistance of an attorney and all presented evidence and testimony on their behalf.

After hearing all the evidence and considering the relevant USTA Rules and Bylaws, the Committee has concluded that some of the members it investigated violated the USTA's Rules and should be subject to sanctions. Accordingly, the Committee is submitting recommendations for the Board's consideration, along with a concise summary of findings in support of those recommendations. While the Committee members had a range of views during deliberations, all agreed with the final recommendations. Members of the Committee and representatives of SRIF will be available to respond to any questions and otherwise assist the Board in its deliberations and final determination of these matters.

Respectfully,

/s/ Steven McCoy

Steven McCoy, Chair

On Behalf of the USTA Special Investigative
Committee

**CONCISE SUMMARY OF FINDINGS IN SUPPORT OF RECOMMENDATIONS
OF THE AD HOC SPECIAL INVESTIGATIVE COMMITTEE TO THE BOARD OF
DIRECTORS OF THE UNITED STATES TROTTING ASSOCIATION**

Re: Adam Bowden, Shaun Laungani, and Diamond Creek Farm

Because the facts regarding Diamond Creek Farm, Adam Bowden, and Shaun Laungani overlap, they participated in a joint virtual hearing. The Committee will summarize its findings with respect to these members collectively.

In communications between Nick Surick and another USTA member obtained by SRIF, Mr. Surick repeatedly mentioned Adam Bowden and Shaun Laungani, President and Vice President of Diamond Creek Farm (“DCF”), respectively. These discussions primarily concerned breeding mares that Mr. Surick had an interest in to DCF stallions. Mr. Surick also touted his close working relationship with Mr. Bowden in these communications. This prompted SRIF to request records and communications from Mr. Bowden, Mr. Laungani, and DCF. From Mr. Bowden, SRIF obtained text communications between him and Mr. Surick from the months leading up to Mr. Surick entering federal custody in October 2023, which depicted Mr. Bowden working with Mr. Surick on various horse deals as Mr. Surick managed his finances before starting to serve his sentence. From Mr. Laungani, SRIF received messages he exchanged with Mr. Surick via an encrypted messaging app used by Mr. Surick on his contraband cell phone after he went to prison in October 2023. Mr. Surick’s communications with Mr. Laungani primarily pertained to breeding Surick-related mares to DCF stallions. DCF also provided emails and business records related to Mr. Surick’s business with the farm following his indictment in March 2020.

It was clear from the text communications between Mr. Bowden and Mr. Surick that Mr. Bowden was aware the registered Standardbreds he discussed with Mr. Surick were owned by Mr. Surick, not by All In Enterprise (the Debbie Surick entity used by Mr. Surick to fraudulently register Standardbreds after Mr. Surick’s USTA membership lapsed). Mr. Surick and Mr. Bowden discussed Mr. Surick’s need to generate income to get his personal finances in order before entering federal custody and, to that end, discussed various possible transactions involving registered Standardbreds. It was apparent in these communications that Mr. Bowden was aware Mr. Surick held the financial stake and actually owned these horses, not Debbie Surick/All In Enterprise. He showed no hesitation in working with Mr. Surick. After Nick Surick entered federal custody, Mr. Laungani texted with him as they negotiated breeding Surick-owned mares to DCF stallions. DCF staff exchanged emails and records with Mr. Surick, with oversight by Mr. Bowden and Mr. Laungani, as the breedings and business relationship with Mr. Surick was carried out.

In notifying Mr. Bowden, Mr. Laungani, and DCF in writing of the possible rule violations the Committee was considering, particular emphasis was placed on the fact that Mr. Bowden's text messages with Mr. Surick established knowledge on behalf of all parties that Mr. Surick was the true owner of the mares that Surick and his partners were breeding to DCF stallions, not Debbie Surick/All In Enterprise. Although present at the hearing before the Committee, Mr. Bowden did not testify and, as such, no defense to this allegation was presented. Thus, Mr. Bowden and Mr. Laungani did not present a response to the core allegation against them.

In his testimony, Mr. Laungani emphasized that the farm had little-to-no involvement in the registration of horses in relation to breedings to DCF stallions and that the farm had no concerns about All In Enterprise at the time. Mr. Laungani stated he had no direct knowledge that Mr. Surick owned mares in the name of All In Enterprise and assumed Mr. Surick was acting as an agent with respect to these breedings. He believed Diamond Creek did nothing wrong in breeding stallions to the Surick-affiliated mares. Because knowledge of Mr. Surick's financial stake and ownership of the mares in question was primarily established through Mr. Surick's text exchanges with Mr. Bowden, this testimony and other evidence presented at the hearing was only marginally responsive to the allegations under consideration by the Committee.

Mr. Laungani also testified that DCF willfully declined to provide additional information directly requested by SRIF regarding financial records previously produced by the farm because complying with earlier requests "haven't done us any favors." Although DCF's attorney subsequently followed-up with information regarding this earlier request, the Committee submitted further post-hearing requests for financial information from DCF, which DCF had confirmed they could provide during the hearing. Despite those assurances, this information was ultimately not produced. Throughout SRIF's investigation, all members were notified that failing to produce records and information to the USTA/SRIF, or providing incomplete or misleading information, could constitute a violation of the USTA's Rules.

- **The Committee's Recommendations to the Board**

The Committee recommends the Board find that Adam Bowden and Shaun Laungani violated USTA Rule 20.06. Throughout his communications with Nick Surick, Mr. Bowden was on notice that the Standardbreds registered in the name of All In Enterprise were actually owned by Mr. Surick but he, Mr. Laungani, and Diamond Creek Farm continued doing business with Mr. Surick under those false and fraudulent pretenses. By working with Nick Surick and facilitating his ability to continue participating in the Standardbred industry despite his federal conviction for doping racehorses and lack of good standing with the USTA, Mr. Bowden, Mr. Laungani and

DCF were part of the process that allowed the Suricks to effect false registrations and caused injury to Standardbred racing.

The Committee further recommends the Board impose a sanction against Mr. Bowden in the form of a fine in the amount of \$28,000. The Committee recommends a sanction against Mr. Laungani in the form of a fine in the amount of \$7,000. These figures were reached in reference to seven occasions in which mares owned by All In Enterprise, which were actually owned by Nick Surick, were bred to Diamond Creek stallions after Mr. Surick's USTA membership lapsed in September 2021.¹ Each occasion was treated as a separate violation of Rule 20.06. Of the \$5,000 maximum fine per violation authorized by USTA Rule 3.01, the fine was divided by assigning \$4,000 to Mr. Bowden and \$1,000 to Mr. Laungani, for totals of \$28,000 and \$7,000, respectively.

The Committee also recommends a \$5,000 fine to Diamond Creek Farm for refusing to provide records requested by the USTA/SRIF in violation of Rule 26.16. That fine is also authorized by USTA Rule 3.01.

¹ The breedings referenced in connection with the proposed sanctions did not include ones in which the mare was bred on a stallion share owned by Mr. Surick or by another syndicate owner who presumably sold the breeding to Mr. Surick.