

Statement of Sharon Anne Drew

I, **Sharon Anne Drew**, Finance Manager, of Racecourse Road Deagon, in the State of Queensland, state as follows:

- A. I hold a bachelor of financial administration from the University of New England (2004) and I am qualified as a Certified Practising Accountant as and from 7 April 2009.
- B. My employment history is as follows:
- (a) from September 1999 to July 2003 I was employed as the Site Finance Manager of the Tamworth Mill, employed by Allied Mills;
 - (b) from July 2003 to October 2005 I was a Financial Accountant for Allied Mills at its corporate head office in Sydney;
 - (c) from October 2005 to December 2005 I was employed as a Senior Accountant for Byrne Miller Batey in Coffs Harbour;
 - (d) from January 2006 to January 2009 I was the Finance Manager (Management Accounting) for RBS Morgans Holdings Pty Ltd in Brisbane;
 - (e) from January 2009 to January 2011 I was a Financial Analyst for RBS Morgans Holding Pty Ltd in Brisbane.
- C. Prior to September 1999 I was employed in a number of administrative, clerical and junior accounting roles.
- D. I commenced employment with Racing Queensland Limited (**RQL**) in January 2011 as a Management Accountant.
- E. My responsibilities as Management Accountant were to:
- (a) perform a range of management accounting functions which included preparing budgets, trend analysis, system improvement and financial modelling;
 - (b) assist the Chief Financial Officer in the financial compliance and audit requirements of RQL; and
 - (c) manage and control the collection and integrity of data from various information sources to ensure reporting on financial and nonfinancial data was accurate.
- F. During January 2011 to 30 April 2012 the purpose of my role did not change but my staffing responsibilities did. My staff during that period were as follows:
- (a) from January 2011 to June 2011 I had no staff reporting to me;
 - (b) from July 2011 to October 2011 I had six staff reporting directly to me, being three Finance Officers - Accounts Payable, a Financial Accountant, a Senior Finance Officer and a Payroll / HR Officer;



Sharon Anne Drew



Witness

- (c) from November 2011 to January 2012 I had three staff reporting directly to me, being a Senior Finance Officer, a Payroll / HR Officer and a Financial Accountant.
 - (d) from February 2012 to 25 March 2012 I had seven staff reporting directly to me, being a Senior Finance Officer, a Financial Accountant, a Systems Accountant, a Payroll / HR Officer and three Finance Officers.
 - (e) from 26 March 2012 to 30 June 2012 I held the position of Acting Chief Financial Officer.
- G. I remained in that role until 1 July 2012 from which date I became the Finance Manager of Queensland All Codes Racing Industry Board trading as Racing Queensland (**Racing Queensland**).
- H. Attachment "SAD-1" [RQL.130.001.0075] is a copy of a Requirement to Provide Written Statement (**Notice**) dated 23 July 2013 directed to me from the Queensland Racing Commission of Inquiry (**Commission**) and received under cover of a letter from the Commission dated 23 July 2013. This Statement is provided in response to the Notice.
- I. For the purposes of responding to the Notice and preparing this Statement I have, in my position as Finance Manager of Racing Queensland, had access to the records of Racing Queensland to obtain information to provide a response to the Notice. Unless otherwise stated, the matters set out in this Statement are based on my own knowledge or the information derived from the records of Racing Queensland.
- J. I set out below my response to each of the matters raised in the Notice.

1. CONTRACT MANAGEMENT AND FINANCIAL ACCOUNTABILITY (paragraph 3(a) of the Terms of Reference)

1.1 In respect of the procurement, contract management and financial accountability of the **Relevant Entities** during the **Relevant Period** what were the:

- (a) policies;
- (b) processes;
- (c) guidelines; and
- (d) measures which were used to ensure contracts which were awarded delivered value for money.

1.2 In respect of the policies, processes, guidelines and measures were they adhered to?

1.3 Events surrounding all contractual arrangements between the **Relevant Entities** and Contour Consulting Engineers Pty Ltd ("**Contour**") including those contracts where Contour was contracted to manage contracts on behalf of the **Relevant Entities**.

1.4 In respect of contracts which were entered into between the **Relevant Entities** and **Contour**:

- (a) Whether each contract was underpinned by procurement practices;
- (b) Whether, for each contract, payment policies and processes:
 - (i) were implemented; and
 - (ii) were adhered to.


Sharon Anne Drew


Witness

1. When I commenced employment in January 2011 I became aware of the existence of the Purchasing Policy maintained by RQL.
2. The following policies were in place relating to procurement, contract management and financial accountability during the relevant period:
 - (a) the Purchasing Policy (as it was at the date of my employment). That document is attachment "SAD-2" to this statement [RQL.138.004.0002];
 - (b) the Purchasing Policy (following amendments in June 2011). That document is attached as "SAD-3" to this statement [RQL.122.002.4539];
 - (c) the Purchasing Policy (as it was following my review on 1 July 2011). That document is attachment "SAD-4" to this statement [RQL.109.010.3825];
 - (d) the addendum to Purchasing Policy. The addendum is attachment "SAD-5" to this statement [RQL.111.012.0274];
 - (e) the Internal Financial Process which relates specifically to the Industry Infrastructure Group. That document is attachment "SAD-6" to this statement [RQL.109.011.3388].
3. When I first commenced employment, I considered that the policies were reasonable and consistent with other organisations that I had worked with in the past. However, upon my examination of the policies I noticed a number of areas that could be improved such as approvals around capital expenditure and major repairs and maintenance.
4. My first role with RQL was to build the budget for this organisation from the bottom up in conjunction with all the managers of the various departments. I had been tasked with this role by Adam Carter.
5. During this period I observed that managers treated budgets as an approval to spend. I implemented changes to the Purchasing Policy to improve the process and place accountability back upon the managers. I introduced the capital expenditure and major repairs and maintenance approval forms. These forms introduced a requirement that persons with the required delegation were required to authorise the expenditure. A copy of the capital expenditure request form and major repairs and maintenance request form are attachment "SAD-7" to this statement [RQL.138.004.0001 and RQL.138.004.0027].
6. One of the compliance mechanisms was that only a limited number of personnel had a NAB and Westpac authorisation to release payments. At that time, it is my recollection that Adam Carter, Ron Mathofer, Shara Murray, Murray Dyke and myself were the authorised approvers.
7. The electronic payment system I referred to in paragraph 6 was the usual method of paying accounts, but a number of accounts were still paid by cheque.
8. Two of the above named authorisers were required to approve electronic payments. It was the responsibility of both authorisers to confirm that those persons who had approved the payment had the relevant delegation. As a matter of practice, I would always check each individual payment in excess of \$20,000.



Sharon Anne Drew



Witness

9. It was not the role of the authoriser to confirm that the invoice was appropriate for payment. The manager who authorised the work / goods was responsible for approving payment.
10. During the time when I was responsible for the Accounts Payable area, it was not my responsibility to ensure that these managers had appropriately approved payments. The responsibility of the Finance Officers Accounts Payable was to confirm that the supplier details were correct, the signatures for authorisation were correct and relevant supporting documentation was attached.
11. In my opinion I considered that the Purchasing Policy was generally adhered to in relation to day to day expenditure for the organisation. By this I mean non project related expenditure. Recurrent expenditure such as repairs and maintenance contractors were paid in accordance with the Purchasing Policy.
12. I am aware that with respect to project expenditure, when an invoice came in from a contractor engaged for a specific project, the Finance Officer Accounts Payable would take that invoice to Paul Brennan for review and approval. I recall that if the invoice was above Mr Brennan's delegation, Mr Tuttle, Mr Carter or Mr Bentley would approve the expenditure. This procedure was different to the day to day processing of regular payments because in general no purchase orders were raised for these payments but approval was given by senior officers in the organisation and payments were therefore made to these contractors.
13. It is my recollection that when I first arrived RQL was still in its infancy of amalgamation. Employees from the Greyhound and Harness Racing codes were still learning relevant policies and procedures. There was a focus on ensuring that the day to day operations of all three codes were conducted properly and policies such as the Purchasing Policy were not always strictly adhered to during this time.
14. I had no role in the contractual arrangement with Contour. When I acted in Adam Carter's position it is possible that I may have approved a Contour invoice, but I now have no recollection whether I did so approve such an invoice. If I did approve such an invoice I would have relied upon the relevant manager to confirm that it was appropriate to pay the invoice and I would have only checked them for issues such as delegation.

2. MANAGEMENT (paragraph 3(b) of the Terms of Reference)

2.1 As to the Relevant Entities during the Relevant Period, the

- (a) management policies;
- (b) management processes;
- (c) management guidelines; and
- (d) workplace culture and practices

that were in place and whether each one:

- (a) ensured integrity; and
- (b) was adhered to.

2.2 The involvement of the boards or members of the boards of the Relevant Entities in the exercise of functions of:

- (a) the executive management team; and


Sharon Anne Drew


Witness

(b) other key management personnel, including the company secretary and those involved in integrity matters.

15. In respect of Racing Queensland, I am aware of the following management policies, processes and guidelines that were in place during the relevant period:
- (a) Employee Handbook. That policy is "SAD-8" to this statement [RQL.124.005.0016].
 - (b) Credit Policy. That policy is "SAD-9" to this statement [RQL.109.012.1851];
 - (c) Cash Management and Investment Policy. That policy is "SAD-10" to this statement [RQL.109.012.2112];
 - (d) Expense Reimbursement Policy. That policy is "SAD-11" to this statement [RQL.109.012.0641];
 - (e) Discrimination and Workplace Harassment Policy and Procedures. That policy is "SAD-12" to this statement [RQL.109.008.2496];
 - (f) Grievance Handling Policy and Procedures. That policy is "SAD-13" to this statement [RQL.109.012.0787];
 - (g) Personal Presentation Policy and Procedures. That policy is "SAD-14" to this statement [RQL.109.012.0923];
 - (h) Performance Counselling Policy and Procedures. That policy is "SAD-15" to this statement [RQL.109.012.0799];
 - (i) Travel - General, Policy and Procedures. That policy is "SAD-16" to this statement [RQL.109.012.0905];
 - (j) Conflict of Interest Disclosure and Punting Requirements. That policy is "SAD-17" to this statement [RQL.136.006.0023];
 - (k) Payroll Policy and Procedures. That policy is "SAD-18" to this statement [RQL.138.004.0024];
 - (l) Recruitment and Selection Policy and Procedures. That policy is "SAD-19" to this statement [RQL.109.012.0762]; and
 - (m) Internet Usage Policy. That policy is "SAD-20" to this statement [RQL.109.013.0492].
16. The policies mentioned in paragraph 15 are those that I read and applied in my day to day work with RQL.
17. With respect to those policies and processes, I ensured adherence to those policies and consider that they were appropriately followed.
18. I recall attending a training session regarding Harassment and Bullying and four CPA professional development courses during 1 January 2011 to 30 April 2012.


Sharon Anne Drew


Witness

19. I also sent the staff under my control to various training courses. For example, I would have sent the payroll staff to Fringe Benefits Tax, Payroll tax and superannuation training to remain current in their employment. Training was also provided annually on the payroll systems by our system supplier.
20. I have no recollection of a member of the board interfering in a management decision that I was associated with at RQL.
21. I had only a limited engagement with Mr Bentley and other board members. Outside of my attendance at board meetings I would have only spoken to Mr Bentley on a couple of occasions. I recall the only other board member that I had any contact with was Mr Brad Ryan. I recall that on a monthly basis Mr Ryan would attend with Adam Carter to discuss the financial results of the business prior to the board meeting and, from time to time, I would have to seek further information for a query raised by Mr Ryan.

3. CORPORATE GOVERNANCE (paragraph 3(c) of the Terms of Reference)

3.1 The corporate governance arrangements of Racing Queensland Limited in the **Relevant Period**.

3.2 Whether Racing Queensland Limited and its **Officers** operated and acted:

- (a) with integrity;
- (b) in accordance with the company's constitution;
- (c) in the best interests of the company;
- (d) in the best interests of the racing industry;
- (e) consistently with policies made pursuant to sections 81 and 83(2) of the Racing Act 2000 by the Relevant Entities which were current during the Relevant Period; and
- (f) consistently with legislation including the Racing Act 2000 and the Corporations Act 2001.


3.3 In the **Relevant Period** were there in place policies, rules and procedures within Racing Queensland Limited to:

- (a) identify and manage conflicts of interest; and
- (b) minimise the risk of directors and executives improperly using their position and information for personal or financial gain.

3.4 Within Racing Queensland Limited during the **Relevant Period** were there in place terms of employment in contracts restraining former directors and executives from seeking employment with Racing Queensland Limited's contractors and suppliers.

22. I have no knowledge of any breach of the corporate governance policies of RQL by any officer of the company however I had a concern that best practice was not always undertaken. In my opinion, a business of the size of RQL should have a minimum of 8 internal audits across the business each year to ensure that risks are properly identified. It is my recollection that only five audits were conducted from my commencement in January 2011 to 30 April 2012 .
23. As part of corporate governance in the finance department it was necessary to comply with relevant Commonwealth and State legislation. For example it was necessary to ensure that there was a proper accounting for fringe benefits tax, payroll tax, superannuation, workcover, withholding tax and the completion of monthly Business Activity Statement.



Sharon Anne Drew


Witness

24. I recall that internal audits were arranged, and audit plans put in place on a regular basis. However, the internal audits were not always undertaken. It is my recollection that in my time with RQL five audits were carried out by Deloitte. Those audits related to Race Information Fees, Payroll, Licensing, IT, Purchasing, and Fixed Assets.
25. Audits were a priority for the Finance Department, but I felt that the business did not always give the audit function the same priority. I can recall that a number of audits were delayed in the period to 30 April 2012. There were eleven internal audits planned for the period 1 January 2011 to 30 April 2013.
26. From my experience, officers of RQL acted with integrity, in accordance with the company's constitution and in the best interests of the company and the racing industry. It was not my role to have interaction in the business activities of the company on a daily basis so I can only comment from my own experience.
27. I am aware there was in existence a conflict of interest policy. I am aware that staff had to complete a conflict of interest declaration every year. If a conflict had arisen, as a manager of staff, I would have been informed of that conflict. I am aware that the conflict of interest forms were sent to the Integrity Department which was controlled by Mr Jamie Orchard. I was never approached by an Integrity Officer with respect to any conflict of interest concerning myself or any of my staff.
28. I ensured the staff under my control adhered to relevant policies. I recall that on one occasion a member of staff complained of being sexually harassed. I ensured that the Discrimination and Workplace Harassment Policy and Procedures were adhered to by all parties and an investigation took place.
29. I am aware that there was a deficiency in the engagement of external contractors in that when a new contractor was engaged, no internal conflicts search was undertaken to determine if that contractor had any connection with any person in the employ of RQL or its subsidiaries.
30. I am aware that this deficiency has been addressed by the institution of a practice of engaging in internal conflict searches. I am not aware whether the staff of Racing Queensland actually carry out these conflict searches as I have no direct control of this issue.
31. In terms of improvements to the corporate governance procedures, I was involved in the improvements to corporate governance after 30 April 2012. For example, I discussed with Adam Carter that it was appropriate to have a compliance checklist. Further, I discussed the introduction of a cost control group to enable Racing Queensland to manage expenditure over a certain value which is not categorised as day to day expenditure.
32. It is my recollection that there was a clear procedure in place for expenditure by directors. Each director had to complete an annual declaration of expenditure which confirmed that the expenditure set out in that declaration was for business purposes. That declaration had to be approved by the chairman and his approval had to be confirmed by the board of directors.
33. Racing Queensland now requires that procedure to be completed twice a year and each time the audit committee meets it reviews the expenditure of each director.



Sharon Anne Drew



Witness

34. I consider that whilst the procedure I have outlined in paragraph 32 was adequate the new procedure adopted by Racing Queensland creates better accountability due to the timeliness of the checking of the expenses.
35. There also existed a gifts and benefits register that all staff and directors had to complete when they received a gift from a third party. It was a requirement that upon receiving a gift, that person must advise the executive assistant to the Chief Executive Officer.
36. The gifts register has since been added as a standing item on the agenda of the audit finance and risk committee.
37. From a review of my own employment contract, I am not aware of any contractual term restraining employees from working for RQL's suppliers or contractors.

4. OVERSIGHT BY THE MINISTER, THE EXECUTIVE GOVERNMENT, THE CHIEF EXECUTIVE (paragraph 3(d) of the Terms of Reference)

4.1 Oversight of the operations of the **Relevant Entities** in the **Relevant Period** by:

- (a) the responsible Minister;
- (b) the Executive Government; and
- (c) the Chief Executive.

38. I was not involved in oversight by the responsible minister, the Executive Government or the Chief Executive. My only involvement with State Government officers was that from time to time I would be requested to supply information with respect to reporting requirements outlined in funding deeds. I forwarded this information via Adam Carter.

5. EMPLOYMENT CONTRACTS: TUTTLE, ORCHARD, BRENNAN, REID (paragraph 3(c) of the Terms of Reference)

5.1 The events surrounding the renegotiation of employment contracts in 2011, for the following senior executives of Racing Queensland Limited:

- (a) Malcolm Tuttle;
- (b) Jamie Orchard;
- (c) Paul Brennan; and
- (d) Shara Reid (formerly Murray).

5.2 The events surrounding the payouts made under the abovementioned contracts on the voluntary termination in March 2012 of the employment of:

- (a) Mr Tuttle;
- (b) Mr Orchard;
- (c) Mr Brennan; and
- (d) Ms Reid.

5.3 The actions of the directors and senior executives of Racing Queensland Limited referred to in paragraph 5.1 and 5.2 hereof and:

- (a) the responsibilities;


Sharon Anne Drew


Witness

(b) duties; and
(c) legal obligations of
those persons.

39. Prior to 26 March 2012 I was unaware that the employee agreements of Mr Tuttle, Mr Orchard, Mr Brennan and Ms Reid (the **Executives**) had been amended to include a specific termination provision relating to a change of government. I was not involved in any way in the decision to amend the Executives employee agreements.
40. Attached to this Statement and marked with the letters "SAD-21" is a copy of a file note I made regarding the termination payments made to the Executives [RQL.127.001.0001]. I made the file note progressively commencing on 28 March 2012 and completed it on 29 March 2012.
41. As part of my role I was responsible for reviewing relevant employee contracts to determine compliance with termination provisions and the calculations of termination payments.
42. On 26 March 2012 I was asked to review the termination payments of the Executives. I cannot recall who asked me to undertake that review. I reviewed the employee agreements of each of the Executives held on their employee files. Upon conducting that review, it was evident that the contracts on file were not the current employee agreements for each of the Executives.
43. Whilst I was reviewing the contracts from the employment files, I recall Adam Carter coming to my room and providing me with new contracts. I recall Adam Carter advising me that these were the contracts under which the termination payments would be made. Copies of the contracts are attached as:
- (a) attachment "SAD-22" is a copy of the employment contract of Ms Shara Murray [RQL.008.002.0016];
 - (b) attachment "SAD-23" is a copy of the employment contract of Mr Jamie Orchard [RQL.008.002.0034];
 - (c) attachment "SAD-24" is a copy of the employment contract of Mr Malcolm Tuttle [RQL.008.002.0075]; and
 - (d) attachment "SAD-25" is a copy of the employment contract of Mr Paul Brennan [RQL.008.002.0054];
44. I then reviewed those agreements.
45. After the completion of my review of those agreements (I think I had all agreements except for the agreement of Jamie Orchard which was provided to me later) I approached Adam Carter about the terms of the termination provisions of these agreements.
46. I had a concern about the payment of the termination payments and I expressed that concern to Adam Carter, the acting Chief Executive Officer. I had understood from my reading of the contracts that there appeared to be two triggers required before payment could be made. One trigger was the change of Government, but I was unsure whether the clause had actually crystallised.


Sharon Anne Drew


Witness

47. Mr Carter informed me that he also had no previous knowledge of the existence of the current employee agreements for the Executives. Mr Carter was unsure as to the appropriate meaning of the termination clause and advised me that he would seek legal advice to assist in its interpretation. As a result of my discussions with Mr Carter, it was resolved that Mr Carter would seek further advice as to whether the termination payments should be made.
48. On 27 March 2013 I again raised my concerns in relation to the making of the termination payments with Mr Carter. Mr Carter informed me that he had discussed the matter with members of the board of RQL and Mr Bentley, the chairman of the board of RQL, and that he was considering options.
49. I am aware that Mr Carter asked the firm BDO (RQL's external auditor and tax advisors) to review the proposed termination payment calculations to determine whether the amount of the termination payment was correct and the amount of tax to be withheld was correct. We received confirmation from BDO by email dated 27 March and by letter dated 28 March 2013 that they agreed with the methodologies used by RQL to calculate both the amount of the termination payment and the amount of tax to be withheld on each of the Executive's termination payments. Attached and marked with the letters "SAD-26" are copies of the email [RQL.001.001.0317] and the letter [RQL.008.002.0006].
50. On 28 March 2012 I was informed by Mr Carter that Mr Bentley was seeking legal advice in relation to the termination payments of the Executives. I was not informed what that advice was or whether it was received.
51. I was advised by Mr Carter that the payments had been approved. I asked for confirmation and Mr Carter showed me a memorandum signed by Mr Bentley approving the termination payments. I was also advised by Mr Carter that the board had resolved to make the termination payments, but I was not shown a copy of a board minute.
52. I was instructed by Mr Carter on 28 March 2012 to make the termination payments to the Executives and I made those payments via our online payment provider, NAB Connect, at approximately 2.30 pm on that day.
53. The payments were made within 3 days of the employees leaving, which is the normal practice in accordance with the Payroll Policy (which appears as attachment SAD-18 to this statement)..
54. On 29 March 2012 Mr Carter provide a copy of letter to me dated 28 March 2012 from the Honourable Jeff Seeney MP (Deputy Premier and Minister for Racing) which enclosed directions that RQL was not to:
- (a) terminate the employment of any staff;
 - (b) employ any new staff; or
 - (c) make redundancy/termination payments to any staff.

In addition, the letter enclosed an invitation to apply for additional conditions on RQL's control body approval under the *Racing Act 2002* which would require approval of the chief executive of the department prior to:


Sharon Anne Drew


Witness

- (a) paying any accounts, debts or any other payments however described, in excess of \$20,000;
- (b) terminating the employment of any person employed by RQL;
- (c) employing any person; or
- (d) entering into any contact or legally binding agreement where the consideration is in excess of \$20,000.

Attached to this Statement and marked with the letters "SAD-27" is a copy of that letter [RQL.115.001.0450].

55. Except to the extent set out above, I am unaware of the actions of the directors and senior executives of RQL in relation to the termination payment and cannot comment on their duties, responsibilities and legal obligations.

6. QUEENSLAND RACE PRODUCT CO LIMITED and TATTS GROUP (paragraph 3(f) of the Terms of Reference)

6.1 The operations of the **Relevant Entities** in the **Relevant Period** with respect to the arrangements between Queensland Race Product Co Limited and Tatts Group (formerly UNiTAB) concerning fees paid by Tatts Group for Queensland wagering on interstate races through TattsBet ("**Fee Arrangements**").

6.2 How Queensland Race Product Co Limited responded to the introduction of race information fees.

6.3 Whether there was legal or other expert advice obtained by the boards of the **Relevant Entities** as to the effect on fees payable by the Tatts Group to Queensland Race Product Co Limited as a consequence of race information fees being introduced.

6.4 Any action taken or not taken as a consequence of the legal or other expert advice and whether there were reasons for taking or for not taking action in accordance with the advice.

6.5 When the race information fees were introduced or at any other time in the **Relevant Period**, whether the directors and senior executives of the **Relevant Entities** acted in relation to the **Fee Arrangements**:

(a) in good faith;

(b) consistently with their responsibilities;

(c) consistently with their duties and legal obligations; and

(d) in the best interests of the company or companies of which they were directors or senior executives.

(e) Whether the actions of the directors and/or senior executives of the **Relevant Entities** relating to the **Fee Arrangements** were influenced by a conflict of interest when the race information fees were introduced or at any other time in the **Relevant Period**.

6.6 Whether, in relation to the **Fee Arrangements**, the directors and the senior executives of the **Relevant Entities** used their position to gain a personal advantage when the race information fees were introduced or at any other time in the **Relevant Period**.

56. I have not been involved in matters concerning the Race Product fee arrangements.


Sharon Anne Drew


Witness

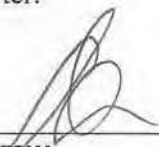
7. FUNDS TRANSFER IN FEBRUARY 2012: QUEENSLAND GOVERNMENT TO RACING QUEENSLAND LIMITED INFRASTRUCTURE TRUST ACCOUNT (paragraph 3(g) of the Terms of Reference)

7.1 Events surrounding the approved transfer of funds by the Queensland Government to the Racing Queensland Limited Infrastructure Trust Account in February 2012.

7.2 The basis upon which the transfer of funds was made.

7.3 Was any influence exercised by directors of Racing Queensland Limited in relation to having the transfer made.

57. Staff under my control would have prepared the invoices forwarded to the State of Queensland as set out below:
- (a) Invoice relating to Beaudesert dated 14 February 2012. A copy of that invoice is attached as "SAD-28" [RQL.136.005.0281];
 - (b) Invoice relating to Cairns dated 14 February 2012. A copy of that invoice is attached as "SAD-29" [RQL.136.005.0282];
 - (c) Invoice relating to Rockhampton dated 14 February 2012. A copy of that invoice is attached as "SAD-30" [RQL.136.005.0283];
 - (d) Invoice relating to Logan dated 14 February 2012. A copy of that invoice is attached as "SAD-31" [RQL.136.005.0284];
 - (e) Invoice relating to the payment of external consultants and internal costs dated 14 February 2012. A copy of that invoice is attached as "SAD-32" [RQL.136.005.0285];
 - (f) Invoice relating to Gold Coast dated 16 February 2012. A copy of that invoice is attached as "SAD-33" [RQL.136.005.0330]; and
 - (g) Invoice relating to Ipswich dated 16 February 2012. A copy of that invoice is attached as "SAD-34" [RQL.136.005.0331].
58. My staff would have also receipted payments received from the State of Queensland, which are set out on the following NAB bank statements:
- (a) NAB Connect Statement dated 17 February 2012. A copy of that Statement is attached as "SAD-35" [RQL.136.007.0418];
 - (b) NAB Connect Statement dated 20 February 2012. A copy of that Statement is attached as "SAD-36" [RQL.136.007.0407]; and
 - (c) NAB Connect Statement dated 2 March 2012. A copy of that Statement is attached as "SAD-37" [RQL.136.007.0436].
59. I had no role in the preparation of the business cases that supported the payments made by the State of Queensland. My role was simply to arrange for invoices to be drawn as directed by Mr Carter.


Sharon Anne Drew


Witness

8. ANY OTHER RELEVANT MATTER

8.1 Any other matter relevant to the Commission's Terms of Reference.

60. There are no further relevant matters relevant to the Commission's Terms of Reference.

I make this statement conscientiously believing the same to be true, and by virtue of the provisions of the Oaths Act 1867 (Qld).

Dated 16 August 2013

Signed and declared by Sharon Anne Drew at
Brisbane in the State of Queensland
this 16th day of August 2013
Before me:

A. Hutchinson

Signature of person before whom the declaration is made

[Handwritten Signature]

Signature of declarant

MICHELLE ANN HUTCHINSON

Full name and qualification of person before whom the declaration is made

Queensland Racing
Commission of Inquiry

2242628 - R1

23 July 2013

Ms Sharon Drew
C/- Clayton Utz
GPO Box 55
BRISBANE QLD 4001

Dear Ms Drew


**REQUIREMENT TO PROVIDE WRITTEN STATEMENT TO RACING
COMMISSION OF INQUIRY**

Please find enclosed a notice requiring you to give written information in a statement to the Queensland Racing Commission of Inquiry established by the *Commissions of Inquiry Order (No. 1) 2013*.

The statement is to be provided to the Commission on or before 9 August 2013, at the place and in the manner specified in the notice.

If you require further information, clarification or assistance, please contact (at first instance) the Commission's Secretary, Joanne Bugden, on 1300 763 087.

Yours sincerely



Commissioner
The Hon. Margaret White AO



QUEENSLAND RACING COMMISSION OF INQUIRY

Commissions of Inquiry Act 1950
Section 5(1)(d)

REQUIREMENT TO GIVE INFORMATION IN A WRITTEN STATEMENT

To: Ms Sharon Drew
Of: C/- Clayton Utz, GPO Box 55, BRISBANE QLD 4001

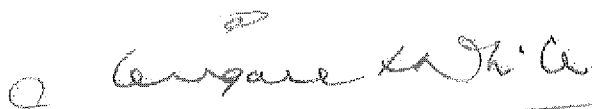
I, **THE HONOURABLE MARGARET WHITE AO**, Commissioner appointed pursuant to *Commissions of Inquiry Order (No. 1) 2013* to inquire into certain matters pertaining to racing in Queensland ("the Commission") require you to give a written statement to the Commission pursuant to section 5(1)(d) of the *Commissions of Inquiry Act 1950* in regard to your knowledge of the matters set out in the Schedule annexed hereto.

YOU MUST COMPLY WITH THIS REQUIREMENT BY:

Giving a written statement prepared either in affidavit form or verified as a statutory declaration under the *Oaths Act 1867* and in accordance with the Practice Guideline (which is published on the Commission website at www.racinginquiry.qld.gov.au) to the Commission on or before 9 August 2013, by delivering it to the Commission at Level 1, 50 Ann Street, BRISBANE, or to the Commission's secretary at PO Box 12369, George Street, BRISBANE, or electronically to info@racinginquiry.qld.gov.au.

If you believe that you have a reasonable excuse for not complying with this notice, for the purposes of section 5(2)(b) of the *Commissions of Inquiry Act 1950* you will need to provide evidence to the Commission in that regard by the due date specified above.

DATED this *twenty-third* day of *July* 2013



The Hon. Margaret White AO
Commissioner
Queensland Racing Commission of Inquiry

SCHEDULE

Commission of Inquiry Act 1950

1. CONTRACT MANAGEMENT AND FINANCIAL ACCOUNTABILITY (paragraph 3(a) of the Terms of Reference)
 - 1.1 In respect of the procurement, contract management and financial accountability of the *Relevant Entities (defined below)* during the *Relevant Period (defined below)* what were the:
 - (a) policies;
 - (b) processes;
 - (c) guidelines; and
 - (d) measures which were used to ensure contracts which were awarded delivered value for money.
 - 1.2 In respect of the policies, processes, guidelines and measures were they adhered to?
 - 1.3 Events surrounding all contractual arrangements between the *Relevant Entities* and Contour Consulting Engineers Pty Ltd ("*Contour*") including those contracts where Contour was contracted to manage contracts on behalf of the *Relevant Entities*.
 - 1.4 In respect of contracts which were entered into between the *Relevant Entities* and *Contour*:
 - (a) Whether each contract was underpinned by procurement practices;

(b) Whether, for each contract, payment policies and processes:

(i) were implemented; and

(ii) were adhered to.

2. MANAGEMENT (paragraph 3(b) of the Terms of Reference)

2.1 As to the *Relevant Entities* during the *Relevant Period*, the

(a) management policies;

(b) management processes;

(c) management guidelines; and

(d) workplace culture and practices

that were in place and whether each one:

(a) ensured integrity; and

(b) was adhered to.

2.2 The involvement of the boards or members of the boards of the *Relevant Entities* in the exercise of functions of:

(a) the executive management team; and

(b) other key management personnel, including the company secretary and those involved in integrity matters.

3. CORPORATE GOVERNANCE (paragraph 3(c) of the Terms of Reference)

3.1 The corporate governance arrangements of Racing Queensland Limited in the *Relevant Period*.

3.2 Whether Racing Queensland Limited and its *Officers* operated and acted:

- (a) with integrity;
- (b) in accordance with the company's constitution;
- (c) in the best interests of the company;
- (d) in the best interests of the racing industry;
- (e) consistently with policies made pursuant to sections 81 and 83(2) of the *Racing Act 2000* by the Relevant Entities which were current during the Relevant Period; and
- (f) consistently with legislation including the *Racing Act 2000* and the *Corporations Act 2001*.

3.3 In the *Relevant Period* were there in place policies, rules and procedures within Racing Queensland Limited to:

- (a) identify and manage conflicts of interest; and
- (b) minimise the risk of directors and executives improperly using their position and information for personal or financial gain.

3.4 Within Racing Queensland Limited during the *Relevant Period* were there in place terms of employment in contracts restraining former directors and executives from seeking employment with Racing Queensland Limited's contractors and suppliers.

4. **OVERSIGHT BY THE MINISTER, THE EXECUTIVE GOVERNMENT, THE CHIEF EXECUTIVE** (paragraph 3(d) of the Terms of Reference)

4.1 Oversight of the operations of the *Relevant Entities* in the *Relevant Period* by:

- (a) the responsible Minister;
- (b) the Executive Government; and
- (c) the Chief Executive.

5. **EMPLOYMENT CONTRACTS: TUTTLE, ORCHARD, BRENNAN, REID**
(paragraph 3(c) of the Terms of Reference)

5.1 The events surrounding the renegotiation of employment contracts in 2011, for the following senior executives of Racing Queensland Limited:

- (a) Malcolm Tuttle;
- (b) Jamie Orchard;
- (c) Paul Brennan; and
- (d) Shara Reid (formerly Murray).

5.2 The events surrounding the payouts made under the abovementioned contracts on the voluntary termination in March 2012 of the employment of:

- (a) Mr Tuttle;
- (b) Mr Orchard;
- (c) Mr Brennan; and
- (d) Ms Reid.

5.3 The actions of the directors and senior executives of Racing Queensland Limited referred to in paragraph 5.1 and 5.2 hereof and:

- (a) the responsibilities;
- (b) duties; and
- (c) legal obligations of those persons.

6. **QUEENSLAND RACE PRODUCT CO LIMITED and TATTS GROUP** (paragraph 3 (f) of the Terms of Reference)

6.1 The operations of the *Relevant Entities* in the *Relevant Period* with respect to the arrangements between Queensland Race Product Co Limited and Tatts Group (formerly UNITAB) concerning fees paid by Tatts Group for Queensland wagering on interstate races through TattsBet ("*Fee Arrangements*").

6.2 How Queensland Race Product Co Limited responded to the introduction of race information fees.

6.3 Whether there was legal or other expert advice obtained by the boards of the *Relevant Entities* as to the effect on fees payable by the Tatts Group to Queensland Race Product Co Limited as a consequence of race information fees being introduced.

6.4 Any action taken or not taken as a consequence of the legal or other expert advice and whether there were reasons for taking or for not taking action in accordance with the advice.

6.5 When the race information fees were introduced or at any other time in the *Relevant Period*, whether the directors and senior

executives of the *Relevant Entities* acted in relation to the *Fee Arrangements*:

- (a) in good faith;
- (b) consistently with their responsibilities;
- (c) consistently with their duties and legal obligations; and
- (d) in the best interests of the company or companies of which they were directors or senior executives.
- (e) Whether the actions of the directors and/or senior executives of the *Relevant Entities* relating to the *Fee Arrangements* were influenced by a conflict of interest when the race information fees were introduced or at any other time in the *Relevant Period*.

6.6 Whether, in relation to the *Fee Arrangements*, the directors and the senior executives of the *Relevant Entities* used their position to gain a personal advantage when the race information fees were introduced or at any other time in the *Relevant Period*.

7. FUNDS TRANSFER IN FEBRUARY 2012: QUEENSLAND GOVERNMENT TO RACING QUEENSLAND LIMITED INFRASTRUCTURE TRUST ACCOUNT (paragraph 3(g) of the Terms of Reference)

7.1 Events surrounding the approved transfer of funds by the Queensland Government to the Racing Queensland Limited Infrastructure Trust Account in February 2012.

7.2 The basis upon which the transfer of funds was made.

7.3 Was any influence exercised by directors of Racing Queensland Limited in relation to having the transfer made.

8. ANY OTHER RELEVANT MATTER

8.1 Any other matter relevant to the Commission's Terms of Reference.

GLOSSARY

Officers - means:

- the directors of Racing Queensland Limited;
- the executive management team of Racing Queensland Limited;
- other key management personnel of Racing Queensland Limited;
- the company secretary of Racing Queensland Limited.

Relevant Entities – means:

- Racing Queensland Limited
 - before July 2010: Queensland Racing Limited, Greyhounds Queensland Limited and Queensland Harness Racing Limited;
 - before July 2008: Greyhound Racing Authority and Queensland Harness Racing Board;
- entities controlled by Racing Queensland Limited or the other entities mentioned above, including Queensland Race Product Co Limited.

Relevant Period means 1 January 2007 to 30 April 2012.

Terms of Reference: the terms of reference for the Commission are contained in *Commissions of Inquiry Order (No. 1) 2013* which is available on the Commission's website at www.racinginquiry.qld.gov.au/.

INFORMATION TO ADDRESSEE

YOU MUST COMPLY WITH THIS SUMMONS OR NOTICE

Pursuant to sections 5 and 7 of the *Commissions of Inquiry Act 1950* ("the Act"), a failure without reasonable excuse to comply with this summons or notice, and (if summonsed to give evidence) a failure to continue to attend as required by the Commissioner until excused from further attendance, constitutes an offence which carries a maximum penalty of 200 penalty units or 1 year's imprisonment. Non-compliance with this summons or notice may result in a warrant being issued for your arrest.

LEGAL REPRESENTATION

You may be legally represented at a Commission hearing, if you first obtain leave from the Commissioner. The procedure for seeking such leave is set out in the Initial Practice Guidelines available on the Commission's website at www.racinginquiry.qld.gov.au.

IF THIS NOTICE REQUIRES YOU TO GIVE A STATEMENT OR ANSWER QUESTIONS

Pursuant to section 14 of the Act, a person attending before the Commission is not entitled to remain silent upon being required to give evidence, refuse or fail to answer any question they are required by the Commissioner to answer, or refuse or fail to produce any thing that the person has been summonsed or required to produce, on the ground that to do otherwise would or might tend to incriminate the person.

Pursuant to section 14A of the Act, a statement or disclosure made by any witness in answer to any question put to the witness by the Commission or the Commissioner shall not be admissible in evidence against the witness in any civil or criminal proceedings save for any proceedings for contempt or in relation to the offences specified in section 22 of the Act.

IF THIS NOTICE REQUIRES YOU TO PRODUCE A DOCUMENT OR THING

You must **bring** the stated document or thing to the Commission, if the stated document or thing is in your possession, custody or control. You must **produce** the document or thing to the Commission, unless you have a reasonable excuse. A claim of privilege, other than legal professional privilege, is not a reasonable excuse. However, legal professional privilege is not a reasonable excuse if the privilege is waived by any person (including you) who has authority to waive it.

PROTECTIONS AND ALLOWANCES FOR A WITNESS

Every witness attending before the Commission has the same protection and the same liability as a witness would in any action or trial in the Supreme Court of Queensland.

Pursuant to section 23 of the Act, penalties apply to any employer who dismisses an employee from employment, or prejudices him or her in their employment because the employee appeared as a witness before the Commission.

Pursuant to section 24 of the Act, a person attending a Commission hearing under summons is entitled to be paid the allowances and expenses as allowed by regulation or by the Commissioner.



PURCHASING POLICY

Owner

Chief Financial Officer

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	May 2010	First draft (Murray Dyke)/Reviewed Adam Carter
1.02	12 May 2010	Provided to Tracey Harris and Abhendra Kumar for Feedback
1.03	22 June 2010	Reviewed AC
1.04	1 July 2010	RQL Board Changes (FINAL)
1.05	9 June 2011	Reviewed Adam Carter and Sharon Drew



PURCHASING POLICY: RACING QUEENSLAND LIMITED

Introduction

This policy has been prepared to provide guidelines and procedures to be followed by officers of Racing Queensland Limited when undertaking and managing purchasing activities to meet the organisation's operational requirements and also meet the objectives of the policy.

Racing Queensland Limited is the Control Body established by, and obtaining its objects and functions from, the *Racing Act 2002* and its Constitution. Racing Queensland Limited is required to conduct its financial activities with probity and accountability, in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC.

Key Principles

In conducting its purchasing activities it is the policy of Racing Queensland Limited to adhere, at all times, to the key principles of:

1. Value for money;
2. Quality of product, service, and support;
3. Open and fair competition;
4. Accountability of outcomes;
5. Use of Queensland product where price competitive, and where quality standards are met; and
6. Suppliers are compliant with all taxation requirements.

Policy

These principles have been applied in developing policy for the following key purchasing activities:

- Capital works projects;
- Consulting services;
- Sponsorship contracts;
- Information technology;
- Other capital expenditure;
 - ~~and~~
 - Major repairs and maintenance;

Formatted: Indent: Left: 0.25", No bullets numbering

Formatted: Bullets and Numbering

- Day to day purchasing of services and supplies; ~~and~~
- Credit Facilities

There is also a focus on using preferred suppliers as explained in this report in further detail. The procurement system should result in the following benefits:

- Reduce operating costs;
- Reduce risk;
- Increase control; and
- Improve cash flow visibility

Capital Works Projects

Racing Queensland Limited plays a major role in the implementation of industry capital works projects each year. Racing Queensland Limited establishes an annual program of capital works, within a specified budget, following consideration of proposals from race clubs and advice from relevant officers within the organisation.

The policy of Racing Queensland Limited, in relation to the implementation of approved projects, is briefly addressed below:

- Once projects are given preliminary approval through the annual capital budgeting process, race clubs will be required to provide detailed design and costing information, and a project plan, prepared by a suitably qualified and experienced independent consultant. Racing Queensland Limited may, at its discretion, instigate an assessment of this documentation by its own consulting engineers. Any variation to the estimate used in applying for inclusion in the capital works program must be disclosed and explained. Variations of greater than 10% from the preliminary estimate are to be referred back to the Board of Racing Queensland Limited;
- Assuming the project cost following detailed design is contained within 10% of the preliminary estimate, and Racing Queensland Limited is satisfied with the standard of documentation provided, final approval will be given for the project to proceed (Chief Executive Officer or Chief Financial Officer);
- After final approval has been given, race clubs will be instructed that they can establish formal contractual arrangements for the construction works, in accordance with the approved budget. In establishing these contracts the club must pay regard to the key purchasing principles contained within this policy. Following establishment of the works contracts, Racing Queensland Limited will make payment of a grant to the club, equivalent to the agreed industry contribution. This grant will represent payment for a taxable supply, and will have GST added; and
- Following completion of the project, the club will provide Racing Queensland Limited with a report, which addresses the outcomes of the project, including cost to budget, quality of product, and timeliness.

Consulting Services

Racing Queensland Limited uses consulting services in a number of aspects of its operations including legal, information technology, human resource management, financial management, business development, and marketing.

These consultancies vary from short-term "one-off" contracts, to longer-term arrangements, which may encompass a series of different activities (e.g. marketing and promotional work).

For short-term "one-off" contracts the following policy guidelines are to apply:

- The six key purchasing principles outlined above are to be applied at all times;
- For contracts under \$10,000 in value, preferred supplier arrangements* can be used. That is, where a purchasing officer is satisfied that a consultant that has provided a high quality service in the past, has the necessary expertise to undertake the work, and is available in an appropriate timeframe, that

consultant can be appointed without a formal competitive process being undertaken. If such a person is not available, three quotes from prospective consultants should be obtained and evaluated;

(* Please note that where preferred supplier arrangements are referred to later in this document for other categories of purchasing, similar procedures to those above will apply)

- For contracts between \$10,000 and \$100,000, tenders should be called from at least three "preferred" contractors. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles. The evaluation of the proposals should be undertaken by two accountable officers, and be approved by a delegated officer (Chief Executive Officer or Chief Financial Officer);
- For contracts over \$100,000, will be subject to Board discretion as to the waiver of an open tender, including appropriate advertising of the consultancy. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers, and be approved by a delegated officer.

For longer-term consultancy arrangements (e.g. the ongoing purchase of external legal services that cannot be delivered in-house), which may involve the use of a preferred supplier or suppliers for a range of individual tasks over an extended period of time, the following guidelines are to be followed:

- The purchasing officer may select a consultant for a range of tasks from a panel of preferred suppliers for the type of work involved;
- Prior to such a selection, a competitive process, adhering to the six key purchasing principles of Racing Queensland Limited, to appoint the panel of preferred suppliers must have been undertaken, be appropriately documented, and be signed-off by a delegated officer;
- In selecting the preferred supplier from the panel, the purchasing officer must clearly document the reasons for the selection, and be accountable for that selection. The selection must be approved by a delegated officer; and
- Individual consultancy contracts over \$100,000 in value are not to be entered into under these preferred supplier arrangements. For such consultancies, will be subject to Board discretion as to the waiver of an open tender, as described above, must be followed.

Sponsorship Contracts

Racing Queensland Limited may enter into sponsorship contracts of a cash and exchange-of-goods and/or services ("contra") nature.

In establishing these contracts, officers must adhere to Racing Queensland Limited's key purchasing principles, particularly those of "accountability of outcomes", and "compliance with all taxation requirements". With these principles in mind, a Sponsorship Agreement pro-forma (refer to Appendix A) is to be prepared for all sponsorship arrangements, regardless of whether they involve a cash payment, or are solely contra in nature.

The sponsorship agreement is to clearly specify the goods and/or services that are to be delivered by both Racing Queensland Limited and the sponsor, and identify the value of these supplies so that GST obligations, including Tax Invoicing, can be satisfied.

All sponsorship agreements are to be authorised by an officer of Racing Queensland Limited with appropriate delegation, and a copy is to be provided to the Finance Section so that Tax Invoices can be prepared, and GST liabilities and credits accounted for.

Information Technology

The acquisition of information technology hardware and software represents a substantial investment of capital by Racing Queensland Limited each year.

Given the advancing nature of IT and the need to upgrade hardware and systems applications on an ongoing basis, it is the policy of Racing Queensland Limited to acquire such items through leasing arrangements. In this regard the following is to apply:

- A tender process, through a preferred supplier arrangement, is to be undertaken for the establishment of a medium to long-term lease contract for the supply of computer equipment, and other general office equipment where appropriate;
- This contract is to be reviewed on an annual basis to ensure the key principles of “value for money” and “quality of service and support” are being satisfied;
- Where a requirement to add items to the schedule covered by the lease has been identified, the purchasing officer must ensure the purchasing principles are adhered to. For items under \$10,000, preferred supplier arrangements can be used. For items \$10,000 or over, three quotes must be obtained. Appropriate documentation to support the purchasing decisions must be maintained at all times; and

The IT Section is also required to develop and maintain an *IT asset replacement strategy*, incorporating a list of all hardware and software under lease (or purchased), and information on the condition and expected useful life of individual items.

Other Capital Expenditure

Motor Vehicles

Racing Queensland Limited maintains a fleet of vehicles provided for both work and private use. These vehicles are to be leased through the appropriate lease provider under the following arrangements:

- the leasing of a new vehicle must be approved by the Chief Executive Officer or Chief Financial Officer ~~or Finance and Business Manager~~; and
- The type and model of the vehicle, and any optional extras, must be commensurate with the status and nature of the role performed by the officer for which the car is being acquired, and be in accordance with the entitlements the officer has under his/her contract of employment;
- All vehicles are to be replaced after three years, or having travelled 690,000 klms, whichever comes first, unless the Chief Executive Officer or Chief Financial Officer ~~or Finance Business Manager~~ agrees to an extension of the leasing term.

Formatted: Highlight

Formatted: Highlight

Vehicles are to be leased in line with the Racing Queensland Limited’s Motor Vehicle Policy, for further details email ap@racingqueensland.com.au

On disposal of company-owned vehicles, three trade-in quotes must be obtained, where possible, with the highest trade-in valuation the key consideration in selecting the successful dealer. Racing Queensland Limited staff may be given the option to purchase the vehicle that is being traded, at no less than \$1 more than the best trade-in valuation. The Chief Executive Officer or Chief Financial Officer ~~or Finance and Business Manager~~ will determine the successful staff bidder in the event of two or more staff bidding for the same vehicle being traded.

Formatted: Highlight

Formatted: Highlight

Other ~~e~~Capital ~~p~~Purchases

All other capital purchases (e.g. office machines) made by Racing Queensland Limited are to adhere to the following guidelines:

[A request for capital expenditure form is to be completed for all capital purchases and is to be authorised by both the Chief Executive Officer and Chief Financial Officer <insert link to form when on intranet >.](#)

- The six key purchasing principles outlines above are to be applied at all times;
- For items under \$10,000 in value, preferred supplier arrangements can be used;
- For capital items between \$10,000 and \$100,000, quotes should be called from at least three “preferred” suppliers. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles;

- For capital items over \$100,000, will be subject to Board discretion as to the waiver of an open tender. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers; and
- For all capital purchases of \$10,000 or more, a lease versus buy analysis is to be undertaken.

Major Repairs and Maintenance

Major Repairs and Maintenance purchases of \$10,000 or more made by Racing Queensland Limited are to adhere to the following guidelines:

A request for major repairs and maintenance expenditure form is to be completed for purchases of \$10,000 or more and is to be authorised by both the Director of Product Development and Chief Financial Officer (to the value of \$20,000). Purchases of \$20,000 or more will require an additional approval by the Chief Executive Officer.

._<insert link to form when on intranet >

Day to day Purchasing of Services and Supplies.

Policy in relation to the day to day purchasing of services and supplies is as follows:

- For items supplied on a continuous basis (e.g. stationery, consumables, printing) preferred supplier arrangements may be used. Purchasing officers must ensure that the key purchasing principles are adhered to, especially “value for money” and “quality of service”;
- In this regard, officers are required to conduct a competitive process for the selection of a panel of preferred suppliers, for continuous supplies, on an annual basis. Documentation must be prepared and maintained in respect of preferred supplier selection, and the subsequent selection of a supplier from the panel for particular purchases;
- However, for any individual supply or service, which would normally form part of a continuous supply by an individual, that is to cost the organisation \$100,000 or more, an open competitive process must be undertaken. That is, any individual supply which is to cost \$100,000 or more, cannot form part of a continuous purchasing contract made under preferred supplier arrangements;
- For non-continuous supplies and services (e.g. “one-off” printing jobs) preferred supplier arrangements can be used for purchases under \$10,000, on the basis that Racing Queensland Limited’s key principles are satisfied. At least three competitive quotes must be obtained for any purchase of \$10,000 or more.

Formatted: Font color: Custom Color(84,141,212)

Formatted: Normal, Don't hyphenate, Tab stops: 0", Left

Formatted: Font color: Custom Color(84,141,212)

Formatted: Font color: Custom Color(84,141,212)

Formatted: Bullets and Numbering

Formatted: Bullets and Numbering

Formatted: Bullets and Numbering

Formatted: Bullets and Numbering

Preferred Suppliers

As much as possible, Racing Queensland Limited should consolidate its suppliers and utilise preferred suppliers for either off-the-shelf goods/services where there are several sources of supply and the purchase is low risk or where there is an established relationship with a proven record of success. The advantages of using preferred suppliers are that it streamlines and simplifies purchasing, reduces administrative costs and promotes cost savings through volume discounts and exclusivity arrangements. Other benefits are that it minimises costs and risk for suppliers through not being required to regularly prepare and submit quotations.

1.1. Selection of Preferred Suppliers

The selection of preferred suppliers should be based on selection criteria that could include:

- 1. Technical capability and experience
 - 2. Financial capacity and viability
 - 3. System and management responsibility incorporating product and service compliance with agreed industry standards
 - 4. People
 - 5. Business/organisation factors
 - 6. Favourable referee reports (a successful track record to deliver)
- Racing Queensland Limited's 6 key principles:

- 1. Value for money;
- 2. Quality of product, service, and support;
- 3. Open and fair competition;
- 4. Accountability of outcomes;
- 5. Use of Queensland product where price competitive, and where quality standards are met; and
- 6. Suppliers are compliant with all taxation requirements.

Formatted: Bullets and Numbering

Formatted: Bullets and Numbering

Formatted: Bullets and Numbering

Formatted: Bullets and Numbering

Formatted: Bullets and Numbering

Formatted: Bullets and Numbering

Formatted: Bullets and Numbering

1.2 Preferred Suppliers Listing.

The current preferred suppliers list can be obtained from the Finance and Business Manager or accounts payable ap@racingqueensland.com.au or can be located at the following link:

Formatted: Highlight

<Insert Link to Preferred Supplier Listing [which is](#) currently under construction>

Formatted Table

<u>ITEM</u>	<u>Regional Senior Stewards GAP</u>	<u>Admin Authorities Racecourse Supervisor Racing Manager – procurement Track Supervisor</u>	<u>Managers, Chief Steward Racing & Facilities Supervisor Track Supervisor</u>	<u>Senior Corporate Counsel/Company Secretary, Information Technology and Communications Manager, Licensing and Training Manager, Racing Managers – Dividing Races, Accountant – Corporate Services, Management Accountant</u>	<u>Director of Integrity Operations, Facility Maintenance and Development Manager</u>	<u>Chief Financial Officer Director of Product Development</u>	<u>Chief Executive Officer</u>	<u>Board of Directors</u>
-------------	-------------------------------------	--	--	--	---	--	--------------------------------	---------------------------

POSITION								
<u>ITEM</u>	<u>Regional Senior Stewards</u>	<u>Admin Authorities</u>	<u>Managers, Chief Steward</u>	<u>Company Secretary, Director of Integrity Operations, Finance and Business Manager, Accountant Corporate Services</u>	<u>Chief Financial Officer, Director Product Development</u>	<u>Chief Executive Officer</u>	<u>Board of Directors</u>	
Overall Delegation	<\$500	<\$21,000	<\$52,000	<\$5,000	<\$20,000	<\$50,000	<\$150,000 in line with budget	Unlimited

Formatted: Left: 0.5", Right: 0.75", Top: 0.79", Bottom: 0.3", Width: 11.69", Height: 8.27", Header distance from edge: 0.28"

Formatted Table

Formatted: Not Highlight

Formatted Table

Formatted Table

ITEM	<u>Regional Senior Stewards GAP</u>	<u>Admin Authorities Racecourse Racing Manager – procurement Track Supervisor</u>	<u>Managers, Chief Steward Racing & Facilities Supervisor Track Supervisor</u>	<u>Senior Corporate Counsel/Company Secretary, Information Technology and Communications Manager, Licensing and Training Manager, Racing Managers – Dividing Races, Accountant – Corporate Services, Management Accountant</u>	<u>Director of Integrity Operations, Facility Maintenance and Development Manager</u>	<u>Chief Financial Officer Director of Product Development</u>	<u>Chief Executive Officer</u>	<u>Board of Directors</u>
------	-------------------------------------	---	--	--	---	--	--------------------------------	---------------------------

Standard Purchase Orders	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS
Emergency Purchase Orders	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS
Requisition - Miscellaneous Purchases (Credit Cards) <i>(Refer to Expense reimbursement policy for conditions)</i>	x	x	x	x	<\$20,000 and to budget	To Budget	To Budget	Same as above
Petty Cash	<\$100	<\$100	<\$100	<\$100	<\$100	<\$300	<\$300	<\$300
Capital Expenditure Purchase Orders and Request Forms	x	x	x	x	x	Forecast projects if <\$50,000 or if satisfied CEO has previously approved the project	Any single project <\$150,000 where included in approved annual budget	Any single project above \$150,000
Domestic (Interstate) travel	x	x	x	x	To budget	To budget	To budget	If outside of aggregate annual budget
International Travel	x	x	x	x	x	x	To Budget	If outside of

Formatted: Centered

Formatted: Space After: 0 pt

Formatted Table

ITEM	Regional Senior Stewards GAP	Admin Authorities Racecourse Supervisor Racing Manager – procurement Track Supervisor	Managers, Chief Steward Racing & Facilities Supervisor Track Supervisor	Senior Corporate Counsel/Company Secretary, Information Technology and Communications Manager, Licensing and Training Manager, Racing Managers – Dividing Races, Accountant – Corporate Services, Management Accountant	Director of Integrity Operations, Facility Maintenance and Development Manager	Chief Financial Officer Director of Product Development	Chief Executive Officer	Board of Directors
------	------------------------------	---	---	---	--	---	-------------------------	--------------------

								aggregate annual budget
Official Hospitality	<\$100	<\$100	<\$100 <\$300 Senior Management Team	<\$100 <\$300 Senior Management Team	<\$300	<\$300 or other functions as approved by CEO	To Budget	Yes
Employment of new staff	x	x	x	<u>Only with approval of CEO</u>	Negotiation only if resignation and within same salary range and approval from CEO	Employment letters and contracts assuming CEO approval	Yes	Yes
Contractual Agreements (All contracts to be reviewed by Corporate Counsel/Company Secretary for updating of Contracts register and asses if any legal advice required)	x	x	x	x	<\$20,000 total value (not lease or licence) assuming that authorised to sign in ordinary	Yes with CEO assuming CEO previously approved and legally authorised to sign where	Yes where value <\$150,000	Yes – subject to Board Agreement

Formatted: Centered

Formatted: Centered

Formatted Table

Formatted Table

<u>ITEM</u>	<u>Regional Senior Stewards GAP</u>	<u>Admin Authorities Racecourse Supervisor Racing Manager – procurement Track Supervisor</u>	<u>Managers, Chief Steward Racing & Facilities Supervisor Track Supervisor</u>	<u>Senior Corporate Counsel/Company Secretary, Information Technology and Communications Manager, Licensing and Training Manager, Racing Managers – Dividing Races, Accountant – Corporate Services, Management Accountant</u>	<u>Director of Integrity Operations, Facility Maintenance and Development Manager</u>	<u>Chief Financial Officer Director of Product Development</u>	<u>Chief Executive Officer</u>	<u>Board of Directors</u>
-------------	-------------------------------------	--	--	--	---	--	--------------------------------	---------------------------

					operations	<\$100,000		
Execution of Contractual Agreements (All contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of Contracts register and asses if any legal advice required)	To be executed by 2 Directors of the Company or a Director and a Company Secretary of the Company (S127 (1) – Corporations Act 2001).							

Formatted Table

The same delegations above apply to the payment of invoices with one exception:

- An invoice can be approved by a person with a lesser delegation provided the original purchase order was approved appropriately and the invoice does not exceed an amount that exceeds 10% of the original purchase order.

It should be noted that as a business rule, staff are not allowed to circumvent their delegation by raising multiple orders to purchase a good or service for an amount that exceeds their delegation limit.

Delegations

All expenditures for goods and services are to be authorised by a duly delegated officer and are to be in line with budget. These delegations are as follows:

Unlimited

- Board of Directors

Up to \$150,000

- Chief Executive Officer

Up to \$50,000

- Chief Financial Officer
- ~~Director of Product Development~~
- ~~Director of Product Development~~

Up to \$20,000

- Director of Integrity Operations
- ~~Facility Maintenance and Development Manager~~
- ~~Finance and Business Manager~~
- ~~Senior Corporate Counsel/Company Secretary~~
- ~~Accountant – Corporate Services~~

Up to \$10,000

- ~~Facility Maintenance and Development Manager~~
- ~~Racing Managers – Dividing Races~~

Up to \$5,000

- Information Technology and Communications Manager
- ~~Senior Corporate Counsel/Company Secretary~~
- ~~Racing Managers – Dividing Races~~
-
- Licensing and Training Manager
- Race Course Facility Managers
- Chief Steward
- ~~Accountant – Corporate Services~~
- ~~Management Accountant~~

Up to ~~\$2~~\$1,000

- Administrative Authorities – Executive Assistants including Track Supervisors
- Racing Managers - Procurement
- Racecourse Supervisor

Up to \$500

- Regional Senior Stewards (Northern Region – Townsville, Senior Steward Capricornia, Rockhampton and Steward in Charge Downs - Toowoomba)

Capitalisation of expenditure

Expenditure on discreetly identifiable plant and equipment items of **\$2,000** and above will be capitalised where the future benefit of that expenditure exceeds one year at the time of purchase. All land purchases must be capitalised.

The Chief Executive Officer or Chief Financial Officer ~~or Finance and Business Manager~~ may approve the capitalisation of services expenditures of \$2,000 and above where those services have a future benefit exceeding one year. All assets which are under <\$2,000 must be expensed in the year of purchase and recorded in the portable and attractive items register. All other service expenditures shall be written off in the financial year the expenditure was incurred.

Formatted: Bullets and Numbering

Formatted: Bullets and Numbering

Formatted: Font: Not Italic

Formatted: Left, Bulleted + Level: 1 + Alignment at: 0.5" + Tab after: 0.75" + Indent at: 0.75" + Hyphenate, Tab stops: Not at 0"

Formatted: Normal, Justified, Don't hyphenate, Tab stops: 0", Left

Formatted: Bullets and Numbering

Formatted: Font: Italic

Formatted: Normal, No bullets or numbering

Formatted: Left, Indent: Left: 0", Hyphenate, Tab stops: Not at 0" + 1"

Formatted: Bullets and Numbering

Formatted: Indent: Left: 1", Tab stops: 1.25", List tab + Not at 0.75" + 1"

Formatted: Highlight

Formatted: Bullets and Numbering

Formatted: Highlight

Compliance with Commonwealth Government GST & Australian Business Number legislation

The Commonwealth Government implementation of GST and Australian Business Number legislation, has given rise to some additional obligations in respect of purchasing. These are as follows:

- Organisations are required to withhold 46.5% of any payment to a supplier of goods or services that does not provide an ABN. In response to this, it is the policy of Racing Queensland Limited that no supplies be purchased from entities that are unable to quote an ABN;
- All suppliers to Racing Queensland Limited are to be advised that they must be able to provide a "Tax Invoice" in the form specified by the GST legislation, to enable Racing Queensland Limited to claim input credits. Under law, the supplier must supply Racing Queensland Limited with a Tax Invoice within 28 days of request. Racing Queensland Limited staff should not enter into contractual arrangements with suppliers unless satisfied that the supplier will be able to provide a suitable Tax Invoice; and
- When obtaining quotes or prices from potential suppliers, purchasing officers must satisfy themselves that the prices quoted are GST inclusive.

Documentation and the Role of the Finance Department

The Finance Department plays the lead role in ensuring Racing Queensland Limited meets its obligations under the *Corporations Act 2001*, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC through the development and implementation of appropriate accounting policies and controls.

While the Department will work to ensure operational areas within the organisation are meeting their obligations under the purchasing guidelines, senior managers also have a role to play in monitoring the purchasing activities of their staff.

With regard to documentation, all acquisitions need to be supported by evidence that appropriate purchasing principles and guidelines have been followed. In this regard:

- All purchases for non-continuous supplies that are not completed through petty cash or credit cards must be completed in IPOS. **Where IPOS is not available a manual purchase order must be raised and authorized with the pink and green copies sent to accounts payable.** Additionally, copies of sponsorship agreement pro-formas must be provided to the ~~Finance and Business Manager~~ **Chief Financial Officer** on a timely basis; and
- ~~The~~ **The** delegated officer must be satisfied that Racing Queensland Limited's purchasing policy has been adhered to, and that appropriate documentation that supports the six key principles (value for money, open and fair competition etc) has been gathered, and is available for audit scrutiny if required. The managers of organisational areas have responsibility for ensuring supporting documentation is maintained and is accessible.

Enquiries regarding these purchasing principles should be directed to the Chief Executive Officer or Chief Financial Officer. ~~or Finance and Business Manager~~ **Chief Financial Officer.**

IPOS

IPOS is an online web enable electronic procurement system. It has been custom built to meet Racing Queensland Limited and industry needs and greatly enhances Racing Queensland Limited's ability to operate in today's modern information driven environment.

Where IPOS is not available a manual purchase order must be raised and authorized with the pink and green copies sent to accounts payable.

