

General Conditions for the use of Queensland Race Information effective from 1 January 2018

This schedule sets out the conditions imposed on the Authorised Operator.

1. Defined terms and Interpretation

1.1 Definitions

The following definitions apply unless the context requires otherwise.

Act means the *Racing Act 2002* (Qld).

Aggregate Bet Backs means the aggregate amount paid, or contracted to be paid, by the Authorised Operator under Betting Transactions on a Race which constitute Bet Backs with a Licenced Wagering Operator.

Assessable Turnover means:

- (a) for On-Course Bets, Bets Taken plus MJML Eligible Portion minus Aggregate Bet Backs;
- (b) for Totalisator Bets, Bets Taken; and
- (c) for Other Bets, Bets Taken plus MJML Eligible Portion minus Aggregate Bet Backs.

Audit Purpose means to enable the Control Body to review, monitor or verify:

- (a) compliance with the Authority;
- (b) the amounts paid or payable by the Authorised Operator under the Authority.

Authorised Operator means a Licensed Wagering Operator who has been granted a Race Information Authority by the Control Body.

Authorised Representative means a person who is an employee of the Authorised Operator who has been authorised by the Authorised Operator to perform each of the functions set out in clauses 4.1(a) and 5.4(b).

Authority comprises a Race Information Authority, these general conditions and any special conditions.

Authority Period means the period stated in the Race Information Authority issued to the Authorised Operator.

Bet Back means a bet made by an Authorised Operator on the "backers" side of a bet with another Licensed Wagering Operator authorised to use Queensland Race Information pursuant to a current Race Information Authority, for the purposes of reducing, completely or partly, the liability of a bet received by the Authorised Operator on a Race. Where the bet constituting the Bet Back relates to a MJML Bet, the Bet Back will only be a bet back to the extent of the MJML Eligible Portion.

Bet Back Revenue means the aggregate amount of all winning Bet Backs made by the Authorised Operator in respect of a Race but excluding rebates and commissions received by the Authorised Operator in respect of those Bet Backs.

Bets Paid means the aggregate of:

- (a) all moneys paid or credited to customers by the Authorised Operator in respect of winning bets under Betting Transactions other than amounts paid to customers in relation to:
 - (i) winning MJML Bets; and
 - (ii) winning Free Bets; and
- (b) the MJML Eligible Portion,

but excluding:

- (c) all amounts paid or credited to customers by way of, in connection with, or by way of economic equivalence to, commissions, rebates or incentives; and
- (d) Pooling Fees, taxes, product fees, payments made to racing industry bodies or other costs of the Authorised Operator.

Bets Taken means the aggregate of all amounts paid or contracted to be paid to the Authorised Operator under Betting Transactions placed on a Race other than amounts paid or contracted to be paid to the Authorised Operator in relation to MJML Bets. For the avoidance of doubt, Bets Taken:

- (a) includes the amount of any Betting Transaction which is made by another wagering operator to lay-off that wagering operator's liability;
- (b) will be adjusted to reflect any adjustment of the face value of a Betting Transaction to correct an operator error or a systems error;
- (c) includes all amounts paid, or contracted to be paid, by customers to the Authorised Operator under Betting Transactions, regardless of whether those amounts are ultimately received by the Authorised Operator;
- (d) includes all Free Bets;
- (e) includes all amounts paid or contracted to be paid to the Authorised Operator in relation to Betting Transactions involving two or more contingencies, all of which resulted on the Race; and
- (f) will not be adjusted to deduct any amount paid, refunded or credited to the customer by the Authorised Operator in relation to a non-winning Bet Taken including, for example, 'money back offers', but will be adjusted to reflect a refund of a validly cancelled Betting Transaction under any applicable law.

Betting Exchange has the meaning given in section 132 of the Act.

Betting Exchange Bet means all bets placed or accepted through a Betting Exchange with a wagering operator licensed to conduct a Betting Exchange.

Betting Transaction means:

- (a) Other than in relation to Betting Exchange Bets, a contract between an Authorised Operator and a customer, by which a bet or wager is placed with and accepted by the Authorised Operator in relation to a Race (or a contingency related to a Race); and
- (b) In relation to Betting Exchange Bets, a contract between a customer of an Authorised Operator on the "backers" side and another person on the "lay side" (which may be the Authorised Operator or a third party who is also a customer of

the Authorised Operator) by which a bet or wager is placed in relation to a Race (or a contingency related to a Race).

Business Day means any day other than a Saturday, Sunday or public holiday in Brisbane, in the State of Queensland.

Cap Period has the meaning given in clause 3.2(b).

Complainant means a person who submits a Complaint.

Complaint means a written complaint submitted on the electronic form at <http://www.racingqueensland.com.au/corporate/wagering-licencing/minimum-bet-limits> in relation to the Authorised Operator for an alleged breach of the obligations set out in clause 8.

Control Body means the Racing Queensland Board (trading as Racing Queensland).

Financial Records has the meaning given in clause 6.2.

Financial Year means the period beginning on 1 July in one calendar year and ending on 30 June in the following calendar year.

Free Bet means the face value of a Betting Transaction where the customer does not make a financial contribution at the time the Betting Transaction is made. For the avoidance of doubt, a Free Bet does not include any Betting Transaction:

- (a) which constitutes a bad or doubtful debt of the Authorised Operator;
- (b) in respect of which payment is subsequently waived, compromised, released or forgiven by the Authorised Operator; or
- (c) where there is an amount paid, refunded or credited to the customer by the Authorised Operator in relation to a non-winning Bet Taken including, for example, 'money back offers'.

