

File - NSW Race Fields



24 July 2008

Mr Malcolm Tuttle
Chief Operations Manager
Queensland Racing
SANDGATE QLD 4017

Dear Malcolm

Re: Publication of NSW Race Fields by Australian Wagering Operators

Further to my letter dated 16 July 2008, please find enclosed the response we have received from Racing NSW on the matter of the publication of NSW race fields.

As you will note from the Racing NSW response, Racing NSW would object to UNITAB being granted an exemption from the requirement to obtain approval from Racing NSW to publish NSW thoroughbred race fields as required by the Racing Administration Act 1998 (NSW) (the Act). As part of this approval process, UNITAB would be required to pay a fee equal to 1.5% of its wagering turnover on NSW thoroughbred races to Racing NSW. A similar fee will also be required in relation to NSW greyhound racing. We do not yet know whether Harness Racing NSW also intends to charge a fee to publish its race fields.

As you would be aware, pursuant to its obligations under the Product and Program Agreement dated on or about 9 June 1999 between UNITAB (formerly TABQ), Queensland Race Product Co Limited (Product Co) and each of the Queensland Control Bodies, Product Co is required to, amongst other things, supply to UNITAB for use in its race wagering business, *'Information relating to racing in Australia that is necessary for the efficient and effective conduct of race wagering on racing in Australia'* (Australian Racing Product). Australian Racing Product would, by its very definition, include access to and publication of NSW thoroughbred race fields in UNITAB's race wagering business.

Clauses 9.5 and 10.2 of the Product and Program Agreement relevantly provide that should Product Co be unable to procure the supply of Australian Racing Product as required by UNITAB, UNITAB may reduce the product fee payable to Product Co by any amount required to be paid by UNITAB to procure the Australian Racing Product for use in its race wagering business. In the case of NSW thoroughbred racing, this amount would be equal to 1.5% of wagering turnover on NSW thoroughbred racing (NSW Race Fields Fee).

Please accept this letter as written notification that should UNITAB be required to pay the NSW Race Fields Fee or any similar fee to Racing NSW, UNITAB will off-set this amount against the product fee payable to Product Co.

NSW Race Fields/002

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Obviously, we would not wish to see the Queensland racing industry negatively impacted by the actions of Racing NSW, however, as you would appreciate, without exemption from the requirement to be approved by Racing NSW, UNITAB will be forced by way of legislation to pay this fee.

We therefore ask that you take this matter up with Racing NSW as a matter of urgency with a view to resolving this matter in a manner which is satisfactory to both the Queensland racing industry and UNITAB.

I look forward to your advice on the outcome of your discussions with Racing NSW.

In the event that you come to the view that Racing NSW wishes to remain intransigent on this matter, you may like to consider whether an approach to the Queensland Government to introduce like legislation will assist you in compensating for some or all of the losses incurred as a result of the NSW legislation.

In the meantime, should you wish to discuss this matter further, please do not hesitate to contact me.

Yours faithfully

A handwritten signature in black ink, appearing to be "Barrie Fletton". The signature is fluid and cursive, written over a horizontal line.

Barrie Fletton
Chief Executive