The main objectives of IPOS are:

Formatted: Font: Bold

Formatted: Font: Bold

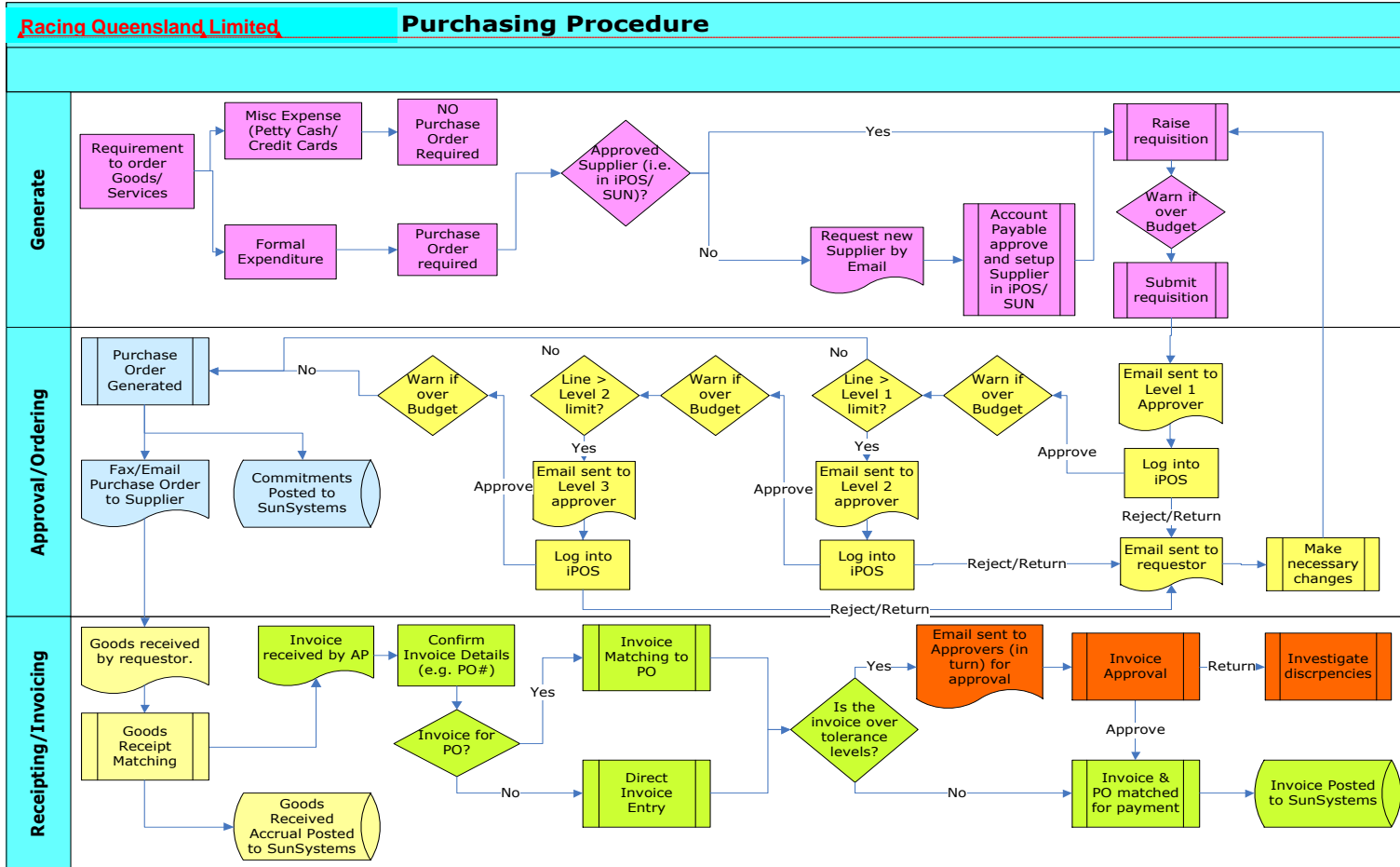
Formatted: Highlight

Formatted: Bullets and Numbering

Formatted: Highlight

-
- To provide the underlying systems to enable the business to obtain tighter budgetary controls, including the recording of committed expenditure,
 - To provide managers with the appropriate tools to focus on their individual budgets,
 - Implementation of systemic controls over the procure to pay process,
 - Improved reporting to the whole business,
 - To bring Racing Queensland Limited in line with best practice procurement through taking advantage of e-commerce, electronic purchase ordering and scanning.
 - Provide more real time reporting with less reliance on accounts payable,
 - Introduction of process efficiencies for accounts payable, removing the many manual processes currently in use, such as manual purchase order generation and invoice approvals.
 - Ability to interface with supplier ordering systems resulting in less manual entry.

The process map for Racing Queensland Limited's procurement process is featured below.



Comment [h1]: Title needs to be changed to Racing Queensland Limited. Will need original Visio document to make this change.

Formatted: Font: (Default) Arial, 10 pt, Bold

Formatted: Font: 10 pt, Bold

Formatted: Font: (Default) Arial, 10 pt, Bold

Formatted Table

The major advantage of IPOS is that it enforces Racing Queensland Limited's purchasing policy in an electronic procurement system. All management delegations are enforced at requisition and invoice stage. Separation of duties ensures that only requisitioners can create purchase orders and only management can authorise.

From 1 July 2010 where applicable all invoices will only be paid if an IPOS purchase order number is quoted on the invoice. Instances where invoices do not require IPOS purchase orders are Energy, phones, rates and other standard monthly charges.

IPOS Procedures are linked below:

<http://starcraft:8080/finance/Shared%20Documents/Forms/AllItems.aspx>

[-<link to be updated>](#)

Payment Methods

1. Direct Debit

1.1 Business Condition

Purchases that occur at set times throughout the year for set dollar amounts.

1.2 Business Rule

Invoices for goods or services that fall under this category include:

- 1. Rentals
- 2. Leases
- 3. Superannuation

Payments will be made via direct debit at the time dictated by the invoice.

1.3 Dependencies

Payments must be fixed frequency and price.

2. Cheque

2.1 Business Condition

One-off purchases that can not be paid through any other alternative option. RQL will only pay by cheque under exceptional circumstances otherwise all payments are to be made by electronic funds transfer.

3. Electronic Funds Transfer (EFT)

All other purchases will be paid by Electronic Funds Transfer (EFT) unless previously authorised by Finance and Business Manager the Chief Financial Officer

Payment Summary

A summary of the different methods for paying invoices is provided below:

Payment Types	Business Condition
EFT	Used for standard purchasing from preferred suppliers Used for emergency purchases from preferred supplier in response to an emergency situation
Direct Debit	Used for purchases that occur at set times throughout the year for set dollar amounts
Cheque	Used for miscellaneous purchases on a "case-by-case" basis only. To be used only in exceptional circumstances.
Credit Cards	Used for purchases made with non-preferred suppliers for dollar amounts up to delegated authority.
Petty Cash	Used for miscellaneous purchasing of items with a value of less than \$100 unless authorised by Finance and Business Manager <u>the Chief Financial Officer</u>

Summary of Key Controls

As a high level summary, the key controls associated with the procurement system are:

- Only deal with suppliers who have a valid ABN.
- Three quotes required for amounts >of \$10,000 or more where a preferred supplier is not used.
- Tax invoices to be obtained at all times.
- Required signatures for goods received.
- Vendor creation, deletion or addition must be performed by the Accounts Payable Officer and the bank account details are required in accordance to the Sun Security matrix to be entered by an Accounts Receivable Officer who does not have the ability to raise purchase orders or make payments in SUN. The change of details form is located G:\Finance\FORMS\Accounts Payable\Change of Details form.xls.
- Invoices are only paid after the prior approval of a purchase order (excluding credit card statement payments and direct debits) and after goods have been received.
- Established delegation limits with a 10% tolerance level up to a limit of \$100
- Credit card holders can make transactions greater than their delegation limit provided a purchase requisition with appropriate approval has been obtained first.
- All Capital purchases require a Capital Expenditure request form.
- Major Repairs and Maintenance of \$10,000 or more require a Major Repairs and Maintenance form.

In addition to the above, Racing Queensland Limited should perform an annual supplier analysis to review expenditure to determine that value for money is being achieved.

Credit Facilities

A credit facility is any system of credit established to allow purchase of goods or services without the use of an official purchase order or the exchange of cash between the purchaser and supplier at the time of the transaction.

The credit facilities generally used by the Company are:

- Corporate credit cards
- Fuel cards
- Taxi vouchers
- Toll cards.

Formatted: Bullets and Numbering

The establishment of any credit facility requires the recommendation of the Chief Financial Officer and approval from the Company. The Chief Financial Officer is responsible for the establishment, implementation, management and control of credit facilities used by the Company.

All credit facilities must be subject to the agreed terms and conditions between the credit provider and the Company.

Users of credit facilities must comply with the agreed terms and conditions, and properly discharge responsibilities regarding the use and reconciliation of credit accounts. Users are responsible for utilising the facilities in a proper and appropriate manner, and are accountable for all transactions associated with their use.

Users are also responsible for the security of the card/vouchers. Misuse of credit facilities will, at the discretion of the Board, result in the user's access to the facility being revoked and appropriate disciplinary action being taken.

Corporate Credit Cards

Principles. The policies and procedures pertaining to corporate credit cards are contained in the following policy: RQL_Expense Reimbursement Policy.doc

~~Can not open file~~<Update link when on Intranet>

Issue. Corporate credit cards will be issued to relevant officers on the basis of the card providing a necessary and convenient facility for meeting commitments incurred in the course of official business.

The issue of corporate credit cards is to be recorded in a register that is maintained by an appropriate officer, e.g. Accounts Payable Officer. Corporate card use should be restricted to a specific transaction limit in any one month.

Documentation.

The following conditions governing the use of credit cards prevail:

A register of cards must be established and maintained to exercise control over the issue and use of cards.

- Only authorised charges may be made against the credit organisation;
- Cards must be secured at all times against unauthorised use;
- Internal control measures must be sufficient to ensure cards are used for official purposes only and that any misuse is detected promptly and reported to the Chief Financial Officer.
- Officers using a credit card must obtain particulars of transactions including supporting invoices and dockets duly signed. A Credit Card Usage Form must be completed with the invoices attached. Supporting documentation can include the vendor's invoice/account, copy of prior approval to travel/entertain (where applicable), and purchase order. Where supporting invoices or dockets are not available, a signed certificate stating that the transactions are valid and were for official purposes must be attached. Details of all hospitality/entertainment expenses must be fully documented with the purpose of the expense, guest name(s), date, refreshments, time and the like.

Reconciliation.

- The documentation must be forwarded promptly to an accounting officer for attachment to the credit card transaction record for the purposes of sustaining the official use of the card and settlement of the amount within the required period;
- An accounting officer must match the dockets to the statements received from the credit card organisation;
- The dockets and the summary of these dockets showing the charges incurred by the use of credit cards must be properly authorised by a duly authorised officer; and
- The use of credit cards for the purchase of goods and services must be in strict accordance with the expense reimbursement policy of Racing Queensland Limited.
- Failure to provide receipts and the reconciliation in a timely manner will result in the card being cancelled and the employee will have to be reimbursed expenditure through the expense reimbursement policy

Fuel Cards

Issue. The issue of fuel cards is to be recorded in a register maintained by the Finance area.

Responsibilities. Users of the fuel card credit facility are responsible for utilising the facility in a proper and appropriate manner. Users are also responsible for the security of the card while it is in their possession, and are accountable for all transactions associated with its use during that period.

Use. Fuel cards are to be used only in accordance with the agreement between the credit provider and the Company. This includes locations where the card may be used, vehicle for which the card may be used and the types of purchases that are permitted (e.g. fuel only, fuel and oil).

Documentation. Fuel card transactions are to be supported by documentary evidence of the purchase (e.g. the fuel card docket provided by the fuel supplier). This documentation is to be forwarded to the Finance Area and will be used when reconciling the credit provider's account and making payment.

Taxi Vouchers

Issue. Bulk stocks and the issue of taxi vouchers are to be maintained by the Finance area. The Accounts Payable Officer is responsible for the issue of taxi vouchers within their area of responsibility. This officer should ensure that taxi vouchers are issued for appropriate use.

Use. The use of taxi vouchers is strictly limited to taxi travel for the purpose of conducting official business within or outside business hours when neither an official vehicle is available, nor is public transport an acceptable option.

E Tolls

Issue. The Finance and Business Manager, Chief Financial Officer is responsible for approving the issue of E toll within their area of responsibility.

Officers may purchase pre-paid tolls only by credit card.

Use. The use of tolls is limited to conditions as specified under the motor vehicle policy.

Formatted: Centered

Formatted Table

SPONSORSHIP AGREEMENT

BETWEEN:

(The Sponsor)

AND RACING QUEENSLAND LIMITED, a control body established under the *Racing Act 2002* and *Corporations Act 2001*

(The Sponsored)

WHEREAS The Sponsor has agreed to provide sponsorship in accordance with this agreement.

AND The Sponsored has agreed to provide services in return for the sponsorship.

This Agreement provides:

1. The Sponsor will provide the following sponsorship to the Sponsored:

Details of Sponsorship [If insufficient space annex details]

- Money (here detail the sum of any monies to be paid to the Sponsored)
- Support (here detail all support services including the value thereof to be supplied to the Sponsored)

2. The Sponsored will provide the following services to the Sponsor: [If insufficient space annex details]

(a) Services (here detail all services including their value to be supplied by the Sponsored in return for the sponsorship)

3. It is hereby acknowledged that:

- (a) The Sponsored will issue a recipient created tax invoice to the Sponsor to meet Goods and Services Tax obligations in relation to the supply of money and for support;
- (b) The Sponsor will issue a recipient created tax invoice to the Sponsored to meet Good and Services Tax obligations in relation to the supply of services.

DATED this _____ day of _____ 20__

SIGNED AS AN AGREEMENT

SPONSOR

Full name of authorised officer

Signature of authorised officer

Signed in the presence of

SPONSORED

RACING QUEENSLAND LIMITED

Full name of authorised officer

Signature of authorised officer

Signed in the presence of



PURCHASING POLICY

Owner

Chief Financial Officer

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	May 2010	First draft (Murray Dyke)/Reviewed Adam Carter
1.02	12 May 2010	Provided to Tracey Harris and Abhendra Kumar for Feedback
1.03	22 June 2010	Reviewed AC
1.04	1 July 2010	RQL Board Changes (FINAL)
1.05	9 June 2011	Reviewed Adam Carter and Sharon Drew



PURCHASING POLICY:

RACING QUEENSLAND LIMITED

Introduction

This policy has been prepared to provide guidelines and procedures to be followed by officers of Racing Queensland Limited when undertaking and managing purchasing activities to meet the organisation's operational requirements and also meet the objectives of the policy.

Racing Queensland Limited is the Control Body established by, and obtaining its objects and functions from, the *Racing Act 2002* and its Constitution. Racing Queensland Limited is required to conduct its financial activities with probity and accountability, in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC.

Key Principles

In conducting its purchasing activities it is the policy of Racing Queensland Limited to adhere, at all times, to the key principles of:

1. Value for money;
2. Quality of product, service, and support;
3. Open and fair competition;
4. Accountability of outcomes;
5. Use of Queensland product where price competitive, and where quality standards are met; and
6. Suppliers are compliant with all taxation requirements.

Policy

These principles have been applied in developing policy for the following key purchasing activities:

- Capital works projects;
- Consulting services;
- Sponsorship contracts;
- Information technology;
- Other capital expenditure;
- Major repairs and maintenance;

- Day to day purchasing of services and supplies; and
- Credit Facilities

There is also a focus on using preferred suppliers as explained in this report in further detail. The procurement system should result in the following benefits:

- Reduce operating costs;
- Reduce risk;
- Increase control; and
- Improve cash flow visibility

Capital Works Projects

Racing Queensland Limited plays a major role in the implementation of industry capital works projects each year. Racing Queensland Limited establishes an annual program of capital works, within a specified budget, following consideration of proposals from race clubs and advice from relevant officers within the organisation.

The policy of Racing Queensland Limited, in relation to the implementation of approved projects, is briefly addressed below:

- Once projects are given preliminary approval through the annual capital budgeting process, race clubs will be required to provide detailed design and costing information, and a project plan, prepared by a suitably qualified and experienced independent consultant. Racing Queensland Limited may, at its discretion, instigate an assessment of this documentation by its own consulting engineers. Any variation to the estimate used in applying for inclusion in the capital works program must be disclosed and explained. Variations of greater than 10% from the preliminary estimate are to be referred back to the Board of Racing Queensland Limited;
- Assuming the project cost following detailed design is contained within 10% of the preliminary estimate, and Racing Queensland Limited is satisfied with the standard of documentation provided, final approval will be given for the project to proceed (Chief Executive Officer or Chief Financial Officer);
- After final approval has been given, race clubs will be instructed that they can establish formal contractual arrangements for the construction works, in accordance with the approved budget. In establishing these contracts the club must pay regard to the key purchasing principles contained within this policy. Following establishment of the works contracts, Racing Queensland Limited will make payment of a grant to the club, equivalent to the agreed industry contribution. This grant will represent payment for a taxable supply, and will have GST added; and
- Following completion of the project, the club will provide Racing Queensland Limited with a report, which addresses the outcomes of the project, including cost to budget, quality of product, and timeliness.

Consulting Services

Racing Queensland Limited uses consulting services in a number of aspects of its operations including legal, information technology, human resource management, financial management, business development, and marketing.

These consultancies vary from short-term "one-off" contracts, to longer-term arrangements, which may encompass a series of different activities (e.g. marketing and promotional work).

For short-term "one-off" contracts the following policy guidelines are to apply:

- The six key purchasing principles outlined above are to be applied at all times;
- For contracts under \$10,000 in value, preferred supplier arrangements* can be used. That is, where a purchasing officer is satisfied that a consultant that has provided a high quality service in the past, has the necessary expertise to undertake the work, and is available in an appropriate timeframe, that consultant can be appointed without a formal competitive process being undertaken. If such a person is not available, three quotes from prospective consultants should be obtained and evaluated;

(* Please note that where preferred supplier arrangements are referred to later in this document for other categories of purchasing, similar procedures to those above will apply)

- For contracts between \$10,000 and \$100,000, tenders should be called from at least three “preferred” contractors. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles. The evaluation of the proposals should be undertaken by two accountable officers, and be approved by a delegated officer (Chief Executive Officer or Chief Financial Officer);
- For contracts over \$100,000, will be subject to Board discretion as to the waiver of an open tender, including appropriate advertising of the consultancy. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers, and be approved by a delegated officer.

For longer-term consultancy arrangements (e.g. the ongoing purchase of external legal services that cannot be delivered in-house), which may involve the use of a preferred supplier or suppliers for a range of individual tasks over an extended period of time, the following guidelines are to be followed:

- The purchasing officer may select a consultant for a range of tasks from a panel of preferred suppliers for the type of work involved;
- Prior to such a selection, a competitive process, adhering to the six key purchasing principles of Racing Queensland Limited, to appoint the panel of preferred suppliers must have been undertaken, be appropriately documented, and be signed-off by a delegated officer;
- In selecting the preferred supplier from the panel, the purchasing officer must clearly document the reasons for the selection, and be accountable for that selection. The selection must be approved by a delegated officer; and
- Individual consultancy contracts over \$100,000 in value are not to be entered into under these preferred supplier arrangements. For such consultancies, will be subject to Board discretion as to the waiver of an open tender, as described above, must be followed.

Sponsorship Contracts

Racing Queensland Limited may enter into sponsorship contracts of a cash and exchange-of-goods and/or services (“contra”) nature.

In establishing these contracts, officers must adhere to Racing Queensland Limited’s key purchasing principles, particularly those of “accountability of outcomes”, and “compliance with all taxation requirements”. With these principles in mind, a Sponsorship Agreement pro-forma (refer to Appendix A) is to be prepared for all sponsorship arrangements, regardless of whether they involve a cash payment, or are solely contra in nature.

The sponsorship agreement is to clearly specify the goods and/or services that are to be delivered by both Racing Queensland Limited and the sponsor, and identify the value of these supplies so that GST obligations, including Tax Invoicing, can be satisfied.

All sponsorship agreements are to be authorised by an officer of Racing Queensland Limited with appropriate delegation, and a copy is to be provided to the Finance Section so that Tax Invoices can be prepared, and GST liabilities and credits accounted for.

Information Technology

The acquisition of information technology hardware and software represents a substantial investment of capital by Racing Queensland Limited each year.

Given the advancing nature of IT and the need to upgrade hardware and systems applications on an ongoing basis, it is the policy of Racing Queensland Limited to acquire such items through leasing arrangements. In this regard the following is to apply:

- A tender process, through a preferred supplier arrangement, is to be undertaken for the establishment of a medium to long-term lease contract for the supply of computer equipment, and other general office equipment where appropriate;
- This contract is to be reviewed on an annual basis to ensure the key principles of “value for money” and “quality of service and support” are being satisfied;
- Where a requirement to add items to the schedule covered by the lease has been identified, the purchasing officer must ensure the purchasing principles are adhered to. For items under \$10,000, preferred supplier arrangements can be used. For items \$10,000 or over, three quotes must be obtained. Appropriate documentation to support the purchasing decisions must be maintained at all times; and

The IT Section is also required to develop and maintain an *IT asset replacement strategy*, incorporating a list of all hardware and software under lease (or purchased), and information on the condition and expected useful life of individual items.

Other Capital Expenditure

Motor Vehicles

Racing Queensland Limited maintains a fleet of vehicles provided for both work and private use. These vehicles are to be leased through the appropriate lease provider under the following arrangements:

- the leasing of a new vehicle must be approved by the Chief Executive Officer or Chief Financial Officer; and
- The type and model of the vehicle, and any optional extras, must be commensurate with the status and nature of the role performed by the officer for which the car is being acquired, and be in accordance with the entitlements the officer has under his/her contract of employment;
- All vehicles are to be replaced after three years, or having travelled 90,000 klms, whichever comes first, unless the Chief Executive Officer or Chief Financial Officer agrees to an extension of the leasing term.

Vehicles are to be leased in line with the Racing Queensland Limited’s Motor Vehicle Policy, for further details email ap@racingqueensland.com.au

On disposal of company-owned vehicles, three trade-in quotes must be obtained, where possible, with the highest trade-in valuation the key consideration in selecting the successful dealer. Racing Queensland Limited staff may be given the option to purchase the vehicle that is being traded, at no less than \$1 more than the best trade-in valuation. The Chief Executive Officer or Chief Financial Officer will determine the successful staff bidder in the event of two or more staff bidding for the same vehicle being traded.

Other Capital Purchases

All other capital purchases (e.g. office machines) made by Racing Queensland Limited are to adhere to the following guidelines:

A request for capital expenditure form is to be completed for all capital purchases and is to be authorised by both the Chief Executive Officer and Chief Financial Officer [<insert link to form when on intranet >](#).

- The six key purchasing principles outlines above are to be applied at all times;
- For items under \$10,000 in value, preferred supplier arrangements can be used;
- For capital items between \$10,000 and \$100,000, quotes should be called from at least three “preferred” suppliers. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles;
- For capital items over \$100,000, will be subject to Board discretion as to the waiver of an open tender. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers; and

- For all capital purchases of \$10,000 or more, a lease versus buy analysis is to be undertaken.

Major Repairs and Maintenance

Major Repairs and Maintenance purchases of \$10,000 or more made by Racing Queensland Limited are to adhere to the following guidelines:

A request for major repairs and maintenance expenditure form is to be completed for purchases of \$10,000 or more and is to be authorised by both the Director of Product Development and Chief Financial Officer (to the value of \$20,000). Purchases of \$20,000 or more will require an additional approval by the Chief Executive Officer.

. <insert link to form when on intranet >

Day to day Purchasing of Services and Supplies.

Policy in relation to the day to day purchasing of services and supplies is as follows:

- For items supplied on a continuous basis (e.g. stationery, consumables, printing) preferred supplier arrangements may be used. Purchasing officers must ensure that the key purchasing principles are adhered to, especially “value for money” and “quality of service”;
- In this regard, officers are required to conduct a competitive process for the selection of a panel of preferred suppliers, for continuous supplies, on an annual basis. Documentation must be prepared and maintained in respect of preferred supplier selection, and the subsequent selection of a supplier from the panel for particular purchases;
- However, for any individual supply or service, which would normally form part of a continuous supply by an individual, that is to cost the organisation \$100,000 or more, an open competitive process must be undertaken. That is, any individual supply which is to cost \$100,000 or more, cannot form part of a continuous purchasing contract made under preferred supplier arrangements;
- For non-continuous supplies and services (e.g. “one-off” printing jobs) preferred supplier arrangements can be used for purchases under \$10,000, on the basis that Racing Queensland Limited’s key principles are satisfied. At least three competitive quotes must be obtained for any purchase of \$10,000 or more.

Preferred Suppliers

As much as possible, Racing Queensland Limited should consolidate its suppliers and utilise preferred suppliers for either off-the-shelf goods/services where there are several sources of supply and the purchase is low risk or where there is an established relationship with a proven record of success. The advantages of using preferred suppliers are that it streamlines and simplifies purchasing, reduces administrative costs and promotes cost savings through volume discounts and exclusivity arrangements. Other benefits are that it minimises costs and risk for suppliers through not being required to regularly prepare and submit quotations.

1.1. Selection of Preferred Suppliers

The selection of preferred suppliers should be based on selection criteria that could include:

- Technical capability and experience
- Financial capacity and viability
- System and management responsibility incorporating product and service compliance with agreed industry standards
- People
- Business/organisation factors
- Favourable referee reports (a successful track record to deliver)
- Racing Queensland Limited's 6 key principles:
 1. Value for money;
 2. Quality of product, service, and support;
 3. Open and fair competition;
 4. Accountability of outcomes;
 5. Use of Queensland product where price competitive, and where quality standards are met; and
 6. Suppliers are compliant with all taxation requirements.

1.2 Preferred Suppliers Listing.

The current preferred suppliers list can be obtained from [accounts payable ap@racingqueensland.com.au](mailto:accounts_payable_ap@racingqueensland.com.au) or can be located at the following link:

<Insert Link to Preferred Supplier Listing which is currently under construction>

RACING QUEENSLAND LIMITED

Item	Regional Senior Stewards	Admin Authorities, Racecourse Supervisor, racing Manager – Procurement Track Supervisor	Managers, Chief Steward, Racing and Facilities Supervisor, Track Supervisor	Information Technology and Communications Manager, Licensing and Training Manager, Racing Managers – Dividing Races, Management Accountant, Revenue & Services Accountant	Director of Integrity Operations, Facility & Development Manager, Senior Corporate Counsel/Company Secretary	Chief Financial Officer, Director of Product Development	Chief Executive Officer	Board of Directors
------	--------------------------	---	---	---	--	--	-------------------------	--------------------

Overall Delegation	<\$500	<\$1,000	<\$2,000	<\$5,000	<\$20,000	<\$50,000	<\$150,000 In line with Budget	Unlimited
Standard Purchase Orders	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS
Emergency Purchase Orders	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS
Requisition – Miscellaneous Purchases (Credit Cards) (Refer to Expense Reimbursement policy for conditions)	X	X	X	X	<\$20,000 and to Budget	To Budget	To Budget	Same as above
Petty Cash	<\$100	<\$100	<\$100	<\$100	<\$100	<\$300	<\$300	<\$300
Capital Expenditure Purchase Orders and Request Forms	X	X	X	X	X	Forecast projects if <\$50,000 or if satisfied CEO has previously approved the project	Any single project <\$150,000 where included in approved annual budget	Any single project above \$150,000
Domestic (Interstate) travel	X	X	X	X	To Budget	To Budget	To Budget	If outside aggregate annual budget
International Travel	X	X	X	X	X	X	To Budget	If outside aggregate annual budget
Official Hospitality	<\$100	<\$100	<\$100 <\$300 Senior Management Team	<\$100 <\$300 Senior Management Team	<\$300	<\$300 or other functions as approved by CEO	To Budget	Yes

RACING QUEENSLAND LIMITED

Item	Regional Senior Stewards	Admin Authorities, Racecourse Supervisor, racing Manager – Procurement Track Supervisor	Managers, Chief Steward, Racing and Facilities Supervisor, Track Supervisor	Information Technology and Communications Manager, Licensing and Training Manager, Racing Managers – Dividing Races, Management Accountant, Revenue & Services Accountant	Director of Integrity Operations, Facility & Development Manager, Senior Corporate Counsel/Company Secretary	Chief Financial Officer, Director of Product Development	Chief Executive Officer	Board of Directors
------	--------------------------	---	---	---	--	--	-------------------------	--------------------

Employment of new staff	x	x	x	Only with approval of CEO	Negotiation only if resignation and within same salary range and approval from CEO	Employment letters and contracts assuming CEO approval	Yes	Yes
Contractual Agreements (all contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of Contracts register and assess if any legal advice is required)	x	x	x	x	<\$20,000 total value (not lease or license) assuming that authorised to sign in ordinary operations	Yes with CEO assuming CEO previously approved and legally authorised to sign where <\$100,000	Yes where value <\$150,000	Yes, subject to Board agreement
Execution of Contractual agreements (All contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of contracts register and assess if any legal advice is required)	To be executed by 2 Directors of the Company or a Director and a Company Secretary of the Company (S127 (1) – Corporations Act 2001).							

The same delegations above apply to the payment of invoices with one exception:

- An invoice can be approved by a person with a lesser delegation provided the original purchase order was approved appropriately and the invoice does not exceed an amount that exceeds 10% of the original purchase order.

It should be noted that as a business rule, staff are not allowed to circumvent their delegation by raising multiple orders to purchase a good or service for an amount that exceeds their delegation limit.

Delegations

All expenditures for goods and services are to be authorised by a duly delegated officer and are to be in line with budget. These delegations are as follows:

Unlimited

- Board of Directors

Up to \$150,000

- Chief Executive Officer

Up to \$50,000

- Chief Financial Officer
- Director of Product Development

Up to \$20,000

- Director of Integrity Operations
- Facility Maintenance and Development Manager
- Senior Corporate Counsel/Company Secretary

Up to \$5,000

- Information Technology and Communications Manager
- Racing Managers – Dividing Races
- Licensing and Training Manager
- Race Course Facility Managers
- Chief Steward
- Accountant – Corporate Services
- Management Accountant

Up to \$1,000

- Administrative Authorities – Executive Assistants including Track Supervisors
- Racing Managers - Procurement
- Racecourse Supervisor

Up to \$500

- Regional Senior Stewards (Northern Region – Townsville, Senior Steward Capricornia Rockhampton and Steward in Charge Downs - Toowoomba)

Capitalisation of expenditure

Expenditure on discreetly identifiable plant and equipment items of **\$2,000** and above will be capitalised where the future benefit of that expenditure exceeds one year at the time of purchase. All land purchases must be capitalised.

The Chief Executive Officer or Chief Financial Officer may approve the capitalisation of services expenditures of \$2,000 and above where those services have a future benefit exceeding one year. All assets which are under \$2,000 must be expensed in the year of purchase and recorded in the portable and attractive items register. All other service expenditures shall be written off in the financial year the expenditure was incurred.

Compliance with Commonwealth Government GST & Australian Business Number legislation

The Commonwealth Government implementation of GST and Australian Business Number legislation, has given rise to some additional obligations in respect of purchasing. These are as follows:

- Organisations are required to withhold 46.5% of any payment to a supplier of goods or services that does not provide an ABN. In response to this, it is the policy of Racing Queensland Limited that no supplies be purchased from entities that are unable to quote an ABN;

- All suppliers to Racing Queensland Limited are to be advised that they must be able to provide a “Tax Invoice” in the form specified by the GST legislation, to enable Racing Queensland Limited to claim input credits. Under law, the supplier must supply Racing Queensland Limited with a Tax Invoice within 28 days of request. Racing Queensland Limited staff should not enter into contractual arrangements with suppliers unless satisfied that the supplier will be able to provide a suitable Tax Invoice; and
- When obtaining quotes or prices from potential suppliers, purchasing officers must satisfy themselves that the prices quoted are GST inclusive.

Documentation and the Role of the Finance Department

The Finance Department plays the lead role in ensuring Racing Queensland Limited meets its obligations under the *Corporations Act 2001*, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC through the development and implementation of appropriate accounting policies and controls.

While the Department will work to ensure operational areas within the organisation are meeting their obligations under the purchasing guidelines, senior managers also have a role to play in monitoring the purchasing activities of their staff.

With regard to documentation, all acquisitions need to be supported by evidence that appropriate purchasing principles and guidelines have been followed. In this regard:

- All purchases for non-continuous supplies that are not completed through petty cash or credit cards must be completed in IPOS. **Where IPOS is not available a manual purchase order must be raised and authorised with the pink and green copies sent to accounts payable.** Additionally, copies of sponsorship agreement pro-formas must be provided to the Chief Financial Officer on a timely basis; and
- The delegated officer must be satisfied that Racing Queensland Limited’s purchasing policy has been adhered to, and that appropriate documentation that supports the six key principles (value for money, open and fair competition etc) has been gathered, and is available for audit scrutiny if required. The managers of organisational areas have responsibility for ensuring supporting documentation is maintained and is accessible.

Enquiries regarding these purchasing principles should be directed to the Chief Executive Officer or Chief Financial Officer.

IPOS

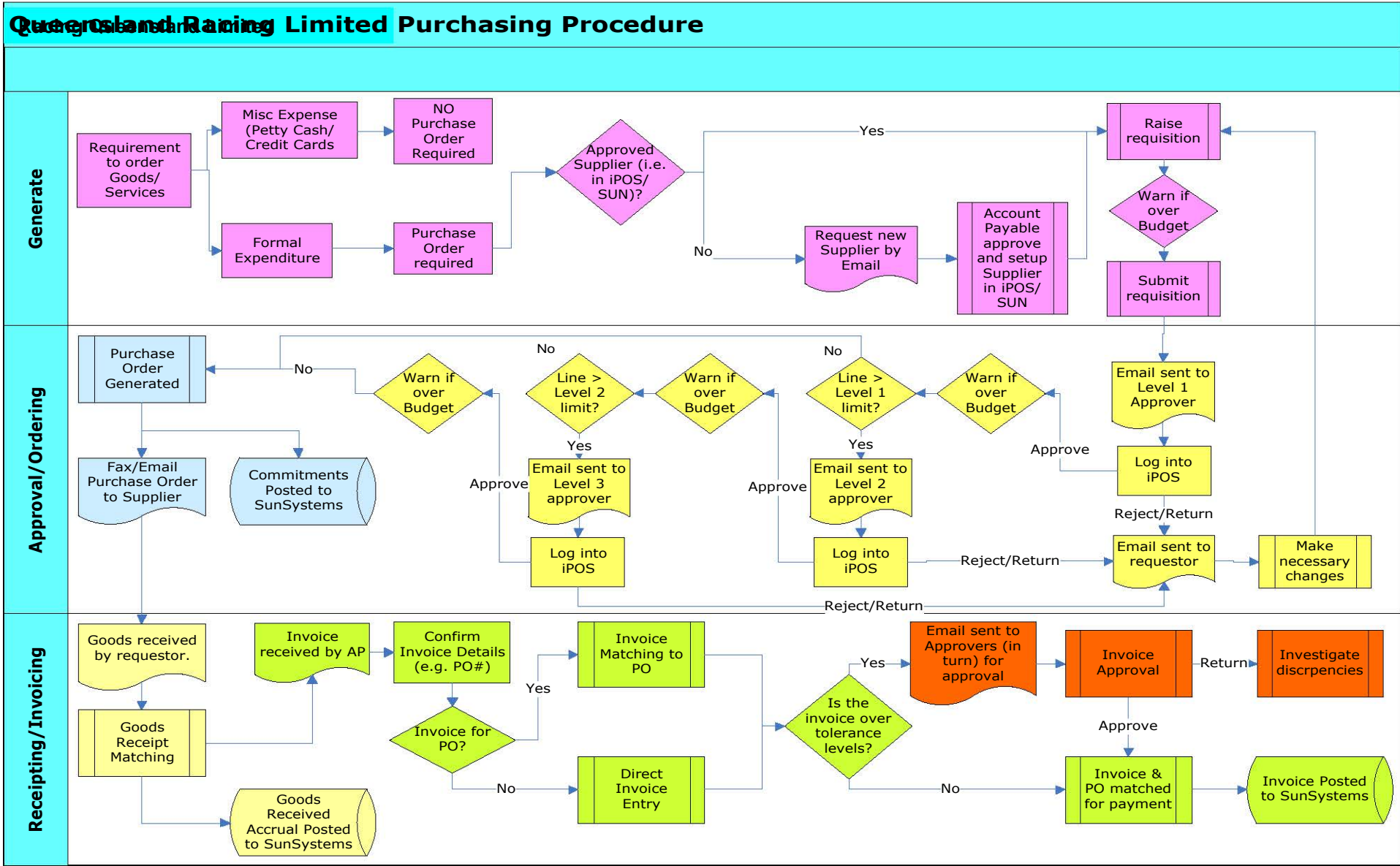
IPOS is an online web enable electronic procurement system. It has been custom built to meet Racing Queensland Limited and industry needs and greatly enhances Racing Queensland Limited’s ability to operate in today’s modern information driven environment.

Where IPOS is not available a manual purchase order must be raised and authorized with the pink and green copies sent to accounts payable.

The main objectives of IPOS are:

- To provide the underlying systems to enable the business to obtain tighter budgetary controls, including the recording of committed expenditure,
- To provide managers with the appropriate tools to focus on their individual budgets,
- Implementation of systemic controls over the procure to pay process,
- Improved reporting to the whole business,
- To bring Racing Queensland Limited in line with best practice procurement through taking advantage of e-commerce, electronic purchase ordering and scanning.
- Provide more real time reporting with less reliance on accounts payable,
- Introduction of process efficiencies for accounts payable, removing the many manual processes currently in use, such as manual purchase order generation and invoice approvals.
- Ability to interface with supplier ordering systems resulting in less manual entry.

The process map for Racing Queensland Limited’s procurement process is featured below.



The major advantage of IPOS is that it enforces Racing Queensland Limited's purchasing policy in an electronic procurement system. All management delegations are enforced at requisition and invoice stage. Separation of duties ensures that only requisitioners can create purchase orders and only management can authorise.

From 1 July 2010 where applicable all invoices will only be paid if an IPOS purchase order number is quoted on the invoice. Instances where invoices do not require IPOS purchase orders are Energy, phones, rates and other standard monthly charges.

IPOS Procedures are linked below:

<http://starcraft:8080/finance/Shared%20Documents/Forms/AllItems.aspx>
<link to be updated>

Payment Methods

1. Direct Debit

1.1 Business Condition

Purchases that occur at set times throughout the year for set dollar amounts.

1.2 Business Rule

Invoices for goods or services that fall under this category include:

1. Rentals
2. Leases
3. Superannuation

Payments will be made via direct debit at the time dictated by the invoice.

1.3 Dependencies

Payments must be fixed frequency and price.

2. Cheque

2.1 Business Condition

One-off purchases that can not be paid through any other alternative option. RQL will only pay by cheque under exceptional circumstances otherwise all payments are to be made by electronic funds transfer.

3. Electronic Funds Transfer (EFT)

All other purchases will be paid by Electronic Funds Transfer (EFT) unless previously authorised by the Chief Financial Officer

Payment Summary

A summary of the different methods for paying invoices is provided below:

Payment Types	Business Condition
EFT	Used for standard purchasing from preferred suppliers Used for emergency purchases from preferred supplier in response to an emergency situation
Direct Debit	Used for purchases that occur at set times throughout the year for set dollar amounts
Cheque	Used for miscellaneous purchases on a "case-by-case" basis only. To be used only in exceptional circumstances.
Credit Cards	Used for purchases made with non-preferred suppliers for dollar amounts up to delegated authority.
Petty Cash	Used for miscellaneous purchasing of items with a value of less than \$100 unless authorised by the Chief Financial Officer

Summary of Key Controls

As a high level summary, the key controls associated with the procurement system are:

- Only deal with suppliers who have a valid ABN.
- Three quotes required for amounts of \$10,000 or more where a preferred supplier is not used.
- Tax invoices to be obtained at all times.
- Required signatures for goods received.
- Vendor creation, deletion or addition must be performed by the Accounts Payable Officer and the bank account details are required in accordance to the Sun Security matrix to be entered by an Accounts Receivable Officer who does not have the ability to raise purchase orders or make payments in SUN. The change of details form is located G:\Finance\FORMS\Accounts Payable\Change of Details form.xls.
- Invoices are only paid after the prior approval of a purchase order (excluding credit card statement payments and direct debits) and after goods have been received.
- Established delegation limits with a 10% tolerance level up to a limit of \$100
- Credit card holders can make transactions greater than their delegation limit provided a purchase requisition with appropriate approval has been obtained first.
- All Capital purchases require a Capital Expenditure request form.
- Major Repairs and Maintenance of \$10,000 or more require a Major Repairs and Maintenance form.

In addition to the above, Racing Queensland Limited should perform an annual supplier analysis to review expenditure to determine that value for money is being achieved.

Credit Facilities

A credit facility is any system of credit established to allow purchase of goods or services without the use of an official purchase order or the exchange of cash between the purchaser and supplier at the time of the transaction.

The credit facilities generally used by the Company are:

- Corporate credit cards
- Fuel cards
- Taxi vouchers
- Toll cards.

The establishment of any credit facility requires the recommendation of the Chief Financial Officer and approval from the Company. The Chief Financial Officer is responsible for the establishment, implementation, management and control of credit facilities used by the Company.

All credit facilities must be subject to the agreed terms and conditions between the credit provider and the Company.

Users of credit facilities must comply with the agreed terms and conditions, and properly discharge responsibilities regarding the use and reconciliation of credit accounts. Users are responsible for utilising the facilities in a proper and appropriate manner, and are accountable for all transactions associated with their use.

Users are also responsible for the security of the card/vouchers. Misuse of credit facilities will, at the discretion of the Board, result in the user's access to the facility being revoked and appropriate disciplinary action being taken.

Corporate Credit Cards

Principles. The policies and procedures pertaining to corporate credit cards are contained in the following policy: RQL_Expense Reimbursement Policy.doc

<Update link when on Intranet>

Issue. Corporate credit cards will be issued to relevant officers on the basis of the card providing a necessary and convenient facility for meeting commitments incurred in the course of official business.

The issue of corporate credit cards is to be recorded in a register that is maintained by an appropriate officer, e.g. Accounts Payable Officer. Corporate card use should be restricted to a specific transaction limit in any one month.

Documentation.

The following conditions governing the use of credit cards prevail:

A register of cards must be established and maintained to exercise control over the issue and use of cards.

- Only authorised charges may be made against the credit organisation;
- Cards must be secured at all times against unauthorised use;
- Internal control measures must be sufficient to ensure cards are used for official purposes only and that any misuse is detected promptly and reported to the Chief Financial Officer.
- Officers using a credit card must obtain particulars of transactions including supporting invoices and dockets duly signed. A Credit Card Usage Form must be completed with the invoices attached. Supporting documentation can include the vendor's invoice/account, copy of prior approval to travel/entertain (where applicable), and purchase order. Where supporting invoices or dockets are not available, a signed certificate stating that the transactions are valid and were for official purposes must be attached. Details of all hospitality/entertainment expenses must be fully documented with the purpose of the expense, guest name(s), date, refreshments, time and the like.

Reconciliation.

- The documentation must be forwarded promptly to an accounting officer for attachment to the credit card transaction record for the purposes of sustaining the official use of the card and settlement of the amount within the required period;
- An accounting officer must match the dockets to the statements received from the credit card organisation;
- The dockets and the summary of these dockets showing the charges incurred by the use of credit cards must be properly authorised by a duly authorised officer; and
- The use of credit cards for the purchase of goods and services must be in strict accordance with the expense reimbursement policy of Racing Queensland Limited.
- Failure to provide receipts and the reconciliation in a timely manner will result in the card being cancelled and the employee will have to be reimbursed expenditure through the expense reimbursement policy

Fuel Cards

Issue. The issue of fuel cards is to be recorded in a register maintained by the Finance area.

Responsibilities. Users of the fuel card credit facility are responsible for utilising the facility in a proper and appropriate manner. Users are also responsible for the security of the card while it is in their possession, and are accountable for all transactions associated with its use during that period.

Use. Fuel cards are to be used only in accordance with the agreement between the credit provider and the Company. This includes locations where the card may be used, vehicle for which the card may be used and the types of purchases that are permitted (e.g. fuel only, fuel and oil).

Documentation. Fuel card transactions are to be supported by documentary evidence of the purchase (e.g. the fuel card docket provided by the fuel supplier). This documentation is to be forwarded to the Finance Area and will be used when reconciling the credit provider's account and making payment.

Taxi Vouchers

Issue. Bulk stocks and the issue of taxi vouchers are to be maintained by the Finance area. The Accounts Payable Officer is responsible for the issue of taxi vouchers within their area of responsibility. This officer should ensure that taxi vouchers are issued for appropriate use.

Use. The use of taxi vouchers is strictly limited to taxi travel for the purpose of conducting official business within or outside business hours when neither an official vehicle is available, nor is public transport an acceptable option.

E Tolls

Issue. The Chief Financial Officer is responsible for approving the issue of E toll within their area of responsibility.

Officers may purchase pre-paid tolls only by credit card.

Use. The use of tolls is limited to conditions as specified under the motor vehicle policy.

SPONSORSHIP AGREEMENT

BETWEEN:

(The Sponsor)

AND RACING QUEENSLAND LIMITED, a control body established under the *Racing Act 2002* and *Corporations Act 2001*

(The Sponsored)

WHEREAS The Sponsor has agreed to provide sponsorship in accordance with this agreement.

AND The Sponsored has agreed to provide services in return for the sponsorship.

This Agreement provides:

1. The Sponsor will provide the following sponsorship to the Sponsored:
 Details of Sponsorship [If insufficient space annex details]
 - Money (here detail the sum of any monies to be paid to the Sponsored)
 - Support (here detail all support services including the value thereof to be supplied to the Sponsored)
2. The Sponsored will provide the following services to the Sponsor: [If insufficient space annex details]
 - Services (here detail all services including their value to be supplied by the Sponsored in return for the sponsorship)
3. It is hereby acknowledged that:
 - (a) The Sponsored will issue a recipient created tax invoice to the Sponsor to meet Goods and Services Tax obligations in relation to the supply of money and for support;
 - (b) The Sponsor will issue a recipient created tax invoice to the Sponsored to meet Good and Services Tax obligations in relation to the supply of services.

DATED this _____ day of _____ 20__

SIGNED AS AN AGREEMENT

SPONSOR

Full name of authorised officer

Signature of authorised officer

Signed in the presence of

SPONSORED

RACING QUEENSLAND LIMITED

Full name of authorised officer

Signature of authorised officer

Signed in the presence of



PURCHASING POLICY

Owner

Chief Financial Officer

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	May 2010	First draft (Murray Dyke)/Reviewed Adam Carter
1.02	12 May 2010	Provided to Tracey Harris and Abhendra Kumar for Feedback
1.03	22 June 2010	Reviewed AC
1.04	1 July 2010	RQL Board Changes (FINAL)
1.05	9 June 2011	Reviewed Adam Carter and Sharon Drew
1.06	1 July 2011	Approved by RQL Board – Capital Expenditure and Repairs and Maintenance



PURCHASING POLICY:

RACING QUEENSLAND LIMITED

Introduction

This policy has been prepared to provide guidelines and procedures to be followed by officers of Racing Queensland Limited when undertaking and managing purchasing activities to meet the organisation's operational requirements and also meet the objectives of the policy.

Racing Queensland Limited is the Control Body established by, and obtaining its objects and functions from, the *Racing Act 2002* and its Constitution. Racing Queensland Limited is required to conduct its financial activities with probity and accountability, in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC.

Key Principles

In conducting its purchasing activities it is the policy of Racing Queensland Limited to adhere, at all times, to the key principles of:

1. Value for money;
2. Quality of product, service, and support;
3. Open and fair competition;
4. Accountability of outcomes;
5. Use of Queensland product where price competitive, and where quality standards are met; and
6. Suppliers are compliant with all taxation requirements.

Policy

These principles have been applied in developing policy for the following key purchasing activities:

- Capital works projects;
- Consulting services;
- Sponsorship contracts;
- Information technology;
- Other capital expenditure;

- Major repairs and maintenance;
- Day to day purchasing of services and supplies; and
- Credit Facilities

There is also a focus on using preferred suppliers as explained in this report in further detail. The procurement system should result in the following benefits:

- Reduce operating costs;
- Reduce risk;
- Increase control; and
- Improve cash flow visibility

Capital Works Projects

Racing Queensland Limited plays a major role in the implementation of industry capital works projects each year. Racing Queensland Limited establishes an annual program of capital works, within a specified budget, following consideration of proposals from race clubs and advice from relevant officers within the organisation.

The policy of Racing Queensland Limited, in relation to the implementation of approved projects, is briefly addressed below:

- Once projects are given preliminary approval through the annual capital budgeting process, race clubs will be required to provide detailed design and costing information, and a project plan, prepared by a suitably qualified and experienced independent consultant. Racing Queensland Limited may, at its discretion, instigate an assessment of this documentation by its own consulting engineers. Any variation to the estimate used in applying for inclusion in the capital works program must be disclosed and explained. Variations of greater than 10% from the preliminary estimate are to be referred back to the Board of Racing Queensland Limited;
- Assuming the project cost following detailed design is contained within 10% of the preliminary estimate, and Racing Queensland Limited is satisfied with the standard of documentation provided, final approval will be given for the project to proceed (Chief Executive Officer or Chief Financial Officer);
- After final approval has been given, race clubs will be instructed that they can establish formal contractual arrangements for the construction works, in accordance with the approved budget. In establishing these contracts the club must pay regard to the key purchasing principles contained within this policy. Following establishment of the works contracts, Racing Queensland Limited will make payment of a grant to the club, equivalent to the agreed industry contribution. This grant will represent payment for a taxable supply, and will have GST added; and
- Following completion of the project, the club will provide Racing Queensland Limited with a report, which addresses the outcomes of the project, including cost to budget, quality of product, and timeliness.

Consulting Services

Racing Queensland Limited uses consulting services in a number of aspects of its operations including legal, information technology, human resource management, financial management, business development, and marketing.

These consultancies vary from short-term "one-off" contracts, to longer-term arrangements, which may encompass a series of different activities (e.g. marketing and promotional work).

For short-term "one-off" contracts the following policy guidelines are to apply:

- The six key purchasing principles outlined above are to be applied at all times;
- For contracts under \$10,000 in value, preferred supplier arrangements* can be used. That is, where a purchasing officer is satisfied that a consultant that has provided a high quality service in the past, has

the necessary expertise to undertake the work, and is available in an appropriate timeframe, that consultant can be appointed without a formal competitive process being undertaken. If such a person is not available, three quotes from prospective consultants should be obtained and evaluated;

(* Please note that where preferred supplier arrangements are referred to later in this document for other categories of purchasing, similar procedures to those above will apply)

- For contracts between \$10,000 and \$100,000, tenders should be called from at least three “preferred” contractors. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles. The evaluation of the proposals should be undertaken by two accountable officers, and be approved by a delegated officer (Chief Executive Officer or Chief Financial Officer);
- For contracts over \$100,000, will be subject to Board discretion as to the waiver of an open tender, including appropriate advertising of the consultancy. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers, and be approved by a delegated officer.

For longer-term consultancy arrangements (e.g. the ongoing purchase of external legal services that cannot be delivered in-house), which may involve the use of a preferred supplier or suppliers for a range of individual tasks over an extended period of time, the following guidelines are to be followed:

- The purchasing officer may select a consultant for a range of tasks from a panel of preferred suppliers for the type of work involved;
- Prior to such a selection, a competitive process, adhering to the six key purchasing principles of Racing Queensland Limited, to appoint the panel of preferred suppliers must have been undertaken, be appropriately documented, and be signed-off by a delegated officer;
- In selecting the preferred supplier from the panel, the purchasing officer must clearly document the reasons for the selection, and be accountable for that selection. The selection must be approved by a delegated officer; and
- Individual consultancy contracts over \$100,000 in value are not to be entered into under these preferred supplier arrangements. For such consultancies, will be subject to Board discretion as to the waiver of an open tender, as described above, must be followed.

Sponsorship Contracts

Racing Queensland Limited may enter into sponsorship contracts of a cash and exchange-of-goods and/or services (“contra”) nature.

In establishing these contracts, officers must adhere to Racing Queensland Limited’s key purchasing principles, particularly those of “accountability of outcomes”, and “compliance with all taxation requirements”. With these principles in mind, a Sponsorship Agreement pro-forma (refer to Appendix A) is to be prepared for all sponsorship arrangements, regardless of whether they involve a cash payment, or are solely contra in nature.

The sponsorship agreement is to clearly specify the goods and/or services that are to be delivered by both Racing Queensland Limited and the sponsor, and identify the value of these supplies so that GST obligations, including Tax Invoicing, can be satisfied.

All sponsorship agreements are to be authorised by an officer of Racing Queensland Limited with appropriate delegation, and a copy is to be provided to the Finance Section so that Tax Invoices can be prepared, and GST liabilities and credits accounted for.

Information Technology

The acquisition of information technology hardware and software represents a substantial investment of capital by Racing Queensland Limited each year.

Given the advancing nature of IT and the need to upgrade hardware and systems applications on an ongoing basis, it is the policy of Racing Queensland Limited to acquire such items through leasing arrangements. In this regard the following is to apply:

- A tender process, through a preferred supplier arrangement, is to be undertaken for the establishment of a medium to long-term lease contract for the supply of computer equipment, and other general office equipment where appropriate;
- This contract is to be reviewed on an annual basis to ensure the key principles of “value for money” and “quality of service and support” are being satisfied;
- Where a requirement to add items to the schedule covered by the lease has been identified, the purchasing officer must ensure the purchasing principles are adhered to. For items under \$10,000, preferred supplier arrangements can be used. For items \$10,000 or over, three quotes must be obtained. Appropriate documentation to support the purchasing decisions must be maintained at all times; and

The IT Section is also required to develop and maintain an *IT asset replacement strategy*, incorporating a list of all hardware and software under lease (or purchased), and information on the condition and expected useful life of individual items.

Other Capital Expenditure

Motor Vehicles

Racing Queensland Limited maintains a fleet of vehicles provided for both work and private use. These vehicles are to be leased through the appropriate lease provider under the following arrangements:

- the leasing of a new vehicle must be approved by the Chief Executive Officer or Chief Financial Officer; and
- The type and model of the vehicle, and any optional extras, must be commensurate with the status and nature of the role performed by the officer for which the car is being acquired, and be in accordance with the entitlements the officer has under his/her contract of employment;
- All vehicles are to be replaced after three years, or having travelled 90,000 kms, whichever comes first, unless the Chief Executive Officer or Chief Financial Officer agrees to an extension of the leasing term.

Vehicles are to be leased in line with the Racing Queensland Limited’s Motor Vehicle Policy, for further details email ap@racingqueensland.com.au

On disposal of company-owned vehicles, three trade-in quotes must be obtained, where possible, with the highest trade-in valuation the key consideration in selecting the successful dealer. Racing Queensland Limited staff may be given the option to purchase the vehicle that is being traded, at no less than \$1 more than the best trade-in valuation. The Chief Executive Officer or Chief Financial Officer will determine the successful staff bidder in the event of two or more staff bidding for the same vehicle being traded.

Other Capital Purchases

All other capital purchases (e.g. office machines) made by Racing Queensland Limited are to adhere to the following guidelines:

A request for capital expenditure form is to be completed for all capital purchases and is to be authorised by both the Chief Executive Officer and Chief Financial Officer [<insert link to form when on intranet >](#).

- The six key purchasing principles outlines above are to be applied at all times;
- For items under \$10,000 in value, preferred supplier arrangements can be used;
- For capital items between \$10,000 and \$100,000, quotes should be called from at least three “preferred” suppliers. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles;

- For capital items over \$100,000, will be subject to Board discretion as to the waiver of an open tender. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers; and
- For all capital purchases of \$10,000 or more, a lease versus buy analysis is to be undertaken.

Major Repairs and Maintenance

Major Repairs and Maintenance purchases of \$20,000 or more made by Racing Queensland Limited are to adhere to the following guidelines:

A request for major repairs and maintenance expenditure form is to be completed for purchases of \$20,000 or more and is to be authorised by both the Director of Product Development and Chief Financial Officer to the value of \$50,000). Purchases of \$50,000 or more will require an additional approval by the Chief Executive Officer.

. <insert link to form when on intranet >

Day to day Purchasing of Services and Supplies.

Policy in relation to the day to day purchasing of services and supplies is as follows:

- For items supplied on a continuous basis (e.g. stationery, consumables, printing) preferred supplier arrangements may be used. Purchasing officers must ensure that the key purchasing principles are adhered to, especially “value for money” and “quality of service”;
- In this regard, officers are required to conduct a competitive process for the selection of a panel of preferred suppliers, for continuous supplies, on an annual basis. Documentation must be prepared and maintained in respect of preferred supplier selection, and the subsequent selection of a supplier from the panel for particular purchases;
- However, for any individual supply or service, which would normally form part of a continuous supply by an individual, that is to cost the organisation \$100,000 or more, an open competitive process must be undertaken. That is, any individual supply which is to cost \$100,000 or more, cannot form part of a continuous purchasing contract made under preferred supplier arrangements;
- For non-continuous supplies and services (e.g. “one-off” printing jobs) preferred supplier arrangements can be used for purchases under \$10,000, on the basis that Racing Queensland Limited’s key principles are satisfied. At least three competitive quotes must be obtained for any purchase of \$10,000 or more.

Preferred Suppliers

As much as possible, Racing Queensland Limited should consolidate its suppliers and utilise preferred suppliers for either off-the-shelf goods/services where there are several sources of supply and the purchase is low risk or where there is an established relationship with a proven record of success. The advantages of using preferred suppliers are that it streamlines and simplifies purchasing, reduces administrative costs and promotes cost savings through volume discounts and exclusivity arrangements. Other benefits are that it minimises costs and risk for suppliers through not being required to regularly prepare and submit quotations.

1.1. Selection of Preferred Suppliers

The selection of preferred suppliers should be based on selection criteria that could include:

- Technical capability and experience
- Financial capacity and viability
- System and management responsibility incorporating product and service compliance with agreed industry standards
- People
- Business/organisation factors
- Favourable referee reports (a successful track record to deliver)
- Racing Queensland Limited's 6 key principles:
 1. Value for money;
 2. Quality of product, service, and support;
 3. Open and fair competition;
 4. Accountability of outcomes;
 5. Use of Queensland product where price competitive, and where quality standards are met; and
 6. Suppliers are compliant with all taxation requirements.

1.2 Preferred Suppliers Listing.

The current preferred suppliers list can be obtained from [accounts payable ap@racingqueensland.com.au](mailto:accounts_payable_ap@racingqueensland.com.au) or can be located at the following link:

<Insert Link to Preferred Supplier Listing which is currently under construction>

RACING QUEENSLAND LIMITED

Item	Regional Senior Stewards	Admin Authorities, Racecourse Supervisor, racing Manager – Procurement Track Supervisor	Managers, Chief Steward, Racing and Facilities Supervisor, Track Supervisor	Information Technology and Communications Manager, Licensing and Training Manager, Racing Managers – Dividing Races, Management Accountant, Revenue & Services Accountant	Director of Integrity Operations, Facility & Development Manager, Senior Corporate Counsel/Company Secretary	Chief Financial Officer, Director of Product Development	Chief Executive Officer	Board of Directors
Overall Delegation	<\$500	<\$1,000	<\$2,000	<\$5,000	<\$20,000	<\$50,000	<\$150,000 In line with Budget	Unlimited

Standard Purchase Orders	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS
Emergency Purchase Orders	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS
Requisition – Miscellaneous Purchases (Credit Cards) (Refer to Expense Reimbursement policy for conditions)	X	X	X	X	<\$20,000 and to Budget	To Budget	To Budget	Same as above
Petty Cash	<\$100	<\$100	<\$100	<\$100	<\$100	<\$300	<\$300	<\$300
Capital Expenditure Purchase Orders and Request Forms	X	X	X	X	X	Forecast projects if <\$50,000 or if satisfied CEO has previously approved the project	Any single project <\$150,000 where included in approved annual budget	Any single project above \$150,000
Domestic (Interstate) travel	X	X	X	To Budget	To Budget	To Budget	To Budget	If outside aggregate annual budget
International Travel	X	X	X	X	X	X	To Budget	If outside aggregate annual budget
Official Hospitality	<\$100	<\$100	<\$100 <\$300 Senior Management Team	<\$100 <\$300 Senior Management Team	<\$300	<\$300 or other functions as approved by CEO	To Budget	Yes
Sponsorship	X	X	X	Authorities restricted to IT&Comms Manager or Marketing Manager and Senior Corporate Counsel/Company Secretary	To Budget	To Budget	To Budget	Yes, subject to Board agreement

RACING QUEENSLAND LIMITED

Item	Regional Senior Stewards	Admin Authorities, Racecourse Supervisor, racing Manager – Procurement Track Supervisor	Managers, Chief Steward, Racing and Facilities Supervisor, Track Supervisor	Information Technology and Communications Manager, Licensing and Training Manager, Racing Managers – Dividing Races, Management Accountant, Revenue & Services Accountant	Director of Integrity Operations, Facility & Development Manager, Senior Corporate Counsel/Company Secretary	Chief Financial Officer, Director of Product Development	Chief Executive Officer	Board of Directors
Overall Delegation	<\$500	<\$1,000	<\$2,000	<\$5,000	<\$20,000	<\$50,000	<\$150,000 In line with Budget	Unlimited

Contractual Agreements (all contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of Contracts register and assess if any legal advice is required)	x	x	x	x	<\$20,000 total value (not lease or license) assuming that authorised to sign in ordinary operations	Yes with CEO assuming CEO previously approved and legally authorised to sign where <\$100,000	Yes where value <\$150,000	Yes, subject to Board agreement
Execution of Contractual agreements (All contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of contracts register and assess if any legal advice is required)		To be executed by 2 Directors of the Company or a Director and a Company Secretary of the Company (S127 (1) – Corporations Act 2001).						

The same delegations above apply to the payment of invoices with one exception:

- An invoice can be approved by a person with a lesser delegation provided the original purchase order was approved appropriately and the invoice does not exceed an amount that exceeds 10% of the original purchase order.

It should be noted that as a business rule, staff are not allowed to circumvent their delegation by raising multiple orders to purchase a good or service for an amount that exceeds their delegation limit.

Delegations

All expenditures for goods and services are to be authorised by a duly delegated officer and are to be in line with budget. These delegations are as follows:

Unlimited

- Board of Directors

Up to \$150,000

- Chief Executive Officer

Up to \$50,000

- Chief Financial Officer
- Director of Product Development

Up to \$20,000

- Director of Integrity Operations
- Facility Maintenance and Development Manager
- Senior Corporate Counsel/Company Secretary

Up to \$5,000

- Information Technology and Communications Manager
- Racing Managers – Dividing Races
- Licensing and Training Manager
- Race Course Facility Managers
- Chief Steward
- Accountant – Corporate Services
- Management Accountant

Up to \$1,000

- Administrative Authorities – Executive Assistants including Track Supervisors
- Racing Managers - Procurement
- Racecourse Supervisor

Up to \$500

- Regional Senior Stewards (Northern Region – Townsville, Senior Steward Capricornia Rockhampton and Steward in Charge Downs - Toowoomba)

Capitalisation of expenditure

Expenditure on discreetly identifiable plant and equipment items of **\$2,000** and above will be capitalised where the future benefit of that expenditure exceeds one year at the time of purchase. All land purchases must be capitalised.

The Chief Executive Officer or Chief Financial Officer may approve the capitalisation of services expenditures of \$2,000 and above where those services have a future benefit exceeding one year. All assets which are under \$2,000 must be expensed in the year of purchase and recorded in the portable and attractive items register. All other service expenditures shall be written off in the financial year the expenditure was incurred.

Compliance with Commonwealth Government GST & Australian Business Number legislation

The Commonwealth Government implementation of GST and Australian Business Number legislation, has given rise to some additional obligations in respect of purchasing. These are as follows:

- Organisations are required to withhold 46.5% of any payment to a supplier of goods or services that does not provide an ABN. In response to this, it is the policy of Racing Queensland Limited that no supplies be purchased from entities that are unable to quote an ABN;

- All suppliers to Racing Queensland Limited are to be advised that they must be able to provide a "Tax Invoice" in the form specified by the GST legislation, to enable Racing Queensland Limited to claim input credits. Under law, the supplier must supply Racing Queensland Limited with a Tax Invoice within 28 days of request. Racing Queensland Limited staff should not enter into contractual arrangements with suppliers unless satisfied that the supplier will be able to provide a suitable Tax Invoice; and
- When obtaining quotes or prices from potential suppliers, purchasing officers must satisfy themselves that the prices quoted are GST inclusive.

Documentation and the Role of the Finance Department

The Finance Department plays the lead role in ensuring Racing Queensland Limited meets its obligations under the *Corporations Act 2001*, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC through the development and implementation of appropriate accounting policies and controls.

While the Department will work to ensure operational areas within the organisation are meeting their obligations under the purchasing guidelines, senior managers also have a role to play in monitoring the purchasing activities of their staff.

With regard to documentation, all acquisitions need to be supported by evidence that appropriate purchasing principles and guidelines have been followed. In this regard:

- All purchases for non-continuous supplies that are not completed through petty cash or credit cards must be completed in IPOS. **Where IPOS is not available a manual purchase order must be raised and authorised with the pink and green copies sent to accounts payable.** Additionally, copies of sponsorship agreement pro-formas must be provided to the Chief Financial Officer on a timely basis; and
- The delegated officer must be satisfied that Racing Queensland Limited's purchasing policy has been adhered to, and that appropriate documentation that supports the six key principles (value for money, open and fair competition etc) has been gathered, and is available for audit scrutiny if required. The managers of organisational areas have responsibility for ensuring supporting documentation is maintained and is accessible.

Enquiries regarding these purchasing principles should be directed to the Chief Executive Officer or Chief Financial Officer.