Greyhound Standard Race Meeting means a Race Meeting at which at least one greyhound Race occurs.

GST means goods and services tax pursuant to the GST Law.

GST Law has the meaning given in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

GST Adjustment means:

- (a) the amount calculated in accordance with the following formula:
$$PTGR - (PTGR \div 1.1)$$
where *PTGR* is the Pre-Tax Gross Revenue; or
- (b) if the Authorised Operator makes an election in writing for a Month, the net GST actually payable by the Authorised Operator in respect of all the transactions taken into account in determining the Pre-Tax Gross Revenue.

Harness Standard Race Meeting means a Race Meeting at which at least one harness Race occurs.

Licensed Wagering Operator has the meaning given in section 131 of the Act.

Metropolitan Thoroughbred Race means a Thoroughbred Race classified by the Control Body as a metropolitan race as specified on the racing calendar at <http://www.racingqueensland.com.au/racing-and-results/full-calendar> or <http://www.racingaustralia.horse/>, as amended from time to time.

Minimum Bet Limit has the meaning given in clause 8.

MJML Bet, which stands for Multi-Jurisdiction/Multi-Leg Bet, means a bet where:

- (a) the result of the bet depends on the combined outcome of a number of events in a number of jurisdictions; and
- (b) the Race is at least one of the events on which the outcome of the bet depends.

MJML Eligible Portion, in respect of a Race, is calculated by reference to the MJML Eligible Portion Calculation and means the aggregate of the following:

- (a) each MJML Eligible Portion that resulted on the Race; and
- (b) each MJML Eligible Portion where:
 - (i) the Race was one of the contingencies forming part of the MJML Bet; and
 - (ii) the MJML Bet resulted on an event (other than the Race) that occurs within the same Month as the Race.

MJML Eligible Portion Calculation means the amount calculated as follows:

$$A \times (B \div C)$$

where:

A means the amount paid or contracted to be paid to the Authorised Operator under a MJML Bet.

B means the number of contingencies within the MJML Bet that relate to a Race.

C means the number of contingencies with the MJML Bet.

Month means a calendar month.

Net Customer Winnings means, for a customer of a Betting Exchange, the net amount payable to the customer from all bets on a Race contracted by the customers before any fees or charges are deducted by the betting exchange (provided that if, in relation to a particular Race, such net amount is a negative number, it will be deemed to be zero).

Net Revenue means **Pre-Tax Gross Revenue** minus **GST Adjustment**.

Non-metropolitan Thoroughbred Race means a Thoroughbred Race which is not a Metropolitan Thoroughbred Race.

Official Price means the official price recognised by the Stewards or as otherwise prescribed by the Control Body from time to time.

On-Course Bets means all bets that are placed on-course with a Licensed Wagering Operator that:

- (a) does not offer or accept Totalisator Bets; and

(b) exclusively conducts an on-course wagering business.

Other Bets means all bets other than On-Course Bets, Totalisator Bets and Betting Exchange Bets that are placed with a Licensed Wagering Operator.

Other Revenue means, in the case of an Authorised Operator which is a Betting Exchange, any commissions and other fees charged by the Betting Exchange in relation to a Race.

Pooling Fees means any fees payable by or received by the Authorised Operator from a wagering operator for or in connection with allocating Betting Transactions to a totalisator pool.

Pre-Tax Gross Revenue means Assessable Turnover minus Free Bets minus Bets Paid plus Bet Back Revenue.

Premium Meeting means the Race Meetings listed as Premium Race Meetings at <http://www.racingqueensland.com.au/corporate/wagering-licencing/race-information>.

Publicly Display means to display to the public generally, including, but not limited to:

- (a) on a semaphore board; or
- (b) at an electronic betting terminal, or
- (c) on a website without requiring a person to identify himself or herself (for example, by requiring a person to log in).

Queensland Race Information has the meaning given in section 131 of the Act.

Race means a race that is:

- (a) scheduled to be held; or
- (b) held,

in the State of Queensland during the Authority Period.

Race Information Authority has the meaning given in section 131 of the Act.

Race Information Fees means the fees payable by the Authorised Operator under the Authority.

Race Meeting means a meeting of Races.

Regulations means the *Racing Regulation 2013* (Qld).

Related Body Corporate has the meaning given in the *Corporations Act 2001* (Cth).

Related Documents has the meaning given in clause 6.3(b)(i)C.

Retail Outlet means a commercial or retail venue in which the Authorised Operator is authorised under relevant laws to offer or accept bets at such venues, including without limitation, agencies, hotels, pubs, clubs and racecourses.

Stewards means persons appointed by the Queensland Racing Integrity Commission to perform the duties and functions of stewards under the *Racing Integrity Act 2016* (Qld) and the rules of racing and includes deputy stewards appointed by the Queensland Racing Integrity Commission.

Submission Template means the Racing Queensland Submission Template available at <http://www.racingqueensland.com.au/corporate/wagering-licencing/race-information>, as amended from time to time.

Thoroughbred Premium Race Meeting means:

- (a) a thoroughbred Race Meeting listed as a Premium Meeting, as amended from time to time;
- (b) where a thoroughbred Race Meeting listed as a Premium Meeting is rescheduled or relocated, the Race Meeting as rescheduled or relocated; or
- (c) where a thoroughbred Race from a Race Meeting listed as a Premium Meeting is rescheduled or relocated to another Race Meeting, that other Race Meeting.

Thoroughbred Standard Race Meeting means a Race Meeting, other than a Thoroughbred Premium Race Meeting, at which at least one Thoroughbred Race occurs.

