

22 July 2008

Mr Barrie Fletton
Chief Executive
UNITAB Wagering
240 Sandgate Road
ALBION QLD 4010

Dear Mr Fletton

Publication of NSW Race Fields by Australian Wagering Operators

I refer to your letter dated 16 July 2008 which Racing NSW received yesterday.

The recently proclaimed amendments to the *Racing Administration Act 1998 (NSW)* ("the Act") require all wagering operators, amongst persons, to obtain the approval of Racing NSW to any publication of a NSW thoroughbred race field (whether that publication occurs in NSW or elsewhere).

No exemptions from the requirement to obtain approval from Racing NSW under the Act have been granted to any wagering operator. Racing NSW would strenuously object to any such exemption being granted to UNITAB Wagering or any other wagering operator.

Accordingly, UNITAB Wagering will need to apply to Racing NSW for approval under the Act to publish NSW thoroughbred race fields. In accordance with the *Racing Administration Regulations 2005 (NSW)* ("the Regulations"), such application is ordinarily required to be lodged with Racing NSW at least 30 days in advance (i.e. by 2 August 2008 given the "offence" provisions of the Act commence from 1 September 2008). However, to facilitate the introduction of this new regime, Racing NSW has publicly stated that it will accept applications up to 11 August 2008 for a 1 September 2008 commencement.

Racing NSW, in administering race fields approvals under the Act, will treat on a consistent basis all wagering operators who hold a wagering licence under the laws of any Australian State, the ACT or the Northern Territory irrespective of the type of betting they conduct (whether totalizator operators, bookmakers or betting exchanges).

I will not respond in detail in relation to each of the specific matters raised in your letter, but would note the following:

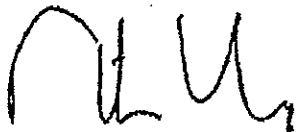
- The "mutuality conventions" to which you refer in your letter are not legally binding nor are they formally recognized. Rather it is an informal practice which developed in the context of a wagering market and regulatory environment very different from that which currently prevails. The current regulatory and commercial landscape for

RACING NSW (ABN 86 281 804 417)
Level 7, 51 Druitt Street, Sydney NSW 2000
Telephone: (02) 9551 7600
Facsimile: (02) 9551 7601

wagering in Australia was taken into account by Racing NSW in formulating the fees which it will charge to all Australian wagering operators under the race fields legislation. To put Racing NSW's proposed charges into context, they will represent less than 25% of the fees which you state in your letter are being paid by UNITAB to the Queensland and SA racing industries and apply only in respect of bets taken on NSW thoroughbred racing.

- UNITAB Wagering's arrangements with RISA, which expire in November 2008, related to the supply to UNITAB Wagering of formatted, consolidated wagering information for which UNITAB Wagering pays a fixed annual data processing and formatting fee. These arrangements are different in kind to, and do not confer, an approval to publish NSW race fields for the purpose of the Act.

Yours Faithfully



Peter V'landys
Chief Executive

cc. Qld Racing
SA Racing
NT Government
RISA
The Hon. Graham West MP, NSW Minister for Gaming and Racing