IPOS

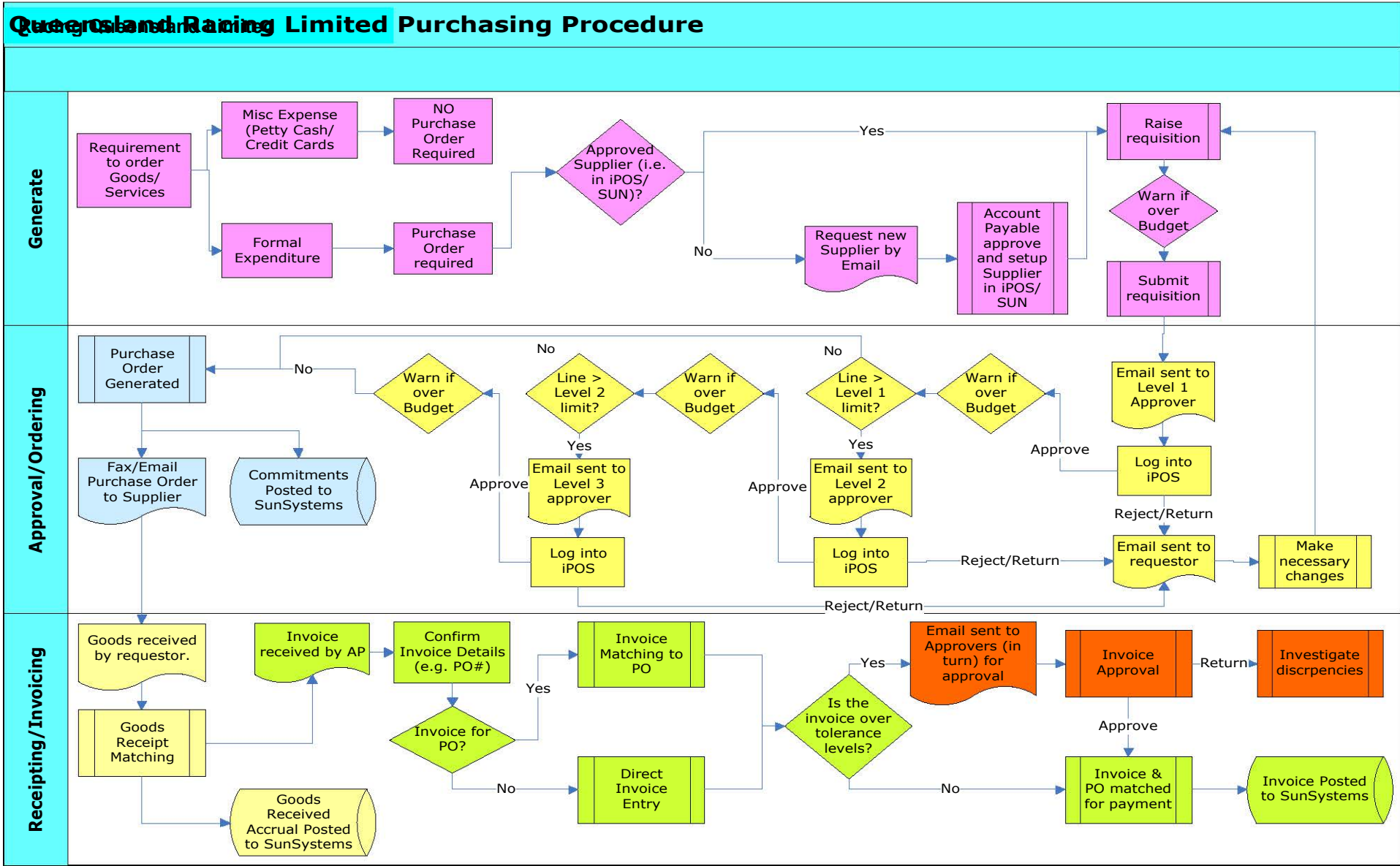
IPOS is an online web enable electronic procurement system. It has been custom built to meet Racing Queensland Limited and industry needs and greatly enhances Racing Queensland Limited's ability to operate in today's modern information driven environment.

Where IPOS is not available a manual purchase order must be raised and authorized with the pink and green copies sent to accounts payable.

The main objectives of IPOS are:

- To provide the underlying systems to enable the business to obtain tighter budgetary controls, including the recording of committed expenditure,
- To provide managers with the appropriate tools to focus on their individual budgets,
- Implementation of systemic controls over the procure to pay process,
- Improved reporting to the whole business,
- To bring Racing Queensland Limited in line with best practice procurement through taking advantage of e-commerce, electronic purchase ordering and scanning.
- Provide more real time reporting with less reliance on accounts payable,
- Introduction of process efficiencies for accounts payable, removing the many manual processes currently in use, such as manual purchase order generation and invoice approvals.
- Ability to interface with supplier ordering systems resulting in less manual entry.

The process map for Racing Queensland Limited's procurement process is featured below.



The major advantage of IPOS is that it enforces Racing Queensland Limited's purchasing policy in an electronic procurement system. All management delegations are enforced at requisition and invoice stage. Separation of duties ensures that only requisitioners can create purchase orders and only management can authorise.

From 1 July 2010 where applicable all invoices will only be paid if an IPOS purchase order number is quoted on the invoice. Instances where invoices do not require IPOS purchase orders are Energy, phones, rates and other standard monthly charges.

IPOS Procedures are linked below:

<http://starcraft:8080/finance/Shared%20Documents/Forms/AllItems.aspx>
<link to be updated>

Payment Methods

1. Direct Debit

1.1 Business Condition

Purchases that occur at set times throughout the year for set dollar amounts.

1.2 Business Rule

Invoices for goods or services that fall under this category include:

1. Rentals
2. Leases
3. Superannuation

Payments will be made via direct debit at the time dictated by the invoice.

1.3 Dependencies

Payments must be fixed frequency and price.

2. Cheque

2.1 Business Condition

One-off purchases that can not be paid through any other alternative option. RQL will only pay by cheque under exceptional circumstances otherwise all payments are to be made by electronic funds transfer.

3. Electronic Funds Transfer (EFT)

All other purchases will be paid by Electronic Funds Transfer (EFT) unless previously authorised by the Chief Financial Officer

Payment Summary

A summary of the different methods for paying invoices is provided below:

Payment Types	Business Condition
EFT	Used for standard purchasing from preferred suppliers Used for emergency purchases from preferred supplier in response to an emergency situation
Direct Debit	Used for purchases that occur at set times throughout the year for set dollar amounts
Cheque	Used for miscellaneous purchases on a "case-by-case" basis only. To be used only in exceptional circumstances.
Credit Cards	Used for purchases made with non-preferred suppliers for dollar amounts up to delegated authority.
Petty Cash	Used for miscellaneous purchasing of items with a value of less than \$100 unless authorised by the Chief Financial Officer

Summary of Key Controls

As a high level summary, the key controls associated with the procurement system are:

- Only deal with suppliers who have a valid ABN.
- Three quotes required for amounts of \$10,000 or more where a preferred supplier is not used.
- Tax invoices to be obtained at all times.
- Required signatures for goods received.
- Vendor creation, deletion or addition must be performed by the Accounts Payable Officer and the bank account details are required in accordance to the Sun Security matrix to be entered by an Accounts Receivable Officer who does not have the ability to raise purchase orders or make payments in SUN. The change of details form is located G:\Finance\FORMS\Accounts Payable\Change of Details form.xls.
- Invoices are only paid after the prior approval of a purchase order (excluding credit card statement payments and direct debits) and after goods have been received.
- Established delegation limits with a 10% tolerance level up to a limit of \$100
- Credit card holders can make transactions greater than their delegation limit provided a purchase requisition with appropriate approval has been obtained first.
- All Capital purchases require a Capital Expenditure request form.
- Major Repairs and Maintenance of \$20,000 or more require a Major Repairs and Maintenance form.

In addition to the above, Racing Queensland Limited should perform an annual supplier analysis to review expenditure to determine that value for money is being achieved.

Credit Facilities

A credit facility is any system of credit established to allow purchase of goods or services without the use of an official purchase order or the exchange of cash between the purchaser and supplier at the time of the transaction.

The credit facilities generally used by the Company are:

- Corporate credit cards
- Fuel cards
- Taxi vouchers
- Toll cards.

The establishment of any credit facility requires the recommendation of the Chief Financial Officer and approval from the Company. The Chief Financial Officer is responsible for the establishment, implementation, management and control of credit facilities used by the Company.

All credit facilities must be subject to the agreed terms and conditions between the credit provider and the Company.

Users of credit facilities must comply with the agreed terms and conditions, and properly discharge responsibilities regarding the use and reconciliation of credit accounts. Users are responsible for utilising the facilities in a proper and appropriate manner, and are accountable for all transactions associated with their use.

Users are also responsible for the security of the card/vouchers. Misuse of credit facilities will, at the discretion of the Board, result in the user's access to the facility being revoked and appropriate disciplinary action being taken.

Corporate Credit Cards

Principles. The policies and procedures pertaining to corporate credit cards are contained in the following policy: RQL_Expense Reimbursement Policy.doc

<Update link when on Intranet>

Issue. Corporate credit cards will be issued to relevant officers on the basis of the card providing a necessary and convenient facility for meeting commitments incurred in the course of official business.

The issue of corporate credit cards is to be recorded in a register that is maintained by an appropriate officer, e.g. Accounts Payable Officer. Corporate card use should be restricted to a specific transaction limit in any one month.

Documentation.

The following conditions governing the use of credit cards prevail:

A register of cards must be established and maintained to exercise control over the issue and use of cards.

- Only authorised charges may be made against the credit organisation;
- Cards must be secured at all times against unauthorised use;
- Internal control measures must be sufficient to ensure cards are used for official purposes only and that any misuse is detected promptly and reported to the Chief Financial Officer.
- Officers using a credit card must obtain particulars of transactions including supporting invoices and dockets duly signed. A Credit Card Usage Form must be completed with the invoices attached. Supporting documentation can include the vendor's invoice/account, copy of prior approval to travel/entertain (where applicable), and purchase order. Where supporting invoices or dockets are not available, a signed certificate stating that the transactions are valid and were for official purposes must be attached. Details of all hospitality/entertainment expenses must be fully documented with the purpose of the expense, guest name(s), date, refreshments, time and the like.

Reconciliation.

- The documentation must be forwarded promptly to an accounting officer for attachment to the credit card transaction record for the purposes of sustaining the official use of the card and settlement of the amount within the required period;
- An accounting officer must match the dockets to the statements received from the credit card organisation;
- The dockets and the summary of these dockets showing the charges incurred by the use of credit cards must be properly authorised by a duly authorised officer; and
- The use of credit cards for the purchase of goods and services must be in strict accordance with the expense reimbursement policy of Racing Queensland Limited.
- Failure to provide receipts and the reconciliation in a timely manner will result in the card being cancelled and the employee will have to be reimbursed expenditure through the expense reimbursement policy

Fuel Cards

Issue. The issue of fuel cards is to be recorded in a register maintained by the Finance area.

Responsibilities. Users of the fuel card credit facility are responsible for utilising the facility in a proper and appropriate manner. Users are also responsible for the security of the card while it is in their possession, and are accountable for all transactions associated with its use during that period.

Use. Fuel cards are to be used only in accordance with the agreement between the credit provider and the Company. This includes locations where the card may be used, vehicle for which the card may be used and the types of purchases that are permitted (e.g. fuel only, fuel and oil).

Documentation. Fuel card transactions are to be supported by documentary evidence of the purchase (e.g. the fuel card docket provided by the fuel supplier). This documentation is to be forwarded to the Finance Area and will be used when reconciling the credit provider's account and making payment.

Taxi Vouchers

Issue. Bulk stocks and the issue of taxi vouchers are to be maintained by the Finance area. The Accounts Payable Officer is responsible for the issue of taxi vouchers within their area of responsibility. This officer should ensure that taxi vouchers are issued for appropriate use.

Use. The use of taxi vouchers is strictly limited to taxi travel for the purpose of conducting official business within or outside business hours when neither an official vehicle is available, nor is public transport an acceptable option.

E Tolls

Issue. The Chief Financial Officer is responsible for approving the issue of E toll within their area of responsibility.

Officers may purchase pre-paid tolls only by credit card.

Use. The use of tolls is limited to conditions as specified under the motor vehicle policy.

SPONSORSHIP AGREEMENT

BETWEEN:

(The Sponsor)

AND RACING QUEENSLAND LIMITED, a control body established under the *Racing Act 2002* and *Corporations Act 2001*

(The Sponsored)

WHEREAS The Sponsor has agreed to provide sponsorship in accordance with this agreement.

AND The Sponsored has agreed to provide services in return for the sponsorship.

This Agreement provides:

1. The Sponsor will provide the following sponsorship to the Sponsored:
 Details of Sponsorship [If insufficient space annex details]
 - Money (here detail the sum of any monies to be paid to the Sponsored)
 - Support (here detail all support services including the value thereof to be supplied to the Sponsored)
2. The Sponsored will provide the following services to the Sponsor: [If insufficient space annex details]
 - Services (here detail all services including their value to be supplied by the Sponsored in return for the sponsorship)
3. It is hereby acknowledged that:
 - (a) The Sponsored will issue a recipient created tax invoice to the Sponsor to meet Goods and Services Tax obligations in relation to the supply of money and for support;
 - (b) The Sponsor will issue a recipient created tax invoice to the Sponsored to meet Good and Services Tax obligations in relation to the supply of services.

DATED this _____ day of _____ 20__

SIGNED AS AN AGREEMENT

SPONSOR

Full name of authorised officer

Signature of authorised officer

Signed in the presence of

SPONSORED

RACING QUEENSLAND LIMITED

Full name of authorised officer

Signature of authorised officer

Signed in the presence of



ADDENDUM TO PURCHASING POLICY

Owner

General Manager of Corporate Services

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	25 Nov 2011	Draft Addendum to RQL Purchasing Policy
1.02	19 Dec 2011	Board Approved
1.03	19 Mar 2012	Adjustment to CEO Delegation
1.04	16 July 2012	Authority levels to reflect recent organisation structure change effective 1 July 2012
1.05	16 November 2012	Increase Authority level of the Facility Manager Albion Park and amend section "Compliance with Commonwealth Government & Australian Business Number Legislation" in relation to PAYG Withholding.



PURCHASING POLICY: INFRASTRUCTURE PLAN RACING QUEENSLAND LIMITED

Introduction

This addendum has been prepared to expand on the RQL General Purchasing Policy which provides guidelines and procedures to be followed by officers of Racing Queensland Limited when undertaking and managing purchasing activities to meet the organisation's operational requirements and also meet the objectives of the policy.

The Racing Queensland Infrastructure Plan has been designed to improve and further develop racing industry infrastructure by way of a \$110 million redirection of wagering taxes from the QLD government. Projects have been identified and funds allocated to each project.

Given the size and scale of these projects this addendum to the Racing Queensland Purchasing Policy has been developed to ensure the necessary additional steps are taken to ensure all projects funded are completed in an accountable and transparent manner to the highest standards.

The purchasing policy, including this addendum form the basis upon which the Industry Infrastructure Plan Committee is guided in the procurements of goods and services relating to the projects that make up the Industry Infrastructure Plan. (See IIPCG Charter)

Racing Queensland Limited is the Control Body established by, and obtaining its objects and functions from, the *Racing Act 2002* and its Constitution. Racing Queensland Limited is required to conduct its financial activities with probity and accountability, in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC.

Key Principles

In conducting all of its purchasing activities, including infrastructure plan projects, it is the policy of Racing Queensland Limited to adhere, at all times, to the key principles of:

1. Value for money;
2. Quality of product, service, and support;
3. Open and fair competition;
4. Probity and Accountability of outcomes;
5. Use of Queensland product where price competitive, and where quality standards are met; and

6. Suppliers are compliant with all taxation requirements.

Policy

There is also a focus on using preferred suppliers as explained in this report in further detail. The procurement system should result in the following benefits:

- Reduce operating costs;
- Reduce risk;
- Increase control; and
- Improve cash flow visibility

Industry Infrastructure Plan

Racing Queensland Limited's Infrastructure Plan procurement policy must adhere to the strictest guidelines of Probity, Accountability and Transparency as the funds for these projects come directly from the QLD Government and as such are expenditure of these funds is expected to stand up to rigorous scrutiny.

Strict adherence to the project funding deeds between the State of Queensland and Racing Queensland Limited must be maintained at all times.

Policy in relation to the approval of supplier payments specifically related to the Industry Infrastructure Plan is as follows;

- Once the Business Case and Project Funding Deeds have been approved and the budget has been approved by the RQL Board
- All invoices must be checked and signed by the General Manager of Operations even if outside of delegation limit. The General Manager of Operations is to obtain the approval of the CEO if over his delegation limit.
- All delegations are to be in line with the RQL purchasing policy.
- The CEO can sign and approve all items within the project budget and this includes amounts above \$150,000.
- All items outside of the approved budget with a tolerance level of greater than either 1% or \$200K of the project value will require Board approval.

Suppliers

As much as possible, Racing Queensland Limited should consolidate its suppliers and utilise preferred suppliers for either off-the-shelf goods/services where there are several sources of supply and the purchase is low risk or where there is an established relationship with a proven record of success. The advantages of using preferred suppliers are that it streamlines and simplifies purchasing, reduces administrative costs and promotes cost savings through volume discounts and exclusivity arrangements. Other benefits are that it minimises costs and risk for suppliers through not being required to regularly prepare and submit quotations:

1.1. Selection of Preferred Suppliers

The selection of preferred suppliers should be based on selection criteria that could include:

- Technical capability and experience
- Financial capacity and viability
- System and management responsibility incorporating product and service compliance with agreed industry standards
- People

- Business/organisation factors
- Favourable referee reports (a successful track record to deliver)

Racing Queensland Limited's 6 key principles:

1. Value for money;
2. Quality of product, service, and support;
3. Open and fair competition;
4. Probity and Accountability of outcomes;
5. Use of Queensland product where price competitive, and where quality standards are met; and
6. Suppliers are compliant with all taxation requirements.

1.2. Preferred Suppliers Listing

Preferred Supplier listings for Infrastructure Plan projects are to be developed by inviting suppliers with experience and expertise in the key areas that make up the projects identified in the RQL Infrastructure Plan to tender for projects thereby forming supplier panels.

These supplier panels could be further refined by way of prequalifying of suppliers lists.

1.3. Prequalification of Suppliers

Prequalification is where suppliers of particular goods or services are assessed against pre-determined criteria and then only those suppliers who satisfy the prequalification criteria are invited to tender for projects.

Prequalification provides added confidence that suppliers being invited to offer have the capability to supply the goods and services. Prequalification does not eliminate the risk of contract failure, but, if well managed, is a method of reducing the risk and administrative burden created by repeated approaches to the market.

Suppliers that are successful in meeting the prequalification criteria are generally included on a database maintained by the purchaser. Prequalification of suppliers is a strategy best used when the buyer procures a particular type of good/service on a regular basis and the procurement tends to be complex and/or costly and/or there is a high degree of risk involved in the procurement.

Some goods and services required for the development of racing tracks and facilities would fall under this category. As a general guide only they have been categorised into five broad groups:

1. Technical capability and experience
2. Financial capability
3. Systems and managerial capability
4. People
5. Business/organisation factors

Potential suppliers are assessed against specific criteria established by the purchaser and if successful are placed on a prequalification database. When a specific need by the purchaser arises, the prequalified suppliers are invited to offer. The offers are evaluated by the purchaser according to the specific offer evaluation criteria and the successful offeror is awarded the contract. Performance reporting about suppliers is an integral part of any prequalification system and should be incorporated into the system.

1.4. Outsourcing of Supplier Panel Selection

The use of organisations specialising in procurement processes such as preferred supplier lists, prequalifying suppliers and other supplier related contractual arrangements may be an alternative or addition to in-house procurement processes.

Local Buy is one such organisation with experience in procurement processes for local government. Local

Buy is the Local Government Association of Queensland (LGAQ) procurement services company. Local Buy develops contractual arrangements for councils and government entities, eliminating the need for government authorities to establish their own supply contracts. <http://www.localbuy.net.au/>

The use of this type of organisation may be beneficial for tendering and contracting arrangements relating to the infrastructure plan projects, as the suppliers are effectively pre-screened for compliance with government procurement suitability

1.5. Applications for Sole Supplier

In some special circumstances the normal practices as outlined above may need to be set aside. For these instances an exemption from normal policy practice may be applied for.

Reasons for such Exemptions include but are not confined to;

- (a) Accessing existing standing offer and/or preferred supplier arrangements
- (b) Pursuing subsequent stages of multi-staged procurement processes
- (c) A sole supply situation exists whereby a high degree of technical expertise is required
- (d) A genuine urgency exists. If this is the case there must at all times be adequate supporting documentation to prove urgency is genuine and not the result of inadequate planning

Unless the above stated exemption criteria is met, or other compelling reason is able to be supported, the current RQL Purchasing Policy with addendum will apply to the procurement of goods and services.

Consulting Services

Racing Queensland Limited uses consulting services in a number of aspects of its operations including legal, information technology, human resource management, financial management, business development, and marketing.

These consultancies vary from short-term "one-off" contracts, to longer-term arrangements, which may encompass a series of different activities (e.g. marketing and promotional work).

For short-term "one-off" contracts the following policy guidelines are to apply:

- The six key purchasing principles outlined above are to be applied at all times;
- For contracts under \$10,000 in value, preferred supplier arrangements* can be used. That is, where a purchasing officer is satisfied that a consultant that has provided a high quality service in the past, has the necessary expertise to undertake the work, and is available in an appropriate timeframe, that consultant can be appointed without a formal competitive process being undertaken. If such a person is not available, three quotes from prospective consultants should be obtained and evaluated;

(* Please note that where preferred supplier arrangements are referred to later in this document for other categories of purchasing, similar procedures to those above will apply)

- For contracts between \$10,000 and \$100,000, tenders should be called from at least three "preferred" contractors. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles. The evaluation of the proposals should be undertaken by two accountable officers, and be approved by a delegated officer (Chief Executive Officer or General Manager of Corporate Services);
- For contracts over \$100,000, will be subject to an open tender process unless the RQL Board waive the requirement of an open tender, including appropriate advertising of the consultancy. Advertising may take the form of website notices and/or Courier Mail advertisement. Tenders are to be evaluated, in

accordance with the six key purchasing principles, by a panel of no less than two accountable officers, and be approved by a delegated officer.

For longer-term consultancy arrangements (e.g. the ongoing provision of external services that cannot be delivered in-house), which may involve the use of a preferred supplier or suppliers for a range of individual tasks over an extended period of time, the following guidelines are to be followed:

- Individual consultancy contracts over \$100,000 in value are not to be entered into under these preferred supplier arrangements. Such consultancies, will be subject to Board discretion as to the waiver of an open tender, as described above, must be followed.
- The purchasing officer may select a consultant for a range of tasks from a panel of preferred suppliers for the type of work involved;
- A competitive process, adhering to the six key purchasing principles of Racing Queensland Limited, to appoint the panel of preferred suppliers must have been undertaken, be appropriately documented, and be signed-off by a delegated officer;
- In selecting the preferred supplier from the panel, the purchasing officer must clearly document the reasons for the selection, and be accountable for that selection. The selection must be approved by a delegated officer; and

Intellectual Property Rights

Intellectual property rights relating to plans, designs and concepts for Industry Infrastructure Plan projects are to reside with RQL. For this to be clearly articulated in any contractual arrangements there would need to be included in the document a clause to this effect.

Below is an example of such a clause;

'The physical ownership of, and ownership of intellectual property in, all plans, drawings, specifications, programs, computer data, samples, models, manuals, documents and all other information relating to the project remains vested at all times in the Company. The invited supplier may use and keep copies of such materials only for the purpose of providing services to the Company.'

Confidentiality and Security of information

The integrity of competitive procurement hinges on maintaining appropriate confidentiality that will protect information and give offerors the confidence to do business with Government. Confidentiality has many dimensions and confidentiality of submissions is particularly important prior to the awarding of the contract with information shared only on a 'need to know' basis.

Confidential information may include designated or defined (and as agreed) elements of the supplier's proposal, specific intellectual property and offerors pricing structures. Importantly, much of the information relating to the offer needs to be kept confidential up to the point where a contract is signed with the successful offeror.

A Confidentiality Agreements may include the following elements;

- The Contractor must not, and must ensure that its officers, employees, agents and sub-contractors do not use or disclose any Confidential information without RQL's consent
- The Contractor may disclose Confidential information to its officers, employees, agents and sub-contractors to the extent necessary for the performance of the arrangement, provided that the Contractor:
 - (a) Makes such persons aware that the information is confidential; and
 - (b) If directed by RQL during the contract term, obtains from such persons a confidentiality undertaking in a form acceptable to RQL
- RQL and Contractor must keep all Confidential information in a secure location so that no unauthorised person is able to gain access to it

- Upon receipt of a written request by RQL, either during the arrangement term or upon termination or expiration the arrangement, the Contractor must deliver to RQL any records in the Contractor's power, possession or control

Conflict of Interest

Conflicts of interest represent one of the potential threats to independence. A conflict of interest means having an interest (whether personal, financial or otherwise) which conflicts with, or may reasonably be perceived as conflicting with, the ability of the probity auditor or advisor to perform his/her obligations fairly and objectively. Perceived or potential conflicts of interest can be as damaging as actual conflicts of interest.

Recommended practice

The issue of independence should be specifically considered and addressed prior to engaging contractors, suppliers or consultants. At this stage, potential threats to independence should be considered as well as any safeguards that might eliminate or reduce the threats to independence. Independence is essential. A third party to the procurement should be able to rely on the fact that any and all potential conflicts of interest have been identified and recorded.

Potential goods and service providers should be required to divulge all potential threats to independence, including conflicts of interest, at the time of offer or as soon as any conflict becomes apparent during the service engagement. The service provider should be required to provide written assurance that he/she has no conflict of interest in the procurement, is able to remain objective and impartial throughout the engagement, and will provide notification of any conflict of interest, or compromise to independence, that arises during the engagement.

A Conflict of Interests document may contain the following elements;

- Contractor warrants that, to the best of its knowledge, as at commencement date neither contractor or any of its officers, employees or sub-contractors have, or are likely to have, a Conflict of Interest in the performance of its obligations under current or subsequent contracts
- If a conflict of Interest, or risk of such, arises during the term of the contract the contractor must immediately give notice of the Conflict of Interest, or risk of such, to RQL
- The Contractor must:
 - (a) Take all reasonable measures to ensure that its officers, employees and sub-contractors do not engage in any activity or obtain any interest which is in conflict with the Contractor's ability to fulfil its obligations to RQL in good faith and objectively, and
 - (b) Immediately give notice to RQL of any Conflict of interest relating to the activities or interests of any of its officers, employees or sub-contractors

Similarly all employees and agents of Racing Queensland Limited involved in any of the projects undertaken as part of the Infrastructure Plan are governed by the Employee Conflict of Interest policy of the company, and as such must immediately, in the event of a potential Conflict of Interest arising, notify their immediate manager of the issue.

Delegations

All expenditures for goods and services are to be authorised by a duly delegated officer and are to be in line with operational and industry infrastructure budget. These delegations are as follows:

Unlimited

- Board of Directors

In line with Budget

- Chief Executive Officer

Up to \$50,000

- General Manager of Corporate Services
- General Manager of Operations

Capitalisation of expenditure

Expenditure on discreetly identifiable plant and equipment items of **\$2,000** and above will be capitalised where the future benefit of that expenditure exceeds one year at the time of purchase. All land purchases must be capitalised.

The Chief Executive Officer or General Manager of Corporate Services may approve the capitalisation of services expenditures of \$2,000 and above where those services have a future benefit exceeding one year. All assets which are under \$2,000 must be expensed in the year of purchase and recorded in the portable and attractive items register. All other service expenditures shall be written off in the financial year the expenditure was incurred.

Compliance with Commonwealth Government GST & Australian Business Number legislation

The Commonwealth Government implementation of GST and Australian Business Number legislation, has given rise to some additional obligations in respect of purchasing. These are as follows:

- Organisations are required to withhold 46.5% of any payment to a supplier of goods or services that does not provide an ABN. In response to this, it is the policy of Racing Queensland Limited that no supplies be purchased from entities that are unable to quote an ABN, unless pre approval is granted by the Finance Manager and the accompanying ATO forms are complete;
- All suppliers to Racing Queensland Limited are to be advised that they must be able to provide a "Tax Invoice" in the form specified by the GST legislation, to enable Racing Queensland Limited to claim input credits. Under law, the supplier must supply Racing Queensland Limited with a Tax Invoice within 28 days of request. Racing Queensland Limited staff should not enter into contractual arrangements with suppliers unless satisfied that the supplier will be able to provide a suitable Tax Invoice; and
- When obtaining quotes or prices from potential suppliers, purchasing officers must satisfy themselves that the prices quoted are GST inclusive.

The same delegations on the following page (8) apply to the payment of invoices with one exception:

- An invoice can be approved by a person with a lesser delegation provided the original purchase order was approved appropriately and the invoice does not exceed an amount that exceeds 10% of the original purchase order.

It should be noted that as a business rule, staff are not permitted to circumvent their delegation by raising multiple orders to purchase a good or service for an amount that exceeds their delegation limit.

Documentation and the Role of the Finance Department

See Purchasing Policy and Racing Queensland limited Infrastructure Plan Internal Financial Process document

RACING QUEENSLAND LIMITED

Item	Regional Senior Stewards	Non TAB THB Racing Mgr, Senior Business Analyst, Business Services Mgr, Chief Stewards, Greyhound Facility Supervisor, GAP Mgr	Industry Training & Workforce Development Mgr, Harness Racing Mgr, Greyhound Racing Mgr, TAB THB Racing Mgr,	Commercial & Racing Development Mgr, Chief Information Officer, Chief Stipendiary Steward, Director of Steward Development Services Mgr Albion Park	Finance Mgr, Legal Council	General Manager of Operations, General Manager of Corporate Services	Chief Executive Officer	Board of Directors
Overall Delegation	<\$500	<\$2,000	<\$5,000	<\$10,000	<\$20,000	<\$50,000	<\$150,000 &/Or In line with Budget	Unlimited

Contractual Agreements (all contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of Contracts register and assess if any legal advice is required)	x	x	x	x	<\$20,000 total value (not lease or license) assuming that authorised to sign in ordinary operations	Yes with CEO assuming CEO previously approved and legally authorised to sign where <\$100,000	Yes any single project where included in approved annual/infrastructure budget	Yes, subject to Board agreement
Execution of Contractual agreements (All contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of contracts register and assess if any legal advice is required)	To be executed by 2 Directors of the Company or a Director and a Company Secretary of the Company (S127 (1) – Corporations Act 2001).							

Summary of Key Controls

As a high level summary, the key controls associated with the procurement system are:

- Only deal with suppliers who have a valid ABN.
- Three quotes required for amounts of \$10,000 or more where a preferred supplier is not used.
- Ensure appropriate delegation authorities applied
- Ensure probity and accountability in supplier selection process
- Confirm expenditure falls within approved budgets
- Ensure correct invoice coding to assist with budget review process
- Tax invoices to be obtained at all times.
- Required signatures for goods received.
- To ensure appropriate separation of duties; vendor creation, deletion or addition must be performed by the Accounts Payable Officer and the bank account details are required in accordance to the Sun Security matrix to be entered by an Accounts Receivable Officer who does not have the ability to raise purchase orders or make payments in SUN. The change of details form is located <G:\Finance\FORMS\Accounts Payable\Change of Details form.xls>.
- Invoices are only paid after the prior approval of a purchase order (excluding credit card statement payments and direct debits) and after goods have been received.

In addition to the above, Racing Queensland Limited should perform a routine supplier analysis to review expenditure to determine that value for money is being achieved, and all probity issues are addressed.

Reference material (available on QLD Govt website)

QLD State Procurement Policy

QLD Purchasing – Ethics, Probity and Accountability in Procurement

QLD Purchasing – Prequalifying Suppliers

QLD Purchasing – Engaging and Managing Consultants

QLD Govt – Capital Works Management Framework – Procurement Strategy and Contract Selection



INTERNAL FINANCIAL PROCESS

Owner

Chief Financial Officer

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	25 Nov 2011	Draft Addendum to RQL Purchasing Policy
1.02	19 Dec 2011	Board Approved
1.03	19 Mar 2012	Adjustment to CEO Delegation

To Action

1.

**Racing Queensland Limited
Infrastructure Plan
Internal Financial Process**

Background

On 19 July 2011, the Queensland Government approved the amended infrastructure plan and extended the Wagering Tax relief from 4 to 5 years.

Project	Value	Estimated Start Date	Estimated Completion Date
Deagon	\$39.9M	April 2012	April 2013
Gold Coast	\$35.4M	Feb 2012	Jan 2013
Beaudesert	\$7.27M	Nov 2011	April 2013
Cairns	\$1.96M	Nov 2011	April 2013
Townsville	\$6.34M	April 2013	Dec 2013
Mackay	\$7.44M	Sept 2011	June 2013
Rockhampton	\$1.6M	Sept 2011	March 2012
Subtotal Infrastructure	\$99.91M		
Country Racing	\$2.35M	July 2011	Dec 2011
Total	\$102.26M	April 2012	April 2013

Overview

All transactions will be processed through the Racing Queensland Limited (**RQL**) data base in Sun and will be kept separate from the RQL operating account.

All payments are to be paid from the following NAB bank Account:-

Account Name	BSB – Account Number
Infrastructure Plan	084-817 11 632 4760

Budgets

- a) Project Director is to liaise with the Project Management representative to ensure the budget is on track and to ensure an up to date cash flow and reconciliation is in place.
- b) Project Director to liaise with Chief Financial Officer (**CFO**) to ensure that the budgets and cash flows are up to date to ensure sufficient time is allowed to draw down from investments and/or the Queensland Treasury Corporation (**QTC**).

The first meeting with QTC indicated reasonable flexibility with the loan facility in that we could do monthly drawdowns if required. As QTC will be charging an interest cost on drawn down funds there is little advantage in drawing down from the facility early and investing the funds until required.

Once the budget has been approved by the Board and a business case has been completed and approved for each project for each facility by both the Board of RQL and Treasury, tenders will need to be completed and reviewed by the Project Management representative and the Project Director and the Industry Infrastructure Project Control Group (**IIPCG**).

Treasury have indicated that they do not wish to receive business cases without statutory planning approval; otherwise they will be approving funds on a conditional business case.

All items outside of the budget with an aggregate tolerance level of greater than either 1% or \$200K of the project value will require Board approval.

1. **Purchase Orders**

In the interim, while IPOS (Electronic Procurement System) is not up and running, manual purchase orders will need to be prepared. See Accounts Payable (**AP**) for purchase order books.

Purchase orders must be prepared prior to the goods and/or services being requested and signed by an authorised officer. All purchasing must be in accordance with the RQL Purchasing Policy:-

http://sharepoint/Policies/FIN_pol001_RQL%20PurchasingPolicy.doc

Suppliers:-

Suppliers will only be added after they have gone through the tender process and been signed off by the Project Director, CFO, Senior Corporate Counsel and Chief Executive Officer (**CEO**).

A full risk profile must be undertaken for each supplier reviewing the following:-

The selection of suppliers or preferred suppliers should be based on selection criteria that may include:

- Technical capability and experience
- Financial capacity and viability
- System and management responsibility incorporating product and service compliance with agreed industry standards
- People
- Business/organisation factors, and
- Favourable referee reports (a successful track record to deliver).

A risk profile may include the following in the checklist and be signed off by the Project Director and/or CFO and/or Senior Corporate Counsel as long as there are 2 delegated officers reviewing and would be done in the tender process prior to preparing the contract.

An option for RQL is the use of organisations specialising in procurement processes such as preferred supplier lists, prequalifying suppliers and other supplier related contractual arrangements as an alternative or addition to in-house procurement processes.

Local Buy is one such organisation with experience in procurement processes for local government. Local Buy is the Local Government Association of Queensland (LGAQ) procurement services company. Local

Buy develops contractual arrangements for councils and government entities, eliminating the need for government authorities to establish their own supply contracts. <http://www.localbuy.net.au/>

RQL is currently in discussions with Local Buy relating to supplier panel selection processes and procurement needs of the organisation. The use of this type of organisation may be beneficial for tendering and contracting arrangements relating to the infrastructure plan projects, as the suppliers are effectively pre-screened for compliance with government procurement suitability

Managing Risk with Suppliers:-

When evaluating preferred suppliers, a risk analysis should be performed as part of that process. In line with RQL's risk management framework, the following 4 point scale can be adopted to assess risks associated with suppliers as identified below.

Rating	Description
4	Extreme Risk
3	High Risk
2	Moderate Risk
1	Low Risk

Criteria	Sub-Criteria
1. History and Development of the Supplier's Business	<ul style="list-style-type: none"> • Longevity/stability of the business • Principal activities and past successes • Market experience
2. Critical Performance Elements of the Contract	<ul style="list-style-type: none"> • Availability of critical elements • Reliance on another party (sub-contracting) • Dispute management processes • Confidentiality management
3. Insurance	<ul style="list-style-type: none"> • Workers Compensation • Public Indemnity Insurance • Professional Indemnity
4. Quality Assurance	<ul style="list-style-type: none"> • AS/NZS ISO 9001/2000 Quality Assurance accreditation
5. Management and Employees	<ul style="list-style-type: none"> • Experience of management team
6. Legal Background and Capital Structure	<ul style="list-style-type: none"> • Ownership • Control of the business • Loan arrangements • Legal agreements
7. Financial Viability	<ul style="list-style-type: none"> • Financial strength and viability • Gearing level and credit rating • Contingency funding and current level of operations

	<ul style="list-style-type: none"> • Reasonableness of information • Compliance with the Australian Corporations Law (if relevant)
--	--

An overall risk score should be derived for the supplier. This may be an average of the scores for each risk area or may be more complex by weighting certain areas of risk and then calculating a range of scores to ascertain the overall risk.

Treatment strategies should be developed to mitigate the risks. A potential supplier assessed as either extreme or high risk, in terms of their ability to deliver the services proposed, may still be acceptable, provided that the risk is capable of being effectively managed by RQL or treated by the supplier. A risk, for example, may be treated by requiring a bank guarantee a % of the contract value to protect RQL's interests. Risk should also be monitored on an ongoing basis to ensure that any events or circumstances have been identified that necessitates a review of the level of risk assigned.

The above table may incorporate a 2 tiered approach whereby low risk contractual arrangements perhaps only incorporate an assessment of risk criteria 1 to 3 above but more complex or higher risk procurement incorporates an assessment for all criteria i.e. from 1 to 7.

Where deemed necessary an independent third party such as services of a Quantity Surveyor may be utilised to ensure exposure to risk is minimised.

2. Delegations

All invoices must be checked and signed by the Project Director even if outside of delegation limit. The Project Director is to obtain the approval of the CEO or Board if over his delegation limit.

All delegations are to be in line with the RQL purchasing policy.

Officer	Delegation Limit
Board	Initial Budget or project variations outside of tolerance level
CEO	All invoices over \$50K
Project Director	\$50K
CFO	\$50K
Director of Product Development	\$50K
Racecourse Development Manager	\$20K

Any line item where the % increase to that line item is above the % project contingency requires approval in accord with the approved expenditure limits. Should a substantial line item be considerably over budget, whether in excess of the contingency % or not, it is the project managers responsibility to bring this to the attention of the IIPCG. Approval of all expenditure

must be in accord with agreed policies and procedures and it is the responsibility of the project manager to ensure this is the case and to report on and manage expenditure in accord with approved budgets.

Project	Value	0% Tolerance Level
Deagon	\$39.9M	<0% Board Approval
Gold Coast	\$35.4M	<0% Board Approval
Beaudesert	\$7.27M	<0% Board Approval
Cairns	\$1.96M	<0% Board Approval
Townsville	\$6.34M	<0% Board Approval
Mackay	\$7.44M	<0% Board Approval
Rockhampton	\$1.6M	<0% Board Approval

3. Accounts Payable (AP)

The RQL AP Officer is the contact for the accounts payable function of the infrastructure plan. However, it is important to copy the RQL Project Accountant into all correspondence.

The procedure for processing invoices/payments is as follows:

- Check with AP if the supplier has been set up in the system.
- Sufficient time (2 days) must be given to AP for this to be done.
- If new, send the supplier the "New Supplier Application" form which is to be forward to the accounts payable officer once completed.
- All invoices to be pre coded, signed and approved by an authorised RQL representative per the approved delegation and sent through to the accounts payable officer.

RQL conducts payment runs every Friday. To ensure the payment is processed on time, the supplier's details and the authorised invoice need to be received at RQL by the preceding Wednesday. If these details are not received by close of business Wednesday, they will not be processed and paid that week and will paid in the following week's payment run.

It is the responsibility of the Project Director to ensure these conditions are met to ensure prompt payment, particularly in the case of 7 day accounts. All other invoices will be paid according to the payment terms. It is the responsibility of the Project Director to liaise with the suppliers to ensure appropriate payment terms are in place based on the above process. Where possible, RQL will insist on 30 day invoices and will endeavour to avoid any invoices being prepared under the *Building and Construction Industry Payments Act 2004*.

Coding:-

All invoices need to be authorised and checked against budget by the Project Director prior to be being received by AP and coded as follows:-

Project	Account Code	T1 Cost Code Facility	T2 – Project Broken down further See below **	T3 – Function Code	T5 – Area Code	T7 – Racing Division Code
Deagon	12393	20	IIPLN	AD	02	11 (Harness & Greyhounds 50:50)
Gold Coast Turf Club	11341	31	IIPLN	AD	02	02 - THB
Beaudesert Race Club	11331	22	IIPLN	AD	02	02 - THB
Cairns Jockey Club – Canon Park	11332	10 THB 54 GH	IIPLN	AD	10	02 - Thoroughbreds 04 - Greyhounds
Townsville Turf Club – Cluden Park	11339	37	IIPLN	AD	08	02 - THB
Mackay Turf Club – Ooralea Park	11333	33	IIPLN	AD	08	02 - THB
Rockhampton Greyhound Club – Callaghan Park – Greyhounds Only	11334	57 GH	IIPLN	AD	03	04 - Greyhounds
Country Racing	11349					Paul Brennan
Albion Park	12394	23	IIPLN	AD	02	11 (Harness & Greyhounds 50:50)

IIPLN – Industry Infrastructure Plan

AD – Asset Development

** The project codes are broken down further per area to easily identify the asset and are as per the following link and attachment “A”

IIPN New Codes.xlsx

4. Cheque/Electronic Funds Transfer (EFT) Signatories

Payments will not be processed without the prior approval of the Project Director and The Project Management representative. Once approval is received, two of the following five designations are required to authorise each payment on behalf of the infrastructure plan via EFT:

- CFO
- Management Accountant
- Business Services Manager
- Business Analyst
- Senior Corporate Counsel/Company Secretary

Petty Cash:-

The procedure for processing petty cash is as follows:

- Send through to AP Officer the petty cash reimbursement form along with necessary receipts.
- RQL processes the cheque to be signed by CFO or equivalent.

Sufficient time is required to return the petty cash cheque. Please reimburse the petty cash fund regularly to prevent any shortage.

It is recommended that urgent correspondence be sent through an external mailing system or scanned and emailed with the originals sent in the post.

The Accounts Receivable (**AR**) and AP function are vital to the successful management of the Infrastructure Plan. It is extremely important that the Project Director of the Infrastructure Plan continually liaises with the AR and AP departments as well as RQL staff liaise and provide feedback to the Project Director.

5. Credit Card Process

The credit card is designated for use by the authorised card holder when:

- a creditor account has not been set up
- or is a one off payment to a creditor not normally used
- or based on necessity e.g. travel.

Process:-

- Credit Card Statement received by authorised card holder.
- Attach invoices/receipts for corresponding debit amounts on the statement and send through to the accounts payable officer within 3 days of receipt of credit card statement.
- Statement is coded and allocated to the relevant ledger accounts.
- Payment is made by direct debit monthly.

6. Accounts Receivable

Where required, the RQL AR Officer is the contact for the AR function if an invoice is required to be raised for the Infrastructure Plan. However, it is important to copy in the RQL Business Services Manager into all correspondence.

The procedure for raising an invoice is as follows:

- An authorised Infrastructure Plan representative is to fill out an invoice request form and send through to the AR Officer.
- The request form must include the following information to facilitate accounts receivable following up any issues
 - Name
 - Address
 - Phone Number
 - E-mail (optional but preferred)
 - Payment Terms
 - Supporting Documentation (e.g. sponsorship agreements)
 - Signed by an authorised Infrastructure Plan representative

Once the invoice request form is completed in its entirety, the invoice will be created and within 3 working days of receipt.

A final authorisation is required from the RQL Business Services Manager prior to processing.

Once authorised the invoice will be processed and issued by the following working day.

Statements will be issued the first working day of the month.

For any adjustments that may be required (e.g. refund, credits), an adjustment form is required to be completed by an authorised Infrastructure Plan representative and sent through to the accounts receivable officer.

A final authorisation is required from the RQL Business Services Manager prior to processing.

7. Payroll

For all additional employees from 1 July 2010 payroll is paid monthly on the 14th of each month, approximately 2 weeks in arrears and 2 weeks in advance with the exception of:

- Casual employees
- Facility maintenance staff dependant on their circumstances and in consultation with the executive manager.
- Employees on fortnightly arrangements prior to 1 July 2010

For these employees payroll is run on a fortnightly basis paid on a Wednesday in arrears. The payroll period is Monday to the following Sunday.

Process:-

- Timesheets are due by close of business Monday for the previous fortnight sent through to the payroll officer.
- Project Director Authorisation is required to be sent through to the payroll officer by midday Tuesday of the pay run week.
- All leave and payroll requests are due to payroll 3 days prior to processing.
- All leave and payslips are available through the employee services portal on the intranet through ConnX.

- Payroll is processed and then checked and payment authorised by two authorising RQL delegates (see no.1).
- Salaries are due in the employees' bank account fortnightly on a Wednesday.
- Monthly salaries are due on the 14th of each month.

From 1 July 2011 there will be the following RQL employees dedicated to the infrastructure plan

POSITION	NAME	EMAIL	DIRECT PHONE
Project Director	Mark Snowdon	msnowdon@racingqueensland.com.au	07 3869 9402
Executive Assistant Assets & Infrastructure	Deanna Dart	ddart@racingqueensland.com.au	07 3869 9405
Accounts Payable	TBA	ap	TBA

All other RQL employees who are involved with providing advice and working on the infrastructure plan and/or processing of payments will need to complete an Infrastructure time sheet which will need to be authorised by the project director. A monthly Journal will need to be recoded from the RQL salaries operating account to the infrastructure plan per a project seeking reimbursement of this expenditure from 1 July 2011.

It is anticipated that a total fee required from the IIPLN be formulated for the use of RQL employees. This total figure will then be allocated over the projects relevant to the work and time required. Time sheets will then be written up to reflect the fees charged.

Infrastructure Plan Timesheet (click on link to timesheet)

If the IIPLN does not have a specific account amounts are allocated to and will then be reallocated to the specific project.

Account Name	Account Code	T1	T2	T3	T5	T7
Infrastructure Plan	11349	01	IIPLN	AD	02	01,02,03,04

8. Expense reimbursement

All expenses are to be reimbursed in line with the expense reimbursements policy and in line with the appropriate delegation.

http://sharepoint/Policies/FIN_pol003_Expense%20Reimbursement%20Policy.doc

9. Investments/Term Deposits

Term Deposit and investment advice is provided by the CFO and/or Management Accountant through a number of institutions currently, NAB, QTC, Westpac, CBA or ANZ and is invested by the Senior Finance Officer – Treasury

10. Cash flow and Budgets

The Project Director is to liaise with The Project Management representative to ensure the budget is on track and to ensure an up to date cash flow is in place. The Project Director to liaise with CFO to ensure that the budgets and cash flows are up to date to ensure sufficient time is allowed to draw down from investments and/or Treasury to ensure payments can be made within the agreed credit terms. Once done, authorised payments are to be made. The Finance Department to assist the Project Director and produce budget to actual reports for RQL Board and Government.

Senior Finance Officer and Accountant to review daily cash requirements for AP and other requirements

11. Monthly Financial Statements – Project Reconciliations

RQL will provide monthly financial statements – Project Reconciliations by working day 10 of the following month. These statements are prepared by the Project Accountant and will be reviewed by the CFO or Management Accountant prior to release. These reconciliations must be agreed by the Project Director prior to being released to the IIPCG or the Board.

12. Urgent transactional delivery

The Management Accountant is the first point of contact to assist in the delivery of any urgent transactions or financial enquiries.

If the Management Accountant is unavailable, please contact the CFO or any contact on your contacts list below so that they can source the appropriate authority and escalate the delivery as required.

13. Club Restructures and financial modelling

RQL will pursue partnership arrangements with clubs and the Business Analyst will assist with all financial modelling and support.

14. RQL employees with responsibilities on behalf of the Infrastructure Plan

As mentioned above, RQL provides the following employee resources to assist with the Infrastructure Plan accounts:

- Compliance/Project Accountant
- Accountant
- AP Officer
- AR Officer, and
- Payroll.

The CFO and Management Accountant provide direction to the above employees as well as assisting the Infrastructure Plan directly on any higher level financial analysis or needs.

The senior accountants (Business Services Manager and Project Accountant) are also utilised to ensure correct processing, coding and authorising of all transactions has been adhered to as per RQL credit and purchasing policies.

All the above mentioned resources are full time permanent RQL employees who assist in the Infrastructure Plan accounts on the basis of hours needed to fulfil the deadlines, processing, reporting requirements and any other financial advice as deemed appropriate and relevant. RQL also provides back up assistance from within the Finance Department to alleviate any concerns relating to leave or turnover of staff.

Following are the current RQL contacts assisting with financial functions as at today's date:

POSITION	NAME	EMAIL	DIRECT PHONE
CFO	Adam Carter	acarter@racingqueensland.com.au	07 3869 9702
Management Accountant	Sharon Drew	sdrew@racingqueensland.com.au	07 3869 9704
Business Analyst	Ron Mathofer	rmathofer@racingqueensland.com.au	07 3869 9716
Financial/Compliance/Project Accountant	Jeffrey Zeppa	jzeppa@racingqueensland.com.au	07 3869 9713
Business Services Manager	Ali Wade	awade@racingqueensland.com.au	07 3869 9701
Senior Finance Officer	Kees Van der Waal	kvanderwaal@racingqueensland.com.au	07 3869 9706
Accountant	Craig Roberts	croberts@racingqueensland.com.au	07 3869 9718
Accounts Receivable	Janet Roth	jroth@racingqueensland.com.au	07 3869 9711
Accounts Payable	Karin Schreiber Rosie Carrano	ap@racingqueensland.com.au kschreiber@racingqueensland.com.au rcarrano@racingqueensland.com.au	07 3869 9714 07 3869 9703
Payroll	Leanne Lorena	llorena@racingqueensland.com.au payroll@racingqueensland.com.au	07 3869 9708

RQL will endeavour to update your contact list as soon as any changes occur.

If you have any further queries please do not hesitate to contact me by email acarter@racingqueensland.com.au or by mobile 0400 761 700.



ADAM CARTER
Chief Financial Officer



Capital Expenditure Request Form

Capex No.

Approved: Yes No

Approval Date: _____

Date: _____

Project: _____

Name: _____

Contact No: _____

Department: _____

Location: _____

Description	Qty	Amount	GST
Total	0	\$ -	\$ -
Total		\$ -	-

Business Case:

Describe the function of the equipment or project, how it will be used and the benefits it will provide. What are the consequences if the equipment is not purchased?

Does this replace existing equipment?

If yes, describe the existing piece of equipment, and explain why it needs to be replaced.

Estimated life of new equipment.

Number of Years:

Is leasing an option?

Location of the new equipment: _____

Are milestone payments required?

If yes, please attached a schedule of payments

Please provide as an attachment any further details that may assist in the justification of the expenditure, such as the equipment considered and the reason for selection.

Priority:

Mandatory / Safety:

New Program / Expansion:

Convenience:

Increase Revenue / Decrease Expense:

Replacement / Improvement:

Annual Operating Expense	Current	Proposed
Training		
Supplies		
Maintenance		
After Warranty		
Parts, Labor, Service Contract		
Total	\$ -	\$ -
Net Change in Annual Operating cost		\$ -

Estimated Acquisition Cost	
Equipment	
Installation	
Remodeling	
Total	\$ -

Department Manager

Chief Financial Officer

Chief Executive Officer

Name: _____

Name: _____

Name: _____

Date: _____

Date: _____

Date: _____

Signature: _____

Signature: _____

Signature: _____



Major Repairs and Maintenance Request Form

Major R&M No.

GL Account Costing

Approved: Yes No

Approval Date:

Date:

Name:

Contact No:

Department:

Location:

Description	Qty	Amount	GST
Total	0	\$ -	\$ -
Total		\$ -	-

Business Case:

Describe the function of the repairs and maintenance and why they are necessary. What are the consequences if the repairs and maintenance are not conducted?

Location of the repairs and maintenance (ie venue):

Is this a one off payment or a series of payments?

If yes, please attached a schedule of payments

Please provide as an attachment any further details that may assist in the justification of the expenditure.

Priority:

Mandatory / Safety: <input type="text"/>	Preventative: <input type="text"/>	Insurance Claim: <input type="text"/>
To be on charged: <input type="text"/>	General Claim: <input type="text"/>	Condition of Contract: <input type="text"/>

Department Manager

Chief Financial Officer

Chief Executive Officer

Name:

Name:

Name:

Date:

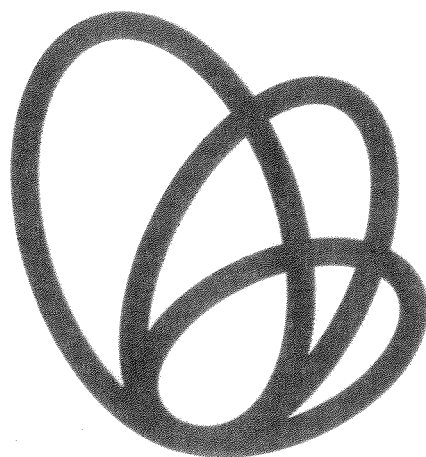
Date:

Date:

Signature:

Signature:

Signature:



RACING QUEENSLAND

EMPLOYEE HANDBOOK

TABLE OF CONTENTS

WELCOME TO RACING QUEENSLAND LIMITED	<u>33</u>
INTRODUCTION TO RQL	<u>44</u>
Who We Are.....	44
What We Stand For.....	44
Where We Come From; The History of Racing.....	44
ROLE OF RQL AND INDUSTRY STRUCTURE.....	<u>88</u>
Our Organisational Structure.....	99
Our Departments.....	1040
WORKPLACE CONDITIONS AND BENEFITS.....	<u>1144</u>
Training and Development	1144
Career Opportunities	1144
Performance Reviews.....	1144
Remuneration Reviews	1144
Communication.....	1242
Company Mobile Phones	1343
Company Motor Vehicles	1343
Company Equipment and Property	1444
Social Activities.....	1444
WorkLife NAB.....	1444
Gym Facilities.....	1444
Employee Records.....	1444
Reimbursement of Expenses	1444
POLICIES AND PROCEDURES.....	<u>1646</u>
Code of Conduct	1646
Workplace Health and Safety	1747
Smoking, Drugs and Alcohol	1747
Personal Presentation.....	1848
Working Hours.....	1848
Leave Entitlements	1848
Payroll.....	2124
Privacy.....	2222
Information Technology.....	2222
Discrimination and Workplace Harassment.....	2323
Grievance Procedure.....	2525
Confidentiality and Intellectual Property.....	2525
Performance Counselling	2626
Termination of Employment	2626
EMPLOYEE DECLARATION	<u>2828</u>

WELCOME TO RACING QUEENSLAND LIMITED

It is with pleasure that we welcome you to the Racing Queensland Limited (RQL) team.

Racing occupies a vital place in Queensland's cultural and sporting life. It also makes an important contribution to the state's economy; generating jobs, fostering tourism and creating wealth throughout Queensland. As a RQL employee, you will be part of the ongoing development of an increasingly professional racing industry.

RQL aims to offer its employees interesting, fulfilling and rewarding work in an exciting and dynamic industry. In return, RQL expects the highest standards of professionalism, diligence and integrity.

This handbook has been designed to help you better understand the organisation and to provide a summary of the principles for which RQL stands, information about our values, how we behave and how we work with other people; the benefits to which you are entitled; the policies and procedures affecting your employment; and the undertakings and commitments of RQL and its employees.

This handbook should be read in conjunction with our policies, including human resource policies and procedure manual and your employment agreement or letter of offer.

You should read, understand, and comply with all provisions of the employee handbook. If you do not understand any information contained in the handbook, or if you have any questions concerning the policies or benefits outlined in the handbook, it is important that you speak with your manager.

I look forward to a long and happy association with you as a member of the RQL team.

Yours sincerely

Malcolm Tuttle
Chief Executive Officer

INTRODUCTION TO RQL

Who We Are...

RQL is the control body for racing in Queensland. We coordinate, manage and regulate the industry by:

- Administering the Rules of Racing.
- Implementing sound policies.
- Enforcing standards of safety and integrity.
- Licensing industry participants.
- Licensing race clubs and monitoring their activities and performance.
- Monitoring the condition of racecourses and working with race clubs to ensure courses are developed to a suitable standard.
- Commissioning and undertaking research and promotional activities.
- Administering industry funding and commercial agreements.
- Representing the Queensland racing industry on national bodies.

What We Stand For...

Our Mission

To further enhance the quality and integrity of racing in Queensland.

Our Values

RQL recognises that our people make the difference and that we need to attract, develop and retain good people. Five values underpin our work:

- **Professional and Ethical** – at all times we are professional and ethical in our dealings with stakeholders and colleagues.
- **Results-Orientated** – we ensure that our day-to-day activities are consistent with and contribute to achieving our goals.
- **Teamwork** – we work as a team to deliver the best solutions for our stakeholders, recognising and rewarding both team and individual contributions.
- **Customer Service Excellence** – we strive to serve our customers with excellence.
- **Balance Between Professional and Personal Life** – we recognise that people are our main asset so achieving a balance between professional and personal time is in the best interest of individuals and the organisation.

Where We Come From; The History of Racing...

Thoroughbred racing has a rich and colourful history in Australia that can be traced back to the earliest days of colonisation by Europeans. Seven horses arrived with the first fleet in 1788, when horses played a vital role in everyday life as a mode of transport, beasts of burden and as a form of recreation.

With horses so important in the colony, it did not take long for the competitive spirit to test the speed of horses and the skill of riders and Australia's first organised horse race is recorded as taking place at Batmans Hill in New South Wales in 1838. Four years later, Australia's first race club, the Australian Jockey Club, was established.

The following year, 1843, saw Queensland's first organised racing meeting held at Coorparoo. However, it was not until 1863 that the Queensland Turf Club was formed and 1865 until the club hosted Queensland's first official race meeting.

Before this, the first trotting race was held in Australia with a sports meeting conducted at Parramatta on 30 April, 1810. Reports suggest that Miss Kitty prevailed on the day in good style. At the time, good carriage horses were able to cover the 15 mile journey from Parramatta to Sydney in less than 60 minutes.

In 1891 the Australian greyhound industry was on the move with the National Coursing Association of NSW established. Two years later the first greyhound meeting was held in Queensland at Allora on the Darling Downs.

With the growth of racing, and the federation of the colonies into the Australian nation, came the need to introduce standardised rules for conducting thoroughbred racing. By 1912 the principal clubs that controlled racing in each state had agreed on the Australian Rules of Racing.

Racing is all about champions and Queensland has produced some truly great horses and the Queensland racing public has witnessed history being made at the track. In 1946, Bernborough, arguably Queensland's greatest horse, won 15 successive events, including the Doomben Double. In 1961, a record crowd farewelled the great Tulloch at the Brisbane Cup; and in 1973, Gunsynd, the Goondiwindi Grey immortalised by Slim Dusty, was farewelled at Doomben.

From a harness racing standpoint, it is doubtful there has been one better than Queensland's Blakes A Fake the winner of a record four (4) Inter Dominion Pacing Championships and \$4.2 million in stakes.

Racing in Queensland has a record of innovation, often placing it at the cutting edge of the development of the sport and industry of racing. In 1878, the world's first totalisator was unveiled at Ipswich, west of Brisbane. In 1901, the year of federation, "electric light racing" commenced at the Gabba in Brisbane's east. In 1962 following Victoria's lead, off-course betting was legalised through the Queensland TAB. Apart from providing a legal form of off-course betting, the TAB provided a source of income for race clubs and revenue for government.

TAB Queensland has grown from humble beginnings to become a billion-dollar operation. Today computers are such a part of mainstream life that it seems incredible that it was not until 1977 that the TAB took its first automated telephone bet and 1980 that it introduced computerised betting. In 1999, the Queensland Government approved privatisation of the TAB. Today the organisation is at the forefront of information technology.

In October 1983, the redeveloped Albion Park was opened with a 'state of the art' 5/8th of a mile left handed circuit and a purpose built grandstand that housed the renown 'Silks Restaurant' most famous for its seafood smorgasbord.

The formation of the TAB began a process of liberating racing from the confines of racecourses and taking it to the public wherever they were. In 1986, Sky Channel began broadcasting races live to Queensland hotels and clubs. By 1991, racing had its own radio station, 4TAB, to serve the Queensland public with live race coverage and racing information. Three years later, telephone betting with bookmakers was legalised.

After racing at the Gabba since 1972, the Brisbane Greyhound Club opened its doors at Albion Park in 1993.

For much of its history, women were marginalised or excluded from the racing industry but by the late 1970s this had begun to change. Pam O'Neill successfully lobbied the Queensland Turf Club to license women as strappers and jockeys and in 1979 she won her licence, making her the first woman jockey in Australia. On her first day riding, Pam created a world record for any jockey, male or female, when she rode a treble at Southport. Today women are successful jockeys, stable hands, trainers and veterinarians and occupy key positions in racing industry administration and marketing.

Along with its proud record of leading industry development and producing champions, Queensland also shares the dubious distinction of being the venue for one of racing's most notorious incidents. On 18 August 1984, an open-class sprinter, Bold Personality, was substituted for an ordinary country horse. The Fine Cotton ring-in was uncovered by stewards at the Queensland Turf Club and became another chapter in racing's rich and colourful history.

With the growth of the sport and industry of racing came the need for more professionalism and the highest standards of industry integrity assurance.

The Racing Science Centre was created in 1989 in response to the "caffeine crisis", when errors in drug testing caused a spate of false positive tests to be reported. The Racing Science Centre oversees testing of racing animals for illicit drugs, as well as working with racing administrators and trainers on animal welfare issues.

The Racing Development Fund (RDF), established in 1981, heralded an era of industry expansion. Money for the RDF came from a percentage of TAB turnover, fractions and unclaimed dividends and was used to upgrade racing facilities, fund race series and help the industry develop professionally across all three (3) codes.

By 1990, the Queensland Government believed the State's five thoroughbred principal clubs were no longer able to provide the leadership and management the racing industry needed for it to meet the challenges of an increasingly complex and competitive environment. The Government released its "Green Paper" for restructuring racing administration and, after lengthy industry consultation, the Queensland Principal Club, the forerunner to Queensland Thoroughbred Racing Board, was created in 1992 to unify racing administration in the State.

The industry of racing had grown to become a major part of the Queensland and Australian economy but its actual contribution remained a mystery and a major study of racing's economic impact was commissioned. The landmark 1992 ACIL report found Australian racing generated \$2.4 billion in GDP and the contribution to Queensland's Gross State Product exceeded \$400 million.

The Queensland Principal Club initiated the industry's first strategic plan, Form Guide to the Future, in 1998. Studies conducted by KPMG found Queensland racing (including the thoroughbred, harness and greyhound codes) contributed \$700 million to the State economy and generated full-time, part-time and casual jobs for almost 24,000 Queenslanders. The State Government received almost \$100 million in revenue from the industry.

These contributions were further reviewed by IER in 2009 and it was found that the three (3) racing codes in Queensland were responsible for the employment of 30,000 Queenslanders and contributed \$1.4 billion to the Queensland economy.

With privatisation of the TAB, now known as UNiTAB, in 1999, the racing industry became master of its destiny. The new arrangements meant the industry's revenue was directly tied to its ability to generate betting turnover. The industry would succeed or fail on its merits.

To address the new commercial realities, a skills-based thoroughbred board was appointed to head Queensland Racing in 2002. The board focussed on rationalising Queensland's racing calendar to maximise betting turnover on Queensland races.

In 2003, Queensland Racing relocated to a modern, purpose-built facility at its Deagon training centre. The industry also began reaping the benefits of reform, with increased revenue and lower costs translating into big prize money increases. 2004 saw the first full year of reform, with the financial gains consolidated, record betting turnover and record attendance at Queensland's feature race carnivals.

On 1 July 2010, RQL will commence as the new control body for thoroughbred, harness and greyhound racing:

1. QRL will cease as the control body for thoroughbred racing
2. Queensland Harness Racing Limited will cease as the control body for harness racing, and
3. Greyhounds Queensland Limited will cease as the control body for greyhound racing.

The establishment of one control body for the thoroughbred, harness and greyhound codes of racing is expected to provide a unified commercial focus that will facilitate effective decision making and the development of the Queensland racing industry as a whole.

It is an exciting time for racing in Queensland and we will continue to build on the strong history that precedes us in each of the racing codes.

ROLE OF RQL AND INDUSTRY STRUCTURE

Overview

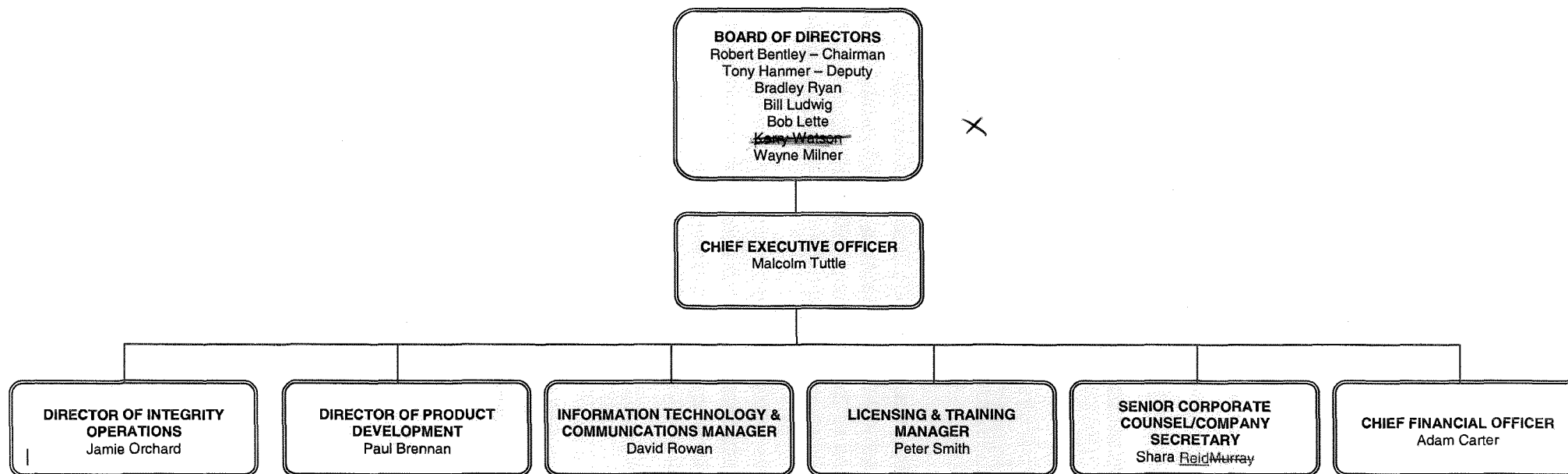
RQL and the Queensland racing industry operate within a complex industry structure that poses its own challenges and requirements. The key elements of the structure are as follows:

RQL is the licensed control body for the Queensland industry, responsible for establishing and maintaining the policies, funding and licensing arrangements, the product and program and safety and integrity of the industry. RQL is established under the *Racing Act 2002* and is a company limited by guarantee.