Thoroughbred Race means a Race held at a Thoroughbred Premium Race Meeting or Thoroughbred Standard Race Meeting.

Totalisator has the meaning given in section 8 of the *Wagering Act 1998* (Qld).

Totalisator Bets means all bets which are placed in Totalisator pools with a wagering operator licensed in Australia to conduct Totalisator betting.

Wagering Information means all data which is reasonably required by the Control Body to calculate Race Information Fees, including the data listed in the Submission Template.

Wagering Monitoring System has the meaning given in section 131 of the Act.

1.2 Interpretation

- (a) Headings are for convenience only and do not affect interpretation.
- (b) Mentioning anything after 'includes', 'including', 'for example' or similar expressions does not limit what else might be included.
- (c) The following rules apply unless the context requires otherwise:
 - (i) The singular includes the plural, and the converse also applies.
 - (ii) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
 - (iii) A reference to a person includes an individual, corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity.
 - (iv) A reference to a clause, schedule or annexure is a reference to a clause of, or schedule or annexure to, the Authority.
 - (v) A reference to an agreement or document (including a reference to the Authority) is to the agreement or document as amended, supplemented, novated or replaced, except to the extent prohibited by the Authority or that other agreement or document.
 - (vi) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.

- (vii) A reference to conduct includes an omission, statement or undertaking, whether or not in writing.
- (viii) A reference to 'dollars' or '\$' is to Australian currency.
- (ix) A reference to time is to Brisbane time.
- (x) A reference to an amount for which a person is contingently liable includes an amount that that person may become actually or contingently liable to pay if a contingency occurs, whether or not that liability actually arises.

2. Conditions about the duration of the Authority

[The conditions in this clause 2 are imposed under section 135(3)(b) of the Act and section 6(a) of the Regulations.]

- (a) The Authority will remain in force for the duration of the Authority Period.
- (b) The Control Body may, in its absolute discretion, extend the Authority Period by written notice to the Authorised Operator.

3. Conditions about the Race Information Fees

[The conditions in this clause 3 are imposed under section 135(3)(a) of the Act.]

3.1 Calculation of Race Information Fee

The Race Information Fee is calculated on a monthly basis as follows:

Race Information Fee (for a Month) = On-Course Betting Fee + Totalisator Fee + Non-Totalisator Fee + Post-Month MJML Bet Fee:

Where:

On-Course Betting Fee

- (a) **On-Course Betting Fee** = Premium On-Course Betting Fee + Standard On-Course Betting Fee.
- (b) **Premium On-Course Betting Fee** = Assessable Turnover for Thoroughbred Premium Race Meetings derived from On-Course Bets during the Month x Premium OC Rate.
- (c) **Standard On-Course Betting Fee** = the aggregate of:
 - (i) Assessable Turnover for Greyhound Standard Race Meetings derived from On-Course Bets during the Month x OC Rate; and
 - (ii) Assessable Turnover for Harness Standard Race Meetings derived from On-Course Bets during the Month x OC Rate; and
 - (iii) Assessable Turnover for Thoroughbred Standard Race Meetings derived from On-Course Bets during the Month x OC Rate.

- (d) **Premium OC Rate** means:
- A. when the Assessable Turnover of the Authorised Operator is less than or equal to \$5 million for the relevant Financial Year, 1.0%; and
 - B. when the Assessable Turnover of the Authorised Operator exceeds \$5 million for the relevant Financial Year, 2.5%.
- (e) **OC Rate** means:
- A. when the Assessable Turnover of the Authorised Operator is less than or equal to \$5 million for the relevant Financial Year, 1.0%; and
 - B. when the Assessable Turnover of the Authorised Operator exceeds \$5 million for the relevant Financial Year, 1.75%.

Totalisator Fee

- (f) **Totalisator Fee** = Premium Totalisator Fee + Standard Totalisator Fee.
- (g) **Premium Totalisator Fee** = Assessable Turnover for Thoroughbred Premium Race Meetings derived from Totalisator Bets during the Month x PT Rate.
- (h) **Standard Totalisator Fee** = the aggregate of:
- (i) Assessable Turnover for Greyhound Standard Race Meetings derived from Totalisator Bets during the Month x ST Rate; and
 - (ii) Assessable Turnover for Harness Standard Race Meetings derived from Totalisator Bets during the Month x ST Rate; and
 - (iii) Assessable Turnover for Thoroughbred Standard Race Meetings derived from Totalisator Bets during the Month x ST Rate.
- (i) **PT Rate** means:
- (i) when the Assessable Turnover of the Authorised Operator is less than or equal to \$5 million for the relevant Financial Year, 1.5%; and
 - (ii) when the Assessable Turnover of the Authorised Operator exceeds \$5 million for the relevant Financial Year, 2.5%.
- (j) **ST Rate** means:
- (i) when the Assessable Turnover of the Authorised Operator is less than or equal to \$5 million for the relevant Financial Year, 1.5%; and
 - (ii) when the Assessable Turnover of the Authorised Operator exceeds \$5 million for the relevant Financial Year, 1.75%.

Non-Totalisator Fee

- (k) **Non-Totalisator Fee** = Premium Non-Totalisator Fee + Standard Non-Totalisator Fee.
- (l) **Premium Non-Totalisator Fee** = the aggregate of:
- (i) 35% of Other Revenue for Thoroughbred Premium Race Meetings derived from Betting Exchange Bets during the Month;

- (ii) when the Assessable Turnover of the Authorised Operator is less than or equal to \$5 million for the relevant Financial Year, the Assessable Turnover for Thoroughbred Premium Race Meetings derived from Other Bets during the Month x 1.5%; and
 - (iii) when the Assessable Turnover of the Authorised Operator exceeds \$5 million for the relevant Financial Year, the greater of:
 - A. 2.5% of Assessable Turnover; or
 - B. 30% of Net Revenue,
 for Thoroughbred Premium Race Meetings derived from Other Bets during the Month.
- (m) **Standard Non-Totalisator Fee** = the aggregate of:
- (i) when the Authorised Operator is a Betting Exchange, the aggregate of:
 - A. 35% of Other Revenue for Greyhound Standard Race Meetings derived from Betting Exchange Bets during the Month; and
 - B. 35% of Other Revenue for Harness Standard Race Meetings derived from Betting Exchange Bets during the Month; and
 - C. 35% of Other Revenue for Thoroughbred Standard Race Meetings derived from Betting Exchange Bets during the Month; and
 - (ii) when the Assessable Turnover of the Authorised Operator is less than or equal to \$5 million for the relevant Financial Year, the Assessable Turnover derived from Other Bets for Greyhound Standard Race Meetings, Harness Standard Race Meetings and Thoroughbred Standard Race Meetings during the Month x 1.5%; and
 - (iii) when the Assessable Turnover of the Authorised Operator exceeds \$5 million for the relevant Financial Year, the aggregate of:
 - A. the greater of:
 - 1) 1.75% of Assessable Turnover; or
 - 2) 15% of Net Revenue,
 for Greyhound Standard Race Meetings derived from Other Bets during the Month; and
 - B. the greater of:
 - 1) 1.75% of Assessable Turnover; or
 - 2) 15% of Net Revenue,
 for Harness Standard Race Meetings derived from Other Bets during the Month; and
 - C. the greater of:

- 1) 1.75% of Assessable Turnover; or
- 2) 15% of Net Revenue,

for Thoroughbred Standard Race Meetings derived from Other Bets during the Month.

Post-Month MJML Bet Fee

(n) **Post-Month MJML Bet Fee =**

(i) where an MJML Eligible Portion of an MJML Bet in respect of a Race occurs outside the Month but where that Betting Transaction resulted within the Month, the following rates apply:

A. when the Assessable Turnover of the Authorised Operator is less than or equal to \$5 million for the relevant Financial Year, the rate of 1.5% will apply to the Authorised Operator's Assessable Turnover derived from the MJML Eligible Portion of the MJML Bet in respect of the Race;

B. when the Assessable Turnover of the Authorised Operator is more than \$5 million for the relevant Financial Year:

- 1) if the Race referred to in clause 3.1(n)(i) occurs at a Greyhound Standard Race Meeting, Harness Standard Race Meeting or a Thoroughbred Standard Race Meeting, the rate of 1.75% will apply to the Authorised Operator's Assessable Turnover derived from the MJML Eligible Portion of the MJML Bet in respect of the Race;

- 2) if the Race referred to in clause 3.1(n)(i) occurs at a Thoroughbred Premium Race Meeting, the rate of 2.5% will apply to the Authorised Operator's Assessable Turnover derived from the MJML Eligible Portion of the MJML Bet in respect of the Race.

(o) For the avoidance of doubt, if the Authorised Operator's Assessable Turnover exceeds \$5 million for the relevant Financial Year during any Month, the relevant higher rate will apply for all of that Month.

3.2 Cap on fee payable for Thoroughbred Premium Race Meetings

(a) This clause 3.2 does not apply to an Authorised Operator that conducts a Betting Exchange.

(b) If the Race Information Fee for Thoroughbred Premium Race Meetings paid by an Authorised Operator for the period 1 January 2018 to 30 June 2019 (the **Cap Period**) exceeds 4% of the Authorised Operator's Assessable Turnover on Thoroughbred Premium Race Meetings for the Cap Period, the Control Body will apply a credit at the end of the Authority Period in favour of the Authorised Operator for the difference between:

(i) 4% of the Authorised Operator's Assessable Turnover for Thoroughbred Premium Race Meetings during the Cap Period; and

(ii) the Race Information Fee for Thoroughbred Premium Race Meetings paid by the Authorised Operator for the Cap Period.

3.3 Summary

Meeting Category	On course betting	Tote	All Other – greater of:		Betting Exchange
	% of Assessable Turnover	% of Assessable Turnover	% of Net Revenue	% of Assessable Turnover	% of Net Revenue
Rates when Assessable Turnover is less than or equal to \$5 million for the relevant Financial Year					
First \$5 million turnover – all codes aggregated	1.00	1.50	N/A	1.50	35.00
Rates when Assessable Turnover exceeds \$5 million for the relevant Financial Year					
Greyhound Standard Race Meetings – per Month	1.75	1.75	15.00	1.75	35.00
Harness Standard Race Meetings – per Month	1.75	1.75	15.00	1.75	35.00
Thoroughbred Standard Race Meetings – per Month	1.75	1.75	15.00	1.75	35.00
Thoroughbred Premium Race Meetings – per Month (capped at 4% of Assessable Turnover for the Cap Period)	2.50	2.50	30.00	2.50	35.00

3.4 Inconsistency

To the extent of any inconsistency between clauses 3.1 and 3.3, clause 3.1 will prevail.