- ⌘ RQL interacts with the other Principal Racing Authorities (PRA's) through the National bodies that set the rules of racing and seek to coordinate national initiatives.
- ⌘ Racing Information Services Australia (RISA) which provides a wide range of services to the racing industry and also commercialises the racing product, is owned jointly by the PRA's.
- ⌘ Funding for the industry comes principally through a product and program agreement entered into by the three racing codes with UNiTAB. In addition, revenues are also generated for the Queensland racing industry through charges that are levied against wagering operators for the use of racing information for the purpose of race wagering.

The constitution of RQL is based on best corporate governance principles and has been tailored to suit the Queensland racing industry. The constitution complies with the requirements of the *Racing Act 2002* and *Corporations Act 2001*.

Our Organisational Structure



Our Departments

Chief Executive Officer

The Chief Executive Officer (CEO) is responsible for the operations of RQL within established policy and in accordance with the delegated authority of the Board of Directors. In addition to leading the Executive team, the CEO is required to provide strategic advice to the RQL Board in relation to the business of racing.

Integrity Operations

The Integrity section ensures the effective delivery of integrity services and operational stewarding throughout the state and is responsible for policy, strategy and performance under these areas, management of the complaints system and investigations as required, and maintaining the interaction with various levels of government. Other responsibilities include the effective delivery of betting analysis and monitoring of all TAB Queensland races. Operational stewarding provides effective delivery of stewarding throughout the state, including management of the regional offices at Toowoomba, Rockhampton and Townsville. It monitors and ensures compliance with the Local and Australian Rules of Racing. This section deals with race day issues requiring resolution as well as issues arising as a result of a proactive investigations section.

Product Development

The Product Development section works with Clubs, the other codes of racing and UNITAB to develop the most effective allocation of race dates, as well as scheduling prizemoney and developing state-wide racing programs and black type races.

Other responsibilities include; asset development planning, the management of breeding schemes, the management of Queensland's Black Type allocation, the interface with the Trainer's Service Centre, the provision of handicapping services to the State, the management of the Deagon complex, and provides support to the Industry on Workplace Health and Safety issues.

Finance

The Finance section provides financial services to the Queensland racing industry and financial, business development and other corporate services to RQL. It administers the centralised prizemoney system and provides accounting and business analyst services to RQL.

Information Technology & Communications

The Information section provides information technology and telecommunications services internally to RQL. While the Communications section provides information to stakeholders in the racing industry and the general public through the monthly magazines, RQL's website and media releases. The Communications section also organises events such as the annual Racing Queensland Industry Awards and works to promote the industry at all levels.

Corporate Counsel / Company Secretary

The Corporate Counsel of RQL ensures compliance with Acts of Parliament and government regulations, and provides company secretary services to the Board. Racing appeals are also managed by this section, as well as providing legal services to the company.

Licensing and Training Manager

The Licensing and Training section provides licensing and training services to licensees and other Queensland racing industry participants, as well as training and development support to RQL. This section administers all license renewals and manages the licensing committee.

WORKPLACE CONDITIONS AND BENEFITS

Training and Development

RQL is committed to providing employees with training and development opportunities to ensure that you keep continue to learn and develop within your job and our business. We employ a variety of strategies to create an organisational climate that attracts and retains employees of the highest calibre and optimises their opportunities to contribute to the achievement of our mission and objectives. It is essential to continually maintain and develop our skills to ensure that we provide our stakeholders with the highest standard of service and products, and to ensure that you develop to your full potential.

RQL encourages career development through continuing professional development, formal training, and opportunities for on-the-job experience. An additional component of our employee development strategy is our Study Assistance Scheme which provides assistance to employees participating in authorised education. Everyone is encouraged to, wherever possible, gain well-rounded experience and development within the company.

Career Opportunities

We value our employees and your career development and believe in promotion from within RQL; before we search outside the company, except where special circumstances exist, we will always look for talented people already working for us. All company vacancies will be advertised internally if the skills required for the position exist within RQL and preference will be given to internal applicants when other aspects are equal.

Performance Reviews

RQL is committed to creating an environment that encourages high levels of performance. The performance management system is an ongoing communication system between employees and their manager; providing an opportunity to plan, manage, review, recognise and improve performance. It involves establishing clear expectations and understanding about:

- The essential function the employee is expected to perform and the desired workplace behaviours.
- How job performance will be measured and assessed.
- How the employee and manager will work together to sustain, improve or build on existing performance
- How the employees' skills and knowledge will be developed to enable the employee to be more effective and efficient
- How the successful completion of the function will contribute to the goals of RQL.

Your first performance review will be during your qualifying period. Thereafter, RQL conducts performance reviews on an annual basis with progress reviews conducted every six (6) months to assess performance to date and address any issues that may prevent you from achieving your objectives.

RQL is fully committed to the process including the provision of adequate support and training to equip employees with the skills and experience to grow and develop in the business.

Remuneration Reviews

RQL's remuneration standards are based on a "pay for performance" philosophy, according to your experience and your position. We will review remuneration levels on an annual basis during July.

RQL will remunerate employee's on the basis of competitive market rates, ensuring equity at all times. Salary packaging is also available for motor vehicles, superannuation, business related equipment and private health insurance.

If you have been with us for less than six (6) months at remuneration review time, you may not be eligible for a salary review due to your short length of time with us.

Communication

At RQL, effective communication is vital to foster a people focussed work environment defined by recognition, opportunity, respect, courtesy, cooperation, consideration and ongoing feedback. To ensure effective communication we need to consider the best method of communication for each situation. We have established some communication guidelines, which if followed will assist us in being effective communicators both internally and externally.

- ☒ All communication should comply with our values.
- ☒ Seek first to understand and then to be understood.
- ☒ Always respect confidentiality.
- ☒ As a minimum reply to communication in the method that it was received. To improve communication, go up the communication hierarchy (see below).
- ☒ Communicate with the receiver in mind, in a method and at a level appropriate to them.

The Hierarchy of Communication

Face to Face Communication	<p>When to Use</p> <ul style="list-style-type: none"> ☒ In conflict or potential conflict situations ☒ In sensitive situations or when involving sensitive information ☒ If delivering bad news ☒ If there is a significant issue or occasion ☒ To conduct performance reviews 	<p>How to Use</p> <ul style="list-style-type: none"> ☒ Be in an appropriate environment ☒ Be in the moment; no interruptions ☒ Be prepared; have all the facts ☒ Use active listening ☒ Use body language; eye contact, shake hands, mirror the other person
Phone Communication	<p>When to Use</p> <ul style="list-style-type: none"> ☒ If you cannot meet face to face ☒ If it isn't necessary to meet face to face ☒ To book external appointments ☒ When making a call would improve customer service and relationships 	<p>How to Use</p> <ul style="list-style-type: none"> ☒ Reception, extensions and mobiles should be answered professionally ☒ Urgent calls should be returned immediately ☒ Return all calls by close of business the following day
Written Communication	<p>When to Use</p> <ul style="list-style-type: none"> ☒ If it is important to document the facts or when a permanent record is required ☒ If it is beneficial to the recipient for it to be in writing ☒ To confirm conversations in conflict or potential conflict situations 	<p>How to Use</p> <ul style="list-style-type: none"> ☒ Personalise every letter ☒ Sign every letter personally ☒ Respond within seven days of receiving correspondence
Email Communication	<p>When to Use</p> <ul style="list-style-type: none"> ☒ To ask simple, non-confrontational questions ☒ To transfer information ☒ To set internal or external appointments ☒ If there is no chance for an error in interpretation ☒ If there is no conflict between the parties 	<p>How to Use</p> <ul style="list-style-type: none"> ☒ Be clear, make emails easy to understand ☒ All external emails should have a signature block ☒ If an email received is marked urgent it should be answered immediately ☒ Return all emails received by close of business the following day

Text Communication	When to Use	How to Use
	<ul style="list-style-type: none"> ⌘ If the communication is with someone internally ⌘ When it is the only means of contact 	<ul style="list-style-type: none"> ⌘ Check the recipient before sending ⌘ Be clear; avoid 'text talk'

The door is always open at RQL; do not be afraid to approach your manager with your ideas, concerns and feedback. Team meetings are held regularly to discuss any concerns and provide you with the opportunity to suggest improvements. Your feedback is crucial to our success.

Company Mobile Phones

RQL may provide you with a mobile phone for the purpose of improving business efficiency. If we provide you with a mobile phone please remember its primary purpose is business, not personal, use. Personal calls within reason will be accepted, and form part of your remuneration package. All calls are itemised on monthly statements and any abuse of this entitlement may result in disciplinary action, including the return of your mobile phone.

Please look after your mobile phone, RQL reserves the right to seek reimbursement from you for any damage, loss, theft, or other expenses incurred that are caused by an employee's wilful or negligent act or omission.

Company Motor Vehicles

RQL employees may elect to have an eligible motor vehicle included in their salary package, subject to approval, by way of Tool of Trade or Novated Lease (see motor vehicle policy for details on Novation).

If you elect to do so please note the following conditions:

- ⌘ Tool of Trade/Company vehicles shall be made available for the authorised use of other employees during working hours and returned to RQL, at our discretion, or if you are absent from work for an extended period.
- ⌘ Excluding the event of an emergency, no person other than an appropriately trained/licensed employee shall operate Tool of Trade/Company vehicles.
- ⌘ RQL shall not accept responsibility for any penalty or fine that may be imposed in relation to the use of the vehicle unless required by law, in which case you shall reimburse RQL for the penalty or fine.
- ⌘ You must ensure that Tool of Trade/Company vehicles are properly maintained and RQL reserves the right to inspect the vehicle upon demand.
- ⌘ RQL reserves the right to seek payment from you for any maintenance, repairs or replacement of the vehicle caused through the wilful or negligent misuse of the vehicle by you.
- ⌘ Any maintenance and/or repairs to the vehicle shall be carried out by a service provider approved by RQL and, subject to the provisions above, at the expense of RQL.
- ⌘ Should the vehicle be involved in an accident or otherwise damaged you must notify your department manager immediately.

During the course of employment, licensed employees may also use a company pool car. In addition to the conditions outlined above, use of pool cars is subject to the employee completing the log book to a satisfactory standard (see motor vehicle policy for details on use of pool cars).

Company Equipment and Property

All documents, records, papers, manuals, materials of any nature and other property of, or relating to, the business of RQL, whether prepared by you or not, are the property of RQL.

All equipment and company property should be safeguarded and remain on RQL's premises unless permission has been granted for the item to be removed.

Social Activities

RQL encourages social activities to reward employees for their efforts. Occasionally we may hold social functions or request you to attend stakeholder or social functions, where alcohol is available.

RQL promotes the responsible consumption of alcohol and we expect employees to drink responsibly. All work related social activities are not compulsory and that in the event you choose to consume alcohol at any work related function you should do so in moderation and respect those who do not wish to partake. Please be aware that RQL social functions and events are part of work and the requirements of the RQL Code of Conduct and other policies will apply to your behaviour.

WorkLife NAB

RQL currently provides all full time permanent employees' membership to WorkLife NAB. This membership is a comprehensive employee benefits program which provides access to significant savings incorporating both lifestyle and financial benefits. Details of the lifestyle and banking benefits are provided on the RQL intranet.

If you are eligible to receive a membership card you can access further detailed information on what is available on the website <http://worklife.nab.com.au/site/index.asp> and we urge you to subscribe to the monthly e-newsletter so you are aware of the latest deals and benefits.

Gym Facilities

Fitness and conditioning centres for jockeys, apprentices and trainees are situated at RQL's Deagon, Caloundra and Rockhampton locations. As an added benefit for RQL employees, the use of these facilities is made available to staff outside allocated training times.

Cardiac, conditioning and strengthening equipment is available which is of the latest design and is durable and easy to use for all fitness levels.

For access and use of the gym and equipment all users must complete a user agreement, questionnaire and obtain a key. Forms are available from the Training Department. Gym facilities are co-ordinated by RQL's Licensing & Training Manager.

Employee Records

It is important that up-to-date records are accurately and rigorously maintained regarding your personal details and career history. Please ensure that you update any changes to your personal details such as your address, telephone number or emergency contacts, as well as any additional experience or qualifications gained through the employee service portal of ConnX.

Reimbursement of Expenses

If you use your own money for work related expenses we will reimburse you, as long as the expense is necessary to your job and:

- ⓧ Your manager gives you the approval beforehand.
- ⓧ You have documentary evidence of the expense satisfactory to your manager.

- You make a claim for reimbursement within a reasonable time of incurring the expense.

On occasions, you may be required to entertain stakeholders and business associates. This entertainment is dependent upon the existence of a business relationship and that the relationship would benefit RQL. When more than one employee is present at a business meal or entertainment event, the most senior employee must pay and claim the expense. All expense claims need to be approved by the appropriate manager prior to reimbursement.

Provided that we are satisfied the expenses incurred are legitimate business expenses, reimbursement will be made within fourteen days.

All expenditures must be reported accurately and in a timely way and an accurate and auditable record of all financial transactions relating to RQL must be maintained in accordance with generally accepted accounting principles. No entry should be made in the company records that distorts or disguises the true nature of any transaction.

Please note that submission of a fraudulent expense report will be regarded as serious misconduct and disciplinary action up to and including summary dismissal may apply.

POLICIES AND PROCEDURES

The following information is important extracts from our Human Resource Policies and Procedure Manual. As part of your induction you are expected to familiarise yourself with our policies and your responsibilities and obligations. The Human Resource Policies and Procedure Manual can be found on the RQL intranet.

Code of Conduct

RQL is committed to delivering the highest standards of corporate practice and business conduct. We aim to be a model corporate citizen; conducting business in an ethical and responsible manner, complying with all applicable legal requirements, promoting a positive and ethical work environment for employees, and making a positive contribution to the community. The Code applies to all RQL employees.

Corporate Governance

- ⌘ RQL is responsible for the control, supervision and regulation of racing in Queensland.
- ⌘ The Board is responsible for determining the strategic direction of RQL and ensuring compliance with the statutory obligations.
- ⌘ The Chair of the Board plays an important leadership role in ensuring RQL works effectively.
- ⌘ The Deputy Chair of the Board acts as the Chair of the Board during all periods when the Chair is absent from duty or, for another reason, cannot perform the functions of the office.
- ⌘ Management is responsible for ensuring all RQL officials within their organisational area comply with the Code.

Principles of the Public Sector Ethics Act 1994

- ⌘ All officials must support the implementation of government policy effectively and impartially, and carry out official duties lawfully, observing statutory obligations.
- ⌘ All officials must treat all stakeholders and employees with courtesy, honesty and fairness and with proper regard for their rights and obligations.
- ⌘ All officials must perform their duties with the highest standards of personal integrity and honesty.
- ⌘ All officials must comply with all reasonable and lawful instructions, comply with and implement RQL policies faithfully and impartially, and exercise all reasonable care, skill and diligence in giving information or advice.
- ⌘ All officials must ensure RQL resources are safeguarded and not wasted abused or used improperly or extravagantly.

Code Breaches

- ⌘ If you are aware of, or have genuine suspicions of, any breaches to our code of conduct, policies and procedures manual or any legal violation you must report these issues to your manager.
- ⌘ If you, in good faith, make a complaint or disclosure about an alleged breach of the code you will not be disadvantaged or prejudiced for making a complaint or disclosure.

Workplace Health and Safety

The health, safety and welfare of our employees, customers and community is very important to RQL. We recognise our responsibility to provide a safe and healthy workplace for all employees, stakeholders, visitors and contractors. To ensure the wellbeing of others, we are committed to:

- ⌘ Identifying and controlling factors within the workplace that may cause injury or health issues.
- ⌘ Providing safe equipment and systems of work.
- ⌘ Ensuring compliance with legislative requirements and industry standards.
- ⌘ Providing information, training and supervision to ensure safety.
- ⌘ ~~Providing a trained Workplace Health and Safety Officer~~

To assist RQL in providing a healthy and safe workplace you must report any incidents, injuries, or identified hazards to your manager immediately. Workplace health and safety is not a “one-way street”, everyone is responsible for ensuring the highest possible care in all work related activities.

Workplace Rehabilitation

RQL recognises that there are substantial benefits to be gained from rehabilitation principles and practices and is committed to implementing them in the workplace. RQL is committed to:

- ⌘ Fostering a culture of acceptance for workplace rehabilitation.
- ⌘ Providing a process to support an early safe return to work and maximise independent functioning.
- ⌘ Ensuring that the position of rehabilitation coordinator is adequately resourced.
- ⌘ Ensuring that adequate storage is provided to maintain the confidentiality of rehabilitation files.

Emergency and Evacuation Procedures

In the interests of both employee and stakeholder safety, you must make sure you are familiar with the procedures for evacuating the workplace and your responsibilities in emergency situations. It is important to know where the first aid kits, hose reels, fire extinguishers and emergency exits are located. Each new employee will be given information on these procedures.

Please ensure that you are familiar with all workplace health and safety policies and procedures applicable to your role and as detailed in our Workplace Health and Safety and Workplace Rehabilitation Policy.

Smoking, Drugs and Alcohol

RQL is committed to providing a smoke free work environment that is also free from the risks of hazards and injury associated with the abuse of alcohol or other drugs.

In accordance with the legislation, smoking is not permitted in any work area including company vehicles. Those employees who do smoke cigarettes should be conscious of the company's corporate image and be discreet when selecting a smoking location outside of the work area. Smoking is allowed only in prescribed rest or meal breaks.

Alcohol and drug use can affect your work performance, posing health and safety risks to employees, stakeholders, and members of the public. As a general rule, for safety and social reasons, you should never arrive at work or be at work while intoxicated or under the influence of illicit drugs or other drugs that impair your ability to perform your duties. Consumption of alcohol at RQL and stakeholder functions may be acceptable provided that alcohol is not consumed in excess.

If we suspect you are intoxicated or under the influence of illegal or non-prescription drugs you may be required to undergo alcohol or drug tests. If the tests indicate intoxication above the legal or acceptable limit and/or you refuse to take a test, you may be subject to disciplinary action.

Repeated poor work performance caused by alcohol or drug use, or significant impairment that makes you unable to perform the duties of your role, create a serious safety risk and is regarded as serious misconduct. In addition, we prohibit the possession, transfer, or use of illegal substances on our premises, if you are found in possession of or under the influence of illegal drugs during working hours you may be subject to disciplinary action, up to and including summary dismissal.

See the Workplace Smoking, Drugs and Alcohol Policy for a detailed explanation of RQL's approach to these issues.

Personal Presentation

The image that RQL projects to the community and its stakeholders is paramount to how we are perceived. RQL employees are required to dress in a manner appropriate to their position, work location and duties while at work or any time they are representing the company, to ensure that RQL is represented positively and that our image is maintained. A high level of personal hygiene and appearance should be maintained at all times.

RQL has a corporate uniform and available to all employees. Each full-time employee will receive an initial issue of uniform clothing to the value of \$500, at RQL's expense and additional items of clothing may be purchased at the employee's expense. The uniform is not compulsory, except for the full time RQL receptionist; however employees are required to comply with the minimum dress standards as stipulated in the RQL code of conduct.

More detail on personal presentation is available in the Personal Presentation Policy.

Working Hours

Your working hours are set out in your Employment Agreement. Given the nature of our business you need to be flexible and available to work additional hours as required to complete your duties and meet our business and stakeholder needs.

Flexible Working Arrangements

The *Fair Work Act 2009* has introduced a flexible working arrangement for permanent employees who are responsible for the care of a child under school age to request a change to their working arrangements in order to care for the child. RQL will consider all requests. Eligibility rules apply.

Leave Entitlements

Annual Leave

Who is entitled to annual leave?

All full-time and part-time employees are entitled to paid annual leave.

What is my annual leave entitlement?

Full-time employees, other than stewards, are entitled to 20 days of annual leave for each completed year of employment, pro-rata for part-time employees.

Full-time employees, engaged as stewards, are entitled to 25 days of annual leave for each completed year of employment, pro-rata for part-time employees.

Unused annual leave carries forward from year to year, and is paid out at the end of your employment with RQL.

When can I take annual leave?

We encourage employees to take annual leave on a regular basis to ensure that employees have the opportunity to balance their work, social and family life. Annual leave may be taken at a time which is agreed upon with RQL, subject to the operational requirements of the company. Requests for annual leave should be made through the leave application of ConnX. We will not unreasonably

refuse the taking of annual leave, however there are certain times during the year when annual leave will not usually be granted and these times differ in various parts of the business.

To ensure you maintain a healthy work and life balance, we encourage you to take leave each year. We may direct you to take annual leave in accordance with applicable legislation, which currently requires the giving of notice and says that we cannot direct you to take all of your accrued leave.

Personal/Carer's Leave

Personal/Carer's leave includes leave taken because you are ill or injured (personal leave); and leave taken to provide care to a member of your immediate family or household, who needs support because of an illness, injury or an unexpected emergency (carer's leave).

Who is entitled to paid personal/carers leave?

All full-time and part-time employees are entitled to paid personal/carers leave.

What is my paid sick/carers leave entitlement?

Full-time employees are entitled to 10 days of paid personal/carers leave for each year of employment, pro rata for part-time employees.

Unused personal/carers leave carries forward from year to year, but any unused personal leave is not paid out at the end of your employment with RQL.

Are there any conditions before I am entitled to personal leave?

Yes, there are conditions relating to notifying RQL of your absence and providing documentary evidence to the company regarding your absence if requested to do so.

If you are unable to attend work you must advise your manager by telephoning them as soon as possible on the day of your absence, stating the reason for your absence and as far as is practicable the estimated duration of your absence. If your manager is not available, speak to the next most appropriate manager or employee to ensure that your manager is aware of your absence.

Requests for personal/carers leave should be made through the leave application of ConnX.

We may ask you to provide reasonable proof of the reason for your absence if you take personal or carers leave. This will usually be in the form of a medical certificate or statutory declaration, evidencing the illness, injury or unexpected emergency, as soon as reasonably practicable.

Are there any restrictions on taking paid personal leave?

Yes, unless RQL agrees otherwise in writing, you cannot take more than 13 weeks of personal leave per year (pro-rata for part-time employees). These restrictions apply even if you have accumulated more than the necessary leave required to be taken.

You are also not entitled to paid personal/carers leave for any period during which you are entitled to workers compensation payments.

Unpaid Carer's Leave

Who is entitled to unpaid carer's leave?

All employees are entitled to unpaid carer's leave.

What is my unpaid carer's leave entitlement?

You are entitled to a maximum of two (2) days of unpaid carer's leave for each occasion that you are required to care for a member of your immediate family or household because they are ill, injured or there is an unexpected emergency affecting that family or household member.

Are there any restrictions on taking unpaid carer's leave?

Yes, you are only entitled to take unpaid carer's leave if you have exhausted your paid sick/carers leave entitlements.

Requests for unpaid carer's leave should be made through the leave application of ConnX.

We may ask you to provide reasonable proof of the reason for your absence if you take unpaid carer's leave. This will usually be in the form of a medical certificate or statutory declaration, evidencing the illness, injury or unexpected emergency as soon as reasonably practicable.

Compassionate Leave

Who is entitled to compassionate leave?

All full-time and part-time employees are entitled to compassionate leave.

What is my compassionate leave entitlement?

You are entitled to two (2) days of paid compassionate leave on each occasion that a member of your immediate family or household dies or suffers an illness or injury that poses a serious threat to their life.

Additional leave may be granted at RQL's discretion should extended travel be required to attend the funeral or visit the family member.

For the purpose of this entitlement, a member of your immediate family includes: a spouse or de facto partner; or a child, parent, grandparent, grandchild, or sibling of either yourself or your spouse or de facto partner.

Are there any conditions before I am entitled to compassionate leave?

Yes, we may ask you to provide documentary evidence of the illness, injury or death as soon as practicable.

Requests for compassionate leave should be made through the leave application of ConnX.

Long Service Leave

Who is entitled to long service leave?

Long service leave is available to full-time and part-time employees who have completed 10 years of continuous employment with RQL, and to casual employees in certain circumstances.

What is my long service leave entitlement?

You will be entitled to paid long service leave in accordance with the relevant legislation.

Are there any conditions before I am entitled to long service leave?

Eligibility for taking long service leave and all conditions will be in accordance with the relevant legislation.

Long service leave may be taken at a time which is agreed upon with RQL, subject to the operational requirements of the company. A minimum of four weeks' notice should be provided to allow for any arrangements necessary to provide adequate cover during your absence. We will not unreasonably refuse the taking of long service leave.

Requests for long service leave should be made through the leave application of ConnX.

Community Service Leave

Community service leave includes leave taken to attend to community based requirements such as jury service or the defence forces.

Who is entitled to community service leave?

Community service leave is available to full-time and part-time employees who are called to attend jury service or attend ADF Reserve service, on a day that they would normally work.

What is my community service leave entitlement?

Jury service is a paid service and RQL will make up any difference should the payment be less than an employee's usual salary.

You will be entitled to unpaid defence force leave in accordance with the relevant legislation.

Are there any conditions before I am entitled to community service leave?

Yes, we may ask you to provide your jury service orders and all documentation associated with your payment for jury service; or we may ask you to provide reasonable evidence of the necessity for you to attend ADF Reserve service.

Requests for community leave should be made through the leave application of ConnX.

More detail on leave entitlements is available in the Leave Policy.

Parental Leave

Who is entitled to parental leave?

Parental leave is available to full-time and part-time employees with at least 12 months continuous employment with RQL, and to casual employees who have been engaged with the company on a regular and systematic basis for at least twelve months.

What is my parental leave entitlement?

You are entitled to 52 weeks of unpaid parental leave upon the birth or adoption of your child.

You may also request an additional period of parental leave of up to 52 weeks. RQL will only refuse requests on reasonable business grounds.

Where can you find more information on parental leave?

We will grant parental leave in accordance with the legislation or industrial instrument applicable to your employment. There are various rules about the time for taking leave and notifying RQL of your intention to take leave.

For more detailed information on parental leave please refer to the Parental Leave Policy.

Extended Unpaid Leave

There is no standard entitlement to extended unpaid leave however; RQL may at its discretion approve extended unpaid leave considering the prevailing work requirements. Generally extended unpaid leave will not be granted if you intend to undertake other employment. You must disclose in writing to RQL any other work you plan to do while on extended unpaid leave.

Requests for unpaid leave should be made through the leave application of ConnX.

Unpaid leave of longer than three (3) months, whilst not breaking your period of continuous service, will not count as service for the purpose of calculating leave entitlements.

For more detailed information on parental leave please refer to the Leave Policy.

Payroll

You will be paid on a monthly basis (unless otherwise agreed with the payroll department) to the bank account of your choice.

Your pay will be calculated in accordance with your Employment Agreement and/or applicable industrial instrument. After each pay day you will receive a payslip providing details of your pay for that period. Payroll deductions will be made for a range of purposes, including income tax, all deductions will be clearly shown on your payslip.

Payroll should be advised of any changes to your bank account or personal details via a Personal Details Form.

Overpayments

In the event of an overpayment of monies the company may recover the amount of overpayment provided that you are given notification of:

- The intention to recover the monies.

- ⓐ The amount to be recovered.
- ⓑ A full explanation of the reasons for the overpayment.

If on separation of employment you have not paid any amount due to RQL, we may deduct these amounts from your final pay, at RQL's discretion.

More detail on our payroll practices is available in the Payroll Policy.

Privacy

RQL will only collect personal information ethically and lawfully. We seek to collect information in a fair manner, and in a way which is not unreasonably intrusive.

Collecting Personal Information

If you are collecting personal information on the company's behalf, you must inform the person of the purpose for which the information is collected and that, subject to some limitations, they will be able to gain access to the information collected. You must collect information from the individual concerned whenever reasonable or practical to do so. If you collect information about an individual from someone else then you must take reasonable steps to ensure the individual is, or has been, made aware of all of the items listed above.

Data Security, Access and Accuracy

RQL will take reasonable steps to protect personal information; to ensure that data is appropriately accurate, complete and current; and stored no longer than necessary.

You must ensure that the confidentiality of personal information contained in our records is strictly maintained. Personal information relating to individuals, including individual employees, should not be provided to other employees unless it is required to perform their jobs.

Information relating to employment records, salaries and addresses cannot be released to external organisations unless required by law, or upon informed consent from the relevant employee.

See the Privacy Policy for a detailed explanation of our privacy practices.

Information Technology

RQL's information systems and the data on them are important components of our business. While employed by RQL you may be provided with an email address, access to our networks and the internet. You are requested to use these facilities in an appropriate, ethical and lawful manner. User names and passwords must be kept secret at all times and are not to be disclosed to any person at any time.

RQL's computer equipment, software and the information on our systems, as well as any company information you may have on personal information systems, are RQL property and may only be used for authorised purposes. You may use our systems for limited personal use however; such use must not constitute unacceptable work practices and should be conducted at times so as not to impact on your work commitments.

Things You Need to Know about your Email Use

- ⓐ Email is not private; it belongs to RQL and may be read at any time by our management team.
- ⓑ Email uses our name and therefore suggests that you are communicating with the authority of RQL.
- ⓒ Email may be inspected by parties outside of RQL, such as in the event of litigation.

Guidelines to Ensure the Proper Use of Email

All users are to adopt the following guidelines in ensuring the proper use of electronic resources:

- ⓐ Don't put anything in email that you would not want repeated to someone else.

- ⓧ Don't put anything in email that you would not put in a hard copy memo.
- ⓧ Tell your manager if inappropriate mail is forwarded to your address; you are responsible for the content of emails received and forwarded from your email address.

What Internet and Email Activities are Unacceptable Work Practices?

- ⓧ Violating the intellectual property rights of others such as, breaching copyright by copying their graphics or text material, or using other license software without proper authorisation.
- ⓧ Introducing malicious programs, (such as viruses, worms, trojan horses) to RQL systems.
- ⓧ Revealing account passwords to others or allowing use of accounts by others.
- ⓧ Using RQL's internet resources for unauthorised commercial or personal advertisements, solicitations, promotions, political material or any other similar use.
- ⓧ Circumventing user authentication or security of any host, network or account or accessing the internet other than through the RQL's security system.
- ⓧ Affecting security breaches or disruptions of network communication, such as accessing data of which the employee is not an intended recipient or logging into a server or account that the employee is not expressly authorised to access.
- ⓧ Without proper authorisation, invading the privacy of individuals or entities that are creators, authors, users, or subjects of information resources; this includes publishing any information, which violates or infringes upon the rights of any person.
- ⓧ Downloading or installing any executable files, this includes movie files, sound files and games.
- ⓧ Sending, receiving, accessing, displaying, printing or otherwise disseminating material that is fraudulent, illegal, discriminatory, embarrassing, sexually explicit, obscene, intimidating, defamatory, or would amount to harassment.
- ⓧ Subscribing to mailing lists, sending unsolicited emails or participating in chain letters.
- ⓧ Accessing any chat sessions (other than for work purposes) or 'blog' sites such as Face Book or My Space.
- ⓧ Sending e-mail using somebody else's email address.
- ⓧ Misrepresenting RQL or transmitting material that might bring RQL into disrepute.
- ⓧ Wasting finite resources or obstructing other employees' work by consuming large amounts of system resources, especially the sending of broadcast messages or any other types of use which would cause congestion of the networks or otherwise interfere with the work of others.
- ⓧ Without proper authorisation, transmitting or making available via the internet RQL information.
- ⓧ Using an account to send anonymous messages, or attempting to obscure the origin of any message or download material under an assumed internet address or otherwise disguise their user identity.

RQL may monitor electronic transmissions at any time, to ensure that they are used appropriately. Inappropriate use of the internet or email may result in disciplinary action, as well as any action taken by an external party. Breaches of the law will be referred to the relevant law enforcement authority and suspected official misconduct will be reported to the Crime and Misconduct Commission.

See the Information Technology Policy for a detailed explanation of our information technology practices.

Discrimination and Workplace Harassment

RQL is an equality opportunity employer. We value the diversity of our workforce and respect the differences between employees, recognising that each employee has individual skills and attributes to bring to their job. RQL is committed to treating all employees fairly based on ability,

skills and culture fit and creating an atmosphere that encourages good working relationships and respect between employees.

What is Discrimination?

Discrimination means treating someone less favourably than another in the workplace because of one of the following characteristics. Discrimination can be direct or indirect, intended or unintended.

- ⌘ Gender.
- ⌘ Relationships Status.
- ⌘ Parental Status.
- ⌘ Breastfeeding.
- ⌘ Age.
- ⌘ Race.
- ⌘ Impairment or Disability.
- ⌘ Lawful Sexual Activity.
- ⌘ Carer Status.
- ⌘ Political Beliefs or Activities.
- ⌘ Trade Union Activity.
- ⌘ Pregnancy or Potential Pregnancy.
- ⌘ Gender Identification.
- ⌘ Sexual Orientation.
- ⌘ Family Responsibilities or Status.
- ⌘ Religious Beliefs or Activities.
- ⌘ Irrelevant Criminal Background.
- ⌘ Association with anyone identified on the basis of these attributes.

What is Sexual Harassment?

Sexual harassment is unwelcome behaviour of a sexual nature, which is offensive, humiliating or intimidating; it can be a single incident depending on the circumstances. Humour, friendships and relationships based on mutual consent are not sexual harassment.

What is Workplace Harassment?

Workplace harassment is non-sexual behaviour that is unwelcome, offensive, intimidating, humiliating or threatening; it may be verbal, non-verbal or physical in nature. Workplace harassment does not include management action taken in a reasonable way by RQL in connection with your employment.

What is Victimisation?

Victimisation is conduct that threatens or harms people who have made a complaint about discrimination or harassment; agreement to be a witness in a complaint process about discrimination or harassment; or have had a complaint or discrimination or harassment made against them.

What is Vilification?

Vilification is behaviour that happens in a public place and incites other to hate, to have serious contempt for, or to severely ridicule individuals or groups because of their race, religion, sexuality or gender identity.

Your Rights and Obligations

You have a right to work in an environment free of discrimination and workplace harassment and, if it does occur, you have a right to complain, to be taken seriously and not be disadvantaged from lodging or bearing witness to a complaint. You also have a responsibility to understand discrimination and workplace harassment and to ensure that you do not participate in or condone such activities.

If you have concerns regarding discriminated or workplace harassment please refer to our *Discrimination and Workplace Harassment Policy* and *Grievance Handling Policy* for details on how to manage the situation or lodge a complaint.

Discrimination and workplace harassment will not be tolerated and disciplinary action will be taken against anyone who engages in discriminatory or harassing behaviour, or who victimises or retaliates against a person who reports discrimination.

See the Discrimination and Workplace Harassment Policy for more detail on our approach to discrimination and workplace harassment.

Grievance Procedure

RQL aims to create a healthy, safe and enjoyable work environment for employees. If you have a work related problem, a grievance, you should raise it with your manager or an appropriate person to ensure the grievance is resolved as quickly as possible.

Grievances in the workplace are important and may have serious consequences for everyone involved. Anyone involved in a grievance should display good faith at all times and genuinely participate and cooperate in attempts to resolve the matter. If you are involved in a grievance you must maintain complete confidentiality to protect everyone concerned.

RQL will treat any grievance raised seriously and investigate it confidentially and objectively.

More detail on our grievance practices is available in the Grievance Handling Policy.

Confidentiality and Intellectual Property

Confidential Information

Confidential information is an asset to RQL. We have some fairly strict policies relating to confidentiality and you are expected to comply with the obligations below.

What Kind of Information is Confidential?

Confidential information means information regarding RQL's business such as that relating to finance, pricing, stakeholders, suppliers and service, marketing, strategies, employees, technology or software, intellectual property, designs, company systems and procedures, general business, and any other information that should be treated as confidential.

Information that the public is able to access, other than because of your disclosure, is not confidential.

What if I am Uncertain about Whether Information is Confidential?

If you are not sure if information is confidential you should treat it as if it is confidential unless RQL agrees in writing that it is not confidential.

Your Confidentiality Obligations

Any information that is not generally available to the public concerning RQL's activities, results or plans must only be used for authorised purposes. During your employment and after your employment ends, you agree that you will keep confidential all confidential information, and not discuss, communicate or transmit confidential information to unauthorised persons or make any copies of confidential information. Serious disciplinary action, which may include termination of employment, may result if you are found to have breached our confidentiality requirements. Your obligations relating to confidential information continue after your employment ends.

Confidentiality provisions don't apply if you are required to disclose the information by law, you obtain your manager's approval, or you are disclosing the information for a proper purpose relating to RQL.

Intellectual Property

Intellectual property belongs to RQL and is an asset to the company. You must protect and treat intellectual property information as confidential.

What is Intellectual Property?

Intellectual property means ownership of, and rights relating to, confidential information; inventions; trademarks; patents; designs; company databases; business ideas, processes, proposals or strategies; discoveries and copyright material.

Your Intellectual Property Obligations

Any intellectual property that you create or develop relating to RQL, including any work you do for our stakeholders, belongs to RQL. If required, you must do everything necessary to transfer the intellectual property rights to RQL. Your obligations relating to intellectual property continue after your employment ends.

See our Confidentiality and Intellectual Property Policy for more detail on confidentiality and intellectual property at RQL.

Performance Counselling

RQL is committed to creating a high performance culture and endeavours to provide an effective, prompt, equitable and consistent approach to managing unacceptable performance or behaviour.

What is the Performance Counselling Process?

Performance counselling may involve, but is not limited to, action such as counselling discussions, training and education, written warnings, demotion or dismissal. All disciplinary processes should be confidential, prompt and procedurally fair.

More information on RQL's performance counselling practices is available in our Performance Counselling Policy.

Termination of Employment

Your employment with RQL can be terminated by either you or RQL by providing notice as specified in your employment agreement or the industrial instrument under which you are employed.

What if my Employment with RQL is Terminated by the Company?

If you find yourself in a situation where your employment is terminated by RQL you will be entitled to notice, or payment in lieu of notice, as per your employment agreement or applicable industrial instrument.

Can my Employment be Terminated without Notice?

Yes, despite our performance counselling processes, there are a number of actions that are regarded as so serious that immediate termination without notice may result. Such acts of misconduct may include (depending on the severity), but are not limited to:

- ⊗ Fraud.
- ⊗ Theft from RQL, another employee, contractor or stakeholder.
- ⊗ Violence or fighting.
- ⊗ Workplace harassment.
- ⊗ Sexual harassment.
- ⊗ Wilful disobedience.
- ⊗ Wilful destruction or property belonging to RQL, another employee, contractor or stakeholder.
- ⊗ Insubordination.
- ⊗ Drunkenness or under the influence of illegal drugs.
- ⊗ Use, sale or possession of illegal non-prescription drugs whilst on RQL premises.
- ⊗ Sleeping on the job.
- ⊗ Insulting words/ abusive language/ obscenity.
- ⊗ Failure to observe safety rules.
- ⊗ Insolence.
- ⊗ Concealment of a material fact on engagement.
- ⊗ Dishonesty in the course of the employment.
- ⊗ Conviction or an offence which makes you completely unfit for work.
- ⊗ Harassing or discriminating against an employee, contractor or stakeholder.

Return of RQL Property

On or before your employment ends, you must return to RQL all records of confidential information and intellectual property and any other company property that is in your possession or control.

See the Termination of Employment Policy for a detailed explanation of RQL's termination of employment practices.

I trust that having read the Employee handbook you have a better understanding about the organisation and what it stands for. Enjoy your time with RQL and give the organisation what you expect in return.

EMPLOYEE DECLARATION

1. I have read and understand the provisions of RQL's Employee Handbook.
2. I agree to observe and comply with the policies and procedures included in this Employee Handbook. I acknowledge that they do not form terms and conditions of my employment contract with RQL unless expressly referred to in my Employment Agreement. If there is any inconsistency between the terms of this Employment Agreement and this Employee Handbook, I acknowledge that the terms of this Employment Agreement will prevail.
3. I shall return this original declaration to RQL and retain the Employee Handbook for my future reference and use.

Employee Signature: _____ Date: _____

Employee Name: _____



CREDIT POLICY

Owner

General Manager of Corporate Services

Stakeholders

Organisation Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	6 May 2010	First Draft
1.02	21 June 2010	Harness Comments, review AC
1.03	21 June 2010	Greyhounds feedback
1.04	22 June 2010	Review and Race Fields amendments AW - Review AC
1.04	22 June 2010	Review S Murray and review AC – Final to Board
1.05	1 July 2010	Approved by RQL Board
1.06	16 November 2012	Changes to reflect new organisational structure



CREDIT POLICY:

RQL

Introduction

Racing Queensland Limited (**RQL**) is the Control Body established by, and obtaining its objects and functions from, the *Racing Act 2002* and its Constitution. RQL is required to conduct its financial activities with probity and accountability, in accordance with the *Corporations Act 2001* (Cth), Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC.

This policy has been prepared to provide guidelines to officers of RQL in relation to the management of debtors. Debtors for the purpose of this policy include any person/body that incurs a debt to RQL or any of its authorised Racing Clubs.

Policy

This policy sets out industry policy on the standards expected of licence holders, owners, and race club officials responsible for the payment of amounts owed to RQL. It also addresses the manner in which RQL will enforce these standards.

The desired outcome is the timely payment of outstanding amounts owed to RQL.

The specific objectives of this policy are to:

- ❑ Establish credit terms in relation to the payment of amounts owing to RQL.
- ❑ Establish a standard protocol for the recovery of outstanding amounts to ensure a consistent approach to debt collection.
- ❑ Authorise RQL to place persons on the Nomination Exclusion List. Specifically to prevent Licensed Thoroughbred Trainers with monies that remain outstanding for a period longer than eight weeks after the invoice date from nominating or accepting for any race conducted in Queensland.
- ❑ Authorise RQL to place persons on the Forfeit List. The Forfeit List is a list that is maintained by RQL under:

Thoroughbred

- Governed by Australian Rules (**AR**) of Racing 75.
- Whilst an individual is on the Forfeit List they are subject to the same disabilities and penalties as are declared by AR182 to apply to persons who are disqualified.

- **Harness**
 - Governed by Australian Harness Racing Rules – Rule 291 – 296.
 - Whilst an individual is on the Forfeit List they are subject to the same disabilities and penalties as are declared by Australian Harness Racing Rule 259 to apply to persons who are disqualified.
- **Greyhounds**
 - Governed by Rules of Greyhound racing of Queensland Incorporating Greyhounds Australasia Rules and Queensland Local Rules – Rule 96 – 98.
 - Unless determined otherwise by the governing authority disqualified or suspended individuals are subject to the same disabilities and penalties as declared by LR26 (QLD).
- Authorise RQL to pursue and recover funds from clients classed as a 'Licensed Wagering Operator'.
 - Governed by the *Racing Act 2002 (Qld)* (**Act**) and regulations, race information legislation.
 - Please refer to the *Act as amended Ch3 part 6 (Racing Amendment Act 2008 (Qld)) and Racing Amendment Regulation (No 1) 2009*.

Credit Terms

The approved credit terms for all clients that are classed as a 'debtor' are strictly **one calendar month or 30 days from the date of the invoice which includes Harness and Greyhounds stakeholders**.

The approved credit terms for all clients which are classed as a 'licensed thoroughbred trainer' are **two calendar months or 60 days from the date of the invoice**.

The approved credit terms for all clients which are classed as a 'Licensed Wagering Operator' are payable by the **21st day of the month following the month** to which the Race Information Fee relates.

Exception to the terms:

- In accordance with the direction from the Chief Steward in relation to fines and other penalties.
- On approval of application for extended payment terms by the appropriate delegate (Departmental Manager,)

In order to ensure that 'Debtors' and 'Trainers' are aware of these terms the following measures should be implemented:

- Acceptance and copy of RQL's credit terms to be included within licensing renewal applications.
- If an extension is granted by the appropriate delegate these terms should also be clearly detailed on the relevant paperwork.
- An education program that is facilitated via the RQL Website and the RQL Magazine should regularly remind 'debtors' about our credit terms.

Disputed Invoices

When an invoice amount is disputed by the debtor, a request for further information is forwarded to the department, which requested the invoice to be raised. If it transpires that an invoicing error was made, then a credit note is raised and a second invoice or adjustment note is issued if required.

Invoice Cancellation

Invoices may only be cancelled before they have been issued to the debtor. Once an invoice has been dispatched it may only be amended by a credit or adjustment note.

Credit/Adjustment Notes

A Credit/Adjustment Note may be raised with if the supply of goods or services was incomplete, or for example, if the invoice unit pricing was incorrect. Credit notes require the approval of an appropriately delegated officer within RQL which authorised the invoice to be raised. A Credit Note Request form must be completed and forwarded to the Accountant together with all relevant supporting documentation, such as:

- a record of the return of goods or services;
- a record of a reduction in the value of an invoice raised and the reason; and
- a record of foreign currency conversion differences.

Referral to Debt Collection Agency

Debt is to be referred to a debt collection agency only once RQL's recovery process has been exhausted and the debt remains outstanding. Once the debt has been referred to the credit agency, RQL accepts that commission will be deducted on any referred debt that is recovered. This will be partly offset by the reduction in time and overheads associated with continued in house debt recovery.

Exception:

For clients that are authorised to use Queensland Race Information, recovery of debt could result in:

- removal of the Wagering Operators authority
- cease of supply of Queensland race information
- civil action, and
- notifying the Office of Racing of failure to comply with the authority issued.

Debts that are Non Recoverable

The decision to recommend the write off of a bad debt is made by the Finance Manager, only under the following conditions:

- The non recovery has been authorised by an Act (e.g. Bankruptcy Act); or
- The Finance Manager is satisfied that the debt is not legally recoverable; or
- The Finance Manager considers that it is not economical to pursue recovery of the debt.

When the recovery of a debt would leave RQL financially worse off than it would have been had recovery not been undertaken, then the debt could be regarded as uneconomical to pursue and the debt could be recommended for write off.

Approval of Write Off of Bad Debts

The Finance Manager may recommend that an invoice is written-off if debt recovery action has failed and the debt is considered highly unlikely to be recovered. In such cases Finance will advise the department or cost centre originating the invoice.

The delegated authorities for write-offs, as set below, are:

Delegate	Financial Limit (per event)
Finance Manager	Up to \$2,000 (not transferable)
General Manager of Corporate Services	Up to \$3,000 (not transferable)
CEO	Up to \$5,000 (not transferable)
Audit Committee	Over \$5,000

Proposed write-offs are compiled and reviewed by the Finance Manager. The Audit Committee is then requested to recommend to the Board that the proposed write-offs be approved. Write-off transactions are processed only following Audit Committee/Board approval, for debts over to \$3,000 per event. All bad debts are written back against the originating cost centre to cancel the original income entry. Should the amount later be recovered, the payment is allocated to the original invoice and the income adjusted to the Miscellaneous Income Account.

If a debt that was initiated by a Department/Cost Centre is written off, the amount is charged to that Department's/Cost Centre's account as bad debt expenses.

After a debt has been written off, consideration must be given to whether or not further provision of credit will be granted and whether the debt should be listed on the Forfeit List. This listing will remain on the debtors credit file for a period of five years and may affect their future credit applications anywhere in Australia.

Solicitor Fees

Fees paid by RQL to the Solicitor for debt recovery work (e.g. issuing letters of demand) will be charged to the Finance operating account.

Following consultation with the relevant Department, if legal proceedings are commenced, then all further legal costs will be charged to the nominated account specified on the invoice request form.

In circumstances where full recovery (including reimbursement of legal costs) has been received, the reimbursement of legal costs will be credited in the nominated account.

Payment by Debtor

Any invoice payment sent by a debtor to a Department or RQL is to be immediately forwarded to Finance for processing. The relevant Officer must ensure that the invoice number to which the payment relates is clearly identified.

Refund of an Overpayment

Where invoices have been overpaid, a refund (including any applicable GST) is to be processed promptly.

Minor credit accounts (e.g. less than \$20) are not normally refunded unless requested by a client. The refund of these amounts is uneconomical.

Larger credit accounts are referred to the Department concerned to ascertain whether the client in question is likely to receive further services from the RQL. If so the overpayment maybe offset against further charges, otherwise a refund will be issued.

If a refund cannot be made to a client for any reason, then application is to be made to the Finance Manager to transfer the credit amount to central RQL funds.

Dishonoured Cheques

When a cheque has been applied against a debtor's invoice in the RQL Financial System and this is subsequently dishonoured by the bank, the allocation of the payment is reversed to re-establish the debt and a dishonour fee is charged to the debtor. Notification is sent to the debtor and if required recovery action on the outstanding debt then recommences.

Roles and Responsibilities

The Finance Manager is responsible for:

- Establishing procedural guidelines for RQL for the management of debts owing to RQL.
- Establishing a credible system for the collection of outstanding amounts
- Establishing and maintaining record-keeping procedures that protect confidentiality of information and protect the privacy of individuals concerned
- Monitoring the implementation and adherence of this policy
- Promoting awareness among industry participants of their financial obligations to RQL and to other industry stakeholders
- Compilation of end of year Provision for Bad and Doubtful Debts.

RQL Finance Department is responsible for:

Thoroughbred Licensed Trainers:

- The maintenance of the Nomination Exclusion List – including all tasks relating to its compilation – for all trainers that have debts owing eight weeks after the invoice date.
- Trainers should be issued reminder letters for debts that remain unpaid eight weeks after the invoice date to be followed by a phone call for debt that remains unpaid at nine weeks.
- For debts that remain outstanding for a period of more than ten weeks after the invoice date, second overdue letter issued notifying trainer of debt and referral to the nominated debt collection agency if the matter is not resolved within seven days.
- For debt that remains outstanding for a period of more than eleven weeks debt to be referred to the nominated debt collection agency.
- Once debt has been referred back to RQL from the debt collection agency as irrecoverable debt is to be detailed to Chief Steward for recommendation of inclusion of the Forfeit List. The maintenance of the Forfeit List is the responsibility of the Senior Finance Officer who must have all inclusions authorised by the Chief Steward. All further decisions and actions relating to the Forfeit List including enforcement of AR182 is the responsibility of the Chief Steward and its stewards. A letter notifying the trainer of inclusion on Forfeits list is issued. Debt is to be recommended to the appropriate delegate for write off as non-recoverable.
- In addition to the letters that are issued as detailed above, in the second week of each month a statement of account will be forwarded to all trainers.

Greyhound Licensed Trainers:

The control body is responsible for maintaining a List of Defaulters.

“**Defaulter**” means a person, declared by the Controlling Body or an authorised person to be a defaulter, who is in default in respect to the payment of any money payable to the Controlling Body or a club, including any prize monies directed to be returned to the relevant Controlling Body or club.

Clubs:

- Debtors other than trainers should be issued 1st overdue reminder letters for debts that remain unpaid six weeks after the invoice date.
- For debts that remain outstanding for a period of more than eight weeks after the invoice date, any amounts due to the Club is to be offset from the outstanding amounts.
- For debt that remains outstanding for a period of more than eleven weeks:
 - Debt to be referred to General Manager of Operations
 - Second overdue letter sent
- Recommendation sent to General Manger of Operations requesting review of allocation of race dates and authorisation for debt to be outsourced to debt collection agency.

All other debtors (excluding Thoroughbred Licensed Trainers, Clubs and Licensed Wagering Operators):

- Debtors other than trainers should be issued reminder letters for debts that remain unpaid six weeks after the invoice date.
- For debts that remain outstanding for a period of more than eight weeks after the invoice date, second overdue letter issued notifying trainer of debt and referral to the nominated debt collection agency if the matter is not resolved within seven days.
- For debt that remains outstanding for a period of more than eleven weeks debt to be referred to the nominated debt collection agency.
- Once debt has been referred back to RQL from the debt collection agency as irrecoverable debt is to be detailed to Chief Steward for recommendation of inclusion of the Forfeit List. The maintenance of the Forfeit List is the responsibility of the Senior Finance Officer who must have all inclusions authorised by the Chief Steward. All further decisions and actions relating to the Forfeit List including enforcement of rule:
 - Thoroughbreds - AR182
 - Harness – Australian Harness Racing Rule 259
 - Greyhounds – GR 96 - GR103is the responsibility of the Chief Steward and its stewards. A letter notifying the trainer of inclusion on Forfeits list is issued. Debt is to be recommended to the appropriate delegate for write off as non-recoverable.
- In addition to the letters that are issued as detailed above, in the second week of each month a statement of account will be forwarded to all clients.

RQL Regional Staff/Stewards are responsible for:

- Assisting the Finance Department with the recovery of outstanding debts.
- This may include, but is not limited to, making personal contact with the relevant debtor to request payment. Other information including contact details could also be useful in assisting the Finance Team exhaust every avenue of collection before having to refer the debt to a collection agency.

RQL Legal and Compliance Department in conjunction with the Finance Department are responsible for:

- The follow up and recovery of debt incurred by holders of an Authority to use Queensland race information, as per the 7 step plan outlined to the Office of Racing:
 - Ongoing review of operators/bookmakers utilising Queensland race information
 - Send requests for applications and follow up thereof
 - Send reminders for provision of data
 - Send reminder letters for all outstanding data and debt at 30 days
 - Removal of authority letter for debt that remains outstanding
 - Notification to the Office of Racing for debt that remains outstanding and advise of actions previously undertaken, and
 - Civil action.

Procedures

Refer to the RQL debtor procedural manual for process, timelines and conditions for each class of debtor.

STANDARD CONTACT

- Send statements as per the designated timelines
- Issue letters as per the above timeline
- Any thoroughbred licensed trainers with restrictions on their use of the Trainers Service Centre (TSC) will contact Accounts Receivable to have the ban lifted
- Regional Offices
- Regular Invoices

- Racing Magazine and website –to remind about payment terms and options

CASH MANAGEMENT AND INVESTMENT POLICY

Owner

Finance Department

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	November 2010	First draft (Adam Carter)
1.02	October 2011	2 nd Draft following Audit Committee feedback
1.03	4 th November 2011	Approved by RQL Board



CASH MANAGEMENT AND INVESTMENT POLICY: RACING QUEENSLAND LIMITED

Introduction

This policy has been prepared to provide guidelines and procedures to be followed by officers of Racing Queensland Limited (RQL) when undertaking and managing cash management and investment activities to meet the organisation's operational requirements and also meet the objectives of the policy.

Racing Queensland Limited is the Control Body established by, and obtaining its objects and functions from, the *Racing Act 2002* and its Constitution. Racing Queensland Limited is required to conduct its financial activities with probity and accountability, in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC.

1 Objectives

The objectives of this policy are:-

- This Cash Management Policy has been developed in order to safeguard the management of consolidated cash balances and ensure accurate and timely receipt of information affecting RQL cash flows:
- To invest RQL funds not immediately required for financial commitments:
- To maximise the investment return on cash balances, reserves and restricted funds, in an economic and efficient manner, subject to an overriding commitment to financial prudence in managing investment funds, and in accordance with approved investment criteria.
- To ensure that appropriate records are kept and that adequate internal controls are in place to safeguard monies.
- To assess the cash necessary to meet daily obligations and ensure adequate funds are available.
- To detail the authority delegated by RQL; and
- To provide guidelines for the composition of general funds' investments.

2. Scope

This policy applies to RQL and all entities RQL provides an accounting service to, the Audit, Finance and Risk Committee, Investment Managers appointed to manage funds on behalf of RQL, Investment Consultants appointed to provide expert and independent advice in regard to investment strategy and management, and the Chief Financial Officer.

3. Actions of the objectives

The Chief Financial Officer and the Finance department are responsible for the movement of funds between bank accounts maintained by RQL. This includes, but is not limited to:

- Initiating all electronic transfer of funds for general business purposes of RQL.
- Establishing the daily cash position of RQL.
- Appropriately funding disbursement accounts for RQL obligations.
- Moving depository funds for investment purposes for RQL.

Efficient cash management strategies, techniques, and procedures shall be used to increase the productivity of cash flows while achieving the following objectives:

- Liquidity – maintaining the ability to pay obligations when they become due.
- Cash Optimisation – establishing systems and procedures that help minimise investment in non-earning cash resources while providing adequate liquidity.
- Financing – obtaining both short- and long-term borrowed funds in a timely manner at an acceptable cost.
- Financial Risk Management - monitoring and assisting in the control of RQL's exposure to interest rates, foreign exchange, and other financial risks.
- Coordination - ensuring that cash management goals are communicated and integrated with the strategic objectives and policy decisions of other areas of RQL that have an impact on cash flows.

Bank Accounts

Approved bank accounts are with National Australia Bank for RQL operational purposes and a mixture of NAB and Westpac for club purposes where RQL prepares the clubs accounts. Approval to change bank accounts requires RQL Board Approval.

Cash Flow Forecasts

A daily and monthly cash flow forecast for all accounts must be maintained and forecasts **must** be signed by both the preparer of the forecast and an appropriate authorising officer.

Cash Flow requirements must be obtained and provided by accounts payable, payroll, prizemoney, Tax and departments on a regular basis.

Cash Inflow

It is necessary to minimize the interval between the time when cash is received and the time it is available for carrying out expenditure programs. Collected revenues need to be processed promptly and made available for use. RQL officers must comply with the RQL credit policy.

Cash Outflow

RQL will only make payments on either a weekly basis or fortnightly basis and within the credit terms. Various departments must provide sufficient notice of large payments with the cut off being 48hrs prior to the payment run.

Payment dates will be communicated and posted on the RQL intranet. The default day is a Thursday.

All payments will be required to be authorised prior to accounts payable receiving the necessary invoice in line with the RQL Purchasing Policy and within the approved budget.

Capital and Project Expenditure

All Capital expenditure and project expenditure must be approved prior and sufficient notice of at least 48 hours must be provided to finance to allow funds to be drawn down from investments. If sufficient notice is not provided, payments will be made in the following week's payment run.

Capital and project expenditure will not be approved unless it has been approved and is the budget and for all Infrastructure projects no payments will be made from RQL operational cash flow until the business case has been approved by Treasury. Finance will require a forecasted cash flow from the Project Director of the Infrastructure plan to assist with cash flow requirements.

Adhoc payments will only be authorised by either the Chief Financial Officer or Management Accountant.

4. Definitions and Acronyms

Investment Manager	The term Investment Manager used in this policy refers to any Company appointed by RQL to manage funds on behalf of RQL. Investments are structured to meet the RQL's liquidity and return on investment requirements. The Investment Managers invest in short and long term investments in accordance with this investment policy.
Pooled Managed Funds	The term Pooled Managed Funds refers to investments in any pooled investment vehicle (e.g. a Unit Trust).

5. Policy Owner

As the Board of RQL approves the policy on the recommendation of the Audit, Finance and Risk Committee, it is the policy owner.

6. Policy Provisions

6.1 Authority Delegated by RQL Board

RQL Board delegates authority as follows:

Audit, Finance and Risk Committee is authorised to appoint one or more Investment Managers to manage funds on behalf of RQL, and an investment consultant to provide expert and independent advice in regard to investment strategy and management;

Investment Managers are authorised to invest in securities as defined in this policy subject to:

- (a) the conditions of the agreement signed between RQL and the Investment Manager;
- (b) the specific directions by the Chief Financial Officer concerning RQL liquidity requirements; and
- (c) monthly/quarterly review of performance by the Audit, Finance and Risk Committee

The Audit, Finance and Risk Committee will determine the level of assets to be held from time to time, on the advice of the Investment Consultant and advise RQL with respect to investment management issues;

The Chief Financial Officer is authorised to re-invest surplus funds, subject to the provisions of this Investment Policy; and

The Chief Financial Officer is authorised to withdraw invested funds to the extent necessary to meet RQL liquidity requirements.

The Chief Financial Officer is authorised to withdraw and re-invest funds to the extent necessary to implement written advice from the Investment Consultant, provided that the asset allocation to individual sectors remains within the ranges specified in this policy.

The Chief Financial Officer must report to Audit, Finance and Risk Committee any withdrawal or re-investment made under clause 6.

The Chief Financial Officer is authorised to amend the benchmark index and schedules A & B of this policy to reflect minuted decisions made by Audit, Finance and Risk Committee.

Identification of Surplus Funds

A cash flow budget of RQL's incomings and outgoings is to be utilised to identify surplus cash and the length of time able to be invested. This information will be used to determine the type of investment to be utilised and the required maturity date.

6.2 Composition of Investment Funds

6.2.1 Treasury Funds

The default fund for all investments is Queensland Treasury Corporation (QTC). The QTC Funds comprise operating funds or treasury funds which should be managed in a risk adverse manner. The basis for investment of these funds is that a loss of capital over a financial year would be undesirable.

Treasury Funds are managed on a twelve month investment horizon. The investment objectives for the Treasury Funds are:

- to produce a positive after fees return over each financial year; and
- to achieve, over rolling three year periods, an average after fees annual return that is at least equal to the benchmark return specified below.

Benchmark	Weighting
	%
UBS Australia Bank Bill Index	100

The management is undertaken in a manner that minimises the risk of the investment producing a negative return over any financial year. Whilst this is the investment objective, it is recognised that in extreme market conditions, a negative return is possible.

Consistent with the nature of the funds and the investment objectives, the Treasury Funds will be invested in at call deposits with Queensland Treasury Corporation (QTC). Short-term deposits will be invested with the Queensland Treasury Corporation or Bank Accepted Bills.

6.2.2 Investment Funds

Investment Funds comprise all funds other than Trust Funds.

When placing investments, consideration will be given to the relationship between credit rating and interest rate. A longer-term investment horizon applies to these funds, with an objective to obtain a rate of return that is 2% above the rate of Headline CPI. Despite this objective, and although based on projected cash flows, a decline in market value in any one year should not be a major concern. Indeed strict adherence to this objective would unduly limit the ability of the fund to invest in more growth oriented assets.

The Investment Funds are held to meet capital and/or club capital works contributions, projects, prizemoney initiatives and emerging liabilities. As a result the investment horizon is a longer-term horizon.

The investment objectives for the Investment Funds are:

over rolling three year periods, achieve an average annual after fees return at least equal to the average increase in Headline CPI plus 2%; and

over rolling three year periods, achieve an average before fees annual return that is at least equal to the benchmark return as specified below.

The amount invested with financial institutions (banks, credit unions and building societies) or managed funds should not exceed the following percentage of funds invested at any time.

Long Term Rating (Standard and Poor's)	Short Term rating (Standard and Poor's)	Maximum Percentage Of Total Investments	Maximum Percentage with one Institution
AAA TO AA-	A1+	100%	50%
A+ to A-	A1	50%	30%
BBB+ to BBB-	A2	25%	10%
BB+ to D	-	Nil	Nil

Quotations on investments

1. The default fund for all investments is Queensland Treasury Corporation (QTC)
2. Not less than 3 quotations should be obtained from authorised institutions for term deposits whenever an investment is proposed. The best quote of the day will be successful after allowing administrative and banking costs.

Term to Maturity

The term to maturity of any RQL investment may range from "at call" to one (1) year

Investments with Fund Managers should fall within the guidelines laid out under the authorised Investments in this policy. The preferred suppliers will be required to be authorised by the Audit Finance and Risk Committee.

An example is detailed below:-

Sector	Benchmark Index	Portfolio Weighting %
Australian Shares	S&P ASX 300 Accumulation Index	15 - 40
Overseas Shares	MSCI Accumulation Index (ex Australia) (50% currency hedged) in AUD	15 - 30
Direct Property	Mercer Direct Property Index	5 - 14
Australian Listed Property	S&P ASX 300 Listed Property Trust Accumulation Index	1 - 2
Global Listed Property	FTSE EPRA/NAREIT Global Real Estate Index (hedged)+	1 - 2
Australian Fixed Interest	UBS Australia Composite Bond Index (all series, all maturities)	5 - 14
International Fixed Interest	Citigroup World Government Bond Index – ex Australia, Hedged into AUD	5 - 13
Australian & International Cash & cash equivalents	UBS Australia Bank Bill Index	1 - 5
Absolute Return	UBS Australia Bank Bill Index	10 - 15

Over rolling three year periods, achieve an average after fees annual return that is at least equal to the return on the UBS Bank Bill index.

To limit the probability of a negative return to be no more than 1 in every 7 years.

6.3 Approved Investments

All investments are to be conservative and are to be at call/term deposits with QTC or a bank with a long term rating greater than A+. All investments other than this require the approval of the Audit, Finance and Risk Committee.

Investments approved by the Audit, Finance and Risk Committee are shown below:-

- Deposits with a financial institution with a long term rating of greater than A+
- Investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a state or financial institution:
- Investment with QTC cash fund

The investment must be at call or for a fixed time of not more than 1 year.

7. Responsibilities

Implementation	Audit, Finance and Risk Committee
Compliance	The Audit, Finance and Risk Committee, Investment Managers, Investment Consultants and the Chief Financial Officer
Monitoring and Evaluation	Audit, Finance and Risk Committee
Development and/or Review	Audit, Finance and Risk Committee
Interpretation and Advice	The Audit, Finance and Risk Committee are responsible for interpreting and advising the RQL board on the policy.

Delegations

All investments are to be authorised by a duly delegated officer. All documentation to be signed off by a minimum of two officers, one must include the Chief Financial Officer or Management Accountant and one other. These delegation limits are as follows:

Over \$10,000,000

- Board of Directors – Audit, Finance and Risk Committee

Up to \$10,000,000

- Chief Executive Officer
- Chief Financial Officer
- Management Accountant

Up to \$1,000,000

- Accountant
- Senior Finance Officer
- Company Secretary
- Business Analyst

Note the default fund for monthly Tattsbet product fee payments is QTC and the above delegations apply when either moving funds from QTC or from existing investments.