3.5 Promotional rates or discounts

- (a) The Control Body may, in its absolute discretion, use promotional rates to calculate Race Information Fees or offer promotional discounts on the Race Information Fees for a specified period of time or in relation to a specified Race Meeting.
- (b) Any promotional rates used or promotional discounts offered by the Control Body pursuant to clause 3.5(a) may be subject to the Authorised Operator's Assessable Turnover and other eligibility requirements as notified to the Authorised Operator from time to time.

3.6 Review of rates

The Control Body may review and amend the rates used to calculate Race Information Fees in the event of the introduction of a new wagering tax or levy. The Control Body will

give the Authorised Operator 30 days' prior notice of any rate amendment under the Authority.

4. Conditions about timing of payment for Race Information Fees

[The conditions in this clause 4 are imposed under section 135(3)(b) of the Act and section 6(c) of the Regulations.]

4.1 Timing of payments

- (a) The Authorised Operator or an Authorised Representative must, within five Business Days of the end of each Month, give to the Control Body a written statement, setting out for each of the three racing codes (if applicable) the Assessable Turnover, Net Revenue, Net Customer Winnings and Other Revenue (as applicable) of the Authorised Operator for the Month.
- (b) If a Race Information Fee is payable for the Month, the Control Body will, after receiving the statement, issue a tax invoice to the Authorised Operator for the amount of the Race Information Fee.
- (c) The Authorised Operator must pay the Race Information Fee within ten Business Days of receiving the tax invoice.

4.2 Unpaid or overdue Race Information Fees

- (a) If the Authorised Operator fails to pay the Race Information Fees to the Control Body by the due date for payment, the Control Body may, in its absolute discretion:
 - (i) issue the Authorised Operator with a reminder notice for the overdue amount; and
 - (ii) charge interest on the overdue amount in accordance with clause 4.3 and/or impose an administration collection fee.
- (b) If the Authorised Operator fails to pay the overdue amount (including any interest accrued or administration fee notified by the Control Body) to the Control Body within 30 days of receipt of the reminder notice, the Control Body may, without prejudice to any other remedies, relief or rights that it may have, cancel the Authority of the Authorised Operator.

4.3 Interest

- (a) The Control Body may charge the Authorised Operator interest calculated at the current Reserve Bank of Australia's cash target rate plus 2%.
- (b) Interest will accrue on a daily basis from and including the due date for payment until the date that payment is actually received by the Control Body.

5. Conditions about information required to calculate Race Information Fees

[The conditions in this clause 5 are imposed under section 135(3)(b) of the Act and section 6(b) of the Regulations.]

5.1 Provision of Wagering Information

- (a) The Authorised Operator must provide the Wagering Information to the Control Body or its nominee.
- (b) If requested by the Control Body, the Authorised Operator must provide any other records, documents or information which is reasonably required by the Control Body to verify the Authorised Operator's Wagering Information.

5.2 Timing and form of Wagering Information

- (a) The Authorised Operator must provide the Wagering Information to the Control Body in the form and manner reasonably required by the Control Body and notified to the Authorised Operator from time to time in accordance with the timings specified in clauses 5.2(b) and 5.2(c).
- (b) Where an Authorised Operator's Assessable Turnover exceeded \$5 million for the previous Financial Year or is expected to exceed \$5 million in the current Financial Year, the Authorised Operator must provide the Wagering Information to the Control Body each day.
- (c) Where an Authorised Operator's Assessable Turnover was less than \$5 million for the previous Financial Year or is expected to be less than \$5 million in the current Financial Year, the Authorised Operator must provide the Wagering Information for the previous Month to the Control Body by the fifth Business Day of each Month.
- (d) Where the Wagering Information provided by an Authorised Operator pursuant to clause 5.1 includes information about turnover from a Betting Transaction which relates to outcomes which cannot be attributed to a specific Queensland meeting (for example, metropolitan trainers premierships turnover or metropolitan jockey premierships turnover) (**Unclassified Exotic Bet**), the Control Body will provide the Authorised Operator with a list of the Races to which the turnover from the relevant Unclassified Exotic Bet may be allocated.

5.3 Annual statements when the Assessable Turnover of the Authorised Operator exceeds \$5 million for a Financial Year

- (a) This clause 5.3 applies when the Assessable Turnover of the Authorised Operator exceeds \$5 million for a Financial Year.
- (b) The Authorised Operator must give the Control Body a written statement within 45 days of the end of each Financial Year, certified by an independent registered auditor, setting out, separately for each of the three racing codes (as applicable):
 - (i) its Assessable Turnover or Net Customer Winnings;
 - (ii) its Net Revenue or Other Revenue; and
 - (iii) any other financial information reasonably required or requested by the Control Body from time to time,

for that Financial Year. For the avoidance of doubt, notwithstanding that the period 1 July 2017 to 31 December 2017 does not fall within the Authority Period, the annual statement for 1 July 2017 to 30 June 2018 provided in accordance with this clause must include all relevant financial information for 1 July 2017 to 31 December 2017, if the Authorised Operator held a previous Race Information Authority for that period.

5.4 Annual statements when the Assessable Turnover of the Authorised Operator is less than or equal to \$5 million for the Financial Year

- (a) This clause 5.4 applies when the Assessable Turnover of the Authorised Operator is less than or equal to \$5 million for a Financial Year.
- (b) If requested to do so by the Control Body, the Authorised Operator must give the Control Body a statutory declaration made by the Authorised Operator or an Authorised Representative of the Authorised Operator within 45 days of the end of each Financial Year, setting out, separately for each of the three racing codes (as applicable):
 - (i) its Assessable Turnover or Net Customer Winnings;
 - (ii) its Net Revenue or Other Revenue; and
 - (iii) any other financial information reasonably required or requested by the Control Body from time to time,

for that Financial Year. For the avoidance of doubt, notwithstanding that the period 1 July 2017 to 31 December 2017 does not fall within the Authority Period, the annual statement for 1 July 2017 to 30 June 2018 provided in accordance with this clause must include all relevant financial information for 1 July 2017 to 31 December 2017, if the Authorised Operator held a previous Race Information Authority for that period.

6. Records and audit

6.1 Control Body may request information

- (a) The Control Body may, by notice in writing, require an Authorised Operator to give the Control Body information or documents that relate to:
 - (i) the Authorised Operator's Wagering Information; or
 - (ii) the Authorised Operator's compliance with the Authority.
- (b) The information or documents must be provided:
 - (i) in the form specified in the notice, which may be a statutory declaration; and
 - (ii) in accordance with other requirements specified in the notice.

6.2 Maintain records

The Authorised Operator must maintain all accounts and records, including financial records and Wagering Information, as may reasonably be required for the Audit Purpose (**Financial Records**).

6.3 Review and audit

- (a) At any time during the Authority Period, or within 24 months after the Authority Period, but no more than twice during the Authority Period the Control Body may, at its sole discretion, by notice in writing to the Authorised Operator, audit, or procure the audit by an auditor for the Audit Purpose including but not limited to an audit of the Authorised Operator's Financial Records.
- (b) Upon receipt of a notice under clause 6.3(a), the Authorised Operator must:

- (i) give the Control Body or its nominee auditor access to the Authorised Operator's:
 - A. premises;
 - B. Financial Records; and
 - C. any documents related to the Financial Records in the Authorised Operator's power, possession or control **(Related Documents)**;
 - (ii) allow the Control Body or its nominee auditor to take copies of the Financial Records and Related Documents for the Audit Purpose; and
 - (iii) provide such assistance as is reasonably required by the Control Body or its nominee auditor to undertake the Audit Purpose, including making staff available to provide information, explanations or answers to questions, as requested by the Control Body or nominee auditor. For the avoidance of doubt, the fact that information may be commercially sensitive or otherwise confidential is not a basis for declining to provide that information to the Control Body or its nominee auditor.
- (c) Except as otherwise required by law, the Control Body or its nominee auditor will:
- (i) use the Financial Records and Related Documents solely for the Audit Purpose; and
 - (ii) not disclose any confidential information comprised in the Financial Records or Related Documents to a third party, other than:
 - A. the professional advisers retained by the Control Body in connection with the Audit Purpose; and
 - B. the minister, department or agency responsible for administering the Act.
- (d) If, as a result of an audit conducted under this clause 6.3, it is established that the Authorised Operator has underpaid Race Information Fees, then the Control Body may issue a tax invoice to the Authorised Operator for the Control Body's reasonable costs incurred in undertaking the audit. The Authorised Operator must pay the amount specified on the tax invoice within 10 Business Days of receiving the tax invoice.

6.4 Reconciliation

- (a) If it is established by the Control Body that:
 - (i) the Authorised Operator has underpaid Race Information Fees, then the Control Body will issue a tax invoice to the Authorised Operator for the underpaid amount. The Authorised Operator must pay the underpaid amount within 10 Business Days of receiving the tax invoice; or
 - (ii) the Authorised Operator has overpaid Race Information Fees, then the Control Body will refund the Authorised Operator the overpaid amount within 10 Business days of receiving an invoice.
- (b) For the avoidance of doubt, the Control Body will calculate the total Race Information Fee payable by the Authorised Operator for 1 July 2017 to 31

December 2017 using the methods of calculation specified in the applicable Race Information Authority for that authority period.

7. Conditions about Bet Backs

The Authorised Operator may only place a Bet Back with a Licensed Wagering Operator authorised to use Queensland Race Information pursuant to a current Race Information Authority.

8. Minimum Bet Limits on Thoroughbred Racing

[The conditions in this clause 8 are imposed under section 135(3)(b) of the Act and section 6(d) of the Regulations.]

8.1 Minimum Bet Limits

(a) Subject to clause 8.3, the Authorised Operator is required to accept a fixed odds bet in the categories described in clauses 8.1(b) and 8.1(c) at odds that are Publicly Displayed by the Authorised Operator for any Thoroughbred Race, up to the maximum amount for the Authorised Operator to lose, as specified in the tables in clauses 8.1(b) and 8.1(c) below (a **Relevant Fixed Odds Bet**).

(b) Where:

- (i) the Authorised Operator has held a previous Race Information Authority and the Authorised Operator's Assessable Turnover exceeded \$5 million on Queensland Thoroughbred Races for the previous Financial Year then the amounts specified in the table below apply to the Authorised Operator for the Authority Period; or
- (ii) the Authorised Operator has not previously held a Race Information Authority, the amounts specified in the table below apply to the Authorised Operator from the month after the Authorised Operator's Assessable Turnover on Queensland Thoroughbred Races for the current Financial Year exceeds \$5 million for the remainder of the Authority Period.