Note club and joint venture investments will be invested as per the policy for the delegated officers and tabled in a service level agreement between RQL and with the club or joint venture.



EXPENSE REIMBURSEMENT POLICY

Owner

General Manager of Corporate Services
Finance Manager

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	May 2010	First draft Murray Dyke (Reviewed AC)
1.02	22 June 2010	Reviewed AC - Final to Board 1 July 2010
1.03	1 July 2010	Approved RQL Board
1.04	1 July 2012	Amendment to: <ul style="list-style-type: none"> • Authorisations as per Org Chart • Internet Cap Actioned Leanne Lorena – Reviewed Ali Wade



EXPENSE REIMBURSEMENT POLICY & PROCEDURES

Purpose

This policy sets out the guidelines and requirements relating to the reimbursement of expenses incurred by Board members and officers of Racing Queensland Limited in performing their role on behalf of the organisation.

Policy

1. Introduction

The Chief Executive Officer or Equivalent Accountable Officer are responsible for the control of and accounting for Racing Queensland Limited's approved expenditure budget.

An Equivalent Accountable Officer is determined as:

- General Manager of Corporate Services (GMCS)
- General Manager of Operations (GMO)
- Chief Steward – All Codes

To fulfil this responsibility, systems and internal controls shall be established and maintained within Racing Queensland Limited to monitor and ensure:

- payments of expenditure reimbursement are made in accordance with the procedures contained in the Financial Management Practice Manual;
- payments of expenditure reimbursement are supported by adequate documentation and appropriate delegated approval has been granted;
- prompt identification, computation and recording of expenditure incurred; and
- efficiency, effectiveness, economy and avoidance of waste and extravagance.

Adequate internal controls will be relied upon to monitor procedures associated with these systems.

2. Accounting Control

2.1 Scope

This Policy Statement sets out the guidelines which must be followed by Racing Queensland Limited Board members and officers in the control of, accounting for and reporting of reimbursement of expenditure incurred.

This policy includes the following key elements:

- Identification and control of expenditure;
- Segregation of duties;
- Expenditure commitments and authorisation;
- Invoice claims/processing;
- Preparation for payment;
- Payment certification;
- Payment processing;
- Cash advances;
- Petty cash;
- Corporate credit cards;
- Gifts and
- Expense reimbursement form

2.2 Identification and Control of Reimbursement of Expenditure

The necessary procedures associated with identification and control of reimbursement of expenditure are established and specified in this policy document with the objective of ensuring:

- prompt recognition and recording of reimbursement of expenditure in a manner that allows reporting objectives and accountability requirements to be satisfied;
- systems of approval and internal control are in place and are adequate to ensure reimbursement of expenditure is only made for an authorised (official) purpose which shall be recorded and kept; and
- that the accounting policies to be applied in the recognition of reimbursement of expenditure in the accounts are defined and consistently applied.

2.3 Segregation of Duties

Where possible accounting duties are to be segregated so that the following functions are performed by different officers:

- authorisation to incur expenditure;
- preparation for payment;
- payment certification;
- signing cheques; and
- dispatching cheques.

Where staffing does not allow full segregation of duties compensating controls must be in place.

2.4 Expenditure Commitments and Authorisation

Specific processes and procedures include:

- Approval to reimburse expenditure is to be made in accordance with this policy.
- Reimbursement must only be initiated when the expenditure is properly authorised by an officer with the appropriate financial delegation.
- Reimbursements must be accurately recorded in the financial system in a prompt manner.

2.5 Claims Processing

Specific processes and procedures for the processing of reimbursements of expenditure include:

- Claims via an expense reimbursement form are to be forwarded to finance (accounts payable) and promptly and properly recorded into the accounting system.
- Claims must be matched to relevant documentation for price, quantity and other details such as GST.
- A supporting General Expense Claim Form must be completed by the finance officer for payment processing, excluding petty cash reimbursement or payment through payroll.
- Claims which lack supporting documentation for payment must be investigated and followed up.
- Under no circumstances should incomplete claims be processed. Such claims must be followed up with the officer concerned and documentation obtained where appropriate.
- Price variations between the claims and supporting documentation must be brought to the attention of the approving officer. Where such variation takes the total cost over that officer's delegation limit, the variation must be approved by an officer with appropriate delegation. Reasons for variations must be sought from the claimant.

2.6 Payment Certification

- All prepared invoice authorisation forms and accompanying expense reimbursement forms must be examined by an independent accounting officer to ensure the forms are in order prior to input to the financial system.
- Following data entry to the financial system an independent accounting officer must review system data entry validation reports and payment documentation prior to payment release.

2.7 Payment Processing

Specific processes and procedures include:

- Expense reimbursements are to be paid by Electronic Funds Transfer (EFT) through the accounts payable system. Staff allowances are to be paid through the Payroll System.

2.8 Cash Advances

Cash advances must be approved by an authorised officer.

Specific processes and procedures include:

- A record of a cash advance must be kept and reporting arrangements will be established for reconciliation purposes.
- Payments from an advance must be properly authorised and supported.
- Where all or part of any advance is determined to be no longer required for the purpose advanced, it must be repaid within seven days.
- Temporary cash advances, including anticipated travelling expenses, must only be made for specific purposes and for specific periods. The recipient of the advance must be advised of the obligation to either account for use of the advance or arrange for repayment within seven days of the end of such period.

2.9 Petty Cash

The Finance Officer shall keep the petty cash imprest account to a value as determined from time to time and may:

- pay from that account claims for reimbursement for the supply of goods or rendering of services of a petty cash nature up to but not exceeding \$100.00;
- may advance to an officer, duly authorised, such sums as are required for official use of Racing Queensland Limited up to, but not exceeding, \$100.00;
- where claims or advances exceeding \$100.00 are required, the Finance Manager or Equivalent Accountable Officer may, where considered appropriate, authorise such claims or advances up to, but not exceeding, \$300.00. Such claims or advances must only be authorised in emergent situations where the satisfaction of such claim or advance by other means would be administratively inefficient; and
- claims or advances in excess of \$300.00 must not be handled through the petty cash imprest account.

The petty cash imprest account must be recouped regularly to ensure sufficient funds are available to satisfy claims and advances.

An Accountant must check the account balance on an ad hoc basis as a control over the advance held by the Finance Officer.

2.10 Corporate Credit Cards

Racing Queensland Limited uses the following credit card facilities:

Type of Card	Cardholder
Corporate Credit Card	Restricted to the Chairman, Deputy Chairman, CEO and authorised staff for expenditure incurred for business operations, entertainment and travel
Fuel Card	Staff driving official vehicles as per the terms of their contract of employment.

The following conditions governing the use of credit cards prevail:

A register of cards must be established and maintained to exercise control over the issue and use of cards.

- Only authorised charges may be made against the credit organisation;
- Cards must be secured at all times against unauthorised use;
- Internal control measures must be sufficient to ensure cards are used for official purposes only and that any misuse is detected promptly and reported to the Finance Manager.
- Officers using a credit card must obtain particulars of transactions including supporting invoices and dockets duly signed. A Credit Card Usage Form must be completed with the invoices attached. The documentation must be forwarded promptly to an accounting officer for attachment to the credit card transaction record for the purposes of sustaining the official use of the card and settlement of the amount within the required period;
- An accounting officer must match the dockets to the statements received from the credit card organisation;
- The dockets and the summary of these dockets showing the charges incurred by the use of credit cards must be properly authorised by a duly authorised officer; and

- The use of credit cards for the purchase of goods and services must be in strict accordance with the purchasing policy of Racing Queensland Limited.

2.11 Gifts

Specific guidelines include:

- Reportable gifts as defined by the Gifts and Benefits Policy must not be made or received without the prior approval of the Chief Executive Officer or Equivalent Accountable Officer or the Board Chairman in the case of Board members.
- An "Intangible Gift or Benefit" is one with no lasting value.
- A "Nominal Gift or Benefit" is one with a fair value of less than \$50
- A "Significant Gift or Benefit" is one with a fair value between \$50 and \$250.
- A "Reportable Gift or Benefit" is a single gift or benefit with a fair value in excess of \$250 or each significant gift given to or received from the same donor in the course of a financial year where the aggregate value of those gifts is in excess of \$250. Any gift of property, travel, entertainment, hospitality or any other benefit that is not part of your official remuneration. This includes valuable items whether of a personal nature or otherwise.
- Gifts can only be made or received in the conduct of official Racing Queensland Limited business.
- A record of reportable gifts made or received must be maintained , indicating:
 - date of the reportable gift;
 - the parties involved;
 - particulars of the reportable gift; and
 - the approval given in accordance with the Gifts and Benefits Policy.

2.12 Expenditure Reimbursement Form

All claims for reimbursement of expenditure must be submitted on an official expense reimbursement form (attached to this policy).

3. Expenditure Reimbursement Items

3.1 Scope

This Policy Statement sets out the guidelines which must be followed by Racing Queensland Limited Board members and officers in claiming reimbursement of expenditure. It clarifies the types of expenditure that an officer can reasonably incur in undertaking business on behalf of Racing Queensland Limited:

This policy includes the following key elements:

- Board Expenses
- Management &
- Use of Contra

3.2 Board Expenses

3.2.1 Travel Expenses

All Board members will travel economy class unless seats are not available at which time they may upgrade to business class in special circumstances or unless otherwise approved by the Board Chairman. In circumstances where there is overseas travel (excluding New Zealand), Board members may use business class. All reservations must be made through the authorised travel coordinator at the most competitive price. It is recommended that a travel diary is completed.

3.2.2 Accommodation

Board members are entitled to a quality standard of accommodation when travelling. All reservations must be made through the authorised travel coordinator at the most competitive price.

All other reasonable business related expenses which are incurred while travelling on official Racing Queensland Limited business as determined by the Board Chairman may be submitted for reimbursement.

Allowable expenses would include:

- Meals and accompanying beverages, at a reasonable limit.
- Laundry and Dry Cleaning costs where the period of travel is more than two days.
- Car Parking
- Telephone expenses in the conduct of official Racing Queensland Limited business.
- Entertainment of persons, at a reasonable limit, in the conduct of official Racing Queensland Limited business.
- Incidental expenses, at a reasonable limit.

The use of accommodation provided through sponsorship agreements should be approved by the Chairman, or in the case of the Chairman the Chief Executive Officer, prior to travel and recorded in the official Racing Queensland Limited sponsorship database as being utilised by the Board member concerned.

3.2.3 Motor Vehicles

A motor vehicle allowance of **74** cents per kilometre is payable to Board members whose place of residence and/or occupation is outside the city or town where the meeting is being held and require their private vehicle to attend official Racing Queensland Limited meetings.

3.2.4 Communication Expenses

Communication expenses for Board members will be allowable as agreed by the Board Chairman. In the case of the Chairman, by the Chief Executive Officer. Payment of telephone expenses from a private telephone will be reimbursed on the production of telephone accounts highlighting Racing Queensland Limited business related calls or as otherwise predetermined by Board Chairman.

3.2.5 Board Entertainment Expenses

Entertainment expenses are covered in Section 4 of this policy.

3.2.6 Accompanying Spouses

Accompanying spouses may attend official engagements at the expense of Racing Queensland Limited, where it is considered appropriate for the performance of official duties and adequate representation of Racing Queensland Limited. Approval must be obtained from the Board Chairman and in the case of the Chairman, from the Chief Executive Officer.

3.2.7 Use of Contra

The use of air travel, accommodation and entertainment that has been provided by sponsors as part of contra sponsorship agreements has been addressed above. The use of Contra is to be approved by the Chairman, or in the case of the Chairman, the Chief Executive Officer. All contra must be properly accounted for through the official database that has been established to record the provision and use of goods and services flowing from contra sponsorship agreements.

3.3 Employees

3.3.1 Travel Expenses

All staff will travel at economy rates both for local and overseas travel unless seats are not available at which time they may upgrade to business class in special circumstances or unless otherwise approved by the Chief Executive Officer or Equivalent Accountable Officer. All reservations must be made through an RQL authorised travel coordinator at the most competitive price.

Other than for travel to/from official Racing Queensland Limited business meetings/conferences, proposed trips involving air travel should be approved in advance by the Chief Executive Officer or Equivalent Accountable Officer..

The use of air travel provided through sponsorship agreements should be approved by the Chief Executive Officer or Equivalent Accountable Officer.prior to travel and recorded in the official Racing Queensland Limited sponsorship database as being utilised by the staff member/s concerned.

3.3.2 O/S Travel

A detailed travel diary must be maintained by the any employee travelling overseas. The diary is to record all activities and related expenses for the duration of the trip. This information includes:

- Departure and arrival times
- Meals, drinks and the name and location of restaurants used.

The following is an example of a travel diary:

TRAVEL DIARY

Name: _____ Period Beginning: _____

Signature: _____ Period Ending _____

Date of Entry	Activity Commenced		Travel Itinerary (Place of Activity)	Duration of Activity (Hours/Days)	Purpose of Activity
	Time	Date			

*The travel diary is to be completed for all overseas travel
 All time away from home/office is to be accounted for, including time taken as leave
 Entries are to be made at the time of the activity, or as soon as reasonably practical*

3.3.2 Accommodation

RQL Management are entitled to a quality standard of accommodation when travelling. All reservations must be made through an authorised RQL travel coordinator at the most competitive price.

RQL employees are entitled to a reasonable standard of accommodation when travelling at the most competitive price.

All other reasonable business related expenses which are incurred while travelling on official Racing Queensland Limited business may be submitted for reimbursement.

Allowable expenses would include:

- Meals and accompanying beverages, at a reasonable limit.
- Laundry and Dry Cleaning costs where the period of travel is more than two days.
- Car Parking
- Telephone expenses in the conduct of official Racing Queensland Limited business.
- Entertainment of persons, at a reasonable limit, in the conduct of official Racing Queensland Limited business.

The use of accommodation provided through sponsorship agreements should be approved by the CEO or Equivalent Accountable Officer. prior to travel and recorded in the official Racing Queensland Limited sponsorship database as being utilised by the staff member/s concerned.

3.3.3 Motor Vehicles

A motor vehicle allowance of **74** cents per kilometre is payable to staff whose place of residence and/or occupation is outside the city or town where the business meeting/conference is being held and require their private vehicle to attend official business.

Other than for travel to/from official business meetings/conferences, proposed trips involving reimburseable motor vehicle travel should be approved in advance by either the CEO and Equivalent Accountable Officer.

3.3.4 Communication Expenses

Communication expenses for staff will be allowable in accordance with the terms and conditions outlined in their employment contract or as determined by the CEO or **Equivalent Accountable Officer**.. Payment of telephone expenses from a private telephone will be reimbursed on the production of telephone accounts highlighting Racing Queensland Limited's business related calls or as otherwise predetermined by the CEO or **Equivalent Accountable Officer**.

3.3.5 Internet Expenses

Internet expenses for staff will be determined in accordance with the terms and conditions outlined in their employment contract or as determined by the CEO or **Equivalent Accountable Officer**.. Payment of internet expenses will be reimbursed on the production of an invoice highlighting the claimed amount. Internet reimbursement claims will be capped at a maximum of \$80.00 per month. The amount is to be predetermined and approved by the CEO or **Equivalent Accountable Officer**..

3.3.6 Executive/Staff Entertainment Expenses

Entertainment expenses are covered in Section 4 of this policy.

3.3.7 Accompanying Spouses

Accompanying spouses may attend official engagements at the expense of Racing Queensland Limited where it is considered appropriate for the performance of official duties. Approval must be obtained from the CEO or the Equivalent Accountable Officer.

3.3.8 Use of Contra

The use of air travel, accommodation and entertainment that has been provided by sponsors as part of contra sponsorship agreements has been addressed above. Contra must not be accessed by any staff member unless approved by either CEO or Equivalent Accountable Officer. All contra must be properly accounted for through the official database that has been established to record the provision and use of goods and services flowing from contra sponsorship agreements.

4. Specific Entertainment Guidelines

4.1 Scope

This Policy Statement sets out the guidelines which must be followed by Racing Queensland Limited Board members and Executive Officers in claiming expenditure for entertainment. It clarifies the types of expenditure that an officer can reasonably incur in undertaking business on behalf of Racing Queensland Limited.

4.2 Entertainment Guidelines

Expenses will be paid/reimbursed to Board Members and Racing Queensland Limited officers relating to the entertainment of persons under the following circumstances:

- the entertainment is considered essential to facilitate Racing Queensland Limited business with an identified purpose/benefit. Such hospitality should not be a substitute for business meetings which would ordinarily be conducted in the office. The use of in-house catering is encouraged with a view to substantial cost savings.
- the entertainment itself is of a reasonable standard. ***Reasonable standard is defined as a standard that is publicly defensible and meets the purpose and nature of the client or business partner meeting.***
- the amount spent on entertainment above \$1,000 should be approved in advance by the Board Chairman for Board Members and in the case of the Chairman by the Chief Executive Officer, and by the Chief Executive Officer or Equivalent Accountable Officer for all staff.
- as a general rule, the value of beverages should not exceed the value of meals;
- the persons being entertained are current or future official clients or stakeholders or business associates of Racing Queensland Limited.
- an appropriate reason must be provided by the delegated officer for the attendance of other Racing Queensland Limited Staff.
- accompanying spouses/partners must be pre - approved by the Board Chairman for Board members, and in the case of the Chairman by the Chief Executive Officer, and the Chief Executive Officer and Equivalent Accountable Officer for staff.
- all entertainment expenditure is to be supported by approved claim forms which are readily available from the Finance Department. Please note that a tax invoice must be provided with all entertainment expense claims.
- participation in entertainment provided through sponsorship agreements (including corporate marquees and associated functions) should be approved by the department manager prior to the event for staff members. The department manager has the responsibility of advising the Chief Executive Officer or Equivalent Accountable Officer of Racing Queensland Limited employees attending the event. All entertainment provided through sponsorship agreements is to be recorded in the official Racing Queensland Limited sponsorship/gifts and benefits database as being utilised by the staff member/s concerned.

4.3 Travel provided to external parties

Approval for external parties to travel at the expense of Racing Queensland Limited must be obtained from the Board Chairman or Chief Executive Officer prior to the travel occurring.

External parties will travel at economy rates unless an application is made and approved by the Chief Executive Officer or Equivalent Accountable Officer. All reservations must be made through an authorised RQL travel coordinator at the most competitive price.

External parties are entitled to a reasonable standard of accommodation when travelling at the expense of Racing Queensland Limited. **Reasonable standard is defined as a standard which is no higher than the standard offered to Racing Queensland Limited Staff.** All reservations must be made through the authorised travel coordinator at the most competitive price.

All other reasonable business related expenses which are incurred while travelling on official Racing Queensland Limited business may be submitted for reimbursement.

Definition – External Parties are consultants, contractors, sub committee members and members of official delegations or the companies clients or industry stakeholders such as owners, trainers, drivers or jockeys.



**RACING
QUEENSLAND**

General Expense Claim Form

Employee: _____ Department: _____

Association: _____ Date: _____

(Please attach all invoices)

Expense Item	Value	GST	Total
Travel ____ Km @ \$ _____ per km From ____ To ____ ____ Km @ \$ _____ per km From ____ To ____ ____ Km @ \$ _____ per km From ____ To ____			
Overnight Allowance			
Accommodation			
Meals			
Telephone/Postage/ Internet (Capped at \$80 per month)			
Taxi			
Other			
Total			
Less cash Advanced (if any)			
Grand Total			

Employee Signature: _____

Date: _____ / _____ / _____

Approved by: _____

Date: _____ / _____ / _____



Corporate Card Usage

Employee: _____ Department: _____

Date of Usage _____ / _____ / _____

Nature of Expense _____

Other Details _____

Amount \$ _____

All Receipts Attached
(Tax invoice required)

Please Note: It is the responsibility of the Approving Staff member to ensure that **ALL** parts of this form are completed and completed correctly. All incomplete forms will be returned.

I declare that this expenditure has been incurred on behalf of Racing Queensland Limited and is related to business purposes.

Employee Signature: _____ Date: _____ / _____ / _____



RACING QUEENSLAND

DISCRIMINATION AND WORKPLACE HARASSMENT Policy and Procedures

Authorised By:	Remuneration and Nomination Sub-Committee	Date of Authorisation:	1 July 2010
Last Amendment Date:	1 July 2010		
Review Due Date:	30 June 2011		
Policy Owner:	Chief Financial Officer		
Related Documents:	<ul style="list-style-type: none">▪ Code of Conduct▪ Grievance Handling Policy▪ Performance Counselling Policy	<ul style="list-style-type: none">▪ Racial Discrimination Act 1975▪ Sex Discrimination Act 1984▪ Human Rights and Equal Opportunity Act 1986▪ Disability Discrimination Act 1992▪ Age Discrimination Act 2004▪ Anti-Discrimination Act 1991▪ Workplace Health and Safety Act 1995▪ Prevention of Workplace Harassment Advisory Standard 2004▪ Public Sector Ethics Act 1994▪ Fair Work Act 2009▪ National Employment Standards 2010	

Any person who requires assistance in understanding this document should contact their manager.

PURPOSE

Racing Queensland Limited (RQL) is committed to achieving equality of opportunity in employment and affirms the values of social and cultural diversity reflected in the community, recognising that each employee plays a valuable role in the success of RQL. RQL aims to providing an atmosphere free of discrimination and workplace harassment that encourages good working relationships and respect between employees.

This policy outlines the position and practice of RQL with regard to equal employment opportunity, discrimination and workplace harassment.

SCOPE

This policy applies to all employees, including permanent, casual and temporary personnel, of RQL, unless otherwise identified by the CEO.

DEFINITIONS

Discrimination: treating someone less favourably than another person in the workplace because of one of the following characteristics is against the law (except when an exemption applies). Discrimination can be direct or indirect, intended or unintended.

- ⌘ Gender.
- ⌘ Relationship Status.
- ⌘ Pregnancy or Potential Pregnancy.
- ⌘ Parental Status.
- ⌘ Breastfeeding.
- ⌘ Age.
- ⌘ Race.
- ⌘ Physical or mental disability.
- ⌘ Religious Beliefs or Activities.
- ⌘ National extraction or social origin
- ⌘ Political Opinion or Activities.
- ⌘ Trade Union Activity.
- ⌘ Lawful Sexual Activity.
- ⌘ Gender Identification.
- ⌘ Sexual Preference.
- ⌘ Family or Carer's Responsibilities
- ⌘ Irrelevant Criminal Background.
- ⌘ Association with a person identified on the basis of any of the above attributes.

Direct Discrimination: any action that specifically excludes a person or group of people from a benefit or opportunity, or significantly reduces their chances of obtaining it, because a personal characteristic irrelevant to the situation is applied, consciously or unconsciously, as a barrier.

Indirect Discrimination: any action or requirement that is the same for everyone, but has an equal disproportionate effect or result on one particular group.

Adverse Action: any action taken by an employer includes doing, threatening or organising any of the following:

- ⌘ Dismissing an employee
- ⌘ Injuring an employee in employment
- ⌘ Altering an employee's position to their detriment
- ⌘ Discriminating between one employee and other employee's
- ⌘ Refusing to employ a prospective employee

- ⌘ Discriminating against a prospective employee on the terms and conditions in the offer of employment.

Sexual Harassment: any unwelcome behaviour of a sexual nature, which is offensive, humiliating or intimidating. Sexual harassment can be a single incident depending on the circumstances.

Sexual harassment happens if a person:

- (a) Subjects another person to an unsolicited act of physical intimacy; or
- (b) Makes an unsolicited demand or request (whether directly or by implication) for sexual favours from the other person or
- (c) Makes a remark with sexual connotation relating to the other person or
- (d) Engages in any other unwelcome conduct of a sexual nature in relation to the other person and the person engaging in the conduct described in paragraphs (a), (b), (c) or (d) does so:
- (e) With the intention of offending, humiliating or intimidating the other person; or
- (f) In circumstances where a reasonable person would have anticipated the possibility that the other person would be offended, humiliated or intimidated by the conduct.

Sexual harassment can take many different forms and may include physical contact, comments, jokes, propositions, the display of offensive material or other behaviour that creates a sexually hostile working environment. Examples of sexual harassment include:

- ⌘ uninvited touching, uninvited kisses or embraces
- ⌘ smutty jokes or comments
- ⌘ making promises or threats in return for sexual favours
- ⌘ displays of sexually graphic material including posters, pinups, cartoons, graffiti or messages left on notice boards, desks or common areas
- ⌘ repeated invitations to go out after prior refusal
- ⌘ “flashing” or sexual gestures
- ⌘ sex-based insults, taunts, teasing or name-calling
- ⌘ staring or leering at a person or at parts of their body
- ⌘ sexually explicit conversation
- ⌘ persistent questions or insinuations about a person’s private life • offensive phone calls, letters, e-mail messages or computer screen savers
- ⌘ stalking.

Humour, friendships and relationships based on mutual consent are not sexual harassment. If the interaction is consensual, welcome and reciprocated, it is not sexual harassment.

Workplace Harassment (Bullying): any non-sexual behaviour that is unwelcome, offensive, intimidating, humiliating or threatening. Workplace harassment may be verbal, non-verbal or physical in nature; intentional or unintentional. Some examples are:

- ⌘ Any form of physical violence such as hitting, pushing or spitting.
- ⌘ Threats, insults, or verbal abuse.
- ⌘ Leaving offensive messages on email or on the telephone.
- ⌘ Humiliating or demeaning a person through gestures, sarcasm or ridicule.
- ⌘ Deliberately withholding information or giving confusing and contradictory instructions.
- ⌘ Maliciously excluding and isolating person from workplace activities.

- ⌘ Spreading gossip or false, malicious rumours about a person with an intent to cause the person harm.

Victimisation: any conduct that threatens or harms people who have made a complaint about discrimination or harassment; agreement to be a witness in a complaint process about discrimination or harassment; or have had a complaint or discrimination or harassment made against them. Some examples are:

- ⌘ Overlooking a team member for promotion because they are considered to be a 'troublemaker' because they made a complaint of harassment against their supervisor.
- ⌘ Refusing a team member permission to attend a training conference because are not liked as they have acted as a witness to support another team member's complaint of discrimination.

Vilification: any behaviour that happens in a public place and incites other to hate, to have serious contempt for, or to severely ridicule individuals or groups because of their race, religion, sexuality or gender identity. Some examples are:

- ⌘ Wearing symbols, badges or clothing in the workplace with slogans that incite hatred.
- ⌘ Placing a poster or sticker in a workspace that incites other to hate individuals because of their race, religion, sexuality or gender identity.
- ⌘ Comments in the workplace that encourage other to hate individuals because of their race, religion, sexuality or gender identity.
- ⌘ An employee abusing a person because of their race, religion, sexuality or gender identity in the workplace which encourages others to hate people of that race, religion, sexuality or gender identity
- ⌘ A work colleague making a speech in the work cafeteria that incites hatred of people because of their race, religion, sexuality or gender identity.

Vicarious liability: RQL may be liable for discrimination, sexual harassment, bullying or vilification which happens in the workplace, unless RQL can show it has taken reasonable steps to prevent it.

POLICY PRINCIPLES

1.1. RQL'S RESPONSIBILITIES

RQL managers have a responsibility, within the scope of their authority, to:

- ⌘ Display appropriate behaviour at all times – be a good role model.
- ⌘ Administer equal employment practices within the workplace in accordance with RQL policy; make fair, non-discriminatory decisions.
- ⌘ Ensure that employees are aware of RQL's equal employment, discrimination and harassment policies and practices.
- ⌘ Wherever possible, make sure that neither the work environment nor work processes make it easy for discrimination or workplace harassment to happen.
- ⌘ Monitor the workplace to ensure that acceptable standards of conduct are observed at all times.

- ⌘ Treat discrimination and workplace harassment complaints seriously and confidentially and take immediate, appropriate action to investigate and resolve any matters that arise.
- ⌘ Investigate any behaviour changes that could indicate that discrimination or workplace harassment is happening in the workplace or that someone has a grievance.

1.2. EMPLOYEES' RESPONSIBILITIES

Employees of RQL have a responsibility to:

- ⌘ Acknowledge the skills and talents of other employees.
- ⌘ Respect the diversity of colleagues and stakeholders including their views about what they find acceptable in the workplace and what they don't.
- ⌘ Act ethically, fairly and impartially.
- ⌘ Not to discriminate against other employees or stakeholders.
- ⌘ Not to be involved in, or encourage workplace harassment.
- ⌘ Be careful about anything that could be interpreted as having a sexual meaning or reference.
- ⌘ Report to their manager any unacceptable behaviour that they witness or become aware of.

If someone indicates that they don't like certain behaviour, it is best to stop this behaviour immediately and apologise.

PROCEDURE

1.1. INCIDENTS

If an employee has concerns regarding discrimination or workplace harassment or believes that this policy has been breached they should report it immediately to their manager or the Harassment and Discrimination Officer (the name of the person holding this position is available on Racing Queensland's Intranet).

RQL will treat all concerns and complaints seriously, impartially, sympathetically and confidentially. Each complaint will be dealt with on its own merits and employees will not be disadvantaged as a result of lodging a complaint. In all cases it is essential that all persons concerned maintain complete confidentiality in order to protect the parties involved.

1.1.1. *Experiencing Discrimination or Workplace Harassment*

If an employee has experienced discrimination or workplace harassment, or victimisation they can make a complaint to their manager or the Harassment and Discrimination Officer, and the complaint will be dealt with in line with the *Grievance Handling Policy*.

In the event of an unsatisfactory result from RQL's internal grievance procedure, complaints in respect to equal opportunity can be made to the Federal Human Rights and Equal Opportunity Commission or the Queensland Anti-Discrimination Commission.

1.1.2. *Engaging in Discrimination or Workplace Harassment*

If RQL determines that an employee has discriminated against or harassed another employee they will be subject to disciplinary action.

If an employee is found to have victimised someone because they complained about discrimination or workplace harassment, or because they supported someone else's complaint, they will also be subject to disciplinary action.

The action RQL takes will depend on the circumstances but may include measures such as:

- Counselling
- Official warning
- A performance improvement plan
- Training
- Attending mediation
- Re-assigning to alternative duties
- Demotion
- Dismissal.

1.1.3. Malicious or Vexatious Complaints

Just as there are serious consequences for those who discriminate or harass another employee, so there are serious consequences for people who make malicious, vexatious or frivolous complaints.

The action Racing Queensland takes against malicious, vexatious or frivolous complainants will depend on the circumstances but may include the measures against those who have discriminated listed above.

1.1.4. Stakeholders and Licensees

If a client or licensee engages in behaviour that could be defined as discrimination or workplace harassment employees are not expected to tolerate this behaviour. If an employee feels that they are unable to deal with a situation like this independently, they should approach their manager or the Harassment and Discrimination Referral Officer for assistance.

Similarly, if an employee engages in behaviour that could be defined as discrimination or workplace harassment towards a client or licensee, they may be subject to disciplinary action, and could be open to legal action by that client.

1.2. POLICY BREACHES

Failing to adhere to this policy may result in the following actions, at the discretion of RQL:

- ⌘ Counselling.
- ⌘ Written Warning.
- ⌘ Final Written Warning.
- ⌘ Instant Dismissal.
- ⌘ Any other lawful or legitimate action RQL deems fit under the circumstances.

REVISION HISTORY

Revision	Date	Description of Changes	Author
01.00	1/7/2010	New Policy	HRBS



RACING QUEENSLAND

GRIEVANCE HANDLING POLICY Policy and Procedures

Authorised By:	The Board	Date of Authorisation:	1 July 2010
Last Amendment Date:	1 November 2012		
Review Due Date:	30 June 2011		
Policy Owner:	Business Services Manager		
Related Documents:	<ul style="list-style-type: none">▪ Code of Conduct Policy▪ Harassment, Discrimination and Bullying Policy▪ Workplace Health and Safety Policy▪ Performance Counselling Policy	<ul style="list-style-type: none">▪ Fair Work Act 2009	

Any person who requires assistance in understanding this document should contact their manager.

PURPOSE

Racing Queensland Limited (Racing Queensland) wishes to promote a healthy, safe and enjoyable working environment free from discrimination, harassment or bullying.

This policy outlines important information regarding workplace grievance resolution and the processes available to workers to ensure prompt, equitable and effective resolutions.

SCOPE

This policy applies to grievances raised by, employees, workers and agents, including contractors, consultants, work experience students and other volunteers.

POLICY PRINCIPLES

A grievance is an important matter and can have serious consequences for all parties involved, including any person against whom a complaint is made. This policy contains details of what a worker should do if they think that they have been the victim of discrimination, sexual harassment or bullying.

Any reported grievances will be treated seriously and investigated confidentially and objectively. Each grievance will be dealt with on its own merits when determining appropriate action and employees will not be disadvantaged or victimised as a result of lodging a complaint.

Workers are encouraged to promptly raise any grievance either informally or formally. Although workers are encouraged to resolve issues informally, if they feel that the matter is of a very serious nature they may lodge a formal grievance immediately.

1.1. CONFIDENTIALITY

Confidentiality is a key element of the grievance process. Parties involved in this process whether as a witness, employee or management must ensure that details regarding the process, including the content of interviews and any outcomes, are not disclosed to other parties unless required as part of the process. Confidentiality is critical to ensuring that all participants are afforded natural justice and maintaining the integrity of the process.

It is important that complainants are aware, however, that there will be situations where Racing Queensland's ability to further deal with a complaint is limited if the worker is not prepared to be identified or does not consent to details being provided of the particular incident or behaviours that are being complained of. This does not mean that a complainant will always be expected to authorise full disclosure of their complaint. Complainants should be aware that possible outcomes of a complaint may be far more limited in situations where the complainant wishes to remain anonymous or to not reveal all details of the incident or behaviour being complained of.

1.2. DOCUMENTATION

Records should be kept at all stages of the process whether the grievance is informal or formal in nature. Records or notes of the manager, company representative and Anti-discrimination and Harassment Officer and copies of relevant communication during the process will be stored on a confidential file, for Racing Queensland's own reference. Both the complainant and the person being complained about are able to make their own notes during the grievance process.

1.3. SUPPORT PERSON

All parties are entitled to have a support person to assist them during this process if they wish. The support person may be a company representative, someone else within the company, or someone external. The person investigating the complaint may object to a nominated support person if it would be unreasonable for that person to act in such a capacity. If a company representative is nominated as a support person, they cannot investigate the matter. Company representatives may decline to act as a support person at their discretion.

1.4. FRIVOLOUS, MALICIOUS OR FALSE GRIEVANCES

Where a grievance is considered to be frivolous, malicious or false, the company may take disciplinary action against the employee who made the complaint.

PROCEDURE

1.1. STAGE ONE – RESOLVING THE ISSUE INFORMALLY

Informal resolution involves raising the grievance by talking directly to the person who can deal with the problem, concern or complaint. Complaints should generally be dealt with by firstly following informal processes.

Although this is the procedure which would generally be followed, there can be situations where the complaint is about behaviour that is so serious that it would not be appropriate to do anything other than conduct a formal investigation. If a complaint involves allegations of criminal offences such as sexual assault, assault, stalking, indecent exposure or obscene communication then it will not be appropriate for the complaint to be dealt with informally. In these cases, the worker should immediately contact their manager or the Queensland Racing Anti-discrimination and Harassment Officer. This is Ms Leanne Lorena – Payroll/HR Officer who may be contacted on 3869 9777 or llorena@racingqueensland.com.au. The first concern will be to determine if the worker is physically well and to ask whether the worker wants the police to be involved.

If a complaint is to be dealt with informally, it could be approached in one of the following ways:

- ✘ Where the grievance involves a complaint against another person, workers can raise the grievance or problem directly with the person involved, with an approach that shows a willingness to resolve the situation. The worker could say something along the lines of “Recently you have been...it makes me feel really uncomfortable and I would like it to stop please.” If the person gets defensive or aggressive the employee could say something like “I don’t want this to turn into an argument. I just really wanted to tell you how I am feeling about what has been going on lately and to ask you not to do it in the future.”

The person who is the subject of a grievance should take the opportunity to listen to and acknowledge the other person’s concerns. Even if they believe the grievance is about a minor issue, they must recognise that it is an issue of concern to the other person and treat it seriously.

Both parties should consider the best way to resolve the grievance and do so quickly and privately.

- ✘ Workers who do not feel comfortable directly approaching the person or if the grievance remains unresolved after discussing it with the person involved, can discuss the situation with their immediate manager, who will assist them in resolving the matter. If appropriate that manager may request that the Anti-discrimination and Harassment Officer or another senior manager assist in resolving the grievance informally.
- ✘ Workers can discuss the situation directly with the Racing Queensland Anti-discrimination and Harassment Officer. . The Anti- Discrimination and Harassment Officer’s role is to make sure

that the employee is able to make an informed decision about how they want their concerns to be addressed.

SOME POTENTIAL OUTCOMES OF AN INFORMAL GRIEVANCE PROCESS

There are a number of different potential outcomes that could come from the informal grievance process. Some examples are:

- The worker's manager could speak informally with the person being complained about to see if the situation can be resolved without needing to be taken any further. The allegations would be relayed verbally to the person concerned and that person would be advised that it is an informal meeting. The person being complained about would be told what it is that the complainant is seeking out of the process and will be asked if they think that this can be achieved. The person being complained about would be asked for a response to the complaint. This would not be a formal response and would be used solely for the purpose of assisting the complainant and person being complained about to move forward and resolve their differences.
- The process could be dealt with via a neutral third party mediator. If both parties agree then the relevant manager or the Harassment and Discrimination Referral Officer would do what was needed to start the mediation process. That process would not be about apportioning blame or making findings of misconduct. It would be about agreeing on expectations, moving forwards and attempting to mend any past hurts or distress.
- There could be a 'team talk' focussed on harassment, discrimination or bullying. During that talk the relevant manager would advise the team that concerns have been raised regarding harassment, discrimination or bullying and would emphasise that such behaviour will not be tolerated and is expected to cease immediately. This team talk could be conducted without the complainant or the person being complained about being identified.

1.2. STAGE TWO – RAISING THE ISSUE FORMALLY

If the grievance remains unresolved after informal resolution attempts have been made or if the grievance involves more serious allegations that would be inappropriate to deal with informally, workers should lodge a formal grievance in writing, with their immediate manager, an alternate manager (level above immediate manager) or the Business Services Manager or the Racing Queensland Anti- Discrimination and Harassment Officer.

WHAT WILL HAPPEN WHEN A FORMAL COMPLAINT IS RECEIVED

The first thing that will occur is that the worker will be asked whether an informal process has already occurred. If informal processes have not already occurred and the grievance involves allegations that could potentially have been dealt with in that way then the worker may be asked to provide some more details about why informal processes were not used to address the worker's concerns in the first instance. The worker may be asked to firstly try to resolve the matter using informal processes if the Anti-discrimination and Harassment Officer thinks that this is appropriate.

If the worker is asked to consider informal options then the Anti- Discrimination and Harassment Officer or the worker's manager will be available to discuss the options with the worker. At this stage no further steps will be taken in relation to the matter until the worker advises whether she or he wants to proceed further once the informal steps have been taken.

WHY ARE INFORMAL PROCESSES ENCOURAGED AS THE FIRST STEP?

Racing Queensland does not take this approach to try to make things more difficult for a worker who wants to make a complaint. It can be very stressful for a worker to make a complaint of this

kind and Racing Queensland wants to ensure that, at all times, complainants are given as much support and respect as possible. Wherever possible, however, Racing Queensland wants to see these matters resolved without unnecessary stress.

If the behaviour being complained about is a serious breach of the harassment or discrimination laws then Racing Queensland wishes to ensure that the complaint is investigated fully and that disciplinary action is taken if the allegations are found to have substance. In cases such as these, Racing Queensland recognises that informal processes may not be appropriate and that the complainant may wish to proceed directly to more formal processes.

There may be, however, other cases where the behaviour complained about is a one off event or has happened more than once but is not yet so serious that it might potentially be a reason for dismissal if the allegations were found to be substantiated. In those cases, it is generally more appropriate for a worker to firstly try informal processes to resolve his or her concerns.

Racing Queensland's desire is to ensure that all behaviour in its workplaces is appropriate and in accordance with harassment, discrimination and bullying laws.

IF THE FORMAL COMPLAINT THEN PROCEEDS

1. The worker will be asked to outline in detail the behaviour that is being complained about. Notes will be taken during this discussion and the worker will be asked to read through and verify that these notes are accurate. The worker will be asked to talk about what outcome they are seeking from the formal process.
2. Once the details of the complaint have been discussed and noted, the first step will be for the Anti-Discrimination and Harassment Officer to determine if the allegations could potentially amount to unlawful discrimination, sexual harassment, bullying or vilification. This assessment may be able to be made at the time or some further time may be needed for that conclusion to be reached. Once the Anti-Discrimination Officer is satisfied that the allegations are about behaviours that could potentially amount to one or more of these things, then the worker will be told this and advised that the next step will be for the person who is being complained about to be told about the allegations that have been made.
3. Depending on the seriousness of the allegations, the number of the employees involved and the seniority of the person being complained about, the Officer may need to advise the CEO about the allegations or to involve an external and objective third party to assist with the investigations.
4. The person being complained about will then be asked to attend a meeting, potentially with their manager and any third party investigators who are involved in the matter. At this meeting, details will be given of the allegations which have been made. This will not necessarily mean that this person is given a full copy of the allegations as there may be a number of people involved in the complaint and there might also be other matters raised in the document which relate to the impact of the behaviour on the worker who has made the complaint. The complainant may not want this information to be shared at this stage and this will be respected wherever it is possible to do so while still giving the person being complained about full details of what has been alleged.
5. The person who has been complained about will be given an opportunity to respond to the allegations as soon as practicable. That person will be asked to comment about the allegations at this first meeting and to give their version of events. Depending on the circumstances of the complaint, it is possible that the person being complained about may need to check some other facts or information before being able to fully respond to the complaint. If this is the case then a follow up meeting will be held as soon as possible to allow the person being complained about an opportunity to collect that further information.
6. If a follow up meeting is necessary with either the worker making the complaint or the person being complained about then this will be held.

7. Once a response is obtained from the person being complained about, the person conducting the investigation will then identify any other information required in order to complete the investigation. This may involve interviewing other employees, other people or gathering documents or evidence.
8. Once all relevant evidence has been collected and considered, the person conducting the investigation will decide whether there is any further information needed from either the complainant or the person being complained about. Further meetings will be held with either or both of them to clarify any outstanding points.
9. After this, all of the evidence will be considered by the person conducting the investigation and a decision will be made about the complaint. Both the complainant and the person being complained about will be advised of the decision and of any action that will be taken as a result. If the allegations are substantiated, then the person being complained about may be subject to disciplinary action, up to and including dismissal.

. If a complainant makes allegations against a number of people or if those allegations involve a senior manager, then a different approach may be followed. In all cases where a worker wishes to raise concerns of harassment, discrimination or bullying, the approaches outlined in this Grievance Handling Policy should be used. If the follow up investigation or processes need to be dealt with differently because of the circumstances then the complainant will be told this and will be given more details about any additional steps that might need to be taken. Racing Queensland's aim is to ensure that both the complainant and the person being complained about are aware of how the matter is to be dealt with and what the expected timeframes are.

OUTCOMES OF THE FORMAL GRIEVANCE RESOLUTION PROCESS

If the grievance is lodged formally the complainant and the person being investigated will receive written advice of the outcome. The outcome will be in keeping with the seriousness of the incident that formed the basis of the grievance. Possible outcomes of an employee grievance include:

- ✘ The employee gains a better understanding of the situation so that their concerns are addressed.
- ✘ A mutually acceptable resolution is achieved through conciliation or mediation.
- ✘ The employee receives an apology and/or the issue or behaviour that was the basis of the grievance is modified.
- ✘ In instances where the facts surrounding a grievance cannot be substantiated no further action will be taken.
- ✘ In cases where the facts are substantiated and the circumstances warrant, the company's formal disciplinary processes will be invoked. This may result in formal warning about inappropriate behaviour and in serious cases the dismissal of the employee concerned.
- ✘ Where it is found that there has been serious unlawful activity, the police will be notified and the employee concerned may be suspended or dismissed.

EXTERNAL RESOLUTION

A worker who does not wish to raise their grievance with Racing Queensland may approach one of the following external agencies for assistance:

- ✘ Federal Human Rights and Equal Opportunity Commission;
- ✘ Fair Work Australia;
- ✘ the Queensland Anti-Discrimination Commission.
- ✘ Request that RQI engage an independent HR Consultant or Mediator to assist with a conciliation process.

REVISION HISTORY

Revision	Date	Description of Changes	Author
01.00	1/11/2012	New Anti-discrimination and Harassment Officer	HRBS



RACING QUEENSLAND

PERSONAL PRESENTATION Policy and Procedures

Authorised By:	CEO	Date of Authorisation:	1 July 2010
Last Amendment Date:	1 December 2012		
Review Due Date:	1 July 2013		
Policy Owner:	Business Services Manager		
Related Documents:	<ul style="list-style-type: none">▪ Code of Conduct Policy▪ Workplace Health and Safety Policy▪ Grievance Handling Policy▪ Performance Counselling Policy	<ul style="list-style-type: none">▪ Workplace Health and Safety Act 1995▪ Fair Work Act 2009	

Any person who requires assistance in understanding this document should contact their manager.

PURPOSE

The image that Racing Queensland Limited (RQL) projects to the community and its clients is paramount to how the company is perceived. To ensure that RQL is represented positively, employees are required to dress in a manner appropriate to their position, work location and duties while at work or any time they are representing the company.

This policy aims to define acceptable presentation standards for all employees and to ensure that employee's attire does not compromise the company's image or standards of professionalism.

SCOPE

This policy applies to all employees, including permanent, casual and temporary personnel, of RQL.

POLICY PRINCIPLES

1.1. CLOTHING

Employees' presentation at work is a reflection of the company image as well as their individuality. The provisions below are intended to guide employees in making clothing choices that support the type of image RQL wants to project to employees and clients.

Employees are expected to dress appropriately for the work location and duties that they are required to complete. Should employees be required to meet with any external clients or suppliers they should dress appropriately for the meeting to reflect RQL's company image.

Appropriate RQL Wear	Inappropriate RQL Wear
Shirts with collars	Sweatshirts / Sweatpants
Neat, non-stretched T-shirts	Stretched/worn T-shirts
Modest neck lines	Sleeveless shirts / Singlets or crop tops
Tucked in shirts and tops	Shorts
Polo-style shirts	Sneakers/athletic shoes
Khaki-style pants	Jeans with holes or cut off edges
Casual slacks / Neat jeans	Leather/vinyl clothing other than coats/jackets
Knee-length skirts (or longer)	Loafers
Smart dresses	Miniskirts
Dress strap shoes with/without a modest heel	Thongs/flip flops

1.2. UNIFORMS

To assist employees with projecting and maintaining a smart, professional and consistent image of RQL, the company has a corporate uniform available to all employees, excluding grounds staff. The uniform is not compulsory, except for the full time RQL customer liaison officers; however employees are required to comply with the minimum dress standards as stipulated above and in the RQL code of conduct.

Each full-time employee will receive an initial issue of uniform clothing to the value of \$500, at RQL's expense and additional items of clothing may be purchased at the employee's expense.

RQL's full time Customer Liaison Officer is required to wear the uniform and will initially be issued with an amount of up to \$750 to enable the purchase of uniform items sufficient to be worn every

day. This position will be provided replacement items and reviewed every 12 months by the Business Services Manager

Clothing alterations and maintenance of the uniform are the employee's responsibility.

Where an employee receives an initial issue of uniform clothing but subsequently resigns within four months of their start date, they are required to repay 50% of the initial issue cost to RQL. This amount may be deducted from the employee's outstanding entitlements.

1.2.1. Uniform Registration

RQL has registered the range of clothing as approved occupational clothing as a 'non-compulsory uniform' with AusIndustry. This range is fixed and items of clothing including different colours cannot be added to the range without modification of the register by notice to AusIndustry and with their approval.

All items of clothing are embroidered with Racing Queensland's logo to the standard required by the ATO to qualify as a tax deduction. The approval registration number is CW74182. Employees may require this approval number to assist them in claiming a tax deduction for non-compulsory occupational clothing and can only claim tax deductions for those items of occupational clothing which are registered as above. RQL polo shirts, ties and other merchandise with coloured logos **are not** tax deductible.

While RQL has taken all reasonable care in registering and providing the approved uniform range of clothing it is not responsible for individual's tax compliance and employees should seek independent financial advice if necessary.

1.3. GROOMING

In order to ensure excellent presentation within RQL, it is paramount that employees are appropriately groomed to reflect this professionalism. A high level of personal hygiene and appearance should be maintained.

1.3.1. Jewellery

In order to ensure consistently appropriate presentation, jewellery should be kept to a minimum and should complement the employee's attire.

Where applicable, jewellery worn must also comply with workplace health and safety requirements.

1.3.2. Body Art / Body Piercing

Although RQL does not wish to set specific guidelines in relation to body art, employees should have regard to the nature of the business, RQL's clients and the colleagues with whom they interact.

1.3.3. Hair

It is expected that employees will keep their hair clean, tidy and well-groomed at all times while working. Hair colour should look natural with an appropriate style. Hair accessories should be kept to a minimum and compliment the colour of their hair or outfit.

Moustaches and beards must be neatly groomed and cared for in line with health and safety requirements.

1.4. WORKPLACE HEALTH AND SAFETY

This policy operates separately from any workplace requirements in relation to protective clothing or equipment. Should there be any dispute over differences between policies, any policy in relation to workplace health and safety will override this policy.

PROCEDURE

1.5. UNIFORMS

1.5.1. *Initial Uniform Issue*

Initial issues of uniform items are to be made by completing both the RQL form and NNT order form, which is authorised by the department manager and submitted to the RQL customer liaison officer.

Employees ordering uniform items should ensure the correct fit when ordering as orders cannot be returned. If necessary the employee can visit the uniform supplier's office to be fitted, NNT's office is located at: 631 Stanley Street Woolloongabba. Questions or issues concerning orders should be directed to NNT on 07 3391 2800.

Employees ordering in excess of the \$500 allowance accept that they will be invoiced for the amount in excess of \$500.

1.5.2. *Ordering Items from the Uniform Range*

Employees, including part-time or casual employees may purchase items, at their expense, from the uniform range, on RQL's account and the finance department will invoice the employee accordingly. Invoices should be paid at reception through the RQL point of sale system using cash, cheque or credit card.

Orders may be placed through the RQL customer liaison officer by completing both the RQL and NNT order forms.

Employees ordering uniform items should ensure the correct fit when ordering as orders cannot be returned. Questions or issues concerning orders should be directed to NNT on 07 3391 2800.

Orders which will be submitted once the combined value reaches \$200 in order to eliminate freight charges

Orders may take up to eight weeks to arrive but generally arrive within two weeks.

REVISION HISTORY

Revision	Date	Description of Changes	Author
01.00	1/7/2010	New Policy	HRBS
	1/12/12	Revised Policy Owner	HRBS



RACING QUEENSLAND

PERFORMANCE COUNSELLING Policy and Procedures

Authorised By:	The Board	Date of Authorisation:	1 July 2010
Last Amendment Date:	1 November 2012		
Review Due Date:	30 June 2011		
Policy Owner:	CEO		
Related Documents:	<ul style="list-style-type: none">▪ Code of Conduct▪ Termination of Employment Policy	<ul style="list-style-type: none">▪ Fair Work Act 2009▪ National Employment Standards 2010	

Any person who requires assistance in understanding this document should contact their manager.

PURPOSE

Racing Queensland Limited (RQL) is committed to creating a high performance culture where the performance and behaviour of employees promotes the best interests of RQL and assists the organisation to achieve its business objectives. In line with this commitment RQL endeavours to provide an effective and consistent approach to managing unacceptable performance or behaviour.

This policy is designed to encourage improvement in unsatisfactory performance or behaviour and to ensure disciplinary processes are consistent, fair, prompt, equitable and reasonable should your performance or behaviour fail to meet accepted standards.

SCOPE

This policy applies to all employees, including permanent, casual and temporary personnel, of RQL, unless otherwise identified by the CEO.

DEFINITIONS

Disciplinary Action: action taken in response to unsatisfactory performance or inappropriate behaviour; disciplinary action may involve, but is not limited to, action such as verbal warnings, written warnings, demotion or dismissal.

Dismissal: the termination of an employee's employment.

POLICY PRINCIPLES

1.1. SUPPORT PERSON

At any time a manager is to formally discuss performance or behaviour issues or concerns that may potentially lead to an employee's dismissal, they should advise the employee prior to the meeting that they are able to bring a support person into the meeting, provided that the support person is an independent person who is not involved in any of the allegations or matters to be discussed at the meeting. Where a manager does not advise the employee, the employee may still request to have an independent witness attend the discussion.

1.2. CONFIDENTIALITY

Confidentiality is a key element of the performance counselling process. Parties involved in this process whether as a witness, employee or manager must ensure that details regarding the process, including the content of interviews and any outcomes, are not disclosed to other parties unless required as part of the formal process. Confidentiality is critical to ensuring that all participants are afforded natural justice, and maintaining the integrity of the process.

1.3. PROCEDURAL FAIRNESS

RQL is committed to procedural fairness in the counselling, warning and dismissal of employees. Prior to conducting any formal performance counselling discussions with employees. The manager must first seek the advice of a HR Representative and/or the Business Services Manager to ensure the correct process and right course of action is being followed by RQL.

PROCEDURE

1.1. IDENTIFYING UNSATISFACTORY PERFORMANCE OR BEHAVIOUR

At any time a manager may identify unsatisfactory performance or behaviour and address it directly with employees informally.

The objective of such a discussion is to raise the issue, describe the expected standard of performance or behaviour and encourage and help employees to improve. During the discussion the manager should:

- ⌘ Raise the specific issue.
- ⌘ Listen to the employee's response in relation to the issue.
- ⌘ Describe or demonstrate the expected standard of performance or behaviour.
- ⌘ Provide suggestions for improvement, such as on-the-job training, coaching or formal training.
- ⌘ Document the discussion.

1.2. PERFORMANCE COUNSELLING

Performance Counselling by the manager informs employees that their performance or behaviour is not acceptable. This counselling allows managers to alert an employee to the performance or behavioural issues that are of concern, and advise the employee of the actions they need to take to address the issues and what will happen if the issue is not addressed. Again, the Manager is required to consult with a HR Representative or the Business Services Manager prior to conducting formal performance counselling meeting to seek advice in relation to process.

The objective of the discussion is to outline where the employee has not adequately addressed the performance issue, and to encourage and help the employee to improve, or determine alternate measures to improve and to describe the expected standard of performance or behaviour. During this meeting the manager should:

- ⌘ Raise the issue and how it has not been adequately addressed.
- ⌘ Listen to the employee's response in relation to the issue.
- ⌘ Describe or demonstrate the expected standard of performance or behaviour.
- ⌘ Provide suggestions for improvement such as on-the-job training, coaching or formal training.
- ⌘ Schedule a follow up meeting to review the issue at a suitable time in the future that allows sufficient time for improvement of the performance or behaviour.
- ⌘ Document the discussion. This should be done via the *Performance Management File Note (see Appendix A)*.

1.3. FURTHER PERFORMANCE COUNSELLING AND FORMAL WARNINGS

Formal warnings are given in situations where performance or behaviour continues to fail to meet expectations after performance counselling or where the issue is serious enough that a formal warning is given as the first step. The Manager should inform their manager and the Business Services Manager prior to issuing and employee with a formal warning.

The objective of the discussion is to outline where the employee has not adequately addressed the issue; to encourage and help the employee to improve, or determine alternate measures to improve; and to describe the expected standard of performance or behaviour. During this meeting the manager should:

- ⌘ Raise the issue and how it has not been adequately addressed.
- ⌘ Listen to the employee's response in relation to the issue.

- ⌘ Describe or demonstrate the expected standard of performance or behaviour.
- ⌘ Provide suggestions for improvement such as on-the-job training, coaching or formal training.
- ⌘ Warn that a failure to improve may potentially lead to termination or other disciplinary measures.
- ⌘ Schedule a follow up meeting to review the issue at a suitable time in the future.
- ⌘ Document the discussion using the *Performance Management File Note (see Appendix A)*, and issue the employee with a letter after the meeting confirming that the meeting was held and that a formal warning was given in the meeting.

1.4. FINAL WARNING

In some instances a final warning may be given if after a reasonable amount of time, the employee's performance or behaviour continues to fail to meet expectations after a formal warning has been issued; or the employee has been involved in misconduct or behaviour that is severe enough to move straight to a final warning.

The objective of the discussion is to outline where the employee has not adequately addressed the issue and to encourage and help the employee to improve, or determine alternate measures to improve; and to describe the expected standard of performance or behaviour. During this meeting the manager should:

- ⌘ Raise the issue and how it has not been adequately addressed.
- ⌘ Listen to your response in relation to the issue.
- ⌘ Describe or demonstrate the expected standard of performance or behaviour.
- ⌘ Provide suggestions for improvement such as on-the-job training, coaching or formal training.
- ⌘ Schedule a follow up meeting to review the issue at a suitable time in the future that allows sufficient time for improvement of the performance or behaviour.
- ⌘ Document the discussion using the *Performance Management File Note (see Appendix A)*, and issue a letter after the meeting confirming that the meeting was held and that a final warning was given in the meeting.

1.5. DISMISSAL

In cases other than serious misconduct, dismissal will occur if, following the issue of a formal warning, the employee continues to fail to meet expectations. However, it is not always necessary for RQL to follow the process of issuing performance counselling, followed by formal warnings prior to dismissal. Dependent on the extent of the breach it may be reasonable for RQL to move directly to warning or dismissal stage at its discretion.

In such instances a meeting will be arranged to advise the employee that their dismissal is being considered. An employee may have a support person present at this meeting, provided that it is an independent person who is not involved in any of the circumstances or issues being discussed at the meeting.

The employee will be asked to respond to the allegations being made about their failure to meet expectations and asked to advise whether there are any reasons why the employee thinks that she or he should not be dismissed. This response will be considered and a decision then made about whether the employee should be dismissed.

The discussion will be documented using the *Performance Management File Note (See Appendix A)*

If the employee is dismissed, a dismissal letter, statement of service and separation certificate will subsequently be provided as written confirmation of the dismissal.

1.6. DEMOTION

As an alternative to dismissal, depending on the nature of the performance or behaviour concerns, it may be appropriate to demote an employee permanently or for a defined period of time. The Manager must first seek HR advice prior to demoting an employee as there are strict guidelines in relation to demotion.

1.7. SUMMARY DISMISSAL

Summary dismissal will occur if an employee displays inappropriate behaviour or misconduct of a severity that warrants immediate dismissal from RQL. This behaviour may include a breach of policies or unlawful actions.

Summary dismissals are only made for serious misconduct. Acts of serious misconduct may include (depending on the severity), but are not limited to:

- ✘ Fraud.
- ✘ Theft.
- ✘ Assault, violence or fighting.
- ✘ Workplace harassment.
- ✘ Sexual harassment.
- ✘ Wilful disobedience.
- ✘ Insubordination.
- ✘ Serious negligence.
- ✘ Drunkenness or being under the influence of illegal drugs.
- ✘ Possession of illegal drugs.
- ✘ Sleeping on the job.
- ✘ Insulting words/ abusive language/ obscenity.
- ✘ Failure to observe safety rules.
- ✘ Insolence.
- ✘ Concealment of a material fact on engagement.
- ✘ Dishonesty in the course of the employment.

Each case will be considered on its merits, as a question of the extent of the misconduct will always be considered. The tests to be applied will vary with the nature of the business and the position held by the employee.

RELATED FORMS

- ✘ Performance Counselling Discussion Form.
- ✘ Performance Management File Note

REVISION HISTORY

Revision	Date	Description of Changes	Author
01.00	1/11/2012	Amended process	HRBS

Appendix A

PERFORMANCE MANAGEMENT FILE NOTE

Date:	
Manager:	
Staff Member:	
Issues Discussed:	Details of items discussed are set out in the attached pages
Employee Response:	Details of the employee response to the items discussed are set out in the attached pages
Agreed Actions/ Performance Improvement Plan:	
Follow Up Meeting scheduled for:	
Formal Warning Letter Required	Yes/ No Completed
Manager Signature:	



RACING QUEENSLAND

TRAVEL - GENERAL Policy and Procedures

Authorised By:	The Board	Date of Authorisation:	1 July 2010
Last Amendment Date:	1 December 2012		
Review Due Date:	1 July 2013		
Policy Owner:	General Manager Corporate Services		
Related Documents:	Motor Vehicle Policy	Expense Claim Form	
	Fair Work Act 2009	Travel Form	
	General Expense Policy		
	Travel Policy - Stewards		

Any person who requires assistance in understanding this document should contact their manager.

PURPOSE

Racing Queensland Limited (RQL) recognises that travel for business purposes is a substantial cost to the company. For this purpose the Travel Policy has been developed to deal with the process of travelling for work purposes and for costs incurred whilst travelling. This policy also provides guidelines to employees regarding authorised travel expenditure.

SCOPE

This policy applies to all employees of RQL unless otherwise identified by the CEO.

DEFINITIONS

- Travel:** Intrastate, Interstate or Overseas travel for agreed company business or other approved purposes.
- Travel Coordinator:** A designated staff member who books and organises all travel for RQL staff. A Travel Coordinator may delegate responsibility to another staff member or the traveller themselves.
- Local Travel:** Travel within 200km of the work location of the employee
- Intrastate Travel:** Travel within the home state of the employee travelling
- Interstate Travel:** Travel outside of the home state of the employee travelling but within Australia
- International Travel:** Travel outside of Australia
- Home Base:** This is your Location set out in the Schedule to your Employment Agreement .
- Same Day Travel:** Travel which is less than 150 km each way from the RQL Office (ie: Home Base)

OBJECTIVES

The objectives of this policy are to:

1. Inform staff who travel of the policy, requirements and procedure when travelling;
2. Enable travel in the most efficient manner possible;
3. Ensure the most cost effective travel for RQL;
4. Ensure that staff are not out of pocket for business related travel

POLICY PRINCIPLES

The following principles apply when seeking payment for travelling:

- Travel must be for official RQL business;
- Approval for travel must be obtained from the relevant senior manager this includes, CEO, General Manager Corporate Services, General Manager Operations, Chief of Stewardsmanager prior to travel.
- The employee must have documentary evidence including receipts of any expenses incurred whilst travelling;

- Claims for reimbursement of expenses must be made within a reasonable time of incurring the expense using the general Expense Claim Form;
- Any travel involving fares, accommodation, hire cars etc must be booked using the Travel Authorisation Form (see Appendix A) and approved by a Manager with sufficient financial delegation;
- Travel for Stewarding staff in relation to travel to and from race meetings and associated entitlements is covered in the '**Travel Policy - Stewards**' (026a) Travel by Stewarding staff for such purposes must be compliant with this supplementary policy and be approved by either the Director of Integrity Operations or the Chief Steward.

FREQUENT FLYER POINTS AND QANTAS CLUB

- Frequent Flyer points accrued as a result of work related travel may be used by the Travel Co-ordinator to book flights in peak times to reduce travel expenses from time to time. However, the balance of frequent flyer points will transfer to the employee upon termination of employment.
- Qantas Club – it is the policy of RQL that frequent travellers such as Stewards will travel with the most cost effective airline, this means that Stewards will not exclusively fly with Qantas. As a result, Qantas Club memberships will not be available to Stewards unless approved by the Director of Integrity Operations. If an employee wishes to renew or obtain Qantas Club membership they may do so personally and may be able to claim the expense as a tax deduction. However, some members of the Board and Senior Management Team may be provided with Qantas Club membership.

TRAVELLING TO AND FROM THE AIRPORT

It is the policy of RQL that airport car parking will be paid for no more than 3 consecutive days. Where an employee requires car parking for more than 3 days, they are required to drive and park their vehicle at the RQL Office and travel to **and from** the airport by taxi.

POLICY - LOCAL TRAVEL

Company Car

The preferred method of local travel is by company car. This may be either the employee's company or tool of trade car or a pool car.

Pool cars should be booked using the Outlook booking system and recorded in the log book.

Mileage incurred using a company, tool of trade car, or a pool car cannot be claimed.

Private Car

Private cars may be used for local travel where a company car is not available and where this is approved by the employee's manager or senior manager. Written approval must be obtained (email, file note or memo etc).

Mileage incurred using a private car should be claimed as a general expense at the rate stated in the Expense Reimbursement Policy.

Accommodation

Employees should return home for the night when travelling locally, except in special circumstances where previously agreed to by their manager (e.g. working very late, or very early). In such a circumstance accommodation expenses will be reimbursed and written approval must be obtained (email, file note or memo etc).

Other Travel Costs

Other reasonable local travel costs such as local transport/parking/taxis will be paid for. This is at the discretion of RQL and any such costs should be clarified and agreed with the employee's manager before being incurred.

Cab Charge vouchers should be used whenever practical, rather than Credit Cards.

Employees should collect receipts for all costs and submit these via the general Expense Claim Form.

Costs such as meals and accommodation are not relevant to local travel since employees should be returning home at the end of their work shift. In special circumstances where previously agreed to by their manager (e.g. working very late, or very early) dinner and/or breakfast expenses will be reimbursed in accordance with the Intrastate policy on 'meals' detailed below.

POLICY – INTRASTATE TRAVEL

Intrastate travel involving airfares, accommodation or hire cars etc must be booked using the Travel Authorisation Form, and approved by the Chief Executive Officer (CEO) or Chief of Stewards, or General Manager Corporate Service or General Manager Operations.

Company Car

The preferred method of intrastate travel is by company car. This may be either the employees company or tool of trade car or a pool car. Pool cars should be booked using the Outlook booking system and recorded in the log book.

Mileage using a company or tool of trade car or a pool car can not be claimed.

Private Car

Private cars are not to be used for Intrastate travel except in special circumstances where agreed to by the employees manager. Written approval must be obtained (email, file note or memo etc).

Air Travel

Where the distance of travel is too far or the time taken to drive the distance too long, the employee may travel by air to the destination. Generally a distance of more than 500km or travelling time of more than 8 hours is the criteria.

Airfares are to be booked through the Travel Coordinator. All airfares must be approved in writing (email, file note or memo etc) prior to booking by a Manager with sufficient financial delegation.

Cab Charge vouchers should be used for taxis whenever practical, rather than Credit Cards.

Accommodation

Overnight accommodation must not be availed of at RQL's expense if the travel destination is within one hour's drive of the point of departure. Accommodation for overnight travel must be booked using the travel authorisation form.

Standard double room accommodation in a hotel grade property will be used.

Accommodation is dependant on the location being travelled to and is at the discretion of the Travel Coordinator.

Bookings with approved suppliers are preferred.

Meals

Reasonable meal costs for breakfast and dinner while travelling overnight will be paid for.

This means a reasonable quality restaurant meal and 2 standard drinks. If 2 employees are dining together one bottle of wine between both may be charged to RQL.

Employees should collect receipts for all meal costs not taken in the provided accommodation and submit these via the general Expense Claim Form.

The following are not to be paid for by RQL or claimed as an expense:

- Non-employees meals;
- Drinks at the bar;
- Tipping
- Dry cleaning
- In-house movies
- Mini Bar

Other Travel Costs

Any other reasonable costs incidental to the travel such as parking and taxis will be paid. This is at the discretion of RQL and any such costs should be clarified and agreed with the employee's manager before being incurred.

Employees should collect receipts for all costs and submit these via the general Expense Claim Form.

POLICY – INTERSTATE TRAVEL

Interstate travel must be booked using the Travel Authorisation Form, and approved by a Manager with sufficient financial delegation.

Air Travel

Air travel is the preferred method of Interstate travel.

Only economy class airfares are to be used with the exception of Board members travelling longer than 2.5 hours.

Airfares are to be booked through the Travel Coordinator.

All airfares must be approved in writing (email, file note or memo etc) prior to booking by a Manager with sufficient financial delegation

Cab Charge vouchers should be used for taxis whenever practical, rather than Credit Cards.

Accommodation

Accommodation for overnight travel must be booked using the travel authorisation form. Standard double room accommodation in a hotel grade property will be used. Accommodation is dependant on the location being travelled to and is at the discretion of the Travel Coordinator.

Meals

Reasonable meal costs for breakfast and dinner while travelling overnight will be paid for.

This means a reasonable quality restaurant meal and 2 standard drinks. If 2 employees are dining together 1 bottle of wine between both may be taken.

Employees should collect receipts for all meal costs not taken in the provided accommodation and submit these via the general Expense Claim Form.

The following are not to be paid for by RQL or claimed as an expense:

- Non-employees meals;
- Drinks at the bar;

- Dry cleaning
- In-house Movies
- Tipping
- Mini Bar
- Entertainment

Other Travel Costs

Any other reasonable costs incidental to the travel such as parking and taxis will be paid. This is at the discretion of RQL and any such costs should be clarified and agreed to before being incurred.

Employees should collect receipts for all costs and submit these via the general Expense Claim Form.

POLICY – INTERNATIONAL TRAVEL

International travel must be booked using the Travel Authorisation Form, and approved in writing, by the Chief Executive Officer.

Air Travel

Airfares are to be booked through a Travel Coordinator. All airfares must be approved prior to booking by the Chief Executive Officer.

Only economy class airfares are to be used unless an exception is agreed to;

Business Class Exceptions

International air travel may be by Business Class where the flight duration is more than 5 hours and justification can be made. Written approval is required by the Chief Executive Officer.

Board members travelling longer than 2.5 hours may travel business class.

First Class travel is not permitted under any circumstance.

Accommodation

Accommodation for overnight travel must be booked using the Travel Authorisation Form. Standard double room accommodation in a hotel grade property will be used.

Accommodation is dependant on the location being travelled to and is at the discretion of the Travel Coordinator.

Meals

Reasonable meal costs for breakfast and dinner while travelling overnight will be paid for. This means a reasonable quality restaurant meal and 2 standard drinks. If 2 employees are dining together 1 bottle of wine between both may be taken.

Employees should collect receipts for all meal costs not taken in the provided accommodation and submit these via the general Expense Claim Form.

The following are not to be paid for by RQL or claimed as an expense:

- Non-employees meals;
- Drinks at the bar;
- Tipping
- Dry cleaning
- In-house movies
- Mini Bar

Other Travel Costs

Any other reasonable costs incidental to the travel such as parking and taxis will be paid. This is at the discretion of RQL and any such costs should be clarified and agreed to before being incurred.

Employees should collect receipts for all costs and submit these via the general Expense Claim Form.

GENERAL POLICY EXCLUSIONS FOR EMPLOYEE REIMBURSEMENTS

- Employees are not permitted to use corporate credit cards or claim reimbursements for breakfast and or coffee for early morning track work or for early starts. Such expenses are to be incurred personally by the employee.
- Charging 'coffee meeting' expenses to a corporate credit card if working outside of the office but around the region is not permitted unless the employee is conducting an official meeting such as interviewing candidates.

CORPORATE CREDIT CARDS FOR TRAVEL

Some employees may be issued with a RQL corporate credit card to be used solely for expenses associated with approved work related travel. Expenses associated with accommodation, taxi's, parking and approved meals may be charged to the corporate credit card. Under no circumstances are personal expenses or non-refundable expenses to be charged to an employee's allocated corporate credit card.

A corporate credit card is a privilege. It is the responsibility of the cardholder to complete a reconciliation of the credit card by the nominated date each month. Where an employee does not complete and return the credit card reconciliation within the required timeframe, then the employee will no longer be entitled to a corporate credit card and will revert to the reimbursement of expenses system.

POLICY BREACHES

Failing to adhere to this policy may result in the following actions, at the discretion of RQL:

- ⌘ Counselling.
- ⌘ Written Warning.
- ⌘ Final Written Warning.
- ⌘ Instant Dismissal.

Any other lawful or legitimate action RQL deems fit under the circumstances.

REVISION HISTORY

Revision	Date	Description of Changes	Author
01.00	1/7/2010	New Policy	HRBS
	1/12/12	Change of policy owner	HRBS

APPENDIX 1. TRAVEL FORM

PASSENGER DETAILS					
Job Title:	{ FORMTEXT }	Travel Co-Ordinator			
Surname:	{ FORMTEXT }	Travel Check-Off List			
First Name:	{ FORMTEXT }	Meeting Location	{ FORMTEXT }	Start Time:	{ FORMTEXT }
Frequent Flyer No:	{ FORMTEXT }	Is Tele Conferencing an Option?		Yes	No
Travellers Mobile No:	{ FORMTEXT }	Essential (Critical)		Non Essential (Can be deferred)	
Charge Department:			Total days travel:		
Travel Authority: (Co-ordinator Only)	{ FORMTEXT }	Charge Cost Centre:		{ FORMTEXT }	

FLIGHT DETAILS					
Carrier and flight times may vary by 1 hour at the discretion of the Travel Co-ordinator All flights booked economy unless advised below (Refer to Travel Policy - Business Class exceptions)					
Date	From	To	Depart Time	Arrive Time	Indicative Cost
{ FORMTEXT }	{ FORMTEXT }	{ FORMTEXT }	{ FORMTEXT }	{ FORMTEXT }	\${ FORMTEXT }
{ FORMTEXT }	{ FORMTEXT }	{ FORMTEXT }	{ FORMTEXT }	{ FORMTEXT }	\${ FORMTEXT }
Special Instructions	{ FORMTEXT }	Class		TOTAL	\${ FORMTEXT }

HOTEL DETAILS					
<i>All accommodation must be in a company preferred hotel & paid by company credit card or all charges reimbursed if the traveller does not have a company credit card. All rooms will be booked non smoking unless ticked below</i>					
City	Hotel Name	In	Out	Arrival Time	Indicative Cost
{ FORMTEXT }	{ FORMTEXT }	{ FORMTEXT }	{ FORMTEXT }	{ FORMTEXT }	\${ FORMTEXT }
{ FORMTEXT }	{ FORMTEXT }	{ FORMTEXT }	{ FORMTEXT }	{ FORMTEXT }	\${ FORMTEXT }
Payment Method			Smoking	TOTAL	\${ FORMTEXT }

CAR RENTAL DETAILS						
If other than Airport – please specify location						
Pick Up	Date	Time	Drop Off	Date	Time	Indicative Cost
{ FORMTEXT }	{ FORMTEXT }	{ FORMTEXT }	{ FORMTEXT }	{ FORMTEXT }	{ FORMTEXT }	\${ FORMTEXT }
Hire Co. :		Card No.	{ FORMTEXT }		TOTAL	\${ FORMTEXT }

MISCELLANEOUS		Cost per day	Number of days	Indicative Cost
No. of CabCharge Vouchers Required		{ FORMTEXT }	{ FORMTEXT }	\${ FORMTEXT }
Airport Parking		\${ FORMTEXT }	{ FORMTEXT }	\${ FORMTEXT }

Meal Allowance (Breakfast & Dinner Only)	\$	{ FORMTEXT }	}\${ FORMTEXT }
Show meal calculation:		TOTAL	}\${ FORMTEXT }

PURPOSE OF TRAVEL <i>Must be completed (Details of each visit or attach itinerary)</i>				
{ FORMTEXT }				
Total business benefits				}\${ FORMTEXT }
TOTAL TRIP COST <i>Indicative Only</i>				}\${ FORMTEXT }
TRAVEL AUTHORISATION				
	Name	Position	Signature	Date
Requested by :	{ FORMTEXT }	{ FORMTEXT }		{ FORMTEXT }
Approved by :	{ FORMTEXT }	{ FORMTEXT }		{ FORMTEXT }
Contact Name	{ FORMTEXT }	Ph. { FORMTEXT }		

Email { FORMTEXT } @racingqueensland.com.au to confirm bookings



RACING QUEENSLAND

Racing Queensland Limited

Conflict of Interest Disclosure and Punting Requirements

Introduction

A conflict of interest occurs when a person's interests influence, or appear to influence the impartial performance of that person's duties and responsibilities. As Racing Queensland Limited (RQL) is the Control Body for racing in Queensland, it is of critical importance that employees meet the highest standards of probity and to that end employees must:

- carry out their duties impartially and regardless of personal preferences;
- avoid private, financial or other interests or undertakings that could directly or indirectly compromise or conflict with the performance of their duties;
- disclose any interest which may impact or have the potential to impact on the performance of their duties; and
- take action to resolve any conflict between personal interest and official duties in the favour of the public interest.

All full time employees of RQL are required to disclose in writing to the Chief Executive Officer any secondary paid employment they may have. Further, secondary employment within the racing industry represents a prima facie conflict of interest and is not permitted without specific authorisation from the Chief Executive Officer.

Conflict of Interest

Conflicts of interest arise regularly in practice and the fact that a conflict may arise is not in itself a problem. However it will become a problem if it is not properly handled. Accordingly, it is critical that any conflict of interest is identified, reported and properly managed.

The conflict of interest may be:

- an actual conflict of interest in which there is direct conflict between the officials current duties and existing private interest;
- a perceived conflict of interest in which it could be perceived by others that an officials private interests could improperly influence the performance of their official duties; or
- a potential conflict of interest in which an official has private interests which could interfere with official duties in the future.

Regardless of the type of conflict of interest, it is critical that such a conflict be reported immediately to your manager and that you follow any further instruction provided to you by your manager in respect of that conflict.

One particular type of interest which must be the subject of disclosure by all RQL employees is any interest in, or related to, the racing industry. Such an interest includes:

- any interest in property used for stud purposes, agistment, breeding, training or other purposes associated with the racing industry;
- any involvement in the ownership, breeding, leasing, claiming, racing or management of horses or greyhounds;
- any contractual relationships with a licensed person in the racing industry;
- any contractual relationships with any person providing services or facilities to the racing industry; and
- any other significant financial or other interest which could reasonably raise an expectation of a conflict of interest.

The reference to interest in this regard includes not only an interest which the RQL employee may have, but also any such interest of a close family member of that employee.

Accordingly the following types of interest would be required to be disclosed:

- a share in a syndicate which owns and races racehorses or greyhounds;
- an interest owned by the spouse of an RQL employee in a business, the primary purpose of which is to supply racing equipment; or
- an interest in real estate held jointly with a jockey, driver, trainer or other licensed person.

Personal or family relationships with industry participants give rise to a prima facie conflict of interest and must therefore be disclosed.

It is important to note again at this point that the fact that an RQL employee has an interest of this type does not of itself create a problem. However it does give rise to an obligation of disclosure and the conflict, potential or perceived conflict must be properly managed.

Disclosure

All RQL employees are required to make a disclosure by completing the form at Appendix 1 and providing it to the employee's managers initially when commencing employment with RQL and subsequently annually. That form must be completed annually even if there are no interests to be disclosed. The form should be provided to the manager at the time of annual performance review discussions.

In addition, whenever there is any change in an interest which has previously been disclosed (whether by the addition of other interests, a removal of interest or the change in nature of the interest for example by increasing ownership in a company related to racing) a further disclosure must immediately be made by completing the disclosure form and providing it to the relevant manager.

Upon receiving the completed disclosure form, managers must consider any interests which have been disclosed and ensure that appropriate arrangements are in place to manage any possible conflict. The disclosure document, along with any explanation in relation to management of the conflict must be then referred to the Director of Integrity Operations.

Punting Requirements

Punting by RQL staff gives rise to a specific perceived or actual conflict, especially for those staff employed in the Integrity Department or involved in handicapping/grading or racing operations.

Those staff have a direct involvement in races and have access to confidential information (including information about different codes in different states).

Accordingly, all full time RQL Integrity Department staff and those staff involved in handicapping/grading or racing operations must not bet on races of any code conducted in Australia. While those staff are not prevented from engaging in sports betting, they should at all times be conscious of the negative perception that may arise from them being seen punting and must take appropriate steps in an attempt to avoid such negative perceptions arising.

All other RQL staff are not prevented from punting but must at all times ensure that they are not taking advantage of any confidential information to which they may have access. They must also be very conscious of any possible negative perceptions arising and take appropriate steps to avoid that occurring to the extent possible.

All staff are required to sign and return to their manager the following acknowledgement at the same time they return disclosure document (Appendix 1).

Punting Acknowledgement

I _____, acknowledge that I have read the above requirements in relation to punting and understand how they apply to me in my position at RQL.

Sign

Date

Conflict of Interest and Racing Interest Declaration Form

Full name _____
 Position _____
 Department _____

Racing Interest

I have the following interests in the racing industry: *(If no interests insert the word 'nil')*

I have the following interests which may amount to an actual, perceived or potential conflict of interest: *(If no interests insert the word 'nil')*

I hereby declare that the above details are correct to the best of my knowledge.

I hereby declare that I have received and noted this conflict of interest declaration.

Signature
(Employee) _____

Signature
(Manager) _____

Date / /

Date / /

Statement of Conflict of Interest/ Racing Interests Resolution or Management

Action taken or to be taken to resolve or manage conflicts of interest or racing interests:

The above action has been agreed on to resolve conflict of interest or racing interests declared.

Signature
(Employee) _____

Signature
(Manager) _____

Date / /

Date / /



RACING QUEENSLAND

PAYROLL Policy and Procedures

Authorised By:	Remuneration and Nomination Sub-Committee	Date of Authorisation:	1 July 2010
Last Amendment Date:	1 July 2010		
Review Due Date:	30 June 2011		
Policy Owner:	Chief Financial Officer		
Related Documents:	<ul style="list-style-type: none">▪ Code of Conduct Policy▪ Working Hours Policy▪ Termination of Employment Policy▪ Change of Details Form▪ Timesheet▪ Overtime Form	<ul style="list-style-type: none">▪ Fair Work Act 2009	

Any person who requires assistance in understanding this document should contact their manager.

Comment [TR1]: Or do you want policy owner to be GM Corp Services ?

PURPOSE

Racing Queensland Limited (RQL)'s remuneration standards are based on a pay for performance philosophy, in accordance with employees' experience and the position requirements.

This policy is designed to ensure that payment of remuneration is consistent, equitable and processed in an effective and efficient manner; in accordance with all legal requirements.

SCOPE

This policy applies to all employees, including permanent, casual and temporary personnel, of RQL, unless otherwise identified by the CEO.

DEFINITIONS

Total Remuneration Value: total remuneration package payable to the employee, inclusive of all remuneration entitlements.

POLICY PRINCIPLES

1.1. PAYMENT OF SALARIES

Salaries are either paid monthly on the 14th of each month or on a fortnightly basis. Fortnightly payments will be made every other Wednesday from 14/7/2010, directly into the bank account, building society or credit union of the employee's choice. Payments cannot be made to any third party without written authority from the employee concerned.

Pay will be calculated in accordance with the employees' contract of employment or applicable industrial instruments, and relevant documentation received by payroll no later than 12pm on the Monday prior to payday.

1.2. PAYSLEIPS

RQL issues pay slips to employees through the ConnX system on the day on which they are paid.

1.3. PAYROLL CUT-OFF

Payroll cut off will be the Monday at 12pm prior to payday for fortnightly pay and 2 working days prior to the 14th of the month for monthly pay.

Payroll cannot guarantee that forms received after this date will be processed during that pay run. Payroll may reject any documentation without relevant approval.

1.4. CHANGES TO SALARIES

Adjustments to pay rates will only be made in response to written requests from the appropriate manager. Such changes may be backdated where appropriate.

1.5. SALARY REVIEWS

Salary levels are reviewed on an annual basis; refer to the *Remuneration Policy* for further information.

New employees who have been with RQL for less than six months may not be eligible for a review due to their short length of time with the company. Similarly employees who have received an

anomaly or promotional increase immediately prior to the annual review may not be included in the review.

1.6. CHANGES TO ACCOUNT DETAILS

It is the employee's responsibility to advise payroll of any changes to bank account details. Should an employee wish to change the details of their bank account information, employees must email the payroll department at the following email address payroll@racingqueensland.com.au, prior to the payroll cut off.

Payroll cannot be held responsible for any delays in processing that arise due to changes in bank details.

1.7. SEPARATION PAYMENTS

On termination of employment, all entitlements; untaken annual or long service leave, payments in lieu of notice and any applicable severance payment, will be paid directly to the employee's bank account within three (3) working days of termination.

RQL may make deductions from the employee's final separation payment in accordance with the *Termination of Employment Policy*.

PROCEDURE

1.8. POLICY BREACHES

Failing to adhere to this policy may result in the following actions, at the discretion of RQL:

- ⌘ Counselling.
- ⌘ Written Warning.
- ⌘ Final Written Warning.
- ⌘ Instant Dismissal.
- ⌘ Any other lawful or legitimate action RQL deems fit under the circumstances.

RELATED POLICIES

- ⌘ Remuneration Policy.

REVISION HISTORY

Revision	Date	Description of Changes	Author
01.00	1/7/2010	New Policy	HRBS



RACING QUEENSLAND

RECRUITMENT AND SELECTION Policy and Procedures

Authorised By:		Date of Authorisation:	1 July 2010
Last Amendment Date:	1 July 2010		
Review Due Date:	30 June 2011		
Policy Owner:	General Manager of Corporate Services		
Related Documents:	<ul style="list-style-type: none">▪ Code of Conduct Policy▪ Discrimination and Workplace Harassment Policy▪ Grievance Handling Policy	<ul style="list-style-type: none">▪ Interviewing Toolkit▪ Fair Work Act 2009	

Any person who requires assistance in understanding this document should contact their manager.

PURPOSE

Racing Queensland Limited's (RQL) mission is to build a prosperous racing industry in Queensland that presents racing of the highest quality and integrity. One of the most effective long-term means of supporting this mission is to recruit highly skilled people with competencies and values that match the organisation's values, culture and organisational strategies.

RQL's recruitment and selection practices will support the attraction and retention of a highly competent workforce ensuring that successful candidates have the relevant skills and experience for the position. All decisions in the recruitment and selection process will be based on merit in fair and open competition, in accordance with equal employment opportunity principles.

This policy has been developed to ensure that appropriate recruitment standards are maintained throughout RQL, and to assist managers with the recruitment and selection process to maximise the probability of successful hiring decisions.

RQL is committed to an employment environment free from discrimination, ensuring that all recruitment processes adhere to the relevant legislative requirements.

SCOPE

This policy applies to all employees, including permanent, casual and temporary personnel, of RQL, unless otherwise identified by the General Manager or Corporate Services.

POLICY PRINCIPLES

Recruitment is the responsibility of the General Manager of Operations, General Manager of Corporate Services and CEO of the respective department in which the vacancy exists.

1.1. RECORDS ASSOCIATED WITH RECRUITMENT

A record of each interview should be made by each member of the interview panel summarising the main content of each interview. This record would be important if an applicant was to challenge why they were not selected for a particular job.

1.2. PRIVACY

RQL respects and complies with its obligations under the privacy legislation. The effect of the privacy legislation is that any personal information gathered regarding candidates who are not ultimately employed should be destroyed at the conclusion of the selection process, unless the permission or consent of the candidate has been obtained to keep any such information. RQL needs, however, to keep records relating to selection decisions for a period of 1 year to ensure that challenges from unsuccessful candidates can be responded to. All candidates must be advised that RQL will retain their personal information for up to 12 months to ensure that the privacy legislation is complied with. All employees involved in the selection process need to be aware that unsuccessful candidates can access any of their personal information on request, including interview notes, reference checks and other documents relating to the application process.

Information concerning candidates should not be disclosed or discussed with parties outside the selection process.

1.3. SPECIAL CONDITIONS

1.3.1. Pre-Employment Medicals

Should a position have certain physical requirements RQL may require a pre-employment medical that addresses the specific physical requirements of the position to be undertaken.

1.3.2. Connected Candidates

Relatives of employees may be employed by RQL provided they are not employed in the same department or in a reporting relationship. Hiring of relatives must be approved by the CEO prior to an offer of employment being made.

The approval of the CEO should also be sought before hiring former RQL employees.

1.4. EQUAL OPPORTUNITY CONSIDERATIONS

It is critically important that every recruitment process follows legal hiring guidelines. Recruitment practices should be based on the candidate's knowledge, skills and abilities relevant to those specifically required for the position, with the aim being to find the best person for the job based on skills and abilities. Advertisements, shortlisting decisions and interview questions should focus on the candidate's capability to fulfil the role and should directly align to the requirements of the vacancy. Recruitment practices should not be influenced by any irrelevant and unlawfully discriminatory features of the candidate such as age, gender, physical impairment, marital status, medical record, nationality, cultural background, religion, sexual preference, social origin, trade union activity, relationship or marital status, pregnancy or potential pregnancy, race, carer status or political beliefs.

If there are genuine occupational requirements or a role, for example, a receptionist role that requires a role holder who speaks clearly and articulately, this can be built into the selection process as it is an inherent job requirement.

PROCEDURE

1.1. IDENTIFY AND ANALYSE THE VACANCY

When a vacancy occurs or it is considered necessary to recruit an additional employee, it is important to identify the exact requirements and analyse the most effective way to fill the need. To support this process the following questions should be considered:

- ⌘ Does the position result from a resignation or a termination? What would be the impact of not filling that position?
- ⌘ Could the responsibilities of that position be absorbed by another position either within this group or another group?
- ⌘ Do I need to replace the position with a full-time person? Is this a permanent, temporary, full-time or part-time role?

1.2. WRITE A ROLE PROFILE

The next stage in the recruitment process is to determine what is needed in the successful candidate.

To do this the Manager and a HR representative should review and draft an up-to-date role profile (job description) for the position. If the accountabilities, responsibilities and requirements of the position have altered, these amendments must be reflected in a revised role profile.

Developing a role profile will help to clarify the:

- ⌘ Job purpose
- ⌘ Required skill set

- ⌘ Key Responsibilities
- ⌘ Key Decisions/Outputs
- ⌘ Personal attributes and experience required
- ⌘ Qualifications

1.3. SEEK APPROVAL TO RECRUIT

The authority to approve the recruitment of new or replacement position is vested in the CEO. A manager wishing to replace or hire additional employees must obtain approval firstly from their General Manager or the Chief of Stewards or from the CEO. The requesting Manager should make the request in writing and justification should accompany the request for approval, including:

- ⌘ The role profile.
- ⌘ Evaluation of alternatives to filling the position.
- ⌘ Consequences of not filling the position;
- ⌘ Remuneration range.
- ⌘ Planned recruitment strategy.
- ⌘ Estimated recruitment fee and name of agency if considering agency recruitment

1.4. SOURCING CANDIDATES

1.4.1. *Internal Advertising*

Where possible vacancies may be advertised internally, via e-mail circulation or other means., Preferential treatment will not be given to existing employees of RQL, the best candidate for the job will be the successful hire Internal candidates need to follow the same application processes as external candidates. External Advertising

A variety of advertising mediums may be used to attract and recruit employees. These mediums may include but are not limited to:

- ⌘ State and National Newspapers;
- ⌘ Internet Based Employment Advertising Sites;
- ⌘ Journals;
- ⌘ Trade Magazines;
- ⌘ World Nomad Group Website;
- ⌘ Recruitment Agencies.

Advertisements can only be placed via the Business Services Manager, who will ensure that the advertisement conforms to legislative requirements and the company's standardised approach. Managers are not permitted to place any form of external advertising without first getting the consent of the Business Services Manager.

1.4.2. *Recruitment Agencies*

While recruitment agencies or consultants may cost more, they can be a cost-effective method of recruitment for some positions. For this reason, Racing Queensland Limited has formed a 'preferred supplier' arrangement with a small number of recruitment consultants. The Business Services Manager will advise the Manager of the most suitable recruitment agency to utilise for the recruitment process. Managers are not permitted to independently engage or utilise the services of any agency who is not on the RQL preferred supplier list and without the consent of the Business Services Manager. .

The Business Services Manager is responsible for:

- ⌘ Ensuring reputable recruitment agencies are used
- ⌘ Ensuring that terms and conditions including fees are established up front and are competitive;
- ⌘ Ensure that the replacement guarantee period is in place and
- ⌘ Ensuring negotiated fees contracts are approved and signed off by the appropriate authority before proceeding.

1.5. SCREEN AND SHORTLIST APPLICANTS

Resume and/or telephone screening will be used to determine whether or not to interview a candidate. The selection panel will review each candidate's application against the requirements of the role, and compile a shortlist of three to five candidates to be interviewed.

Telephone screening is an effective method of short listing candidates as it enables assessment of communication skills and probing on candidate skills, background and experience.. The *RQL Telephone Screen Form* should be used when undertaking telephone screening (see Appendix A).

1.6. INTERVIEW SHORTLISTED CANDIDATES

All applicants should attend a minimum of one face to face interview before being job offered an approved position.

Some positions, particularly those which are specialist in nature or managerial may require a longer recruitment process, which may include second and third interviews and psychometric assessments including personality and leadership profiles

To ensure fairness, objectivity and the best selection decision, an Interview Team (an interview panel) should be appointed comprising of at least two members, one of whom will always be the person to whom the position reports, another manager and a HR representative such as the Payroll/HR Officer, Business Services Manager or HR Consultant with a maximum of three members. The Interview Team members should have:

- ⌘ A comprehensive understanding of the role
- ⌘ An ability to ask detailed and pertinent questions.
- ⌘ Prior experience in interviewing (and preferably attended Interviewing Skills Training).
- ⌘ A sound knowledge of Equal Employment Opportunity principles.
- ⌘ A demonstrated ability to 'step back and make an objective decision'.

It is imperative that interviews are planned well in advance. Considering the content of the role profile, it is essential to develop relevant questions and scenarios that will allow the candidates to demonstrate the required behaviours and experience required of the role. All questions asked of the candidate must relate to the position and must not breach any of RQL's anti-discrimination or equal opportunity policy statements.

1.7. CONSIDER FURTHER SELECTION METHODS

Depending on the role, following an initial interview, it may be necessary to have a number of additional selection methods. These may include:

- A second round of interviews;
- Psychometric testing;
- Technical testing (e.g. Excel test or Word test);
- Work trials

1.8. DETERMINE THE PREFERRED CANDIDATE

At the conclusion of the selection process (interviews etc), the interview panel should determine the preferred candidate for the role and discuss with the most Senior Manager of the department or the Business Services Manager.

1.9. CONDUCT REFERENCE CHECKS

An offer of employment should not be made until reference checks have been completed with positive feedback.

As written references are almost always glowing, telephone checks should be part of the recruitment process. Two telephone reference checks should be completed on the preferred candidate. Should any inconsistencies arise a third reference check should be conducted.

- ⌘ If a recruitment consultant is being used, the agency should conduct at least two telephone reference checks on RQL's behalf.
- ⌘ If the recruitment process is being coordinated internally, the Payroll/HR Officer should conduct at least two reference checks using RQL's *Reference Check Questionnaire* (see Appendix B).

The candidate must give permission to RQL to contact their nominated referees.

Where an employee is required to hold professional qualifications to perform the position, the qualification must always be validated prior to the candidate being offered the position.

1.10. REPORT ON PREFERRED CANDIDATE

Once a preferred candidate for the position has been chosen and reference checks have been undertaken, the recruiting manager must submit their selection report for approval of the CEO to recommend the appointment of the preferred candidate. The report should include a *Candidate Comparison Sheet*.

1.11. MAKE AN OFFER OF EMPLOYMENT

., In order to make an offer of employment to a candidate, the Manager may in the first instance do this verbally or request the assistance of the Business Services Manager to make the verbal offer. Any verbal offer of employment must be immediately followed up by a written offer, in the form of an Employment Agreement. All Employment Agreements are issued by either the Payroll/HR Officer or the Business Services Manager only and must be approved by either the General Manager, Chief of Stewards or CEO. The Employment Agreement will follow the standard format and include the following information:

- ⌘ Position Title.
- ⌘ Details of Position.
- ⌘ Employment Status;
- ⌘ Remuneration Package;

- ⌘ Hours of Work;
- ⌘ Commencement Date.
- ⌘ Qualifying Period.
- ⌘ Terms and Conditions of Employment.

The candidate is required to confirm their acceptance in writing by signing the Employment Agreement. The Agreement must be returned via email, fax or mail prior to the employee's start date.

1.12 NOTIFICATION TO UNSUCCESSFUL APPLICANTS

Any applicant internal or external who participated in an interview must be notified either in writing or verbally that their application has been unsuccessful by either the Manager or a HR Representative. Where an internal candidate has been unsuccessful, it is recommended that the Manager or a HR Representative conduct a career discussion with the employee to plan and prepare for future internal career opportunities.

On occasion an unsuccessful applicant may request feedback after the interview process. A Manager should first seek advice from the Business Services Manager prior to giving feedback.

1.12. POLICY BREACHES

Any reported breaches of this policy will be treated seriously and investigated confidentially and objectively. Individuals who feel that they have been the recipient of discrimination please see the *Grievance Handling Policy*. RQL will treat all complaints seriously, impartially, sympathetically and confidentially. In all cases it is essential that all persons concerned maintain complete confidentiality in order to protect the parties involved.

REVISION HISTORY

Revision	Date	Description of Changes	Author
01.00	1/11/2012	Changes to Managers responsibility	HRBS

APPENDIX A

TELEPHONE SCREEN FORM

Position: _____

Department: _____ **Manager:** _____

Candidate: _____

Phone Number: _____ **Date:** _____

Introduce yourself and ask if this is a convenient time for the candidate to talk for a few minutes. If yes, then proceed; if no, then arrange a suitable time to call back.

Listen to how well the candidate listens, answers your questions and how well they speak – correct grammar, diction, presentation etc. Does the candidate sound enthusiastic or bored?

Can you give me a brief overview of your previous experience?

What motivated you to apply for this position?

The main duties and responsibilities of this position will be <<insert brief overview of the role>>. Is this the type of work you are interested in? *Probe on specific areas of resume.* Yes No

Comments:

This role will require <<insert any essential requirements>>. Are you happy to undertake these requirements if you are successful in this position? *Ask about at least one requirement and their skills/experience in this area.* Yes No

Comments:

Invite to Interview?

Yes

Arrange a suitable date and time for the candidate to attend an interview.

Provide the office location and advise them who will be attending the interview.

Date: _____ Time: _____

Thank them for their time, and give them your contact details if they have any questions.

No

Advise the candidate that in this instance they have been unsuccessful.

Thank them for their time.

Please provide details of decision.

APPENDIX B

TELEPHONE REFERENCE CHECK QUESTIONNAIRE

Name of Applicant: _____

Position Applied for: _____

Referee's Name: _____ Referee's Position: _____

Company: _____ Referee's Telephone No: _____

Reference Taken by: _____ Date: _____

INTRODUCTION

1. State your name and position with RQL and explain the purpose of the call.
2. Describe the position that RQL is considering the person for including the purpose and key duties and responsibilities of the role, where it fits into RQL's structure and to whom the person will report.
3. Stress that 'everything we discuss will be kept in confidence'.

CANDIDATE QUESTIONS

1.	What was your working relationship with [applicant]?	Relationship: _____
2.	Was this a reporting relationship?	Yes / No
3.	What was their job title?	Title: _____
4.	How long were they employed at your company?	_____ Years _____ Months
5.	What were his/her main duties and responsibilities?	

6.	What would you say were [applicant's] strengths?
----	--

7.	Can you describe area's you feel he/she could improve on?
----	---

8.	Were there any issues with performance?
----	---

9.	How did [applicant] get on with other team members and managers?
----	--

10.	What did her fellow workers think of him/her as a team member?
-----	--

11.	Did you find that it took him/her a while to warm up and feel comfortable when he/she first started in the position?
-----	--

12.	Has he/she ever had conflict with other people in the office?
-----	---

13.	How would you describe his/her manner with customers/suppliers/colleagues
-----	---

14.	How would you describe his/her communication skills?
-----	--

15.	How does he/she cope when placed under pressure? How can you tell is he/she is stressed?
-----	--

16.	How does he/she cope with competing deadlines?
-----	--

17.	Why did he/she leave the company?	Reason for Leaving:
18.	Would you consider rehiring [Applicant]?	Yes/No
19.	The position [applicant] has applied for involves [insert main position duties]. Do you feel he/she would be suitable for this kind of work?	Yes/No

20. Is there anything else you would like to share with us?

Thank them for their time, and for sharing their valuable feedback.

INTERNET AND EMAIL POLICY

P001

{ ASK DOCTITLE "DOCUMENT TITLE" * MERGEFORMAT } { ASK docno "Document Number" * MERGEFORMAT } { ASK workunit "Work Unit" * MERGEFORMAT } { ASK version "Document Version e.g. 3 Draft" * MERGEFORMAT } { ASK date "Date Issued e.g. 03/06/99" * MERGEFORMAT }

PURPOSE

To state the Queensland All Codes Racing Industry Board (Racing Queensland) policy relating to e-mail and Internet access and usage.

INTERNET USAGE POLICY

1. PURPOSE

- 1.1 Use of the Internet by Racing Queensland employees is permitted and encouraged where such use is suitable for business purposes and supports the goals and objectives of the company. The Internet is to be used in a manner that is consistent with the Racing Queensland's standards of business conduct and as part of the normal execution of an employee's job responsibilities.
- 1.2 This policy is designed to:
 - Protect the capacity of Racing Queensland's connection to the Internet to deal with legitimate traffic
 - Protect Racing Queensland and individuals from the consequences of illegal or inappropriate use
 - Protect Racing Queensland's systems from the introduction of viruses or from unauthorized entry
 - Ensure that the costs incurred by Racing Queensland are as a result of legitimate use.

2. SCOPE

- 2.1 This policy sets out Racing Queensland's approach to providing sufficient and appropriate Internet access for more efficient departmental operation and reduced risks in using these technologies within the department.
- 2.2 Internet access is provided for officially approved purposes only.

3. RESPONSIBLE OFFICERS

All Racing Queensland management and staff (including contractors).

4. DEFINITIONS, TERMS AND ACRONYMS

- 4.1 Hypertext:** a hypertext document is one that lets you jump from place to place in the document using links of some kind (normally highlighted words).
- 4.2 Internet:** the Internet is a worldwide network of computers that offer access to people and information.
- 4.3 Internet Access via the World Wide Web (WWW):** Enabling staff to access the home pages of client organisations for information purposes to assist with Racing Queensland operations.
- 4.4 Intranet:** the application of Internet-type technologies internally within an organisation
- 4.5 IT:** Information Technology
- 4.6 Vandalism:** Any malicious attempt to harm or destroy data of another user, or data of any agencies or other networks linked to Racing Queensland via the Internet. This includes the uploading or creation of a computer virus.
- 4.7 WWW:** the World Wide Web is a hypertext system on the Internet that helps you look for information on a worldwide system.

5. ACTIONS

All staff usage of the internet must be consistent with Racing Queensland purposes.

- 5.1 The use of the Internet in Racing Queensland for unacceptable purposes as outlined in Section 5.9, or in support of such activities, is forbidden
- 5.2 Management must approve in writing access to the Internet for an individual via the User account request form
- 5.3 All Racing Queensland employees must comply with all applicable laws and regulations, including respect for the rights of the owners of material published on the Internet
- 5.4 All staff using the Internet must refrain from unacceptable work practices, doing otherwise is considered just cause for disciplinary action that may include written warnings, revocation of access privileges and in extreme cases termination
- 5.5 Employees communicating on the Internet must be aware that they represent Racing Queensland and must adhere to a professional code of conduct and ethics
- 5.6 Confidential or sensitive data must not be forwarded on the Internet without encryption
- 5.7 The use of the Internet is monitored and is traceable to individuals. Any potential breaches of policy will be investigated. Sites deemed as unacceptable under this policy will be restricted and have access denied via monitoring software
- 5.8 Employees may be called upon to explain their usage of the Internet

5.9 Unacceptable work practices include:

- Misrepresenting Racing Queensland
- Using an account to send anonymous messages, or attempting to obscure the origin of any message or download material under an assumed Internet address or otherwise disguise their user identity
- Accessing, browsing, viewing, acquiring or publishing any information of an abusive, pornographic or profane nature or material likely to be offensive in relation to current community standards on the basis of gender, race, religion or other
- Transmitting or causing to be transmitted communications that may be construed as harassment or disparagement of others based on the criteria of the anti-discrimination legislation and departmental policy
- Wasting finite resources or obstructing other officers' work by consuming large amounts of system resources, especially the sending of broadcast messages or any

other types of use which would cause congestion of the networks or otherwise interfere with the work of others

- Using the facilities and capabilities of the Internet to conduct any business or activity for commercial purposes or financial gain, including publishing material that contains advertising or solicitation of other network users to use goods or services
- Without proper authorisation, transmitting or making available via the Internet Racing Queensland information
- Downloading programs.

5.10 Personal Internet use

Use of the Internet for personal reasons is allowed however such use may not contravene the above unacceptable work practices and should be conducted at times so as not to impact on work commitments.

5.11 Penalties

Inappropriate use of the Internet may result in internal disciplinary procedures. Breaches of the law will be referred to the relevant law enforcement authority and suspected official misconduct reported to the Crime and Misconduct Commission.

5.12 Access

Access to WWW services enables staff to access the web pages of client organisations for information purposes.

Sufficient access will be established for each department with individual access points implemented where the need is clearly established and authorised.

Personal use of the World Wide Web is permitted provided this usage is acceptable.

5.13 Staff Training and Awareness

Training on basic Internet usage skills is available for staff. Staff should contact the IT Helpdesk for information.

5.14 Responsibilities

Racing Queensland managers and supervisors are responsible for ensuring their staff are aware of this policy.

- 5.15 Racing Queensland employees (including contractors) are accountable to their employing agency for appropriate use of these technologies and for abiding by the directives of this document. Internet users have the responsibility to ensure their use of Internet facilities is consistent with the departmental purposes and to abide by the guidelines set out in this procedure.

-
- 5.16 Racing Queensland IT Department staff will maintain the operational links to the Internet, establish access to WWW facilities for new users, undertake appropriate monitoring of Internet usage and assist with the provision of staff training.
- 5.17 Business units that are responsible for modules of the Racing Queensland website pages are to commit resources to ensure the ongoing data integrity of the information contained on pages.
- 5.18 No software new to Racing Queensland is to be downloaded from the Internet. Requests for software are to be via the IT Help Desk. Any software that does not comply with policy will be denied.
- 5.19 Staff are to be aware of the high risk from viruses associated with opening e-mails with attachments.

6. REFERENCES

- Computer Systems Agreement Form (F002).
- Computer Systems Account Request Form (F001).

EMAIL USAGE POLICY

1. PURPOSE

- 1.1 Email is a service provided to facilitate efficient communication within Racing Queensland and out to customers and business partners.

Staff using this service should be aware that email transmitted or received on the Racing Queensland network is the property of Racing Queensland

- 1.2 This policy is designed to:

- Protect Racing Queensland and individuals from the consequences of illegal or inappropriate use of the email system
- Protect Racing Queensland's systems from the introduction of viruses or from unauthorized entry
- Ensure that the costs incurred by Racing Queensland are as a result of legitimate use

2. SCOPE

- 2.1 This policy sets out Racing Queensland's approach to providing sufficient and appropriate email access for more efficient departmental operation and reduced risks in using these technologies within the department.

- 2.2 Email access is provided for officially approved purposes only.

3. RESPONSIBLE OFFICERS

All Racing Queensland management and staff (including contractors).

4. DEFINITIONS, TERMS AND ACRONYMS

4.1 Anonymous messages: either those messages which do not contain details of an officer's name and affiliation, or messages sent through an anonymous re-mailing service.

4.2 E-mail: comes from the term electronic mail and simply means a way of sending messages across a computer network.

4.3 E-mail Disclaimer:

*****E-Mail Disclaimer*****

This email, together with any attachments, is intended for the named recipient only.

This email may contain information which is confidential, of a private nature or which is subject to legal professional privilege or copyright. Accordingly, any form of disclosure, modification, distribution and/or publication of this email message is prohibited unless expressly authorised by the sender acting with the Authority of or on behalf of Racing Queensland.

If you have received this email by mistake, please inform the sender as soon as possible and delete the message and any copies of this message from your computer system network. The confidentiality, privacy or legal professional privilege attached to this email is not waived or destroyed by that mistake.

It is your responsibility to ensure that this email does not contain and is not affected by computer viruses, defect or interference by third parties or replication problems (including incompatibility with your computer system).

Unless expressly attributed, the views expressed in this email do not necessarily represent the views of Racing Queensland.

4.4 E-mail services: Enabling staff to send and receive e-mail messages with external clients and Internet users worldwide.

4.5 IT: Information Technology

5. ACTIONS

All staff usage of email must be consistent with Racing Queensland purposes.

- 5.1 The use of e-mail in Racing Queensland for unacceptable purposes as outlined in Section 5.9, or in support of such activities, is forbidden
- 5.2 Email transmitted or received on the Racing Queensland network is the property of Racing Queensland and a copy of all email sent and received by the system is kept
- 5.3 All Racing Queensland employees must comply with all applicable laws and regulations, including respect for the rights of the owners of material published in or attached to e-mail
- 5.4 All e-mail content may be treated as a record and as such, all e-mail usage must be able to survive public scrutiny and/or disclosure. By nature of the sender or recipient address, all messages are traceable to and legally associated with Racing Queensland
- 5.5 Any officer in receipt of e-mail which may be considered unacceptable (refer to section 5.9 for guidance) are to notify their manager, or the IT Department immediately
- 5.6 Employees' use of e-mail will be monitored by the IT Department. Email deemed to be in breach of this policy will be identified and quarantined by monitoring software and may be reported
- 5.7 Employees may be called upon to explain their usage of e-mail
- 5.8 Electronic messages and electronic files may be subject to record keeping, archiving, and freedom of information and audit requirements.

5.9 Unacceptable work practices include:

- Swearing
- Misrepresenting Racing Queensland
- Using an account to send anonymous messages, or attempting to obscure the origin of any message or otherwise disguise their user identity
- Sending any information of an abusive, pornographic or profane nature or material likely to be offensive in relation to current community standards on the basis of gender, race, religion or other
- Transmitting or causing to be transmitted communications that may be construed as harassment or disparagement of others based on the criteria of the anti-discrimination legislation and departmental policy
- Wasting finite resources or obstructing other officer's work by consuming large amounts of system resources, especially the sending of broadcast messages or any

other types of use which would cause congestion of the networks or otherwise interfere with the work of others

- Without proper authorisation transmitting material that might bring Racing Queensland into disrepute
- Without proper authorisation transmitting via e-mail Racing Queensland information
- Without proper authorisation, invading the privacy of individuals or entities that are creators, authors, users, or subjects of the information resources. This includes publishing any information, which violates or infringes upon the rights of any person.
- 'Junk' mail (eg. chain letters etc) is not permitted
- Indiscriminate mailing of general information to large groups

5.10 Acceptable usage

Personal use of e-mail is permitted provided this usage is acceptable and does not contravene the unacceptable work practices listed above.

5.11 Penalties

Inappropriate use of e-mail facilities may result in internal disciplinary procedures including written warnings, suspension of email privileges or in extreme cases termination. Breaches of the law will be referred to the relevant law enforcement authority and suspected official misconduct reported to the Criminal Justice Commission.

5.12 Access

Email capability is available for all staff unless specifically withheld (as mentioned above). This will occur as part of the procedure of registering new staff on the departmental networks. No separate request is required for e-mail capability.

5.12 Staff Training and Awareness

Appropriate training on basic e-mail skills is available for staff. Staff should contact the IT Helpdesk for information.

5.13 Email productivity

5.14 Email Etiquette

Staff should be aware of email etiquette. For example, uppercase writing represents shouting. Correct language and business process should be used at all times.

5.15 Filing Requirements

Staff should ensure that a printed copy of appropriate documentation is placed on a departmental Records file. Appropriate electronic information refers to instances where the

information is used as the basis of a decision or is related to a legal or workplace health and safety issue.

5.16 Responsibilities

Racing Queensland managers and supervisors are responsible for ensuring their staff are aware of policies and know where to find information on the e-mail policy and practices.

Racing Queensland employees (including contractors) are accountable to their employing agency for appropriate use of these technologies and for abiding by the directives of this document.

5.17 E-mail is a significant user of network capacity and may affect the response time of other systems using the network

5.18 Any information sent or received electronically is the property of Racing Queensland and must therefore be treated with due care.

5.19 Reading and sending spurious messages can consume significant time

5.20 Large attachments to e-mail must be compressed in the correct manner before sending – a limit of 5MB has been placed on the system

5.21 Staff are to be aware of the high risk from viruses associated with opening e-mails with Attachments.

6. REFERENCES

- Computer Systems Agreement Form (F002).
- Computer Systems Account Request Form (F001).

RELEASE NOTICE			
Version Number	Date of Issue	Amendment Details	Amended By
1	15/03/2001	Initial release	S Corney
1.1	23/10/02	Updated organisation name to Queensland Racing	N Notomi
1.2	08/02/05	Updated policies and name to Queensland Racing Limited	D Rowan
1.3	22/02/05	Update references	D Rowan
1.4	01/07/2010	Updated for Racing Queensland	D Rowan
1.5	30/05/13	Updated for Racing Queensland	D Rowan
<p>Author: David Rowan Date: 30/05/13 Title: CIO</p> <p>Approved By: David Rowan Date: 30/05/13 Name: David Rowan Title: CIO</p>			

26/3/12.

- I was asked to review termination payments of four senior executives on Monday 26/3/12

Upon reading the termination sections of the contracts it was discovered that the contracts on file were not the current ones. Upon receipt of the current contract of Shara Murray I had concerns that Section 15 had not crystallised as only one trigger had been met.

I raised these concerns with Adam Carter, who also had no ~~pre~~ previous knowledge of those contracts.

We were able to obtain legal advice ~~sawt~~ in relation to this clause but were still not certain that the clause had crystallised.

We did not make payment, it was agreed Adam Carter would seek further advice.

27/3/12

- I raised my concerns again with Adam Carter in relation to making this payment.

- He had discussed with board members and the chair and he was considering his options.

- Adam Carter asked BDO to review the termination calculations.

- Confirmation was given from BDO that we were in accordance with ATO rules.

28/3/12

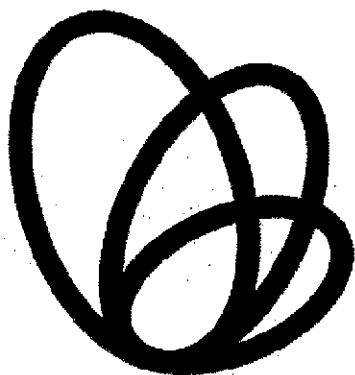
- Adam Carter advised that the Chairman was seeking legal counsel from Clayton Utz in relation to this matter. I was not privy to any further information.

I was instructed by means of a signed document that a board meeting was held where a decision was made to pay the termination payment and I was instructed by the Acting CEO & the chairman to make payment approx 2:30pm 23/3/12.

29/3/12.

At approx 5:20pm today I received an email from Adam Carter that he forwarded from Jeff Seery that we are not to

- terminate staff
- employ any new staff
- make redundancy payments to any staff
- make no payments of accounts in excess of \$20,000.
- enter into any contracts in excess of \$20,000.



RACING QUEENSLAND

OFFER OF EMPLOYMENT

CONFIDENTIAL

Made by:

Racing Queensland Limited; ACN 142 786 874

To:

Shara Murray

1. OFFER OF EMPLOYMENT

- 1.1. Racing Queensland Limited ACN 142 786 874 (referred to in this document as "RQL") wishes to offer Shara Murray (referred to in this document as "you" or "your") employment in the position of Senior Corporate Counsel/Company Secretary.
- 1.2. This document sets out the complete terms of the contract of employment that is being offered to you and it supersedes and replaces entirely any prior agreed terms regarding your employment with RQL. If you think that there are any other agreed terms not included in this document, please advise the Chairman of the Board, Mr Bob Bentley, before you sign this document.
- 1.3. Once this document has been signed by you it will become a binding contract of employment between you and RQL.

2. ENGAGEMENT

- 2.1. You shall be employed by RQL as Senior Corporate Counsel/Company Secretary and in such other offices or capacities, as may from time to time be assigned to you, in accordance with the terms of this Agreement. You will report to the Chief Executive Officer.
- 2.2. In your capacity as Senior Corporate Counsel, you will report to the Chief Executive Officer. In your capacity as Company Secretary, you will report to the Chairman of the Board of Directors.
- 2.3. The duties that you perform will be in line with your position description and may vary from time to time in accordance with the terms of this Agreement and business requirements. If your duties do vary, the terms and conditions set out in this Agreement will continue to apply unless otherwise agreed in writing.
- 2.4. You agree that RQL may alter your position from time to time, including changing your title, your duties and your workplace, provided that the altered position is reasonably comparable or an adequate alternative position to your position prior to the change. You agree that changes of that nature will not give rise to any termination, separation or redundancy entitlements unless they amount to a Material Adverse Change by reason of which you resign under clause 15.2.
- 2.5. This contract is for a term commencing 1 July 2010 and expiring 30 June 2013.
- 2.6. RQL will, before 31 December 2012, negotiate with you any extension of time of this contract beyond 30 June 2013.
- 2.7. In your capacity as Senior Corporate Counsel, you are required from time to time to give legal advice to RQL. RQL acknowledges that in doing so, you are independent of RQL and must give that advice whether it be favourable to RQL or otherwise. RQL acknowledges it agrees that at no time may it use the giving of advice by you which may be unfavourable to its interests as ground for any disciplinary action of any nature or kind.

3. PLACE OF WORK

- 3.1. You will be employed at RQL's Deagon head office, but you may be required to perform your duties at other locations as reasonably requested. RQL may move your position to another location due to business requirements. If this is required RQL will provide you with notice of at least four weeks of the intention to move your position, and will discuss any such change with you as soon as possible.
- 3.2. The responsibilities of your position mean that you may be required to travel and work for extended periods throughout Australia and overseas.

4. COMMENCEMENT AND HOURS OF WORK

- 4.1. This contract will commence on 1 July 2011.

- 4.2. Your service with RQL will be calculated from the date you commenced employment with RQL and not from the date of this contract for the purpose of applicable service related entitlements and benefits under this contract.
- 4.3. You will be employed on a full-time basis. Your TRV has been set taking into account that you are being appointed to a senior executive role. You are expected to devote your time, attention and skills as need to ensure that you effectively carry out the responsibilities of your role. You agree that this may regularly involve work outside of standard business hours, including work on weekends and public holidays if required, and that your TRV includes payment for all such hours worked.
- 4.4. Hours worked outside of RQL's standard office hours will not attract additional pay as you acknowledge that your TRV reasonably compensates you for all hours worked.
- 4.5. Punctuality is important in providing a proper service to clients. If you are unable to attend work on any day, or will be late for work, you must personally advise RQL of any absence as soon as possible.
- 4.6. You agree that RQL may direct you at any time to not attend work or carry out your duties and that, if RQL does issue you with such a direction, that this will not amount to termination of your employment or breach of your employment contract.

5. REMUNERATION AND SUPERANNUATION

- 5.1. Your remuneration is calculated on a total remuneration value (TRV) basis, which is inclusive of all remuneration entitlements and compulsory superannuation contributions. You will receive a gross TRV of \$156,000 per annum, including compulsory superannuation. If you choose to take up the option of RQL providing you with a vehicle, as outlined below at clause 5.4, then your TRV will also include your agreed contribution towards the vehicle's cost as set out in clause 5.4.
- 5.2. That part of your TRV remaining after deduction of superannuation, including any deemed or notional contributions), any salary sacrifice arrangements implemented by you and any other entitlements we are obliged to provide will be your gross Salary. You authorise RQL to deduct the following, where applicable, from your TRV in order to calculate your actual net salary payments:
 - a. Taxes required by law, including PAYG and FBT;
 - b. Compulsory superannuation contributions;
 - c. The cost of any salary sacrifice arrangements implemented by you;
 - d. Any other deductions which you have authorised RQL to make;
 - e. An amount equal to your TRV for the period of any unauthorised absences, any unpaid leave or periods when you have failed to provide the required notice of termination of your employment. You agree that your signing of this Offer of Employment amounts to express written consent to deduct an amount in accordance with the *Fair Work Act 2009*;
 - f. Your contribution to the cost of the motor vehicle provided to you by RQL, as set out in clause 5.4.
- 5.3. Your Salary will be paid monthly, direct to your nominated bank account.
- 5.4. RQL will provide you with a 4 cylinder vehicle, provided that you agree to salary sacrifice an amount equivalent to 75% of the nominal annual value of the vehicle agreed with RQL. You agree that, effective from 1 July 2010, a 4 cylinder vehicle is to be valued at \$12,000 per annum. If at any time you cease salary sacrificing this agreed amount you will no longer be entitled to the use of the vehicle. You may choose not to accept the offer of use of a vehicle but if you do so, RQL's provision of a vehicle cannot be cashed out and does not form part of your TRV.

5.5. RQL will pay superannuation contributions in accordance with statutory requirements into a nominated complying superannuation fund of your choice. You may elect to contribute additional amounts of your TRV, as agreed, into your superannuation fund.

5.6. In addition to your TRV, RQL will cover the following costs:

- a. Mobile telephone costs, including calls;
- b. Home internet connectivity;

provided that all such costs will be determined in accordance with any relevant RQL policies in place from time to time.

5.7. Your remuneration arrangements will be reviewed annually. There is no guarantee that your TRV will be increased each year. Any review will take into account market movement, your performance and RQL's financial situation.

5.8. RQL takes a flexible approach to the structuring of TRV and allows its employees to determine how they will receive their remuneration. You will be permitted to structure your TRV in accordance with the RQL Remuneration Policy and Procedures that are in place from time to time.

5.9. All costs associated with salary sacrificing will be deducted from your TRV before your Salary is calculated and paid. Any salary sacrifice is subject to Australian Tax Office rulings and, should there be any change to the current treatment of salary sacrificing, the salary sacrifice arrangement will be reviewed to ensure that there are no additional costs to RQL.

5.10. You agree that in the event of an overpayment of salary, RQL may recover the amount of the overpayment by way of deduction from your future earnings. If this occurs, RQL will provide you with written notification of the intention to recover the overpayment and the amount to be recovered.

5.11. You agree that any monies owed by you to RQL as at the date of termination of employment may be deducted by RQL from your final termination pay.

5.12. You agree that your Salary has been set to include all allowances, penalties and loadings that may be payable to you, regardless of how that entitlement arises. You also agree that, if at any time during your employment, you are entitled to payment for overtime, penalties, loadings and allowances under an award or agreement, your Salary is being paid as a composite payment in satisfaction of both your contractual entitlements and all such award or agreement entitlements. You agree that if your Salary exceeds the amount that you would be entitled to for ordinary hours of work under an award or agreement, then the excess paid to you may be set off against any award or agreement entitlements and does not increase the rates payable to you under any applicable award or agreement.

6. EXPENSES

6.1. RQL will reimburse you in accordance with RQL's Expense Reimbursement Policy, as amended from time to time, for reasonable work-related expenses incurred by you in the performance of your duties.

7. LEAVE

7.1. You are entitled to 4 weeks' paid annual leave per 12 months of continuous employment, accrued in accordance with the *Fair Work Act 2009*. Annual leave entitlements accrue throughout the year and accumulate from year to year when accrued leave is not taken. All annual leave will be approved in line with organisational requirements and must be approved prior to you taking annual leave. The RQL Leave Policy contains more details about the taking of annual leave and management of annual leave balances. You agree that it is reasonable for RQL to apply that Leave Policy.

7.2. To ensure you maintain a healthy work and life balance, you will be encouraged to take leave each year. We may direct you to take annual leave in accordance with applicable legislation, which currently requires the giving of notice and says that we cannot direct you

to take all of your accrued leave. There are certain times during the year when annual leave will not usually be granted. Those times differ in various parts of the business. For example, employees working in the finance area will not generally be granted leave from May to September.

- 7.3. There is no separate leave loading payable to you as your TRV has been set taking this into account. On termination of employment, any accrued annual leave will be paid at your then current ordinary rate of pay.
- 7.4. You are entitled to paid personal leave of ten days per year in accordance with the *Fair Work Act 2009*. Personal leave includes sick leave and carer's leave.
- 7.5. Personal leave entitlements will accumulate from year to year but are not paid out upon termination;
- 7.6. The *Fair Work Act 2009* provides for carer's leave to be taken to care for a member of your immediate family or household who requires care or support due to an illness or injury or unexpected emergency affecting them. Your entitlement to take carer's leave is governed by the provisions of the *Fair Work Act 2009*. You may take unpaid carer's leave of up to two days per occasion if you have exhausted your paid personal leave entitlements.
- 7.7. If you are absent due to sick or carer's leave you are required to notify RQL at the commencement of your normal working time or as soon as reasonably practicable and, as far as practicable, state the estimated duration of the absence. You may be required to produce a medical certificate or other proof that RQL considers reasonable proof of the reason for your absence if you take sick or carer's leave. The RQL Leave Policy contains more information about these requirements.
- 7.8. You are entitled to paid compassionate leave in accordance with the *Fair Work Act 2009*. That Act currently provides for a maximum of two days for each occasion when a member of your immediate family or a member of your household contracts or develops an illness that poses a serious threat to their life, or sustains an injury that poses a serious threat to their life, or dies. You may be asked to provide reasonable evidence of the illness, injury or death before you are entitled to take this paid compassionate leave.
- 7.9. You may be entitled to parental leave (maternity, paternity and adoption leave) if applicable in accordance with the *Fair Work Act 2009*.
- 7.10. You are entitled to thirteen weeks long service leave after ten years continuous service subject to and in accordance with the RQL Long Service Leave policy.

8. EMPLOYEE OBLIGATIONS

8.1. You agree that you will:

- a. Perform to the best of your ability and knowledge the duties assigned to you, in a manner consistent with your position, as determined by RQL.
- b. Exhibit professional behaviour and attitude in dealings with managers, employees, clients, and suppliers of RQL, and all others.
- c. Take all reasonable steps to meet performance criteria that RQL establishes from time to time.
- d. Abide by all safety, quality and security procedures applying to RQL's operations and premises.
- e. Refrain from all behaviour that could be perceived as discrimination, harassment or bullying in the workplace under applicable legislation.
- f. Observe and comply with all policies, procedures, and operational manuals, as amended by RQL from time to time and all reasonable directions given by RQL.

- g. Not engage in remunerated work or other activities outside of RQL that may be a conflict of interest or lead to a reasonably perceived conflict of interest, without RQL's prior written consent.
- h. Not claim or accept any fee, gratuity, commission or other benefit from any source other than RQL in payment for any services concerned with RQL's business.
- i. Devote the whole of your time and abilities during normal working hours, and at such other times as may be reasonably necessary, to the performance of your duties.
- j. Use your best endeavours to promote, develop and extend RQL's business interests and reputation and not do anything to the detriment of those business interests or reputation.
- k. Comply with, implement and enforce any legislation that applies to the duties or responsibilities of your position.
- l. Immediately notify RQL if you become aware or have reason to believe that another employee of RQL has failed to comply with any legislation applying to their duties or responsibilities.

9. CONFLICT OF INTEREST

- 9.1. You are being appointed as a senior executive. This means that you are required to always act in good faith in RQL's best interests and to ensure that you are not placed in a situation where your duties to RQL are in conflict with your personal interests. This extends to ensuring that you are not in a situation where there could be a reasonably perceived conflict between your duties to RQL and your personal interests. RQL's Conflict of Interest Policy contains more information about circumstances when conflicts can arise. If you are in doubt you must seek clarification from RQL. This clause does not limit your rights or duties to give independent legal advice when called upon to do so.
- 9.2. You must not accept any payment or other benefit from any person as an inducement or reward for any act or forbearance with any matter or operation transacted by RQL or on its behalf. You must report any actual or potential conflict of interest to RQL immediately.
- 9.3. You warrant that, from 1 July 2010, there will be no circumstances which would create a perceived or actual conflict of interest between your personal interests and your obligations to RQL. You will be required to complete and sign the Conflict of Interest and Racing Interest Declaration Form prior to commencing with RQL. This form will be required to be completed annually or where there is any change to your circumstances.
- 9.4. You agree that you will immediately notify the Chief Executive Officer in writing if a conflict or risk of conflict arises which will impact on your actual or perceived ability to carry out your obligations under this agreement. After assessing the conflict or risk of conflict, RQL may give you written notice requiring you to remedy the conflict or risk of conflict within a specified time.
- 9.5. You agree that you will not enter into or be involved in any other employment or business activity that could conflict with, be detrimental to or interfere with RQL's interests or the performance of the responsibilities of your position with RQL.

10. INFORMATION, POLICIES AND PROCEDURES

- 10.1. It is a term of your employment contract that you must comply with all lawful orders, instructions, standards, policies and procedures in existence at RQL. While you must observe and comply with these policies and procedures, the contents of those policies and procedures do not form terms and conditions of your employment contract with RQL unless expressly referred to in this Agreement. If there is any inconsistency between the terms of this Agreement and RQL's policies and procedures, the terms of this Agreement will prevail.

10.2. To the extent that RQL's policies and procedures refer to obligations on RQL, you agree that they are guides only and not contractual terms, conditions or representations on which you rely.

10.3. You will not knowingly withhold any information or material within your possession that may affect RQL's performance or reputation.

10.4. It is a term of your employment contract that you comply with the RQL Code of Conduct, as amended from time to time.

11. CONFIDENTIAL INFORMATION

11.1. You must not at any time during your employment with RQL, or at any time after your employment terminates, disclose to any other person or use or attempt to use any Confidential Information of RQL except:

- a. With RQL's prior written permission;
- b. In the proper performance of your duties;
- c. As expressly allowed under this Agreement; or
- d. For the purposes of disclosure only where you are legally obliged to disclose by a Court, Commission or Tribunal.

11.2. During your employment with RQL, you must use your best endeavours to prevent the unauthorised disclosure of any Confidential Information or trade secrets by a third party. When Confidential Information is disclosed as permitted by clause 11.1 you must ensure that the person to whom the information is disclosed is made aware of its confidential nature and use your best endeavours to ensure that person does not use or disclose that information.

11.3. The obligations of this clause shall survive the termination of this Agreement. You must not, after termination of employment use Confidential Information for a purpose other than for the benefit of RQL.

12. INTELLECTUAL PROPERTY

12.1. You acknowledge and agree that all existing and future Intellectual Property Rights in any Confidential Information or in respect of any intellectual property developed, in development, created or conceived wholly or partly by you, alone or together with any other person or body, whether during or outside working hours:

- a. On RQL's premises or using RQL's facilities or resources, facilities or resources which were in the care and control of RQL, or any of RQL's employees, officers, agents, subcontractors or representatives;
- b. Directly or indirectly as a result of the employee or anybody else's access to confidential information;
- c. In the course of, as a consequence of or in relation to the performance of the employee's duties;
- d. Relating to RQL's general methods of operation; or
- e. In respect of or associated with any of RQL's products or services, and any alterations or additions or methods of making, using, marketing, selling or providing those products or services;

vest in and belong to RQL, and to the extent necessary to vest ownership in RQL, the intellectual property is deemed to be assigned to RQL as its exclusive property.

12.2. You agree to execute all documents, including any assignments, and do all acts and things, required by RQL for the purpose of effecting and perfecting the title of RQL or its nominee to the intellectual property rights described in the clause above, in Australia or such other

countries as RQL requires. You consent to RQL infringing any Moral Rights that you may have or become entitled to, in any work created, developed, modified or enhanced in the course of their employment.

12.3. You must immediately disclose to RQL in writing, any invention or improvement you make or think of during the course of your employment.