Queensland Race Type	Bet Type
Metropolitan Thoroughbred Race	In any one Win, Win/Place* or Each-way bet: to lose \$2,000 (* place component \$800)
	In any one Place bet: to lose \$800
Non-metropolitan Thoroughbred Race	In any one Win, Win/Place* or Each-way bet: to lose \$1,000 (* place component \$400)
	In any one Place bet: to lose \$400

(c) Where:

- (i) the Authorised Operator has held a previous Race Information Authority and the Authorised Operator's Assessable Turnover was less than or equal to \$5 million on Queensland Thoroughbred Races for the previous Financial Year then the amounts specified in the table below apply to the Authorised Operator for the Authority Period

- (ii) the Authorised Operator has not previously held a Race Information Authority, the amounts specified in the table below apply to the Authorised Operator until the month the Authorised Operator's Assessable Turnover on Queensland Thoroughbred Races for the current Financial Year exceeds \$5 million (i.e while the Authorised Operator's Assessable Turnover on Queensland Thoroughbred Races for the current Financial Year is less than or equal to \$5 million).

Queensland Race Type	Bet Type
Metropolitan Thoroughbred Race and Non-metropolitan Thoroughbred Race	In any one Win, Win/Place* or Each-way bet: to lose \$1,000 (* place component \$400)
	In any one Place bet: to lose \$400

- (d) The Authorised Operator must Publicly Display the Minimum Bet Limits to which they are bound.

8.2 Compliance by an Authorised Operator

The Authorised Operator must not do any act, or refuse to do any act, to avoid complying (whether in whole or in part) with clause 8.1, including but not limited to, by:

- (a) closing a person's account;
- (b) refusing to open a person's account;
- (c) placing any restrictions on a person's account in relation to betting on Thoroughbred Races;
- (d) refusing to lay a Relevant Fixed Odds Bet to any person when those fixed odds are Publicly Displayed; or
- (e) laying lesser odds on a Relevant Fixed Odds Bet to a person than those Publicly Displayed.

8.3 Exclusions

The Authorised Operator is not required to comply with its obligations under clause 8.1 or 8.2 if, at the time of the Betting Transaction in relation to a Relevant Fixed Odds Bet:

- (a) the customer is not domiciled in Australia;
- (b) the Betting Transaction is a Betting Exchange Bet;
- (c) the person has not provided the Authorised Operator with sufficient funds to pay for the Relevant Fixed Odds Bet;
- (d) the bet with the Authorised Operator is placed prior to:
 - (i) 9am (AEST) on the day of the Thoroughbred Race, for a Race Meeting commencing prior to 5:30pm; and
 - (ii) 2pm (AEST) on the day of the Thoroughbred Race, for a race meeting commencing after 5:30pm;
- (e) the bet forms part of a multi-bet placed with the Authorised Operator;

- (f) the bet is a retail betting transaction placed in a Retail Outlet;
- (g) the Authorised Operator has already accepted a Relevant Fixed Odds Bet or a number of Relevant Fixed Odds Bets of the same bet type up to the relevant limit in clause 8.1 on that horse from the customer;
- (h) where there has been a change in the Official Price or the Authorised Operator's Publicly Displayed price has changed prior to the Relevant Fixed Odds Bet being confirmed, the Authorised Operator is not compelled to accept a Relevant Fixed Odds Bet at the pre-changed price;
- (i) where the customer is acting as an agent or nominee for a third party and the customer placing the bet will not be beneficially entitled to the whole of the proceeds of the Relevant Fixed Odds Bet with the Authorised Operator;
- (j) the Authorised Operator has refused to accept a Relevant Fixed Odds Bet, acted or refused to act due to:
 - (i) the customer being warned off or disqualified under the rules of racing;
 - (ii) the customer having previously engaged in fraudulent activity;
 - (iii) the customer is on a relevant gambling self-exclusion register;
 - (iv) the customer having previously breached a material condition of his or her agreement with the Authorised Operator, unless the dominant purpose of such condition is to avoid complying with clause 8.1 or the material condition is determined by the Control Body (in its absolute discretion) to be an unreasonable condition;
 - (v) the Authorised Operator being unable to accept any bet (or the Relevant Fixed Odds Bet) from the customer by operation of any laws, including but not limited to the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) or any responsible gambling legislation;
 - (vi) there being systematic multiple identical Relevant Fixed Odds Bets from related or connected parties and/or from the same IP address;
 - (vii) the person placing a Relevant Fixed Odds Bet from a proxy server or a Relevant Fixed Odds Bet being received from a proxy server;
 - (viii) the Relevant Fixed Odds Bet being a promotional bet, including a bonus bet or free bet (whether whole or in part) where the customer has not provided the full payment for the stake;
 - (ix) the Authorised Operator reasonably suspecting that the person placing the Relevant Fixed Odds Bet is not the beneficial owner of the bet or the account is being used in violation of the Authorised Operator's account terms and conditions, where the suspicion can be reasonably validated by the Authorised Operator through public records, IP address tracking, unique device tracking or some other verifiable process or source;
 - (x) unauthorised scraping of an Authorised Operator's website;
 - (xi) the Relevant Fixed Odds Bet being placed by employees or associates (and/or their associates) of another Authorised Operator where the Authorised Operator has a reasonable belief that the bet is based on betting information (including, but not limited to, betting

- trends and bets placed with that Authorised Operator) that is not publicly available;
- (xii) the Relevant Fixed Odds Bet being placed by or on behalf of another Authorised Operator where the Authorised Operator has a reasonable belief that the bet is based on betting information (including, but not limited to, betting trends and bets placed with that Authorised Operator) that is not publicly available and further, that the bet is not a Bet Back;
 - (xiii) the Relevant Fixed Odds Bet being contrary to the rules of racing or any other laws;
 - (xiv) any other reason that in the Control Body's opinion raises serious integrity concerns;
 - (xv) the person having been restricted to betting via a specified platform (e.g telephone) arising from reasonably held concerns by the Authorised Operator as to robotic or systematic use via other platforms/channels; or
 - (xvi) any other reason as published by the Control Body on <http://www.racingqueensland.com.au/corporate/wagering-licencing/minimum-bet-limits> from time to time.