12.4. You consent to RQL infringing any Moral Rights that you may have or become entitled to in any Work created, developed, modified or enhanced in the course of your employment.

12.5. Your obligations under this clause will survive the termination of this Agreement.

13. PRIVACY

13.1. You must not remove or copy any information, including client or employee information, from RQL's premises without RQL's consent.

13.2. During the course of your employment, RQL may collect, use, handle and/or disclose your personal information in the proper course of business, such as to facilitate the provision of salary and benefits, and supply required information to external superannuation and insurance providers. This may include your address, date of birth, health information and professional associations.

14. RQL PROPERTY AND SECURITY

14.1. All documents, records, papers, manuals, materials of any nature and other property of, or relating to, the business of RQL, whether prepared by you or not, are and remain the property of RQL.

14.2. You agree to take all reasonable steps to ensure the security of and protect all Confidential Information and Intellectual Property Rights of RQL in your possession, power or control. You agree to comply with, and to the best of your endeavours ensure that other employees or contractors engaged by RQL comply with, all of RQL's security guidelines, procedures, rules and regulations (whether formal or informal).

14.3. Upon termination of this Agreement, you shall immediately deliver to RQL all documents, records, papers, materials of any nature whatsoever and other property of, or relating to, RQL's affairs or any of RQL's related business entities, which may be in your possession or under your control.

14.4. If you are provided with a security access device of any kind, such as a key or computer coded access card, you will:

- a. immediately return the device to RQL on termination of your employment or earlier request;
- b. not copy nor permit the copying of the device or any aspect of it which is integral to its function of security;
- c. not give the device to anybody else or permit anybody else to use the device; and
- d. use the device strictly in accordance with any conditions advised by RQL in respect of it.

15. TERMINATION OF EMPLOYMENT

15.1. If by reason of health or other personal issues you are unable to continue the fulfilment of your duties under this contract, you may resign from your employment at any time by giving six weeks' notice in writing. If you do not give that notice, you authorise RQL to deduct from any payment owing to you a sum equivalent to the TRV you would have been entitled to for the period by which your actual notice fell short of the required six week notice period. RQL may, at its discretion, decide to accept a shorter period of notice from you. Otherwise you are bound by the period of this contract.

15.2. Within 14 days of the occurrence of a Material Adverse Change, you may resign from your employment by giving seven days' written notice. This notice period may be waived by the

Chairman of the Board of directors of RQL at the Chairman's discretion. If you resign by reason of a Material Adverse Change, you will be entitled to:

- a. a payment of a sum equivalent to the TRV you would have been entitled to receive had you remained employed until the end of the term referred to in clause 2.4 of this contract, however not exceeding a sum equivalent to 14 months of your TRV;
- b. a severance payment calculated in accordance with the relevant scale contained in any redundancy policy of RQL; and
- c. any accrued but unpaid entitlements.

For the purpose of this clause, **Material Adverse Change** means a change in the Queensland State Government, RQL ceasing to be the approved Control Body under the *Racing Act 2002* (Qld), a material adverse change in the make up of the RQL Board of directors, or your reporting lines, or an organisational restructure that materially impacts on your role at RQL in a manner adverse to you.

15.3. RQL may terminate your employment by giving you six weeks' notice in writing if your employment is being terminated for any one or more of the following reasons:

- a. Unsatisfactory performance other than a termination for Misconduct as provided for by clause 15.8;
- b. Failure to comply with the terms and conditions of your employment contract;
- c. You suffer from an incapacity that renders you unable to carry out the inherent requirements of your position;

If you are over 45 years of age at that time and have more than 2 years continuous service with RQL, that notice will be increased to seven weeks notice. AT RQL's discretion, RQL may pay you in lieu of part or all of that notice period.

15.4. Should RQL cease to be the approved Control Body, RQL will provide you the opportunity to take redundancy. The redundancy will be at least equivalent to the TRV you would have been entitled to receive had you remained employed for the period of the term of the contract.

15.5. If RQL terminates your employment for any reason other than those referred to in clauses 15.3, 15.4 and 15.8, then you will be given six weeks' written notice of termination and will be paid on termination a payment equivalent to the TRV you would have been entitled to receive had you remained employed until the end of the term referred to in clause 2.4 of this contract.

15.6. During any period of notice, RQL may require you:

- a. To perform duties that are different from those that you were required to perform during the rest of your employment with RQL, provided that you have the necessary skills, training, education and experience to undertake them; or
- b. To not present yourself for work, do any work or contact any of RQL's clients or personnel for any period up to the date of termination of employment.

15.7. During any period of notice you will continue to be employed by RQL and you must not engage or prepare to engage in any business activity that is the same or similar to the duties you were performing for RQL. Up to the termination of your employment you and RQL shall remain bound by the mutual obligations of trust and confidence.

15.8. RQL may terminate your employment summarily without notice or payment in lieu of notice if RQL reasonably concludes that you have committed Misconduct. If your employment is summarily terminated by RQL you will not be entitled to any notice payment, or other benefit on termination other than the statutory entitlements accrued up to and including the termination date. Such payment will be in full satisfaction and discharge of all claims and demands by you against RQL in respect of your employment.

- 15.9. Following the termination of your employment, upon RQL's request, you agree to provide RQL with reasonable assistance regarding any matter relating directly or indirectly to your employment, or which arises out of events which occurred during the period of your employment, including providing statements or affidavits, attending meetings and attending hearings or inquiries.
- 15.10. If RQL terminates your contract without cause, including if RQL ceases to be the Control Body under the Racing Act 2002 (QLD), you will be entitled to a payment equivalent to the TRV you would have been entitled to receive had you remained employed until the term of the contract expired, 30 June 2013. For clarity, if by 31 December 2012 your contract has been extended, but after 31 December 2012 RQL ceases to be the Control Body or terminates you without cause, your entitlement to redundancy does not extend beyond the original term (expiring 30 June 2013) unless otherwise negotiated in a new contract.

16. ENTIRE AGREEMENT

- 16.1. This Agreement forms the entire agreement between you and RQL and shall operate to the exclusion of, and wholly replace, all other contracts or agreements that would otherwise apply to your employment. This Agreement supersedes all prior agreements, understandings and negotiations.
- 16.2. This Agreement represents a full record of the contractual terms and conditions with respect to your employment with RQL and supersedes any prior oral or written contract or understanding between you and RQL.
- 16.3. You agree that you will, if requested by RQL in the future, sign additional documents which include words to the effect that this Agreement forms the entire agreement between you and RQL regarding your terms and conditions of employment.
- 16.4. Any award or legislation applicable to your employment does not form a term of your employment contract.

17. VARIATION

- 17.1. Subject to RQL's right to amend any policies and to change your title, duties or position in accordance with clause 2.4 of this Agreement, the terms and conditions of this Agreement may only be amended by agreement in writing signed by you and RQL.

18. SEVERABILITY

- 18.1. If any provision in this Agreement is unenforceable, illegal or void, then it is deemed to be severable and independent and will not affect the validity or enforceability of any other provisions of this Agreement which will remain in force.

19. WORK ELIGIBILITY

- 19.1. Your employment is conditional upon you providing if requested by RQL, prior to your commencement, evidence of your eligibility to work in Australia.

20. WARRANTIES

- 20.1. You warrant that you have the expertise, qualifications, licenses and registration necessary to perform your duties and will perform them in a manner appropriate to a person having such expertise, qualifications, licenses or registration. You must maintain that expertise, qualifications, licenses and registration throughout your employment.
- 20.2. You acknowledge that RQL has relied upon the accuracy and truthfulness of any representations, whether written or verbal, made by you in relation to your professional qualifications, skills and experience during the pre-employment process. This offer of employment has been made in reliance upon these representations.

21. CONFIDENTIALITY OF AGREEMENT

21.1. This Agreement and its contents are confidential and should not be communicated to any other party.

22. DEFINITIONS AND INTERPRETATION

22.1. Misconduct includes but is not limited to:

- a. Drunkenness or intoxication;
- b. Dishonesty;
- c. Neglect of duty or incompetence;
- d. Any form of misrepresentation, whether to RQL or others in the performance of your duties;
- e. Being charged with a criminal offence which, in RQL's opinion, affects your suitability for your position;
- f. Conduct which may injure RQL's reputation or operations;
- g. Refusal or failure to comply with RQL's lawful directions;
- h. Breach of your obligations under clause 11 of this Agreement; and
- i. You being prohibited from taking part in the management of RQL pursuant to the *Corporations Act 2001*.

22.2. Confidential Information means the trade secrets and all other information regarding RQL's affairs which become known to you in circumstances where you know, or should know, that the information is to be treated as confidential. This Confidential Information includes without limitation any information that:

- a. Would be of commercial value to a competitor of RQL.
- b. Relates to RQL's financial affairs; including financial information, accounts work, financing information, management reports and performance or profitability reports and margins.
- c. Relates to RQL's operational requirements.
- d. Relates to any arrangements or transactions between RQL and stakeholders in the racing industry.
- e. Relates to RQL's customers; including customer details, customer lists, details of customer requirements, details of customer prospects, the identity of any customer, their requirements and their financial affairs.
- f. Relates to any functions you perform in relation to the regulation, licensing, administering or policing of racing and its integrity
- g. Relates to or is contained in any of RQL's computer data bases or software.
- h. Relates to any arrangements or transactions between RQL and its respective suppliers or contractors; including their identity and the price or charges in respect of the supplies or services RQL acquires from them.
- i. Relates to or is contained in any manuals or handbooks produced by RQL.
- j. Relates to RQL fees, quotations, prices or charges in respect of services or products.
- k. Relates to the marketing and selling techniques used by RQL; including marketing plans, sales plans, research and data surveys.
- l. Relates to trade secrets, technical specifications, know how, plans, design concepts, ideas, design specifications, manufacturing or development processes, research, formulae, processes, applications; unique features or techniques in respect of any of RQL's products, services or operations, whether existing or in development.

- m. Relates to or is associated with any of RQL's technology or software, or any related products or services, including any source code, programming, plans, concepts, specifications, alterations or additions, content, features, operation opportunities, benefits or market appeal, whether produced by you or otherwise.
- n. Is prepared by RQL or anybody else based on or incorporating information referred to in paragraphs (a) to (m) above, including all notes and other records, whether written or otherwise, and any copies of the information, notes and other records referred to in paragraphs (a) to (m) above.

But does not include information that:

- o. Was rightfully in your possession and not subject to an obligation of confidentiality before the negotiations leading to the commencement of your employment with RQL, whether pursuant to this Agreement or otherwise.
- p. Is or, after the commencement of your employment becomes, available in the public domain other than as a result of a breach of this Agreement

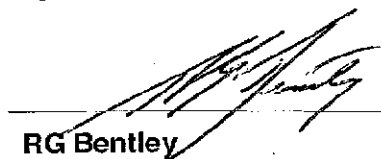
22.3. Intellectual Property Rights means any and all beneficial and legal ownership and intellectual and industrial protection rights throughout the world, both present and future, including rights in respect of or in connection with any confidential information, copyright, including future copyright and rights in the nature of or analogous to copyright), moral rights, inventions (including patents), trade marks, service marks, designs, circuit layout and performance protection (whether or not now existing and whether or not registered or registrable) and includes any right to apply for the registration of such right and all renewals and extensions.

22.4. Moral Rights has the meaning given to that term in the *Copyright Act 1968* (Cth)

22.5. Control Body has the same meaning given by the *Racing Act 2002* (Qld).

22.6. References to legislation are references to legislation as in force at the relevant time.

Signed on behalf of RQL.




RG Bentley
Chairman

5 August 2011

Date

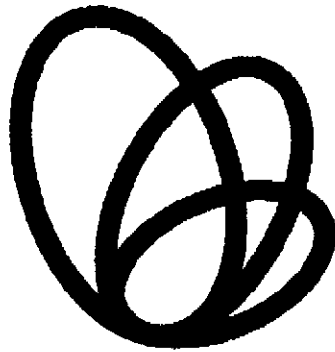
I acknowledge that I have read the contents of this Offer of Employment and accept that offer on the terms and conditions set out in this Agreement.



Shara Murray

5 August 2011

Date



RACING QUEENSLAND

OFFER OF EMPLOYMENT

CONFIDENTIAL

Made by:

Racing Queensland Limited; ACN 142 786 874

To:

Alfred Orchard

**EMPLOYMENT AGREEMENT****1. OFFER OF EMPLOYMENT**

- 1.1. Racing Queensland Limited ACN 142 786 874 (referred to in this document as "RQL") wishes to offer Alfred Orchard (referred to in this document as "you" or "your") employment in the position of Director of Integrity Operations.
- 1.2. This document sets out the complete terms of the contract of employment that is being offered to you and it supersedes and replaces entirely any prior agreed terms regarding your employment with RQL. If you think that there are any other agreed terms not included in this document, please advise the Chairman of the Board, Mr Bob Bentley, before you sign this document.
- 1.3. Once this document has been signed by you it will become a binding contract of employment between you and RQL.

2. ENGAGEMENT

- 2.1. You shall be employed by RQL as Director of Integrity Operations and in such other offices or capacities, as may from time to time be assigned to you, in accordance with the terms of this Agreement. You will report to the Chief Executive Officer.
- 2.2. The duties that you perform will be in line with your position description and may vary from time to time in accordance with the terms of this Agreement and business requirements. If your duties do vary, the terms and conditions set out in this Agreement will continue to apply unless otherwise agreed in writing.
- 2.3. You agree that RQL may alter your position from time to time, including changing your title, your duties and your workplace, provided that the altered position is reasonably comparable or an adequate alternative position to your position prior to the change. You agree that changes of that nature will not give rise to any termination, separation or redundancy entitlements unless they amount to a Material Adverse Change by reason of which you resign under clause 15.2.
- 2.4. This contract is for a term commencing 1 July 2010 and expiring 30 June 2013.
- 2.5. RQL will, before 31 December 2012, negotiate with you any extension of time of this contract beyond 30 June 2013.

3. PLACE OF WORK

- 3.1. You will be employed at RQL's Deagon head office, but you may be required to perform your duties at other locations as reasonably requested. RQL may move your position to another location due to business requirements. If this is required RQL will provide you with notice of at least four weeks of the intention to move your position, and will discuss any such change with you as soon as possible.
- 3.2. The responsibilities of your position mean that you may be required to travel and work for extended periods throughout Australia and overseas.

4. COMMENCEMENT AND HOURS OF WORK

- 4.1. This contract will commence on 1 July 2011.
- 4.2. Your service with RQL will be calculated from the date you commenced employment with RQL and not from the date of this contract for the purpose of applicable service related entitlements and benefits under this contract.
- 4.3. You will be employed on a full-time basis. Your TRV has been set taking into account that you are being appointed to a senior executive role. You are expected to devote your time, attention and skills as need to ensure that you effectively carry out the responsibilities of your role. You agree that this may regularly involve work outside of standard business hours, including work on weekends and public holidays if required, and that your TRV includes payment for all such hours worked.



EMPLOYMENT AGREEMENT

- 4.4. Hours worked outside of RQL's standard office hours will not attract additional pay as you acknowledge that your TRV reasonably compensates you for all hours worked.
- 4.5. Punctuality is important in providing a proper service to clients. If you are unable to attend work on any day, or will be late for work, you must personally advise RQL of any absence as soon as possible.
- 4.6. You agree that RQL may direct you at any time to not attend work or carry out your duties and that, if RQL does issue you with such a direction, that this will not amount to termination of your employment or breach of your employment contract.

5. REMUNERATION AND SUPERANNUATION

- 5.1. Your remuneration is calculated on a total remuneration value (TRV) basis, which is inclusive of all remuneration entitlements and compulsory superannuation contributions. You will receive a gross TRV of \$299,000 per annum, including compulsory superannuation. If you choose to take up the option of RQL providing you with a vehicle, as outlined below at clause 5.4, then your TRV will also include your agreed contribution towards the vehicle's cost as set out in clause 5.4.
- 5.2. That part of your TRV remaining after deduction of superannuation, including any deemed or notional contributions), any salary sacrifice arrangements implemented by you and any other entitlements we are obliged to provide will be your gross Salary. You authorise RQL to deduct the following, where applicable, from your TRV in order to calculate your actual net salary payments:
 - a. Taxes required by law, including PAYG and FBT;
 - b. Compulsory superannuation contributions;
 - c. The cost of any salary sacrifice arrangements implemented by you;
 - d. Any other deductions which you have authorised RQL to make;
 - e. An amount equal to your TRV for the period of any unauthorised absences, any unpaid leave or periods when you have failed to provide the required notice of termination of your employment. You agree that your signing of this Offer of Employment amounts to express written consent to deduct an amount in accordance with the Fair Work Act 2009;
 - f. Your contribution to the cost of the motor vehicle provided to you by RQL, as set out in clause 5.4.
- 5.3. Your Salary will be paid monthly, direct to your nominated bank account.
- 5.4. RQL will provide you with a 6 cylinder vehicle, provided that you agree to salary sacrifice an amount equivalent to 25% of the nominal annual value of the vehicle agreed with RQL. You agree that, effective from 1 July 2010, a 6 cylinder vehicle is to be valued at \$15,000 per annum. If at any time you cease salary sacrificing this agreed amount you will no longer be entitled to the use of the vehicle. You may choose not to accept the offer of use of a vehicle but if you do so, RQL's provision of a vehicle cannot be cashed out and does not form part of your TRV.
- 5.5. RQL will pay superannuation contributions in accordance with statutory requirements into a nominated complying superannuation fund of your choice. You may elect to contribute additional amounts of your TRV, as agreed, into your superannuation fund.
- 5.6. In addition to your TRV, RQL will cover the following costs:
 - a. Mobile telephone costs, including calls;
 - b. Home internet connectivity; and
 - c. 50% of your home telephone account,provided that all such costs will be determined in accordance with any relevant RQL policies in place from time to time.



EMPLOYMENT AGREEMENT

- 5.7. Your remuneration arrangements will be reviewed annually. There is no guarantee that your TRV will be increased each year. Any review will take into account market movement, your performance and RQL's financial situation.
- 5.8. RQL takes a flexible approach to the structuring of TRV and allows its employees to determine how they will receive their remuneration. You will be permitted to structure your TRV in accordance with the RQL Remuneration Policy and Procedures that are in place from time to time.
- 5.9. All costs associated with salary sacrificing will be deducted from your TRV before your Salary is calculated and paid. Any salary sacrifice is subject to Australian Tax Office rulings and, should there be any change to the current treatment of salary sacrificing, the salary sacrifice arrangement will be reviewed to ensure that there are no additional costs to RQL.
- 5.10. You agree that in the event of an overpayment of salary, RQL may recover the amount of the overpayment by way of deduction from your future earnings. If this occurs, RQL will provide you with written notification of the intention to recover the overpayment and the amount to be recovered.
- 5.11. You agree that any monies owed by you to RQL as at the date of termination of employment may be deducted by RQL from your final termination pay.
- 5.12. You agree that your Salary has been set to include all allowances, penalties and loadings that may be payable to you, regardless of how that entitlement arises. You also agree that, if at any time during your employment, you are entitled to payment for overtime, penalties, loadings and allowances under an award or agreement, your Salary is being paid as a composite payment in satisfaction of both your contractual entitlements and all such award or agreement entitlements. You agree that if your Salary exceeds the amount that you would be entitled to for ordinary hours of work under an award or agreement, then the excess paid to you may be set off against any award or agreement entitlements and does not increase the rates payable to you under any applicable award or agreement.

6. EXPENSES

- 6.1. RQL will reimburse you in accordance with RQL's Expense Reimbursement Policy, as amended from time to time, for reasonable work-related expenses incurred by you in the performance of your duties.

7. LEAVE

- 7.1. You are entitled to 4 weeks' paid annual leave per 12 months of continuous employment, accrued in accordance with the *Fair Work Act 2009*. Annual leave entitlements accrue throughout the year and accumulate from year to year when accrued leave is not taken. All annual leave will be approved in line with organisational requirements and must be approved prior to you taking annual leave. The RQL Leave Policy contains more details about the taking of annual leave and management of annual leave balances. You agree that it is reasonable for RQL to apply that Leave Policy.
- 7.2. To ensure you maintain a healthy work and life balance, you will be encouraged to take leave each year. We may direct you to take annual leave in accordance with applicable legislation, which currently requires the giving of notice and says that we cannot direct you to take all of your accrued leave. There are certain times during the year when annual leave will not usually be granted. Those times differ in various parts of the business. For example, employees working in the finance area will not generally be granted leave from May to September.
- 7.3. There is no separate leave loading payable to you as your TRV has been set taking this into account. On termination of employment, any accrued annual leave will be paid at your then current ordinary rate of pay.
- 7.4. You are entitled to paid personal leave of ten days per year in accordance with the *Fair Work Act 2009*. Personal leave includes sick leave and carer's leave.



EMPLOYMENT AGREEMENT

- 7.5. Personal leave entitlements will accumulate from year to year but are not paid out upon termination;
- 7.6. The *Fair Work Act 2009* provides for carer's leave to be taken to care for a member of your immediate family or household who requires care or support due to an illness or injury or unexpected emergency affecting them. Your entitlement to take carer's leave is governed by the provisions of the *Fair Work Act 2009*. You may take unpaid carer's leave of up to two days per occasion if you have exhausted your paid personal leave entitlements.
- 7.7. If you are absent due to sick or carer's leave you are required to notify RQL at the commencement of your normal working time or as soon as reasonably practicable and, as far as practicable, state the estimated duration of the absence. You may be required to produce a medical certificate or other proof that RQL considers reasonable proof of the reason for your absence if you take sick or carer's leave. The RQL Leave Policy contains more information about these requirements.
- 7.8. You are entitled to paid compassionate leave in accordance with the *Fair Work Act 2009*. That Act currently provides for a maximum of two days for each occasion when a member of your immediate family or a member of your household contracts or develops an illness that poses a serious threat to their life, or sustains an injury that poses a serious threat to their life, or dies. You may be asked to provide reasonable evidence of the illness, injury or death before you are entitled to take this paid compassionate leave
- 7.9. You may be entitled to parental leave (maternity, paternity and adoption leave) if applicable in accordance with the *Fair Work Act 2009*.
- 7.10. You are entitled to thirteen weeks long service leave after ten years continuous service subject to and in accordance with the RQL Long Service Leave policy.

8. EMPLOYEE OBLIGATIONS

8.1. You agree that you will:

- a. Perform to the best of your ability and knowledge the duties assigned to you, in a manner consistent with your position, as determined by RQL.
- b. Exhibit professional behaviour and attitude in dealings with managers, employees, clients, and suppliers of RQL, and all others.
- c. Take all reasonable steps to meet performance criteria that RQL establishes from time to time.
- d. Abide by all safety, quality and security procedures applying to RQL's operations and premises.
- e. Refrain from all behaviour that could be perceived as discrimination, harassment or bullying in the workplace under applicable legislation.
- f. Observe and comply with all policies, procedures, and operational manuals, as amended by RQL from time to time and all reasonable directions given by RQL.
- g. Not engage in remunerated work or other activities outside of RQL that may be a conflict of interest or lead to a reasonably perceived conflict of interest, without RQL's prior written consent.
- h. Not claim or accept any fee, gratuity, commission or other benefit from any source other than RQL in payment for any services concerned with RQL's business.
- i. Devote the whole of your time and abilities during normal working hours, and at such other times as may be reasonably necessary, to the performance of your duties.
- j. Use your best endeavours to promote, develop and extend RQL's business interests and reputation and not do anything to the detriment of those business interests or reputation.
- k. Comply with, implement and enforce any legislation that applies to the duties or responsibilities of your position.



EMPLOYMENT AGREEMENT

- I. Immediately notify RQL if you become aware or have reason to believe that another employee of RQL has failed to comply with any legislation applying to their duties or responsibilities.

9. CONFLICT OF INTEREST

- 9.1. You are being appointed as a senior executive. This means that you are required to always act in good faith in RQL's best interests and to ensure that you are not placed in a situation where your duties to RQL are in conflict with your personal interests. This extends to ensuring that you are not in a situation where there could be a reasonably perceived conflict between your duties to RQL and your personal interests. RQL's Conflict of Interest Policy contains more information about circumstances when conflicts can arise. If you are in doubt you must seek clarification from RQL.
- 9.2. You must not accept any payment or other benefit from any person as an inducement or reward for any act or forbearance with any matter or operation transacted by RQL or on its behalf. You must report any actual or potential conflict of interest to RQL immediately.
- 9.3. You warrant that, from 1 July 2010, there will be no circumstances which would create a perceived or actual conflict of interest between your personal interests and your obligations to RQL. You will be required to complete and sign the Conflict of Interest and Racing Interest Declaration Form prior to commencing with RQL. This form will be required to be completed annually or where there is any change to your circumstances.
- 9.4. You agree that you will immediately notify the Chief Executive Officer in writing if a conflict or risk of conflict arises which will impact on your actual or perceived ability to carry out your obligations under this agreement. After assessing the conflict or risk of conflict, RQL may give you written notice requiring you to remedy the conflict or risk of conflict within a specified time.
- 9.5. You agree that you will not enter into or be involved in any other employment or business activity that could conflict with, be detrimental to or interfere with RQL's interests or the performance of the responsibilities of your position with RQL.

10. INFORMATION, POLICIES AND PROCEDURES

- 10.1. It is a term of your employment contract that you must comply with all lawful orders, instructions, standards, policies and procedures in existence at RQL. While you must observe and comply with these policies and procedures, the contents of those policies and procedures do not form terms and conditions of your employment contract with RQL unless expressly referred to in this Agreement. If there is any inconsistency between the terms of this Agreement and RQL's policies and procedures, the terms of this Agreement will prevail.
- 10.2. To the extent that RQL's policies and procedures refer to obligations on RQL, you agree that they are guides only and not contractual terms, conditions or representations on which you rely.
- 10.3. You will not knowingly withhold any information or material within your possession that may affect RQL's performance or reputation.
- 10.4. It is a term of your employment contract that you comply with the RQL Code of Conduct, as amended from time to time.

11. CONFIDENTIAL INFORMATION

- 11.1. You must not at any time during your employment with RQL, or at any time after your employment terminates, disclose to any other person or use or attempt to use any Confidential Information of RQL except:
 - a. With RQL's prior written permission;
 - b. In the proper performance of your duties;
 - c. As expressly allowed under this Agreement; or



EMPLOYMENT AGREEMENT

- d. For the purposes of disclosure only where you are legally obliged to disclose by a Court, Commission or Tribunal.
- 11.2. During your employment with RQL, you must use your best endeavours to prevent the unauthorised disclosure of any Confidential Information or trade secrets by a third party. When Confidential Information is disclosed as permitted by clause 11.1 you must ensure that the person to whom the information is disclosed is made aware of its confidential nature and use your best endeavours to ensure that person does not use or disclose that information.
- 11.3. The obligations of this clause shall survive the termination of this Agreement. You must not, after termination of employment use Confidential Information for a purpose other than for the benefit of RQL.

12. INTELLECTUAL PROPERTY

- 12.1. You acknowledge and agree that all existing and future Intellectual Property Rights in any Confidential Information or in respect of any intellectual property developed, in development, created or conceived wholly or partly by you, alone or together with any other person or body, whether during or outside working hours:
- On RQL's premises or using RQL's facilities or resources, facilities or resources which were in the care and control of RQL, or any of RQL's employees, officers, agents, subcontractors or representatives;
 - Directly or indirectly as a result of the employee or anybody else's access to confidential information;
 - In the course of, as a consequence of or in relation to the performance of the employees duties;
 - Relating to RQL's general methods of operation; or
 - In respect of or associated with any of RQL's products or services, and any alterations or additions or methods of making, using, marketing, selling or providing those products or services;
- vest in and belong to RQL, and to the extent necessary to vest ownership in RQL, the intellectual property is deemed to be assigned to RQL as its exclusive property.
- 12.2. You agree to execute all documents, including any assignments, and do all acts and things, required by RQL for the purpose of effecting and perfecting the title of RQL or its nominee to the intellectual property rights described in the clause above, in Australia or such other countries as RQL requires. You consent to RQL infringing any Moral Rights that you may have or become entitled to, in any work created, developed, modified or enhanced in the course of their employment.
- 12.3. You must immediately disclose to RQL in writing, any invention or improvement you make or think of during the course of your employment.
- 12.4. You consent to RQL infringing any Moral Rights that you may have or become entitled to in any Work created, developed, modified or enhanced in the course of your employment.
- 12.5. Your obligations under this clause will survive the termination of this Agreement.

13. PRIVACY

- 13.1. You must not remove or copy any information, including client or employee information, from RQL's premises without RQL's consent.
- 13.2. During the course of your employment, RQL may collect, use, handle and/or disclose your personal information in the proper course of business, such as to facilitate the provision of salary and benefits, and supply required information to external superannuation and insurance providers. This may include your address, date of birth, health information and professional associations.



EMPLOYMENT AGREEMENT

14. RQL PROPERTY AND SECURITY

- 14.1. All documents, records, papers, manuals, materials of any nature and other property of, or relating to, the business of RQL, whether prepared by you or not, are and remain the property of RQL.
- 14.2. You agree to take all reasonable steps to ensure the security of and protect all Confidential Information and Intellectual Property Rights of RQL in your possession, power or control. You agree to comply with, and to the best of your endeavours ensure that other employees or contractors engaged by RQL comply with, all of RQL's security guidelines, procedures, rules and regulations (whether formal or informal).
- 14.3. Upon termination of this Agreement, you shall immediately deliver to RQL all documents, records, papers, materials of any nature whatsoever and other property of, or relating to, RQL's affairs or any of RQL's related business entities, which may be in your possession or under your control.
- 14.4. If you are provided with a security access device of any kind, such as a key or computer coded access card, you will:
- immediately return the device to RQL on termination of your employment or earlier request;
 - not copy nor permit the copying of the device or any aspect of it which is integral to its function of security;
 - not give the device to anybody else or permit anybody else to use the device; and
 - use the device strictly in accordance with any conditions advised by RQL in respect of it.

15. TERMINATION OF EMPLOYMENT

- 15.1. If by reason of health or other personal issues you are unable to continue the fulfilment of your duties under this contract, you may resign from your employment at any time by giving six weeks' notice in writing. If you do not give that notice, you authorise RQL to deduct from any payment owing to you a sum equivalent to the TRV you would have been entitled to for the period by which your actual notice fell short of the required six week notice period. RQL may, at its discretion, decide to accept a shorter period of notice from you. Otherwise you are bound by the period of this contract.
- 15.2. Within 14 days of the occurrence of a Material Adverse Change, you may resign from your employment by giving seven days' written notice. This notice period may be waived by the Chairman of the Board of directors of RQL at the Chairman's discretion. If you resign by reason of a Material Adverse Change, you will be entitled to:
- a payment of a sum equivalent to the TRV you would have been entitled to receive had you remained employed until the end of the term referred to in clause 2.4 of this contract, however not exceeding a sum equivalent to 14 months of your TRV;
 - a severance payment calculated in accordance with the relevant scale contained in any redundancy policy of RQL; and
 - any accrued but unpaid entitlements.

For the purpose of this clause, **Material Adverse Change** means a change in the Queensland State Government, RQL ceasing to be the approved Control Body under the *Racing Act 2002* (Qld), a material adverse change in the make up of the RQL Board of directors, or your reporting lines, or an organisational restructure that materially impacts on your role at RQL in a manner adverse to you.

- 15.3. RQL may terminate your employment by giving you six weeks' notice in writing if your employment is being terminated for any one or more of the following reasons:
- Unsatisfactory performance other than a termination for Misconduct as provided for by clause 15.8;



EMPLOYMENT AGREEMENT

- b. Failure to comply with the terms and conditions of your employment contract;
- c. You suffer from an incapacity that renders you unable to carry out the inherent requirements of your position;

If you are over 45 years of age at that time and have more than 2 years continuous service with RQL, that notice will be increased to seven weeks notice. AT RQL's discretion, RQL may pay you in lieu of part or all of that notice period.

15.4. Should RQL cease to be the approved Control Body, RQL will provide you the opportunity to take redundancy. The redundancy will be at least equivalent to the TRV you would have been entitled to receive had you remained employed for the period of the term of the contract.

15.5. If RQL terminates your employment for any reason other than those referred to in clauses 15.3, 15.4 and 15.8, then you will be given six weeks' written notice of termination and will be paid on termination a payment equivalent to the TRV you would have been entitled to receive had you remained employed until the end of the term referred to in clause 2.4 of this contract.

15.6. During any period of notice, RQL may require you:

- a. To perform duties that are different from those that you were required to perform during the rest of your employment with RQL, provided that you have the necessary skills, training, education and experience to undertake them; or
- b. To not present yourself for work, do any work or contact any of RQL's clients or personnel for any period up to the date of termination of employment.

15.7. During any period of notice you will continue to be employed by RQL and you must not engage or prepare to engage in any business activity that is the same or similar to the duties you were performing for RQL. Up to the termination of your employment you and RQL shall remain bound by the mutual obligations of trust and confidence.

15.8. RQL may terminate your employment summarily without notice or payment in lieu of notice if RQL reasonably concludes that you have committed Misconduct. If your employment is summarily terminated by RQL you will not be entitled to any notice payment, or other benefit on termination other than the statutory entitlements accrued up to and including the termination date. Such payment will be in full satisfaction and discharge of all claims and demands by you against RQL in respect of your employment.

15.9. Following the termination of your employment, upon RQL's request, you agree to provide RQL with reasonable assistance regarding any matter relating directly or indirectly to your employment, or which arises out of events which occurred during the period of your employment, including providing statements or affidavits, attending meetings and attending hearings or inquiries.

15.10. If RQL terminates your contract without cause, including if RQL ceases to be the Control Body under the Racing Act 2002 (QLD), you will be entitled to a payment equivalent to the TRV you would have been entitled to receive had you remained employed until the term of the contract expired, 30 June 2013. For clarity, if by 31 December 2012 your contract has been extended, but after 31 December 2012 RQL ceases to be the Control Body or terminates you without cause, your entitlement to redundancy does not extend beyond the original term (expiring 30 June 2013) unless otherwise negotiated in a new contract.

16. ENTIRE AGREEMENT

16.1. This Agreement forms the entire agreement between you and RQL and shall operate to the exclusion of, and wholly replace, all other contracts or agreements that would otherwise apply to your employment. This Agreement supersedes all prior agreements, understandings and negotiations.



EMPLOYMENT AGREEMENT

16.2. This Agreement represents a full record of the contractual terms and conditions with respect to your employment with RQL and supersedes any prior oral or written contract or understanding between you and RQL.

16.3. You agree that you will, if requested by RQL in the future, sign additional documents which include words to the effect that this Agreement forms the entire agreement between you and RQL regarding your terms and conditions of employment.

16.4. Any award or legislation applicable to your employment does not form a term of your employment contract.

17. VARIATION

17.1. Subject to RQL's right to amend any policies and to change your title, duties or position in accordance with clause 2.3 of this Agreement, the terms and conditions of this Agreement may only be amended by agreement in writing signed by you and RQL.

18. SEVERABILITY

18.1. If any provision in this Agreement is unenforceable, illegal or void, then it is deemed to be severable and independent and will not affect the validity or enforceability of any other provisions of this Agreement which will remain in force.

19. WORK ELIGIBILITY

19.1. Your employment is conditional upon you providing if requested by RQL, prior to your commencement, evidence of your eligibility to work in Australia.

20. WARRANTIES

20.1. You warrant that you have the expertise, qualifications, licenses and registration necessary to perform your duties and will perform them in a manner appropriate to a person having such expertise, qualifications, licenses or registration. You must maintain that expertise, qualifications, licenses and registration throughout your employment.

20.2. You acknowledge that RQL has relied upon the accuracy and truthfulness of any representations, whether written or verbal, made by you in relation to your professional qualifications, skills and experience during the pre-employment process. This offer of employment has been made in reliance upon these representations.

21. CONFIDENTIALITY OF AGREEMENT

21.1. This Agreement and its contents are confidential and should not be communicated to any other party.

22. DEFINITIONS AND INTERPRETATION

22.1. Misconduct includes but is not limited to:

- a. Drunkenness or intoxication;
- b. Dishonesty;
- c. Neglect of duty or incompetence;
- d. Any form of misrepresentation, whether to RQL or others in the performance of your duties;
- e. Being charged with a criminal offence which, in RQL's opinion, affects your suitability for your position;
- f. Conduct which may injure RQL's reputation or operations;
- g. Refusal or failure to comply with RQL's lawful directions;
- h. Breach of your obligations under clause 11 of this Agreement; and



EMPLOYMENT AGREEMENT

- i. You being prohibited from taking part in the management of RQL pursuant to the *Corporations Act 2001*.

22.2. Confidential Information means the trade secrets and all other information regarding RQL's affairs which become known to you in circumstances where you know, or should know, that the information is to be treated as confidential. This Confidential Information includes without limitation any information that:

- a. Would be of commercial value to a competitor of RQL.
- b. Relates to RQL's financial affairs; including financial information, accounts work, financing information, management reports and performance or profitability reports and margins.
- c. Relates to RQL's operational requirements.
- d. Relates to any arrangements or transactions between RQL and stakeholders in the racing industry.
- e. Relates to RQL's customers; including customer details, customer lists, details of customer requirements, details of customer prospects, the identity of any customer, their requirements and their financial affairs.
- f. Relates to any functions you perform in relation to the regulation, licensing, administering or policing of racing and its integrity
- g. Relates to or is contained in any of RQL's computer data bases or software.
- h. Relates to any arrangements or transactions between RQL and its respective suppliers or contractors; including their identity and the price or charges in respect of the supplies or services RQL acquires from them.
- i. Relates to or is contained in any manuals or handbooks produced by RQL.
- j. Relates to RQL fees, quotations, prices or charges in respect of services or products.
- k. Relates to the marketing and selling techniques used by RQL; including marketing plans, sales plans, research and data surveys.
- l. Relates to trade secrets, technical specifications, know how, plans, design concepts, ideas, design specifications, manufacturing or development processes, research, formulae, processes, applications, unique features or techniques in respect of any of RQL's products, services or operations, whether existing or in development.
- m. Relates to or is associated with any of RQL's technology or software, or any related products or services, including any source code, programming, plans, concepts, specifications, alterations or additions, content, features, operation opportunities, benefits or market appeal, whether produced by you or otherwise.
- n. Is prepared by RQL or anybody else based on or incorporating information referred to in paragraphs (a) to (m) above, including all notes and other records, whether written or otherwise, and any copies of the information, notes and other records referred to in paragraphs (a) to (m) above.

But does not include information that:

- o. Was rightfully in your possession and not subject to an obligation of confidentiality before the negotiations leading to the commencement of your employment with RQL, whether pursuant to this Agreement or otherwise.
- p. Is or, after the commencement of your employment becomes, available in the public domain other than as a result of a breach of this Agreement

22.3. Intellectual Property Rights means any and all beneficial and legal ownership and intellectual and industrial protection rights throughout the world, both present and future, including rights in respect of or in connection with any confidential information, copyright, including future copyright and rights in the nature of or analogous to copyright), moral rights, inventions (including patents), trade marks, service marks, designs, circuit layout and



EMPLOYMENT AGREEMENT

performance protection (whether or not now existing and whether or not registered or registrable) and includes any right to apply for the registration of such right and all renewals and extensions.

22.4. Moral Rights has the meaning given to that term in the *Copyright Act 1968* (C'lh)


22.5. Control Body has the same meaning given by the *Racing Act 2002* (Qld).

22.6. References to legislation are references to legislation as in force at the relevant time.



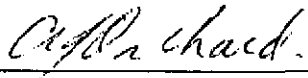
EMPLOYMENT AGREEMENT

Signed on behalf of RQL.

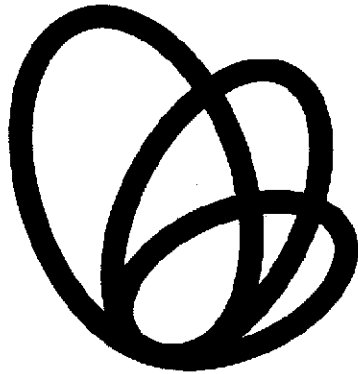


RG Bentley 5 August 2011
Chairman Date

I acknowledge that I have read the contents of this Offer of Employment and accept that offer on the terms and conditions set out in this Agreement.



Alfred Orchard 5 August 2011
Date



RACING QUEENSLAND

OFFER OF EMPLOYMENT

CONFIDENTIAL

Made by:

Racing Queensland Limited; ACN 142 786 874

To:

Malcolm Tuttle

1. OFFER OF EMPLOYMENT

- 1.1. Racing Queensland Limited ACN 142 786 874 (referred to in this document as "RQL") wishes to offer Malcolm Tuttle (referred to in this document as "you" or "your") employment in the position of Chief Executive Officer.
- 1.2. This document sets out the complete terms of the contract of employment that is being offered to you and it supersedes and replaces entirely any prior agreed terms regarding your employment with RQL. If you think that there are any other agreed terms not included in this document, please advise the Chairman of the Board, Mr Bob Bentley, before you sign this document.
- 1.3. Once this document has been signed by you it will become a binding contract of employment between you and RQL.

2. ENGAGEMENT

- 2.1. You shall be employed by RQL as Chief Executive Officer and in such other offices or capacities, as may from time to time be assigned to you, in accordance with the terms of this Agreement. You will report to the Board of Racing Queensland Limited or its nominated delegate.
- 2.2. The duties that you perform will be in line with your position description and may vary from time to time in accordance with the terms of this Agreement and business requirements. If your duties do vary, the terms and conditions set out in this Agreement will continue to apply unless otherwise agreed in writing.
- 2.3. You agree that RQL may alter your position from time to time, including changing your title, your duties and your workplace, provided that the altered position is reasonably comparable or an adequate alternative position to your position prior to the change. You agree that changes of that nature will not give rise to any termination, separation or redundancy entitlements unless they amount to a Material Adverse Change by reason of which you resign under clause 15.2.
- 2.4. This contract is for a term commencing 1 July 2010 and expiring 30 June 2013.
- 2.5. RQL will, before 31 December 2012, negotiate with you any extension of time of this contract beyond 30 June 2013.

3. PLACE OF WORK

- 3.1. You will be employed at RQL's Deagon head office, but you may be required to perform your duties at other locations as reasonably requested. RQL may move your position to another location due to business requirements. If this is required RQL will provide you with notice of at least four weeks of the intention to move your position, and will discuss any such change with you as soon as possible.
- 3.2. The responsibilities of your position mean that you may be required to travel and work for extended periods throughout Australia and overseas.

4. COMMENCEMENT AND HOURS OF WORK

- 4.1. This contract will commence on 1 July 2011.
- 4.2. Your service with RQL will be calculated from the date you commenced employment with RQL and not from the date of this contract for the purpose of applicable service related entitlements and benefits under this contract.
- 4.3. You will be employed on a full-time basis. Your TRV has been set taking into account that you are being appointed to a senior executive role. You are expected to devote your time, attention and skills as need to ensure that you effectively carry out the responsibilities of your role. You agree that this may regularly involve work outside of standard business

hours, including work on weekends and public holidays if required, and that your TRV includes payment for all such hours worked.

- 4.4. Hours worked outside of RQL's standard office hours will not attract additional pay as you acknowledge that your TRV reasonably compensates you for all hours worked.
- 4.5. Punctuality is important in providing a proper service to clients. If you are unable to attend work on any day, or will be late for work, you must personally advise RQL of any absence as soon as possible.
- 4.6. You agree that RQL may direct you at any time to not attend work or carry out your duties and that, if RQL does issue you with such a direction, that this will not amount to termination of your employment or breach of your employment contract.

5. REMUNERATION AND SUPERANNUATION

5.1. Your remuneration is calculated on a total remuneration value (TRV) basis, which is inclusive of all remuneration entitlements and compulsory superannuation contributions. You will receive a gross TRV of \$390,000 per annum, including compulsory superannuation.

5.2. That part of your TRV remaining after deduction of superannuation, including any deemed or notional contributions), any salary sacrifice arrangements implemented by you and any other entitlements we are obliged to provide will be your gross Salary. You authorise RQL to deduct the following, where applicable, from your TRV in order to calculate your actual net salary payments:

- a. Taxes required by law, including PAYG and FBT;
- b. Compulsory superannuation contributions;
- c. The cost of any salary sacrifice arrangements implemented by you;
- d. Any other deductions which you have authorised RQL to make;
- e. An amount equal to your TRV for the period of any unauthorised absences, any unpaid leave or periods when you have failed to provide the required notice of termination of your employment. You agree that your signing of this Offer of Employment amounts to express written consent to deduct an amount in accordance with the *Fair Work Act 2009*;
- f. Your contribution to the cost of the motor vehicle provided to you by RQL, as set out in clause 5.4.

5.3. Your Salary will be paid monthly, direct to your nominated bank account.

5.4. RQL will provide you with a 6 cylinder vehicle. You may choose not to accept the offer of use of a vehicle but if you do so, RQL's provision of a vehicle cannot be cashed out and does not form part of your TRV.

5.5. RQL will pay superannuation contributions in accordance with statutory requirements into a nominated complying superannuation fund of your choice. You may elect to contribute additional amounts of your TRV, as agreed, into your superannuation fund.

5.6. In addition to your TRV, RQL will cover the following costs:

- a. Mobile telephone costs, including calls;
- b. Home internet connectivity;
- c. 100% of your home telephone account,

provided that all such costs will be determined in accordance with any relevant RQL policies in place from time to time.

5.7. Your remuneration arrangements will be reviewed annually. There is no guarantee that your TRV will be increased each year. Any review will take into account market movement, your performance and RQL's financial situation.

5.8. RQL takes a flexible approach to the structuring of TRV and allows its employees to determine how they will receive their remuneration. You will be permitted to structure your

TRV in accordance with the RQL Remuneration Policy and Procedures that are in place from time to time.

- 5.9. All costs associated with salary sacrificing will be deducted from your TRV before your Salary is calculated and paid. Any salary sacrifice is subject to Australian Tax Office rulings and, should there be any change to the current treatment of salary sacrificing, the salary sacrifice arrangement will be reviewed to ensure that there are no additional costs to RQL.
- 5.10. You agree that in the event of an overpayment of salary, RQL may recover the amount of the overpayment by way of deduction from your future earnings. If this occurs, RQL will provide you with written notification of the intention to recover the overpayment and the amount to be recovered.
- 5.11. You agree that any monies owed by you to RQL as at the date of termination of employment may be deducted by RQL from your final termination pay.
- 5.12. You agree that your Salary has been set to include all allowances, penalties and loadings that may be payable to you, regardless of how that entitlement arises. You also agree that, if at any time during your employment, you are entitled to payment for overtime, penalties, loadings and allowances under an award or agreement, your Salary is being paid as a composite payment in satisfaction of both your contractual entitlements and all such award or agreement entitlements. You agree that if your Salary exceeds the amount that you would be entitled to for ordinary hours of work under an award or agreement, then the excess paid to you may be set off against any award or agreement entitlements and does not increase the rates payable to you under any applicable award or agreement.

6. EXPENSES

- 6.1. RQL will reimburse you in accordance with RQL's Expense Reimbursement Policy, as amended from time to time, for reasonable work-related expenses incurred by you in the performance of your duties.

7. LEAVE

- 7.1. You are entitled to 4 weeks' paid annual leave per 12 months of continuous employment, accrued in accordance with the *Fair Work Act 2009*. Annual leave entitlements accrue throughout the year and accumulate from year to year when accrued leave is not taken. All annual leave will be approved in line with organisational requirements and must be approved prior to you taking annual leave. The RQL Leave Policy contains more details about the taking of annual leave and management of annual leave balances. You agree that it is reasonable for RQL to apply that Leave Policy.
- 7.2. To ensure you maintain a healthy work and life balance, you will be encouraged to take leave each year. We may direct you to take annual leave in accordance with applicable legislation, which currently requires the giving of notice and says that we cannot direct you to take all of your accrued leave. There are certain times during the year when annual leave will not usually be granted. Those times differ in various parts of the business. For example, employees working in the finance area will not generally be granted leave from May to September.
- 7.3. There is no separate leave loading payable to you as your TRV has been set taking this into account. On termination of employment, any accrued annual leave will be paid at your then current ordinary rate of pay.
- 7.4. You are entitled to paid personal leave of ten days per year in accordance with the *Fair Work Act 2009*. Personal leave includes sick leave and carer's leave.
- 7.5. Personal leave entitlements will accumulate from year to year but are not paid out upon termination;
- 7.6. The *Fair Work Act 2009* provides for carer's leave to be taken to care for a member of your immediate family or household who requires care or support due to an illness or injury or unexpected emergency affecting them. Your entitlement to take carer's leave is governed

by the provisions of the *Fair Work Act 2009*. You may take unpaid carer's leave of up to two days per occasion if you have exhausted your paid personal leave entitlements.

7.7. If you are absent due to sick or carer's leave you are required to notify RQL at the commencement of your normal working time or as soon as reasonably practicable and, as far as practicable, state the estimated duration of the absence. You may be required to produce a medical certificate or other proof that RQL considers reasonable proof of the reason for your absence if you take sick or carer's leave. The RQL Leave Policy contains more information about these requirements.

7.8. You are entitled to paid compassionate leave in accordance with the *Fair Work Act 2009*. That Act currently provides for a maximum of two days for each occasion when a member of your immediate family or a member of your household contracts or develops an illness that poses a serious threat to their life, or sustains an injury that poses a serious threat to their life, or dies. You may be asked to provide reasonable evidence of the illness, injury or death before you are entitled to take this paid compassionate leave

7.9. You may be entitled to parental leave (maternity, paternity and adoption leave) if applicable in accordance with the *Fair Work Act 2009*.

7.10. You are entitled to thirteen weeks long service leave after ten years continuous service subject to and in accordance with the RQL Long Service Leave policy.

8. EMPLOYEE OBLIGATIONS

8.1. You agree that you will:

- a. Perform to the best of your ability and knowledge the duties assigned to you, in a manner consistent with your position, as determined by RQL.
- b. Exhibit professional behaviour and attitude in dealings with managers, employees, clients, and suppliers of RQL, and all others.
- c. Take all reasonable steps to meet performance criteria that RQL establishes from time to time.
- d. Abide by all safety, quality and security procedures applying to RQL's operations and premises.
- e. Refrain from all behaviour that could be perceived as discrimination, harassment or bullying in the workplace under applicable legislation.
- f. Observe and comply with all policies, procedures, and operational manuals, as amended by RQL from time to time and all reasonable directions given by RQL.
- g. Not engage in remunerated work or other activities outside of RQL that may be a conflict of interest or lead to a reasonably perceived conflict of interest, without RQL's prior written consent.
- h. Not claim or accept any fee, gratuity, commission or other benefit from any source other than RQL in payment for any services concerned with RQL's business.
- i. Devote the whole of your time and abilities during normal working hours, and at such other times as may be reasonably necessary, to the performance of your duties.
- j. Use your best endeavours to promote, develop and extend RQL's business interests and reputation and not do anything to the detriment of those business interests or reputation.
- k. Comply with, implement and enforce any legislation that applies to the duties or responsibilities of your position.

- I. Immediately notify RQL if you become aware or have reason to believe that another employee of RQL has failed to comply with any legislation applying to their duties or responsibilities.

9. CONFLICT OF INTEREST

- 9.1. You are being appointed as a senior executive. This means that you are required to always act in good faith in RQL's best interests and to ensure that you are not placed in a situation where your duties to RQL are in conflict with your personal interests. This extends to ensuring that you are not in a situation where there could be a reasonably perceived conflict between your duties to RQL and your personal interests. RQL's Conflict of Interest Policy contains more information about circumstances when conflicts can arise. If you are in doubt you must seek clarification from RQL.
- 9.2. You must not accept any payment or other benefit from any person as an inducement or reward for any act or forbearance with any matter or operation transacted by RQL or on its behalf. You must report any actual or potential conflict of interest to RQL immediately.
- 9.3. You warrant that, from 1 July 2010, there will be no circumstances which would create a perceived or actual conflict of interest between your personal interests and your obligations to RQL. You will be required to complete and sign the Conflict of Interest and Racing Interest Declaration Form prior to commencing with RQL. This form will be required to be completed annually or where there is any change to your circumstances.
- 9.4. You agree that you will immediately notify the Board of Racing Queensland Limited or its nominated delegates in writing if a conflict or risk of conflict arises which will impact on your actual or perceived ability to carry out your obligations under this agreement. After assessing the conflict or risk of conflict, RQL may give you written notice requiring you to remedy the conflict or risk of conflict within a specified time.
- 9.5. You agree that you will not enter into or be involved in any other employment or business activity that could conflict with, be detrimental to or interfere with RQL's interests or the performance of the responsibilities of your position with RQL.

10. INFORMATION, POLICIES AND PROCEDURES

- 10.1. It is a term of your employment contract that you must comply with all lawful orders, instructions, standards, policies and procedures in existence at RQL. While you must observe and comply with these policies and procedures, the contents of those policies and procedures do not form terms and conditions of your employment contract with RQL unless expressly referred to in this Agreement. If there is any inconsistency between the terms of this Agreement and RQL's policies and procedures, the terms of this Agreement will prevail.
- 10.2. To the extent that RQL's policies and procedures refer to obligations on RQL, you agree that they are guides only and not contractual terms, conditions or representations on which you rely.
- 10.3. You will not knowingly withhold any information or material within your possession that may affect RQL's performance or reputation.
- 10.4. It is a term of your employment contract that you comply with the RQL Code of Conduct, as amended from time to time.

11. CONFIDENTIAL INFORMATION

- 11.1. You must not at any time during your employment with RQL, or at any time after your employment terminates, disclose to any other person or use or attempt to use any Confidential Information of RQL except:
 - a. With RQL's prior written permission;
 - b. In the proper performance of your duties;

- c. As expressly allowed under this Agreement; or
- d. For the purposes of disclosure only where you are legally obliged to disclose by a Court, Commission or Tribunal.

11.2. During your employment with RQL, you must use your best endeavours to prevent the unauthorised disclosure of any Confidential Information or trade secrets by a third party. When Confidential Information is disclosed as permitted by clause 11.1 you must ensure that the person to whom the information is disclosed is made aware of its confidential nature and use your best endeavours to ensure that person does not use or disclose that information.

11.3. The obligations of this clause shall survive the termination of this Agreement. You must not, after termination of employment use Confidential Information for a purpose other than for the benefit of RQL.

12. INTELLECTUAL PROPERTY

12.1. You acknowledge and agree that all existing and future Intellectual Property Rights in any Confidential Information or in respect of any intellectual property developed, in development, created or conceived wholly or partly by you, alone or together with any other person or body, whether during or outside working hours:

- a. On RQL's premises or using RQL's facilities or resources, facilities or resources which were in the care and control of RQL, or any of RQL's employees, officers, agents, subcontractors or representatives;
- b. Directly or indirectly as a result of the employee or anybody else's access to confidential information;
- c. In the course of, as a consequence of or in relation to the performance of the employees duties;
- d. Relating to RQL's general methods of operation; or
- e. In respect of or associated with any of RQL's products or services, and any alterations or additions or methods of making, using, marketing, selling or providing those products or services;

vest in and belong to RQL, and to the extent necessary to vest ownership in RQL, the intellectual property is deemed to be assigned to RQL as its exclusive property.

12.2. You agree to execute all documents, including any assignments, and do all acts and things, required by RQL for the purpose of effecting and perfecting the title of RQL or its nominee to the intellectual property rights described in the clause above, in Australia or such other countries as RQL requires. You consent to RQL infringing any Moral Rights that you may have or become entitled to, in any work created, developed, modified or enhanced in the course of their employment.

12.3. You must immediately disclose to RQL in writing, any invention or improvement you make or think of during the course of your employment.

12.4. You consent to RQL infringing any Moral Rights that you may have or become entitled to in any Work created, developed, modified or enhanced in the course of your employment.

12.5. Your obligations under this clause will survive the termination of this Agreement.

13. PRIVACY

13.1. You must not remove or copy any information, including client or employee information, from RQL's premises without RQL's consent.

13.2. During the course of your employment, RQL may collect, use, handle and/or disclose your personal information in the proper course of business, such as to facilitate the provision of

salary and benefits, and supply required information to external superannuation and insurance providers. This may include your address, date of birth, health information and professional associations.

14. RQL PROPERTY AND SECURITY

- 14.1. All documents, records, papers, manuals, materials of any nature and other property of, or relating to, the business of RQL, whether prepared by you or not, are and remain the property of RQL.
- 14.2. You agree to take all reasonable steps to ensure the security of and protect all Confidential Information and Intellectual Property Rights of RQL in your possession, power or control. You agree to comply with, and to the best of your endeavours ensure that other employees or contractors engaged by RQL comply with, all of RQL's security guidelines, procedures, rules and regulations (whether formal or informal).
- 14.3. Upon termination of this Agreement, you shall immediately deliver to RQL all documents, records, papers, materials of any nature whatsoever and other property of, or relating to, RQL's affairs or any of RQL's related business entities, which may be in your possession or under your control.
- 14.4. If you are provided with a security access device of any kind, such as a key or computer coded access card, you will:
 - a. immediately return the device to RQL on termination of your employment or earlier request;
 - b. not copy nor permit the copying of the device or any aspect of it which is integral to its function of security;
 - c. not give the device to anybody else or permit anybody else to use the device; and
 - d. use the device strictly in accordance with any conditions advised by RQL in respect of it.

15. TERMINATION OF EMPLOYMENT

- 15.1. If by reason of health or other personal issues you are unable to continue the fulfilment of your duties under this contract, you may resign from your employment at any time by giving six weeks' notice in writing. If you do not give that notice, you authorise RQL to deduct from any payment owing to you a sum equivalent to the TRV you would have been entitled to for the period by which your actual notice fell short of the required six week notice period. RQL may, at its discretion, decide to accept a shorter period of notice from you. Otherwise you are bound by the period of this contract.
- 15.2. Within 14 days of the occurrence of a Material Adverse Change, you may resign from your employment by giving seven days' written notice. This notice period may be waived by the Chairman of the Board of directors of RQL at the Chairman's discretion. If you resign by reason of a Material Adverse Change, you will be entitled to:
 - a. a payment of a sum equivalent to the TRV you would have been entitled to receive had you remained employed until the end of the term referred to in clause 2.4 of this contract, however not exceeding a sum equivalent to 14 months of your TRV;
 - b. a severance payment calculated in accordance with the relevant scale contained in any redundancy policy of RQL; and
 - c. any accrued but unpaid entitlements.

For the purpose of this clause, **Material Adverse Change** means a change in the Queensland State Government, RQL ceasing to be the approved Control Body under the *Racing Act 2002* (Qld), a material adverse change in the make up of the RQL Board of directors, or your reporting lines, or an organisational restructure that materially impacts on your role at RQL in a manner adverse to you.

15.3. RQL may terminate your employment by giving you six weeks' notice in writing if your employment is being terminated for any one or more of the following reasons:

- a. Unsatisfactory performance other than a termination for Misconduct as provided for by clause 15.8;
- b. Failure to comply with the terms and conditions of your employment contract;
- c. You suffer from an incapacity that renders you unable to carry out the inherent requirements of your position;

If you are over 45 years of age at that time and have more than 2 years continuous service with RQL, that notice will be increased to seven weeks notice. AT RQL's discretion, RQL may pay you in lieu of part or all of that notice period.

15.4. Should RQL cease to be the approved Control Body, RQL will provide you the opportunity to take redundancy. The redundancy will be at least equivalent to the TRV you would have been entitled to receive had you remained employed for the period of the term of the contract.

15.5. If RQL terminates your employment for any reason other than those referred to in clauses 15.3, 15.4 and 15.8, then you will be given six weeks' written notice of termination and will be paid on termination a payment equivalent to the TRV you would have been entitled to receive had you remained employed until the end of the term referred to in clause 2.4 of this contract.

15.6. During any period of notice, RQL may require you:

- a. To perform duties that are different from those that you were required to perform during the rest of your employment with RQL, provided that you have the necessary skills, training, education and experience to undertake them; or
- b. To not present yourself for work, do any work or contact any of RQL's clients or personnel for any period up to the date of termination of employment.

15.7. During any period of notice you will continue to be employed by RQL and you must not engage or prepare to engage in any business activity that is the same or similar to the duties you were performing for RQL. Up to the termination of your employment you and RQL shall remain bound by the mutual obligations of trust and confidence.

15.8. RQL may terminate your employment summarily without notice or payment in lieu of notice if RQL reasonably concludes that you have committed Misconduct. If your employment is summarily terminated by RQL you will not be entitled to any notice payment, or other benefit on termination other than the statutory entitlements accrued up to and including the termination date. Such payment will be in full satisfaction and discharge of all claims and demands by you against RQL in respect of your employment.

15.9. Following the termination of your employment, upon RQL's request, you agree to provide RQL with reasonable assistance regarding any matter relating directly or indirectly to your employment, or which arises out of events which occurred during the period of your employment, including providing statements or affidavits, attending meetings and attending hearings or inquiries.

15.10. If RQL terminates your contract without cause, including if RQL ceases to be the Control Body under the Racing Act 2002 (QLD), you will be entitled to a payment equivalent to the TRV you would have been entitled to receive had you remained employed until the term of the contract expired, 30 June 2013. For clarity, if by 31 December 2012 your contract has been extended, but after 31 December 2012 RQL ceases to be the Control Body or terminates you without cause, your entitlement to redundancy does not extend beyond the original term (expiring 30 June 2013) unless otherwise negotiated in a new contract.

16. ENTIRE AGREEMENT

- 16.1. This Agreement forms the entire agreement between you and RQL and shall operate to the exclusion of, and wholly replace, all other contracts or agreements that would otherwise apply to your employment. This Agreement supersedes all prior agreements, understandings and negotiations.
- 16.2. This Agreement represents a full record of the contractual terms and conditions with respect to your employment with RQL and supersedes any prior oral or written contract or understanding between you and RQL.
- 16.3. You agree that you will, if requested by RQL in the future, sign additional documents which include words to the effect that this Agreement forms the entire agreement between you and RQL regarding your terms and conditions of employment.
- 16.4. Any award or legislation applicable to your employment does not form a term of your employment contract.

17. VARIATION

- 17.1. Subject to RQL's right to amend any policies and to change your title, duties or position in accordance with clause 2.3 of this Agreement, the terms and conditions of this Agreement may only be amended by agreement in writing signed by you and RQL.

18. SEVERABILITY

- 18.1. If any provision in this Agreement is unenforceable, illegal or void, then it is deemed to be severable and independent and will not affect the validity or enforceability of any other provisions of this Agreement which will remain in force.

19. WORK ELIGIBILITY

- 19.1. Your employment is conditional upon you providing if requested by RQL, prior to your commencement, evidence of your eligibility to work in Australia.

20. WARRANTIES

- 20.1. You warrant that you have the expertise, qualifications, licenses and registration necessary to perform your duties and will perform them in a manner appropriate to a person having such expertise, qualifications, licenses or registration. You must maintain that expertise, qualifications, licenses and registration throughout your employment.
- 20.2. You acknowledge that RQL has relied upon the accuracy and truthfulness of any representations, whether written or verbal, made by you in relation to your professional qualifications, skills and experience during the pre-employment process. This offer of employment has been made in reliance upon these representations.

21. CONFIDENTIALITY OF AGREEMENT

- 21.1. This Agreement and its contents are confidential and should not be communicated to any other party.

22. DEFINITIONS AND INTERPRETATION

- 22.1. Misconduct includes but is not limited to:

- a. Drunkenness or intoxication;
- b. Dishonesty;
- c. Neglect of duty or incompetence;
- d. Any form of misrepresentation, whether to RQL or others in the performance of your duties;

- e. Being charged with a criminal offence which, in RQL's opinion, affects your suitability for your position;
- f. Conduct which may injure RQL's reputation or operations;
- g. Refusal or failure to comply with RQL's lawful directions;
- h. Breach of your obligations under clause 11 of this Agreement; and
- i. You being prohibited from taking part in the management of RQL pursuant to the *Corporations Act 2001*.

22.2. Confidential Information means the trade secrets and all other information regarding RQL's affairs which become known to you in circumstances where you know, or should know, that the information is to be treated as confidential. This Confidential Information includes without limitation any information that:

- a. Would be of commercial value to a competitor of RQL.
- b. Relates to RQL's financial affairs; including financial information, accounts work, financing information, management reports and performance or profitability reports and margins.
- c. Relates to RQL's operational requirements.
- d. Relates to any arrangements or transactions between RQL and stakeholders in the racing industry.
- e. Relates to RQL's customers; including customer details, customer lists, details of customer requirements, details of customer prospects, the identity of any customer, their requirements and their financial affairs.
- f. Relates to any functions you perform in relation to the regulation, licensing, administering or policing of racing and its integrity
- g. Relates to or is contained in any of RQL's computer data bases or software.
- h. Relates to any arrangements or transactions between RQL and its respective suppliers or contractors; including their identity and the price or charges in respect of the supplies or services RQL acquires from them.
- i. Relates to or is contained in any manuals or handbooks produced by RQL.
- j. Relates to RQL fees, quotations, prices or charges in respect of services or products.
- k. Relates to the marketing and selling techniques used by RQL; including marketing plans, sales plans, research and data surveys.
- l. Relates to trade secrets, technical specifications, know how, plans, design concepts, ideas, design specifications, manufacturing or development processes, research, formulae, processes, applications, unique features or techniques in respect of any of RQL's products, services or operations, whether existing or in development.
- m. Relates to or is associated with any of RQL's technology or software, or any related products or services, including any source code, programming, plans, concepts, specifications, alterations or additions, content, features, operation opportunities, benefits or market appeal, whether produced by you or otherwise.
- n. Is prepared by RQL or anybody else based on or incorporating information referred to in paragraphs (a) to (m) above, including all notes and other records, whether written or otherwise, and any copies of the information, notes and other records referred to in paragraphs (a) to (m) above.

But does not include information that:

- o. Was rightfully in your possession and not subject to an obligation of confidentiality before the negotiations leading to the commencement of your employment with RQL, whether pursuant to this Agreement or otherwise.

- p. Is or, after the commencement of your employment becomes, available in the public domain other than as a result of a breach of this Agreement

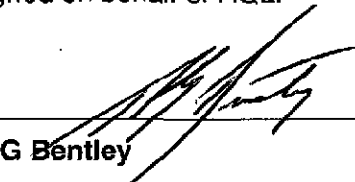
22.3. Intellectual Property Rights means any and all beneficial and legal ownership and intellectual and industrial protection rights throughout the world, both present and future, including rights in respect of or in connection with any confidential information, copyright, including future copyright and rights in the nature of or analogous to copyright), moral rights, inventions (including patents), trade marks, service marks, designs, circuit layout and performance protection (whether or not now existing and whether or not registered or registrable) and includes any right to apply for the registration of such right and all renewals and extensions.

22.4. Moral Rights has the meaning given to that term in the *Copyright Act 1968* (C'th)

22.5. Control Body has the same meaning given by the *Racing Act 2002* (Qld).

22.6. References to legislation are references to legislation as in force at the relevant time.

Signed on behalf of RQL.

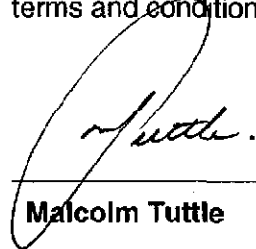


RG Bentley
Chairman

5 August 2011

Date

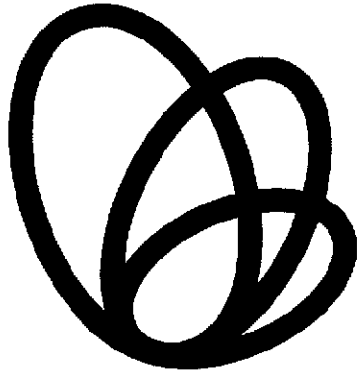
I acknowledge that I have read the contents of this Offer of Employment and accept that offer on the terms and conditions set out in this Agreement.



Malcolm Tuttle

5 August 2011

Date



RACING QUEENSLAND

OFFER OF EMPLOYMENT

CONFIDENTIAL

Made by:

Racing Queensland Limited; ACN 142 786 874

To:

Paul Brennan

1. OFFER OF EMPLOYMENT

- 1.1. Racing Queensland Limited ACN 142 786 874 (referred to in this document as "RQL") wishes to offer Paul Brennan (referred to in this document as "you" or "your") employment in the position of Director of Product Development.
- 1.2. This document sets out the complete terms of the contract of employment that is being offered to you and it supersedes and replaces entirely any prior agreed terms regarding your employment with RQL. If you think that there are any other agreed terms not included in this document, please advise the Chairman of the Board, Mr Bob Bentley, before you sign this document.
- 1.3. Once this document has been signed by you it will become a binding contract of employment between you and RQL.

2. ENGAGEMENT

- 2.1. You shall be employed by RQL as Product Development Director and in such other offices or capacities, as may from time to time be assigned to you, in accordance with the terms of this Agreement. You will report to the Chief Executive Officer.
- 2.2. The duties that you perform will be in line with your position description and may vary from time to time in accordance with the terms of this Agreement and business requirements. If your duties do vary, the terms and conditions set out in this Agreement will continue to apply unless otherwise agreed in writing.
- 2.3. You agree that RQL may alter your position from time to time, including changing your title, your duties and your workplace, provided that the altered position is reasonably comparable or an adequate alternative position to your position prior to the change. You agree that changes of that nature will not give rise to any termination, separation or redundancy entitlements unless they amount to a Material Adverse Change by reason of which you resign under clause 15.2.
- 2.4. This contract is for a term commencing 1 July 2010 and expiring 30 June 2013.
- 2.5. RQL will, before 31 December 2012, negotiate with you any extension of time of this contract beyond 30 June 2013.

3. PLACE OF WORK

- 3.1. You will be employed at RQL's Deagon head office, but you may be required to perform your duties at other locations as reasonably requested. RQL may move your position to another location due to business requirements. If this is required RQL will provide you with notice of at least four weeks of the intention to move your position, and will discuss any such change with you as soon as possible.
- 3.2. The responsibilities of your position mean that you may be required to travel and work for extended periods throughout Australia and overseas.

4. COMMENCEMENT AND HOURS OF WORK

- 4.1. This contract will commence on 1 July 2011.
- 4.2. Your service with RQL will be calculated from the date you commenced employment with RQL and not from the date of this contract for the purpose of applicable service related entitlements and benefits under this contract.
- 4.3. You will be employed on a full-time basis. Your TRV has been set taking into account that you are being appointed to a senior executive role. You are expected to devote your time, attention and skills as need to ensure that you effectively carry out the responsibilities of your role. You agree that this may regularly involve work outside of standard business hours, including work on weekends and public holidays if required, and that your TRV includes payment for all such hours worked.

- 4.4. Hours worked outside of RQL's standard office hours will not attract additional pay as you acknowledge that your TRV reasonably compensates you for all hours worked.
- 4.5. Punctuality is important in providing a proper service to clients. If you are unable to attend work on any day, or will be late for work, you must personally advise RQL of any absence as soon as possible.
- 4.6. You agree that RQL may direct you at any time to not attend work or carry out your duties and that, if RQL does issue you with such a direction, that this will not amount to termination of your employment or breach of your employment contract.

5. REMUNERATION AND SUPERANNUATION

- 5.1. Your remuneration is calculated on a total remuneration value (TRV) basis, which is inclusive of all remuneration entitlements and compulsory superannuation contributions. You will receive a gross TRV of \$234,000 per annum, including compulsory superannuation.
- 5.2. That part of your TRV remaining after deduction of superannuation, including any deemed or notional contributions), any salary sacrifice arrangements implemented by you and any other entitlements we are obliged to provide will be your gross Salary. You authorise RQL to deduct the following, where applicable, from your TRV in order to calculate your actual net salary payments:
 - a. Taxes required by law, including PAYG and FBT;
 - b. Compulsory superannuation contributions;
 - c. The cost of any salary sacrifice arrangements implemented by you;
 - d. Any other deductions which you have authorised RQL to make;
 - e. An amount equal to your TRV for the period of any unauthorised absences, any unpaid leave or periods when you have failed to provide the required notice of termination of your employment. You agree that your signing of this Offer of Employment amounts to express written consent to deduct an amount in accordance with the *Fair Work Act 2009*;
 - f. Your contribution to the cost of the motor vehicle provided to you by RQL, as set out in clause 5.4.
- 5.3. Your Salary will be paid monthly, direct to your nominated bank account.
- 5.4. RQL will provide you with a 6 cylinder vehicle. You may choose not to accept the offer of use of a vehicle but if you do so, RQL's provision of a vehicle cannot be cashed out and does not form part of your TRV.
- 5.5. RQL will pay superannuation contributions in accordance with statutory requirements into a nominated complying superannuation fund of your choice. You may elect to contribute additional amounts of your TRV, as agreed, into your superannuation fund.
- 5.6. In addition to your TRV, RQL will cover the following costs:
 - a. Mobile telephone costs, including calls;
 - b. Home internet connectivity; and
 - c. 50% of your home telephone account,provided that all such costs will be determined in accordance with any relevant RQL policies in place from time to time.
- 5.7. Your remuneration arrangements will be reviewed annually. There is no guarantee that your TRV will be increased each year. Any review will take into account market movement, your performance and RQL's financial situation.
- 5.8. RQL takes a flexible approach to the structuring of TRV and allows its employees to determine how they will receive their remuneration. You will be permitted to structure your TRV in accordance with the RQL Remuneration Policy and Procedures that are in place from time to time.

- 5.9. All costs associated with salary sacrificing will be deducted from your TRV before your Salary is calculated and paid. Any salary sacrifice is subject to Australian Tax Office rulings and, should there be any change to the current treatment of salary sacrificing, the salary sacrifice arrangement will be reviewed to ensure that there are no additional costs to RQL.
- 5.10. You agree that in the event of an overpayment of salary, RQL may recover the amount of the overpayment by way of deduction from your future earnings. If this occurs, RQL will provide you with written notification of the intention to recover the overpayment and the amount to be recovered.
- 5.11. You agree that any monies owed by you to RQL as at the date of termination of employment may be deducted by RQL from your final termination pay.
- 5.12. You agree that your Salary has been set to include all allowances, penalties and loadings that may be payable to you, regardless of how that entitlement arises. You also agree that, if at any time during your employment, you are entitled to payment for overtime, penalties, loadings and allowances under an award or agreement, your Salary is being paid as a composite payment in satisfaction of both your contractual entitlements and all such award or agreement entitlements. You agree that if your Salary exceeds the amount that you would be entitled to for ordinary hours of work under an award or agreement, then the excess paid to you may be set off against any award or agreement entitlements and does not increase the rates payable to you under any applicable award or agreement.

6. EXPENSES

- 6.1. RQL will reimburse you in accordance with RQL's Expense Reimbursement Policy, as amended from time to time, for reasonable work-related expenses incurred by you in the performance of your duties.

7. LEAVE

- 7.1. You are entitled to 4 weeks' paid annual leave per 12 months of continuous employment, accrued in accordance with the *Fair Work Act 2009*. Annual leave entitlements accrue throughout the year and accumulate from year to year when accrued leave is not taken. All annual leave will be approved in line with organisational requirements and must be approved prior to you taking annual leave. The RQL Leave Policy contains more details about the taking of annual leave and management of annual leave balances. You agree that it is reasonable for RQL to apply that Leave Policy.
- 7.2. To ensure you maintain a healthy work and life balance, you will be encouraged to take leave each year. We may direct you to take annual leave in accordance with applicable legislation, which currently requires the giving of notice and says that we cannot direct you to take all of your accrued leave. There are certain times during the year when annual leave will not usually be granted. Those times differ in various parts of the business. For example, employees working in the finance area will not generally be granted leave from May to September.
- 7.3. There is no separate leave loading payable to you as your TRV has been set taking this into account. On termination of employment, any accrued annual leave will be paid at your then current ordinary rate of pay.
- 7.4. You are entitled to paid personal leave of ten days per year in accordance with the *Fair Work Act 2009*. Personal leave includes sick leave and carer's leave.
- 7.5. Personal leave entitlements will accumulate from year to year but are not paid out upon termination;
- 7.6. The *Fair Work Act 2009* provides for carer's leave to be taken to care for a member of your immediate family or household who requires care or support due to an illness or injury or unexpected emergency affecting them. Your entitlement to take carer's leave is governed by the provisions of the *Fair Work Act 2009*. You may take unpaid carer's leave of up to two days per occasion if you have exhausted your paid personal leave entitlements.

- 7.7. If you are absent due to sick or carer's leave you are required to notify RQL at the commencement of your normal working time or as soon as reasonably practicable and, as far as practicable, state the estimated duration of the absence. You may be required to produce a medical certificate or other proof that RQL considers reasonable proof of the reason for your absence if you take sick or carer's leave. The RQL Leave Policy contains more information about these requirements.
- 7.8. You are entitled to paid compassionate leave in accordance with the *Fair Work Act 2009*. That Act currently provides for a maximum of two days for each occasion when a member of your immediate family or a member of your household contracts or develops an illness that poses a serious threat to their life, or sustains an injury that poses a serious threat to their life, or dies. You may be asked to provide reasonable evidence of the illness, injury or death before you are entitled to take this paid compassionate leave
- 7.9. You may be entitled to parental leave (maternity, paternity and adoption leave) if applicable in accordance with the *Fair Work Act 2009*.
- 7.10. You are entitled to thirteen weeks long service leave after ten years continuous service subject to and in accordance with the RQL Long Service Leave policy.

8. EMPLOYEE OBLIGATIONS

8.1. You agree that you will:

- a. Perform to the best of your ability and knowledge the duties assigned to you, in a manner consistent with your position, as determined by RQL.
- b. Exhibit professional behaviour and attitude in dealings with managers, employees, clients, and suppliers of RQL, and all others.
- c. Take all reasonable steps to meet performance criteria that RQL establishes from time to time.
- d. Abide by all safety, quality and security procedures applying to RQL's operations and premises.
- e. Refrain from all behaviour that could be perceived as discrimination, harassment or bullying in the workplace under applicable legislation.
- f. Observe and comply with all policies, procedures, and operational manuals, as amended by RQL from time to time and all reasonable directions given by RQL.
- g. Not engage in remunerated work or other activities *outside of RQL* that may be a conflict of interest or lead to a reasonably perceived conflict of interest, without RQL's prior written consent.
- h. Not claim or accept any fee, gratuity, commission or other benefit from any source other than RQL in payment for any services concerned with RQL's business.
- i. Devote the whole of your time and abilities during normal working hours, and at such other times as may be reasonably necessary, to the performance of your duties.
- j. Use your best endeavours to promote, develop and extend RQL's business interests and reputation and not do anything to the detriment of those business interests or reputation.
- k. Comply with, implement and enforce any legislation that applies to the duties or responsibilities of your position.
- l. Immediately notify RQL if you become aware or have reason to believe that another employee of RQL has failed to comply with any legislation applying to their duties or responsibilities.

9. CONFLICT OF INTEREST

- 9.1. You are being appointed as a senior executive. This means that you are required to always act in good faith in RQL's best interests and to ensure that you are not placed in a situation where your duties to RQL are in conflict with your personal interests. This extends to ensuring that you are not in a situation where there could be a reasonably perceived conflict between your duties to RQL and your personal interests. RQL's Conflict of Interest Policy contains more information about circumstances when conflicts can arise. If you are in doubt you must seek clarification from RQL.
- 9.2. You must not accept any payment or other benefit from any person as an inducement or reward for any act or forbearance with any matter or operation transacted by RQL or on its behalf. You must report any actual or potential conflict of interest to RQL immediately.
- 9.3. You warrant that, from 1 July 2010, there will be no circumstances which would create a perceived or actual conflict of interest between your personal interests and your obligations to RQL. You will be required to complete and sign the Conflict of Interest and Racing Interest Declaration Form prior to commencing with RQL. This form will be required to be completed annually or where there is any change to your circumstances.
- 9.4. You agree that you will immediately notify the Chief Executive Officer in writing if a conflict or risk of conflict arises which will impact on your actual or perceived ability to carry out your obligations under this agreement. After assessing the conflict or risk of conflict, RQL may give you written notice requiring you to remedy the conflict or risk of conflict within a specified time.
- 9.5. You agree that you will not enter into or be involved in any other employment or business activity that could conflict with, be detrimental to or interfere with RQL's interests or the performance of the responsibilities of your position with RQL.

10. INFORMATION, POLICIES AND PROCEDURES

- 10.1. It is a term of your employment contract that you must comply with all lawful orders, instructions, standards, policies and procedures in existence at RQL. While you must observe and comply with these policies and procedures, the contents of those policies and procedures do not form terms and conditions of your employment contract with RQL unless expressly referred to in this Agreement. If there is any inconsistency between the terms of this Agreement and RQL's policies and procedures, the terms of this Agreement will prevail.
- 10.2. To the extent that RQL's policies and procedures refer to obligations on RQL, you agree that they are guides only and not contractual terms, conditions or representations on which you rely.
- 10.3. You will not knowingly withhold any information or material within your possession that may affect RQL's performance or reputation.
- 10.4. It is a term of your employment contract that you comply with the RQL Code of Conduct, as amended from time to time.

11. CONFIDENTIAL INFORMATION

- 11.1. You must not at any time during your employment with RQL, or at any time after your employment terminates, disclose to any other person or use or attempt to use any Confidential Information of RQL except:
 - a. With RQL's prior written permission;
 - b. In the proper performance of your duties;
 - c. As expressly allowed under this Agreement; or
 - d. For the purposes of disclosure only where you are legally obliged to disclose by a Court, Commission or Tribunal.
- 11.2. During your employment with RQL, you must use your best endeavours to prevent the unauthorised disclosure of any Confidential Information or trade secrets by a third party.

When Confidential Information is disclosed as permitted by clause 11.1 you must ensure that the person to whom the information is disclosed is made aware of its confidential nature and use your best endeavours to ensure that person does not use or disclose that information.

11.3. The obligations of this clause shall survive the termination of this Agreement. You must not, after termination of employment use Confidential Information for a purpose other than for the benefit of RQL.

12. INTELLECTUAL PROPERTY

12.1. You acknowledge and agree that all existing and future Intellectual Property Rights in any Confidential Information or in respect of any intellectual property developed, in development, created or conceived wholly or partly by you, alone or together with any other person or body, whether during or outside working hours:

- a. On RQL's premises or using RQL's facilities or resources, facilities or resources which were in the care and control of RQL, or any of RQL's employees, officers, agents, subcontractors or representatives;
- b. Directly or indirectly as a result of the employee or anybody else's access to confidential information;
- c. In the course of, as a consequence of or in relation to the performance of the employees duties;
- d. Relating to RQL's general methods of operation; or
- e. In respect of or associated with any of RQL's products or services, and any alterations or additions or methods of making, using, marketing, selling or providing those products or services;

vest in and belong to RQL, and to the extent necessary to vest ownership in RQL, the intellectual property is deemed to be assigned to RQL as its exclusive property.

12.2. You agree to execute all documents, including any assignments, and do all acts and things, required by RQL for the purpose of effecting and perfecting the title of RQL or its nominee to the intellectual property rights described in the clause above, in Australia or such other countries as RQL requires. You consent to RQL infringing any Moral Rights that you may have or become entitled to, in any work created, developed, modified or enhanced in the course of their employment.

12.3. You must immediately disclose to RQL in writing, any invention or improvement you make or think of during the course of your employment.

12.4. You consent to RQL infringing any Moral Rights that you may have or become entitled to in any Work created, developed, modified or enhanced in the course of your employment.

12.5. Your obligations under this clause will survive the termination of this Agreement.

13. PRIVACY

13.1. You must not remove or copy any information, including client or employee information, from RQL's premises without RQL's consent.

13.2. During the course of your employment, RQL may collect, use, handle and/or disclose your personal information in the proper course of business, such as to facilitate the provision of salary and benefits, and supply required information to external superannuation and insurance providers. This may include your address, date of birth, health information and professional associations.

14. RQL PROPERTY AND SECURITY

- 14.1. All documents, records, papers, manuals, materials of any nature and other property of, or relating to, the business of RQL, whether prepared by you or not, are and remain the property of RQL.
- 14.2. You agree to take all reasonable steps to ensure the security of and protect all Confidential Information and Intellectual Property Rights of RQL in your possession, power or control. You agree to comply with, and to the best of your endeavours ensure that other employees or contractors engaged by RQL comply with, all of RQL's security guidelines, procedures, rules and regulations (whether formal or informal).
- 14.3. Upon termination of this Agreement, you shall immediately deliver to RQL all documents, records, papers, materials of any nature whatsoever and other property of, or relating to, RQL's affairs or any of RQL's related business entities, which may be in your possession or under your control.
- 14.4. If you are provided with a security access device of any kind, such as a key or computer coded access card, you will:
- immediately return the device to RQL on termination of your employment or earlier request;
 - not copy nor permit the copying of the device or any aspect of it which is integral to its function of security;
 - not give the device to anybody else or permit anybody else to use the device; and
 - use the device strictly in accordance with any conditions advised by RQL in respect of it.

15. TERMINATION OF EMPLOYMENT

- 15.1. If by reason of health or other personal issues you are unable to continue the fulfilment of your duties under this contract, you may resign from your employment at any time by giving six weeks' notice in writing. If you do not give that notice, you authorise RQL to deduct from any payment owing to you a sum equivalent to the TRV you would have been entitled to for the period by which your actual notice fell short of the required six week notice period. RQL may, at its discretion, decide to accept a shorter period of notice from you. Otherwise you are bound by the period of this contract.
- 15.2. Within 14 days of the occurrence of a Material Adverse Change, you may resign from your employment by giving seven days' written notice. This notice period may be waived by the Chairman of the Board of directors of RQL at the Chairman's discretion. If you resign by reason of a Material Adverse Change, you will be entitled to:
- a payment of a sum equivalent to the TRV you would have been entitled to receive had you remained employed until the end of the term referred to in clause 2.4 of this contract, however not exceeding a sum equivalent to 14 months of your TRV;
 - a severance payment calculated in accordance with the relevant scale contained in any redundancy policy of RQL; and
 - any accrued but unpaid entitlements.

For the purpose of this clause, **Material Adverse Change** means a change in the Queensland State Government, RQL ceasing to be the approved Control Body under the *Racing Act 2002* (Qld), a material adverse change in the make up of the RQL Board of directors, or your reporting lines, or an organisational restructure that materially impacts on your role at RQL in a manner adverse to you.

- 15.3. RQL may terminate your employment by giving you six weeks' notice in writing if your employment is being terminated for any one or more of the following reasons:
- Unsatisfactory performance other than a termination for Misconduct as provided for by clause 15.8;

- b. Failure to comply with the terms and conditions of your employment contract;
- c. You suffer from an incapacity that renders you unable to carry out the inherent requirements of your position;

If you are over 45 years of age at that time and have more than 2 years continuous service with RQL, that notice will be increased to seven weeks notice. AT RQL's discretion, RQL may pay you in lieu of part or all of that notice period.

15.4. Should RQL cease to be the approved Control Body, RQL will provide you the opportunity to take redundancy. The redundancy will be at least equivalent to the TRV you would have been entitled to receive had you remained employed for the period of the term of the contract.

15.5. If RQL terminates your employment for any reason other than those referred to in clauses 15.3, 15.4 and 15.8, then you will be given six weeks' written notice of termination and will be paid on termination a payment equivalent to the TRV you would have been entitled to receive had you remained employed until the end of the term referred to in clause 2.4 of this contract.

15.6. During any period of notice, RQL may require you:

- a. To perform duties that are different from those that you were required to perform during the rest of your employment with RQL, provided that you have the necessary skills, training, education and experience to undertake them; or
- b. To not present yourself for work, do any work or contact any of RQL's clients or personnel for any period up to the date of termination of employment.

15.7. During any period of notice you will continue to be employed by RQL and you must not engage or prepare to engage in any business activity that is the same or similar to the duties you were performing for RQL. Up to the termination of your employment you and RQL shall remain bound by the mutual obligations of trust and confidence.

15.8. RQL may terminate your employment summarily without notice or payment in lieu of notice if RQL reasonably concludes that you have committed Misconduct. If your employment is summarily terminated by RQL you will not be entitled to any notice payment, or other benefit on termination other than the statutory entitlements accrued up to and including the termination date. Such payment will be in full satisfaction and discharge of all claims and demands by you against RQL in respect of your employment.

15.9. Following the termination of your employment, upon RQL's request, you agree to provide RQL with reasonable assistance regarding any matter relating directly or indirectly to your employment, or which arises out of events which occurred during the period of your employment, including providing statements or affidavits, attending meetings and attending hearings or inquiries.

15.10. If RQL terminates your contract without cause, including if RQL ceases to be the Control Body under the Racing Act 2002 (QLD), you will be entitled to a payment equivalent to the TRV you would have been entitled to receive had you remained employed until the term of the contract expired, 30 June 2013. For clarity, if by 31 December 2012 your contract has been extended, but after 31 December 2012 RQL ceases to be the Control Body or terminates you without cause, your entitlement to redundancy does not extend beyond the original term (expiring 30 June 2013) unless otherwise negotiated in a new contract.

16. ENTIRE AGREEMENT

16.1. This Agreement forms the entire agreement between you and RQL and shall operate to the exclusion of, and wholly replace, all other contracts or agreements that would otherwise apply to your employment. This Agreement supersedes all prior agreements, understandings and negotiations.

16.2. This Agreement represents a full record of the contractual terms and conditions with respect to your employment with RQL and supersedes any prior oral or written contract or understanding between you and RQL.

16.3. You agree that you will, if requested by RQL in the future, sign additional documents which include words to the effect that this Agreement forms the entire agreement between you and RQL regarding your terms and conditions of employment.

16.4. Any award or legislation applicable to your employment does not form a term of your employment contract.

17. VARIATION

17.1. Subject to RQL's right to amend any policies and to change your title, duties or position in accordance with clause 2.3 of this Agreement, the terms and conditions of this Agreement may only be amended by agreement in writing signed by you and RQL.

18. SEVERABILITY

18.1. If any provision in this Agreement is unenforceable, illegal or void, then it is deemed to be severable and independent and will not affect the validity or enforceability of any other provisions of this Agreement which will remain in force.

19. WORK ELIGIBILITY

19.1. Your employment is conditional upon you providing if requested by RQL, prior to your commencement, evidence of your eligibility to work in Australia.

20. WARRANTIES

20.1. You warrant that you have the expertise, qualifications, licenses and registration necessary to perform your duties and will perform them in a manner appropriate to a person having such expertise, qualifications, licenses or registration. You must maintain that expertise, qualifications, licenses and registration throughout your employment.

20.2. You acknowledge that RQL has relied upon the accuracy and truthfulness of any representations, whether written or verbal, made by you in relation to your professional qualifications, skills and experience during the pre-employment process. This offer of employment has been made in reliance upon these representations.

21. CONFIDENTIALITY OF AGREEMENT

21.1. This Agreement and its contents are confidential and should not be communicated to any other party.

22. DEFINITIONS AND INTERPRETATION

22.1. Misconduct includes but is not limited to:

- a. Drunkenness or intoxication;
- b. Dishonesty;
- c. Neglect of duty or incompetence;
- d. Any form of misrepresentation, whether to RQL or others in the performance of your duties;
- e. Being charged with a criminal offence which, in RQL's opinion, affects your suitability for your position;
- f. Conduct which may injure RQL's reputation or operations;
- g. Refusal or failure to comply with RQL's lawful directions;
- h. Breach of your obligations under clause 11 of this Agreement; and

- i. You being prohibited from taking part in the management of RQL pursuant to the *Corporations Act 2001*.

22.2. Confidential Information means the trade secrets and all other information regarding RQL's affairs which become known to you in circumstances where you know, or should know, that the information is to be treated as confidential. This Confidential Information includes without limitation any information that:

- a. Would be of commercial value to a competitor of RQL.
- b. Relates to RQL's financial affairs; including financial information, accounts work, financing information, management reports and performance or profitability reports and margins.
- c. Relates to RQL's operational requirements.
- d. Relates to any arrangements or transactions between RQL and stakeholders in the racing industry.
- e. Relates to RQL's customers; including customer details, customer lists, details of customer requirements, details of customer prospects, the identity of any customer, their requirements and their financial affairs.
- f. Relates to any functions you perform in relation to the regulation, licensing, administering or policing of racing and its integrity
- g. Relates to or is contained in any of RQL's computer data bases or software.
- h. Relates to any arrangements or transactions between RQL and its respective suppliers or contractors; including their identity and the price or charges in respect of the supplies or services RQL acquires from them.
- i. Relates to or is contained in any manuals or handbooks produced by RQL.
- j. Relates to RQL fees, quotations, prices or charges in respect of services or products.
- k. Relates to the marketing and selling techniques used by RQL; including marketing plans, sales plans, research and data surveys.
- l. Relates to trade secrets, technical specifications, know how, plans, design concepts, ideas, design specifications, manufacturing or development processes, research, formulae, processes, applications, unique features or techniques in respect of any of RQL's products, services or operations, whether existing or in development.
- m. Relates to or is associated with any of RQL's technology or software, or any related products or services, including any source code, programming, plans, concepts, specifications, alterations or additions, content, features, operation opportunities, benefits or market appeal, whether produced by you or otherwise.
- n. Is prepared by RQL or anybody else based on or incorporating information referred to in paragraphs (a) to (m) above, including all notes and other records, whether written or otherwise, and any copies of the information, notes and other records referred to in paragraphs (a) to (m) above.

But does not include information that:

- o. Was rightfully in your possession and not subject to an obligation of confidentiality before the negotiations leading to the commencement of your employment with RQL, whether pursuant to this Agreement or otherwise.
- p. Is or, after the commencement of your employment becomes, available in the public domain other than as a result of a breach of this Agreement

22.3. Intellectual Property Rights means any and all beneficial and legal ownership and intellectual and industrial protection rights throughout the world, both present and future, including rights in respect of or in connection with any confidential information, copyright, including *future copyright and rights in the nature of or analogous to copyright*), moral rights, inventions (including patents), trade marks, service marks, designs, circuit layout and


performance protection (whether or not now existing and whether or not registered or registrable) and includes any right to apply for the registration of such right and all renewals and extensions.

22.4. Moral Rights has the meaning given to that term in the *Copyright Act 1968* (C'th)

22.5. Control Body has the same meaning given by the *Racing Act 2002* (Qld).

22.6. References to legislation are references to legislation as in force at the relevant time.

Signed on behalf of RQL.

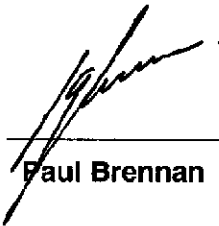


RG Beritley
Chairman

5 August 2011

Date

I acknowledge that I have read the contents of this Offer of Employment and accept that offer on the terms and conditions set out in this Agreement.



Paul Brennan

5 August 2011

Date

Adam Carter

From: Mark Molesworth <Mark.Molesworth@bdo.com.au>
Sent: Tuesday, 27 March 2012 6:04 PM
To: Sharon Drew
Cc: Adam Carter; Leanne Lorena; Anna Tran; Heidi Yu
Subject: RE: RQL Executive payments
Attachments: Termination Brennan 260312.xls; Termination Murray 260312.xls; Termination Orchard 260312.xls; Termination Tuttle 260312.xls

Good afternoon Sharon

As requested, we have conducted a review of the attached termination payment calculations for the four executives who have resigned from Racing Queensland. We have reviewed the calculations that have been made on the basis that the resignation is not a bona fide redundancy for taxation purposes.

We make particular note of the following matter:

Notice Entitlement

- Our reading of clause 15.2(a) is that the notice entitlement perhaps should be based on the TRV rather than the cash salary because of the reference to "a payment of a sum equivalent to the TRV". In the current calculations, the notice entitlement is calculated using the cash salary and therefore the risk is that the notice entitlement is understated because the TRV amount (including the superannuation component) has not been used to calculate the notice entitlement.
We recommend that this issue is reviewed and considered to ensure that the calculation of the notice entitlement is correct.

We make note of the following assumptions we have made and also the basis of our review:

(1) Notice entitlement

We agree that the notice entitlement is payable in accordance with Clause 15.2(a) as this represents the payment of a sum equivalent to the TRV that the executive would have been entitled to receive had they remained until the term of their contract. However in reviewing the calculation of this amount, we note the following:

- We have only reviewed Shara Murray's employment contract and therefore have assumed that all executives would have concluded their term after May 2013 and therefore the payment of the notice entitlement has been capped at 14 months in accordance with Clause 15.2(a).

(2) Redundancy payment in accordance with the Fair Work Act

Per discussions with Leanne Lorena, we understand that the redundancy payment in accordance with the Fair Work Act is a type of severance payment that falls within the RQL redundancy policy. On this basis, we have accepted that this is an entitlement in accordance with Clause 15.2(b). We note the following:

- We agree with Racing Queensland's methodology in calculating this amount based on the information provided that is, this amount is based on the annual hourly rate which has been calculated based on 1976.04 hours for the year.

(3) Leave entitlements

We agree that the payment of unpaid accrued leave entitlements is in accordance with Clause 15.2(c). However, we note the following matters:

- We have accepted Racing Queensland's calculation of unpaid accrued leave entitlements and have not verified the calculation of this amount as we have not reviewed any source data.
- We agree with the methodology that unpaid accrued leave entitlements should be taxed at marginal rates. On this basis, we would expect that the leave entitlements would be taxed at 46.5% (before considering the impact of the flood levy). Our review indicates that the leave entitlements are taxed between 40% to 47.5%. Per discussions with Leanne Lorena, we understand that your calculation of the marginal rate has been obtained from the payroll system and therefore the marginal tax rate calculations take into account each executive's individual circumstances and adjusts the marginal tax rate calculation accordingly.

Apart from the matters noted above, we agree with the methodologies used by Racing Queensland to calculate the amount of tax withheld on each executive's termination payment. We agree that the calculations are in accordance with the principles of the income tax legislation.

Should you have any queries in relation to the above, please do not hesitate to contact me.

Regards

Mark

From: Sharon Drew [mailto:sdrew@racingqueensland.com.au]
Sent: Tuesday, 27 March 2012 2:23 PM
To: Mark Molesworth
Cc: Adam Carter; Leanne Lorena
Subject: RQL Executive payments

Good afternoon Mark,

Further to your discussions with Adam in relation to the termination payments of four of our executives, please see attached documentation for your review.

Leanne Lorena has prepared these payments and is available on 38699708 if you have any questions.

Thank you in advance for your assistance with this.

Kind regards

Sharon Drew

Management Accountant



PO Box 63, Sandgate QLD 4017

P +61 7 3869 9704

F +61 7 3269 9304

**RACING
QUEENSLAND**

E sdrew@racingqueensland.com.au

W www.racingqueensland.com.au

*****E-Mail Disclaimer*****

This email, together with any attachments, is intended for the named recipient only. This email may contain information which is confidential, of a private nature or which is subject to legal professional privilege or copyright. Accordingly, any form of disclosure, modification, distribution and/or publication of this email message is prohibited unless expressly authorised by the sender acting with the Authority of or on behalf of Racing Queensland Limited.

If you have received this email by mistake, please inform the sender as soon as possible and delete the message and any copies of this message from your computer system network. The confidentiality, privacy or legal professional privilege attached to this email is not waived or destroyed by that mistake.

It is your responsibility to ensure that this email does not contain and is not affected by computer viruses, defect or interference by third parties or replication problems (including incompatibility with your computer system).

Unless expressly attributed, the views expressed in this email do not necessarily represent the views of Racing Queensland Limited.



Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 18, 300 Queen St
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

Via email: acarter@racingqueensland.com.au

Private & Confidential

Mr A Carter
Racing Queensland Pty Ltd
PO Box 63
SANDGATE QLD 4017

28 March 2012

Dear Adam

RQL EXECUTIVE PAYMENTS

As requested in Sharon Drew's email dated 27 March 2012, we have conducted a review of the termination payment calculations for the four executives who have resigned from Racing Queensland on 26 March 2012.

We have reviewed the calculations that have been made on the basis that the resignations are not bona fide redundancies for taxation purposes.

We make particular note of the following matter:

Notice Entitlement

- Our reading of clause 15.2(a) is that the notice entitlement perhaps should be based on the TRV rather than the cash salary because of the reference to "a payment of a sum equivalent to the TRV".
In the current calculations, the notice entitlement is calculated using the cash salary and therefore the risk is that the notice entitlement is understated because the TRV amount (including the superannuation component) has not been used to calculate the notice entitlement.
We recommend that this issue is reviewed and considered to ensure that the calculation of the notice entitlement is correct.
- As per Sharon Drew's email dated 28 March 2012, we also note that RQL intends to contribute the superannuation component of the TRV associated with the 14 months Notice Entitlement to the appropriate superannuation funds for each executive.
We note that the superannuation contributions are not capped and therefore the risk with this approach is that each executive's concessional contributions cap for the 2012 financial year may be exceeded.
We recommend that this matter is reviewed for each executive.

I:\R\RAC\33602\TAX\2012\CRA\LET - RQL Executive Payments.docx

BDO (QLD) Pty Ltd ABN 45 134 242 434 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO (QLD) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the International BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation (other than for the acts or omissions of financial services licensees) in each State or Territory other than Tasmania.

RQL.008.002.0006



We make note of the following assumptions we have made and also the basis of our review:

(1) Notice entitlement

We agree that the notice entitlement is payable in accordance with Clause 15.2(a) as this represents the payment of a sum equivalent to the TRV that the executive would have been entitled to receive had they remained until the term of their contract.

We agree that as all executives would have concluded their term in June 2013 as per their employment contract, the payment of the notice entitlement has been capped at 14 months in accordance with Clause 15.2(a) of each of the employment agreements.

(2) Redundancy payment in accordance with the Fair Work Act

Per discussions with Leanne Lorena, we understand that the redundancy payment in accordance with the Fair Work Act is a type of severance payment that falls within the RQL redundancy policy. On this basis, we have accepted that this is an entitlement in accordance with Clause 15.2(b). We note the following:

- We agree with Racing Queensland's methodology in calculating this amount based on the information provided that is, this amount is based on the annual hourly rate which has been calculated based on 1976.04 hours for the year.

(3) Leave entitlements

We agree that the payment of unpaid accrued leave entitlements is in accordance with Clause 15.2(c). However, we note the following matters:

- We have accepted Racing Queensland's calculation of unpaid accrued leave entitlements and have not verified the calculation of this amount as we have not reviewed any source data.
- We agree with the methodology that unpaid accrued leave entitlements should be taxed at marginal rates. On this basis, we would expect that the leave entitlements would be taxed at 46.5% (before considering the impact of the flood levy). Our review indicates that the leave entitlements are taxed between 40% to 47.5%. Per discussions with Leanne Lorena, we understand that your calculation of the marginal rate has been obtained from the payroll system and therefore the marginal tax rate calculations take into account each executive's individual circumstances and adjusts the marginal tax rate calculation accordingly.



Apart from the matters noted above, we agree with the methodologies used by Racing Queensland to calculate the amount of tax withheld on each executive's termination payment. We agree that the calculations are in accordance with the principles of the income tax legislation.

Should you have any queries in relation to the above, please do not hesitate to contact me.

Yours faithfully

BDO (QLD) Pty Ltd

A handwritten signature in black ink, appearing to read 'Mark Molesworth', with a horizontal line extending to the right.

Mark Molesworth
Director

AT\WWM\SLR



Our ref:

Your ref:

28 March 2012

Mr Bob Bentley
Chair
Racing Queensland Limited
Racecourse Road
Deagon QLD 4017

Dear Mr Bentley

Proposed action regarding Racing Queensland Limited

As Minister responsible for racing, I enclose a notice of direction to Racing Queensland Limited under section 45 of the *Racing Act 2002* to review Racing Queensland Limited's 'Policy for employment of non-licensed staff'.

In addition, I also enclose an invitation to approve additional conditions on Racing Queensland Limited's control body approval issued on 22 June 2010.

Should Racing Queensland wish to make any representations to me prior to Racing Queensland finalising the review of the policy or the invitation to make additional conditions, these should be made no later than 11 April 2012.

In the meantime, I ask that Racing Queensland Limited not take any action contrary to the matters listed as paragraphs (1)-(4) of the attached invitation, and paragraphs (1)-(3) of the attached notice of direction.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Jeff Seene".

JEFF SEENEY MP
Deputy Premier and Minister for
Racing
Member for Callide

NOTICE OF DIRECTION UNDER SECTION 45 OF THE *RACING ACT 2002*

To: Racing Queensland Limited
Racecourse Road
Deagon QLD 4017

As Minister responsible for administration of the *Racing Act 2002*, under section 45(1) of that Act, I have formed the belief that it is necessary to give Racing Queensland Limited, as a control body under that Act, a direction under section 45 of that Act, as described below, for the following reasons:

- (a) to ensure public confidence in the integrity of the Queensland racing industry;
- (b) to ensure that Racing Queensland Limited, as a control body under that Act, is managing the codes of racing for which it is responsible, in the interests of those codes;
- (c) to ensure that the actions of Racing Queensland Limited, as a control body under that Act, are accountable and its decision-making processes are transparent.

Notice is hereby given pursuant to section 45 of the *Racing Act 2002* that Racing Queensland Limited is directed to review its policy entitled '*Policy for employment of non-licensed staff*'.

In reviewing the '*Policy for employment of non-licensed staff*', Racing Queensland Limited is directed to take into account the need to amend the policy, in the interests of the matters described in (a)–(c) above, to provide that, without the written approval of the chief executive Officer of the department responsible for racing, and administration of the *Racing Act*, Racing Queensland Limited is not to:

1. terminate the employment of any staff;
2. employ any new staff;
3. make redundancy/termination payments to any staff

The amended '*Policy for employment of non-licensed staff*' is to be provided to me no later than 26 April 2012.

Dated this 28th day of March 2012.



JEFF SEENEV MP
Deputy Premier and Minister for Racing

**INVITATION TO APPLY FOR ADDITIONAL CONDITION ON RACING
QUEENSLAND LIMITED'S CONTROL BODY APPROVAL UNDER THE RACING
ACT 2002**

To: Racing Queensland Limited
Racecourse Road
Deagon QLD 4017

I invite Racing Queensland Limited as a control body under the *Racing Act 2002* to apply to me as Minister responsible for that Act, under section 31 of the *Racing Act* to vary the approval of Racing Queensland Limited as a control body, by adding the following condition:

"Racing Queensland Limited must obtain the approval in writing of the chief executive of the department responsible for the administration of the *Racing Act* prior to:

1. paying any accounts, debts or any other payments, however described, in excess of \$20,000;
2. terminating the employment of any person employed by Racing Queensland Limited;
3. employing any person; or
4. entering into any contract or legally binding agreement, where the consideration is in excess of \$20,000.

The payment of prize money published in the April 2012 edition of the Racing Calendar and effective as at 28 March 2012 is exempt from the above requirement to obtain approval."

Dated this 28th day of March 2012.



JEFF SEENEV MP
Deputy Premier and Minister for Racing

TAX INVOICE



RACING QUEENSLAND

Sales Invoice SI/006419
Date 14/02/2012

OFFICE OF RACING
DEPARTMENT OF EMPLOYMENT
DEVELOPMENT & INNOVATION
G P O BOX 46
BRISBANE QLD 4001

Customer Name OFFICE OF RACING
Customer Code DZOFFI

Racing Queensland Ltd
Racecourse Road
Deagon QLD 4017
A.B.N. 52 142 786 874
PO Box 63 Sandgate QLD
T 07 3869 9777
F 073269 6404
E info@racingqueensland.com.au
W www.racingqueensland.com.au

Item Code	Description	Unit Price	QTY	Amount	GST	Sales Total
-	Sales Item Racing Industry Capital Development Scheme	0.00	1.00	0.00	0.00	0.00
-	Sales Item 1st Installment - Beaudesert	3,949,286.76	1.00	3,949,286.76	394,928.68	4,344,215.44

Total on This Page	3,949,286.76	394,928.68	4,344,215.44
Total Brought Forward from Previous Page	0.00	0.00	0.00
Total For Invoice	3,949,286.76	394,928.68	4,344,215.44

OFFICE OF RACING

Payment Slip

Customer Code DZOFFI

Cardholder _____

Sales Invoice SI/006419

Date 14/02/2012

If paying by cheque, please make payable to:

Amount Due 4,344,215.44

Racing Queensland Ltd
PO Box 63
Sandgate, QLD 4017

Please VISA MasterCard

- - -

Amount Enclosed / Credit Card authorised payment

For Direct Deposit
Bank: NAB
Account: Racing Queensland Ltd
BSB: 084-004
Account No. 173211930
Reference: SI/006419

Expiry -

Signature

TAX INVOICE



RACING QUEENSLAND

Sales Invoice SI/006420
Date 14/02/2012

OFFICE OF RACING
 DEPARTMENT OF EMPLOYMENT
 DEVELOPMENT & INNOVATION
 G P O BOX 46
 BRISBANE QLD 4001

Customer Name OFFICE OF RACING
Customer Code DZOFFI

Racing Queensland Ltd
 Racecourse Road
 Deagon QLD 4017
 A.B.N. 52 142 786 874
 PO Box 63 Sandgate QLD
 T 07 3869 9777
 F 073269 6404
 E info@racingqueensland.com.au
 W www.racingqueensland.com.au

Item Code	Description	Unit Price	QTY	Amount	GST	Sales Total
-	Sales Item Racing Industry Capital Development Scheme	0.00	1.00	0.00	0.00	0.00
-	Sales Item 1st Installment - Cairns	750,000.00	1.00	750,000.00	75,000.00	825,000.00

Total on This Page	750,000.00	75,000.00	825,000.00
Total Brought Forward from Previous Page	0.00	0.00	0.00
Total For Invoice	750,000.00	75,000.00	825,000.00

OFFICE OF RACING
Customer Code DZOFFI

Payment Slip

Sales Invoice SI/006420
Date 14/02/2012
Amount Due 825,000.00

If paying by cheque, please make payable to:

Racing Queensland Ltd
 PO Box 63
 Sandgate, QLD 4017

Cardholder _____

Please VISA MasterCard

- - -

Expiry -

Amount Enclosed / Credit Card authorised payment

For Direct Deposit
 Bank: NAB
 Account: Racing Queensland Ltd
 BSB: 084-004
 Account No. 173211930
 Reference: SI/006420

 Signature

TAX INVOICE



RACING QUEENSLAND

Sales Invoice SI/006421
Date 14/02/2012

OFFICE OF RACING
DEPARTMENT OF EMPLOYMENT
DEVELOPMENT & INNOVATION
G P O BOX 46
BRISBANE QLD 4001

Customer Name OFFICE OF RACING
Customer Code DZOFFI

Racing Queensland Ltd
Racecourse Road
Deagon QLD 4017
A.B.N. 52 142 786 874
PO Box 63 Sandgate QLD
T 07 3869 9777
F 073269 6404
E info@racingqueensland.com.au
W www.racingqueensland.com.au

Item Code	Description	Unit Price	QTY	Amount	GST	Sales Total
-	Sales Item Racing Industry Capital Development Scheme	0.00	1.00	0.00	0.00	0.00
-	Sales Item 1st Installment - Rockhampton	110,000.00	1.00	110,000.00	11,000.00	121,000.00

Total on This Page	110,000.00	11,000.00	121,000.00
Total Brought Forward from Previous Page	0.00	0.00	0.00
Total For Invoice	110,000.00	11,000.00	121,000.00

OFFICE OF RACING
Customer Code DZOFFI

Payment Slip

Sales Invoice SI/006421
Date 14/02/2012
Amount Due 121,000.00

If paying by cheque, please make payable to:

Racing Queensland Ltd
PO Box 63
Sandgate, QLD 4017

Cardholder _____

Please VISA MasterCard

- -

Expiry -

Amount Enclosed / Credit Card authorised payment

For Direct Deposit
Bank: NAB
Account: Racing Queensland Ltd
BSB: 084-004
Account No. 173211930
Reference: SI/006421

Signature

TAX INVOICE



RACING QUEENSLAND

Sales Invoice SI/006422
Date 14/02/2012

OFFICE OF RACING
DEPARTMENT OF EMPLOYMENT
DEVELOPMENT & INNOVATION
G P O BOX 46
BRISBANE QLD 4001

Customer Name OFFICE OF RACING
Customer Code DZOFFI

Racing Queensland Ltd
Racecourse Road
Deagon QLD 4017
A.B.N. 52 142 786 874
PO Box 63 Sandgate QLD
T 07 3869 9777
F 073269 6404
E info@racingqueensland.com.au
W www.racingqueensland.com.au

Item Code	Description	Unit Price	QTY	Amount	GST	Sales Total
-	Sales Item Racing Industry Capital Development Scheme	0.00	1.00	0.00	0.00	0.00
-	Sales Item 1st Installment - Logan	1,379,222.00	1.00	1,379,222.00	137,922.20	1,517,144.20

Total on This Page	1,379,222.00	137,922.20	1,517,144.20
Total Brought Forward from Previous Page	0.00	0.00	0.00
Total For Invoice	1,379,222.00	137,922.20	1,517,144.20

OFFICE OF RACING
Customer Code DZOFFI

Payment Slip

Sales Invoice SI/006422
Date 14/02/2012
Amount Due 1,517,144.20

If paying by cheque, please make payable to:

Racing Queensland Ltd
PO Box 63
Sandgate, QLD 4017

Cardholder _____

Please VISA MasterCard

- - -

Expiry -

Amount Enclosed / Credit Card authorised payment

For Direct Deposit
Bank: NAB
Account: Racing Queensland Ltd
BSB: 084-004
Account No. 173211930
Reference: SI/006422

Signature

TAX INVOICE



**RACING
QUEENSLAND**

Sales Invoice SI/006423
Date 14/02/2012

OFFICE OF RACING
DEPARTMENT OF EMPLOYMENT
DEVELOPMENT & INNOVATION
G P O BOX 46
BRISBANE QLD 4001

Customer Name OFFICE OF RACING
Customer Code DZOFFI

Racing Queensland Ltd
Racecourse Road
Deagon QLD 4017
A.B.N. 52 142 786 874
PO Box 63 Sandgate QLD
T 07 3869 9777
F 073269 6404
E info@racingqueensland.com.au
W www.racingqueensland.com.au

Item Code	Description	Unit Price	QTY	Amount	GST	Sales Total
-	Sales Item Racing Industry Capital Development Scheme	0.00	1.00	0.00	0.00	0.00
-	Sales Item Reimbursement of external consultants	2,596,290.58	1.00	2,596,290.58	259,629.06	2,855,919.64
-	Sales Item Reimbursement of internal costs	200,000.00	1.00	200,000.00	20,000.00	220,000.00

Total on This Page	2,796,290.58	279,629.06	3,075,919.64
Total Brought Forward from Previous Page	0.00	0.00	0.00
Total For Invoice	2,796,290.58	279,629.06	3,075,919.64

OFFICE OF RACING

Payment Slip

Customer Code DZOFFI

Cardholder _____

Sales Invoice SI/006423

Date 14/02/2012

If paying by cheque, please make payable to:

Amount Due 3,075,919.64

Racing Queensland Ltd
PO Box 63
Sandgate, QLD 4017

Please VISA MasterCard

- -

Expiry -

Amount Enclosed / Credit Card authorised payment

For Direct Deposit
Bank: NAB
Account: Racing Queensland Ltd
BSB: 084-004
Account No. 173211930
Reference: SI/006423

Signature

TAX INVOICE



**RACING
QUEENSLAND**

Sales Invoice SI/006542
Date 16/02/2012

OFFICE OF RACING
DEPARTMENT OF EMPLOYMENT
DEVELOPMENT & INNOVATION
G P O BOX 46
BRISBANE QLD 4001

Customer Name OFFICE OF RACING
Customer Code DZOFFI

Racing Queensland Ltd
Racecourse Road
Deagon QLD 4017
A.B.N. 52 142 786 874
PO Box 63 Sandgate QLD
T 07 3869 9777
F 073269 6404
E info@racingqueensland.com.au
W www.racingqueensland.com.au

Item Code	Description	Unit Price	QTY	Amount	GST	Sales Total
-	Sales Item Racing Industry Capital Development Scheme	0.00	1.00	0.00	0.00	0.00
-	Sales Item 1st Installment - Gold Coast	3,500,000.00	1.00	3,500,000.00	350,000.00	3,850,000.00

Total on This Page		3,500,000.00	350,000.00	3,850,000.00
Total Brought Forward from Previous Page		0.00	0.00	0.00
Total For Invoice		3,500,000.00	350,000.00	3,850,000.00

OFFICE OF RACING

Payment Slip

Customer Code DZOFFI

Cardholder

Sales Invoice SI/006542

Date 16/02/2012

If paying by cheque, please make payable to:

Amount Due 3,850,000.00

Racing Queensland Ltd
PO Box 63
Sandgate, QLD 4017

Please VISA MasterCard

- -

Expiry -

Amount Enclosed / Credit Card authorised payment

For Direct Deposit
Bank: NAB
Account: Racing Queensland Ltd
BSB: 084-004
Account No. 173211930
Reference: SI/006542

Signature

TAX INVOICE



RACING QUEENSLAND

Sales Invoice SI/006543
Date 16/02/2012

OFFICE OF RACING
DEPARTMENT OF EMPLOYMENT
DEVELOPMENT & INNOVATION
G P O BOX 46
BRISBANE QLD 4001

Customer Name OFFICE OF RACING
Customer Code DZOFFI

Racing Queensland Ltd
Racecourse Road
Deagon QLD 4017
A.B.N. 52-142-786-874
PO Box 63 Sandgate QLD
T 07 3869 9777
F 073269 6404
E info@racingqueensland.com.au
W www.racingqueensland.com.au

Item Code	Description	Unit Price	QTY	Amount	GST	Sales Total
-	Sales Item Racing Industry Capital Development Scheme	0.00	1.00	0.00	0.00	0.00
-	Sales Item 1st Installment - Ipswich	665,672.00	1.00	665,672.00	66,567.20	732,239.20

Total on This Page	665,672.00	66,567.20	732,239.20
Total Brought Forward from Previous Page	0.00	0.00	0.00
Total For Invoice	665,672.00	66,567.20	732,239.20

OFFICE OF RACING
Customer Code DZOFFI

Payment Slip

Sales Invoice SI/006543
Date 16/02/2012
Amount Due 732,239.20

If paying by cheque, please make payable to:

Racing Queensland Ltd
PO Box 63
Sandgate, QLD 4017

Cardholder _____

Please VISA MasterCard

- -

Amount Enclosed / Credit Card authorised payment

For Direct Deposit
Bank: NAB
Account: Racing Queensland Ltd
BSB: 084-004
Account No. 173211930
Reference: SI/006543

Expiry

-

Signature



Account details

Account balance summary

Account name
RQL WORKING ACCOUNT
Account number
084-004 17-321-1930
Currency
AUD

Opening balance: 4,185,581.35 CR
Total credits: 8,069,149.26 CR
Total debits: 81,827.42 DR
Closing balance: 12,172,903.19 CR
Date from: 17 February 2012
Date to: 17 February 2012

Transaction details

Table with columns: Date, Narrative, Reference, Debit amount, Credit amount, EOD balance. Contains transaction history for 17/02/2012 including inter-bank credits, agent credits, and transfers.

Transaction History Report (Continued)

Date	Narrative	Reference	Debit amount	Credit amount	EOD balance
17/02/2012	INTER-BANK CREDIT Brisbane Racing Racing Queenslan			1,096.00 CR	
17/02/2012	INTER-BANK CREDIT TTKELLY008-570127 GOLDMOUNT LODGE Racing Queenslan			401.50 CR	
17/02/2012	REVERSAL CREDIT TTDEAME001 JASON DEAMER 650000INCORRECT ACCT			227.95 CR	
17/02/2012	DEPOSIT 573635			220.00 CR	
17/02/2012	INTER-BANK CREDIT 572447 K Kelly Kenneth Kelly Racing Queenslan			220.00 CR	
17/02/2012	TRANSFER CREDITS INTERNET TRANSFER track fees ttstabe000			214.50 CR	
17/02/2012	REVERSAL CREDIT TTWIGGI002 Peter L Wiggins 062904ACCOUNT CLOSED			160.97 CR	
17/02/2012	REVERSAL CREDIT TORICHE017 RICHES RACING 014577INCORRECT ACCT			150.97 CR	
17/02/2012	INTER-BANK CREDIT code ttscaneooo D SCANES T/A DAV RACING QUEENSLAN			144.00 CR	
17/02/2012	INTER-BANK CREDIT QUEENSLAND RACING TTDODDR000 QUEENSLAND RACIN			137.50 CR	
17/02/2012	DEPOSIT CASH			110.00 CR	
17/02/2012	DEPOSIT JASON BROWN 576294			100.00 CR	
17/02/2012	INTER-BANK CREDIT 574526 M AND KM ROBE QUEENSLAND RACIN			93.50 CR	
17/02/2012	TRANSFER CREDITS INTERNET TRANSFER BT st fee 31/01/12 GARY BEIN			93.50 CR	
17/02/2012	INTER-BANK CREDIT qld rac 576389 PKBRACIN racing queenslan			44.00 CR	
17/02/2012	ISSUED CHEQUE CHEQUE 0000091	0000091	538.10 DR		
17/02/2012	AUTOMATIC DRAWING ENERGEX PYMT-ID 25450039 RAC QLD LTD		2,200.00 DR		
17/02/2012	AUTOMATIC DRAWING 000000 PYMT-ID 25454348 Racing Queenslan		79,089.32 DR		12,172,903.19 CR

End of report



Account details

Account balance summary

Account name
RQL WORKING ACCOUNT
Account number
084-004 17-321-1930
Currency
AUD

Opening balance: 12,172,903.19 CR
Total credits: 4,310,445.28 CR
Total debits: 1,725,009.91 DR
Closing balance: 14,758,338.56 CR

Date from: 20 February 2012
Date to: 20 February 2012

Transaction details

Date	Narrative	Reference	Debit amount	Credit amount	EOD balance
20/02/2012	INTER-BANK CREDIT 2000468800 DEPT OF PRIM IND RACING QUEENSLAN			3,850,000.00 CR	
20/02/2012	INTER-BANK CREDIT RTGS (CTI-002150) ACE INSURANCE LIMITE SYDNEY NSW 2000			238,657.35 CR	
20/02/2012	INTER-BANK CREDIT TOM WATERHOUSE VIC TOM WATERHOUSE RACING QLD LTD			207,297.54 CR	
20/02/2012	EFTPOS CREDIT FLEXIPAY 20/02 16:52 DEAGON 6 RACECOURSE ROAD			6,565.35 CR	
20/02/2012	AGENT CREDITS	000000000013		3,000.00 CR	
20/02/2012	INTER-BANK CREDIT SI 005993 BRANDONS RACING QLD LTD			1,100.00 CR	
20/02/2012	INTER-BANK CREDIT TTCROMP000 CROMPTON Queensland Racin			605.00 CR	
20/02/2012	INTER-BANK CREDIT Inv 569176 TTBAKER000 Racing Qld Ltd			528.00 CR	
20/02/2012	INTER-BANK CREDIT TTREES 130 471 588 BREEZA FARM PTY QUEENSLAND RACIN			451.00 CR	
20/02/2012	INTER-BANK CREDIT TTFLEMI005 FARRELL DANNIELL Racing Queenslan			352.00 CR	
20/02/2012	DEPOSIT TTRUMIN000			242.00 CR	
20/02/2012	INTER-BANK CREDIT ttoppg000transfer LEESA POPP Racing Queenslan			200.00 CR	

Transaction History Report (Continued)

Date	Narrative	Reference	Debit amount	Credit amount	EOD balance
20/02/2012	EFTPOS CREDIT FLEXIPAY 20/02 15:27 TOOWOOMBA HURSLEY RD			165.00 CR	
20/02/2012	INTER-BANK CREDIT TTJORDA CHRISTOPHER JORD queensland racin			165.00 CR	
20/02/2012	TRANSFER CREDITS INTERNET TRANSFER rql bromides romaTURFCLUB			165.00 CR	
20/02/2012	INTER-BANK CREDIT S1/006301,281,207 BURGOYNE ANTHONY RACING QUEENSLAN			159.04 CR	
20/02/2012	DEPOSIT TSCHRIS000			100.00 CR	
20/02/2012	INTER-BANK CREDIT CHAPS TTPLUMB001 Racing Queenslan			100.00 CR	
20/02/2012	INTER-BANK CREDIT 570120 COUSINS C Racing Qld			93.50 CR	
20/02/2012	INTER-BANK CREDIT ttrodge003 RODGERS SCOTT NO racing queenslan			88.00 CR	
20/02/2012	TRANSFER CREDITS INTERNET TRANSFER 577194 577194TTRYAN001			88.00 CR	
20/02/2012	TRANSFER CREDITS INTERNET TRANSFER T00033561 Gurney			55.00 CR	
20/02/2012	INTER-BANK CREDIT SI006395 WERYNSKI KRYSTYN Racing Qld Ltd			50.00 CR	
20/02/2012	DEPOSIT REF TTMOIRA000			50.00 CR	
20/02/2012	INTER-BANK CREDIT TTMCLAU000 THE ROCK BLD SOC Racing Qld			44.00 CR	
20/02/2012	DEPOSIT TTGREEN015 TRENT GREENTREE 0409772286			44.00 CR	
20/02/2012	INTER-BANK CREDIT Lynch 576311 BCU RACING QUEENSLAN			44.00 CR	
20/02/2012	INTER-BANK CREDIT T00187763 MR RODNEY JOHN P Racing Queenslan			22.00 CR	
20/02/2012	INTER-BANK CREDIT T00154628 MCGUIRE C Racing Queenslan			11.00 CR	
20/02/2012	INTER-BANK CREDIT tony button racing qld			3.50 CR	
20/02/2012	MISCELLANEOUS CREDIT PLEASE NOTE FROM TOD AY YOUR DR INTEREST RATE IS 18.650%				
20/02/2012	AUTOMATIC DRAWING 22042 RPM RACING QUEENSLAN		159.50 DR		
20/02/2012	AUTOMATIC DRAWING 000000 PYMT-ID 25486722 Racing Queenslan		1,189.90 DR		
20/02/2012	AUTOMATIC DRAWING 000000 PYMT-ID 25484791 Racing Queenslan		4,084.12 DR		

Transaction History Report (Continued)

Date	Narrative	Reference	Debit amount	Credit amount	EOD balance
20/02/2012	AUTOMATIC DRAWING 000000 PYMT-ID 25483845 RAC QLD LTD		177,473.15 DR		
20/02/2012	AUTOMATIC DRAWING 000000 PYMT-ID 25485484 Racing Queenslan		194,047.24 DR		
20/02/2012	AUTOMATIC DRAWING BAS JAN 2012 PYMT-ID 25466907 RAC QLD LTD		1,348,056.00 DR		14,758,338.56 CR

End of report



Account details

Account balance summary

Account name
RQL WORKING ACCOUNT
Account number
084-004 17-321-1930
Currency
AUD

Opening balance: 4,195,798.99 CR
Total credits: 3,244,256.27 CR
Total debits: 872,121.15 DR
Closing balance: 6,567,934.11 CR
Date from: 02 March 2012
Date to: 02 March 2012

Transaction details

Table with columns: Date, Narrative, Reference, Debit amount, Credit amount, EOD balance. Contains transaction records for 02/03/2012 including inter-bank credits, transfers, and deposits.

Transaction History Report (Continued)

Date	Narrative	Reference	Debit amount	Credit amount	EOD balance
02/03/2012	INTER-BANK CREDIT Thex 0000 WIN RACING PTY L Racing Queenslan			298.00 CR	
02/03/2012	INTER-BANK CREDIT SI/005474 SMITH BRADLEY JA Racing Queenslan			225.50 CR	
02/03/2012	REVERSAL CREDIT TORICHE017 RICHES RACING 014577INCORRECT ACCT			150.97 CR	
02/03/2012	INTER-BANK CREDIT T10553389/Racing Q MARCH DAYL RAYMO Racing Qld			141.00 CR	
02/03/2012	INTER-BANK CREDIT 568262 SMITH SMITH BRADLEY JA Racing Queenslan			99.00 CR	
02/03/2012	DEPOSIT TTIGERAN000			99.00 CR	
02/03/2012	DEPOSIT TSSWAFF000			93.80 CR	
02/03/2012	REVERSAL CREDIT TTWIGGI002 Peter L Wiggins 062904ACCOUNT CLOSED			93.61 CR	
02/03/2012	INTER-BANK CREDIT T10557786/Rac Qld MARCH DAYL RAYMO Racing Qld			65.00 CR	
02/03/2012	INTER-BANK CREDIT TTREES000 MRS DIANNE NICOL QUEENSLAND RACIN			44.00 CR	
02/03/2012	INTER-BANK CREDIT TTWILKE000 3192452 WBC OLP QUEENSLAND RACIN			44.00 CR	
02/03/2012	REVERSAL CREDIT TOGRACE035 K S GRACE 124071ACCOUNT CLOSED			40.00 CR	
02/03/2012	REVERSAL CREDIT TOHALLA069 AC HALL 638010INCORRECT ACCT			26.53 CR	
02/03/2012	INTER-BANK CREDIT GAP 2012 Calender POTTER AMANDA LO Racing Queenslan			5.00 CR	
02/03/2012	TRANSFER DEBITS INTERNET BPAY PAYMENT-ID 25773459 TELSTRA BIGPOND		29.95 DR		
02/03/2012	TRANSFER DEBITS INTERNET BPAY PAYMENT-ID 25773194 TELSTRA BIGPOND		29.95 DR		
02/03/2012	TRANSFER DEBITS INTERNET BPAY PAYMENT-ID 25773407 TELSTRA MOBILE		35.50 DR		
02/03/2012	TRANSFER DEBITS INTERNET BPAY PAYMENT-ID 25773258 TELSTRA BILL PAYMENT		44.94 DR		
02/03/2012	TRANSFER DEBITS INTERNET BPAY PAYMENT-ID 25773347 TELSTRA CORP LTD		49.95 DR		

Transaction History Report (Continued)

Date	Narrative	Reference	Debit amount	Credit amount	EOD balance
02/03/2012	MISCELLANEOUS DEBIT REFUND-FLEXIPAY DEAGON 6 RACECOURSE ROAD		110.00 DR		
02/03/2012	TRANSFER DEBITS INTERNET BPAY PAYMENT-ID 25773074 HOPGOOD GANIM		942.12 DR		
02/03/2012	TRANSFER DEBITS INTERNET BPAY PAYMENT-ID 25773156 TELSTRA BILL PAYMENT		1,140.11 DR		
02/03/2012	AUTOMATIC DRAWING 000000 PYMT-ID 25773652 Racing Queenslan		4,867.33 DR		
02/03/2012	TRANSFER DEBITS INTERNET BPAY PAYMENT-ID 25773000 ORIGIN RETAIL ELEC		5,026.42 DR		
02/03/2012	AUTOMATIC DRAWING 000000 PYMT-ID 25775697 Racing Queenslan		13,013.98 DR		
02/03/2012	TRANSFER DEBITS INTERNET BPAY PAYMENT-ID 25772943 ORIGIN RETAIL ELEC		13,453.12 DR		
02/03/2012	AUTOMATIC DRAWING 000000 PYMT-ID 25773676 Racing Queenslan		223,799.82 DR		
02/03/2012	AUTOMATIC DRAWING 000000 PYMT-ID 25781724 Racing Queenslan		609,577.96 DR		6,567,934.11 CR

End of report