8.4 Co-operation in investigation and determination of Complaints

- (a) An Authorised Operator must provide the Control Body with all information that the Control Body requests for the purposes of its investigation and determination of a Complaint.
- (b) The Authorised Operator agrees, subject only to compliance with laws relating to privacy or data protection, to respond promptly and no later than five Business Days after receipt of a request from the Control Body under clause 8.4(a).
- (c) The Control Body agrees, subject only to compliance with laws relating to privacy or data protection, to provide any relevant information provided to the Control Body by the Complainant to the Authorised Operator against whom a Complaint has been made.
- (d) All requests by the Control Body under clause 8.4(a) shall be kept strictly confidential and shall not be divulged by the Control Body to any third party (other than the Complainant) except:
 - (i) where compelled by law;
 - (ii) where expressly permitted by these conditions;
 - (iii) with the prior written consent of the Authorised Operator and the Complainant; or
 - (iv) where a Complainant has submitted one or more separate Complaints against other Authorised Operators which are consistent with the Complaint, the Control Body may provide non-specific information, subject to compliance with laws relating to privacy and data protection, to assist Authorised Operators in responding to the Complainant in a consistent manner.
- (e) The Control Body's obligations under clause 8.4(d) do not apply where the confidential information has been made public through no fault of the Control Body.

8.5 Determination of non-compliance

- (a) The Control Body will provide an Authorised Operator against whom a Complaint has been made written notice giving the Authorised Operator an opportunity to make written submissions to the Control Body in relation to the Complaint within 14 days.
- (b) The Authorised Operator agrees that the Control Body's determination to uphold any Complaint is final and binding on the Authorised Operator.

8.6 Consequences of non-compliance

- (a) Where, in relation to a Complaint that has been upheld by the Control Body and the Control Body has determined that the Authorised Operator has failed to comply with its obligations under this clause 8, the Control Body may at its discretion:
 - (i) notify the Authorised Operator of its Minimum Bet Limit obligations under this clause 8;
 - (ii) reprimand the Authorised Operator;
 - (iii) issue a letter of rectification which may include a direction to the Authorised Operator to rectify any matter giving rise to the Complaint within a specified period of time; and/or
 - (iv) order the Authorised Operator to make financial contribution or restitution of a specified amount to the Complainant with respect to the Complaint that has been upheld by the Control Body.
- (b) The rights of the Control Body under clause 8.6(a) are in addition to, or without limitation to, the rights of the Control Body under these conditions and the Race Information Authority.
- (c) Where an Authorised Operator receives a notice, declaration, suspension, revocation or order from the Control Body under clause 8.6(a), the Authorised Operator will promptly and no later than five Business Days take all necessary steps to address and comply as is required by the Control Body and will keep the Control Body informed of its progress.

8.7 Application of Minimum Bet Limits

- (a) This clause 8 applies to off-course wagering.
- (b) Where an Authorised Operator accepts On-Course Bets, the Authorised Operator must comply with the minimum bet limits set out in Local Rule 76 of the Local Rules (Thoroughbred Racing) and displayed at <http://www.racingqueensland.com.au/corporate/wagering-licencing/minimum-bet-limits>.

9. Standard conditions

[The conditions in this clause 9 are imposed by section 136 of the Act.]

- (a) The Authorised Operator must, unless the Authorised Operator has a reasonable excuse:
 - (i) take part, as required by the Control Body, in the Wagering Monitoring System established by the Control Body; and

- (ii) comply with all reasonable requests by the Control Body to give the Control Body, within the time stated in the request, information or documents about bets placed with the Authorised Operator.
- (b) The Authorised Operator acknowledges that it is subject to any other conditions imposed by the Act or the Regulations on holders of Authorities.

10. Cancellation

Nothing in the Authority shall prejudice the right of the Control Body to cancel the Authority of any Authorised Operator:

- (a) pursuant to section 139 of the Act and section 8 of the Regulations; or
- (b) if the Authorised Operator's licence expires or is cancelled.

11. Use of Intellectual Property

The Control Body agrees to grant the Authorised Operator the following rights (subject to any applicable laws) for the Authority Period:

- (a) a non-exclusive licence to use any of the following designations in marketing or promotional materials or on the website of the Authorised Operator, at all times subject to the prior approval of the Control Body (such approval not to be unreasonably withheld):
 - (i) 'approved betting operator of Racing Queensland'; or
 - (ii) 'approved wagering operator of Racing Queensland';
- (b) a non-exclusive licence to use the official logo of the Control Body in marketing or promotional material or on the website of the Authorised Operator provided that:
 - (i) any use of the Control Body logo is followed by one of the designations set out in 11(a);
 - (ii) the use does not suggest any sponsorship or endorsement or formal association with the Control Body other than that implied by the use of the designations authorised by clause 11(a); and
 - (iii) any use is at all times subject to the written approval of the Control Body (such approval not to be unreasonably withheld).

12. Undertaking

The Authorised Operator agrees to use its best endeavours to refrain from doing anything that is likely to embarrass, prejudice, the interests of, or bring the Control Body or the sport of racing into ridicule or disrepute.

13. General

13.1 Assignment

The Authorised Operator cannot assign, charge, create a security interest over, encumber or otherwise deal with any of its rights or obligations under the Authority, or attempt or purport to do so.

13.2 Benefit of Authority

The Authorised Operator acknowledges that the Authority is granted to:

- (a) the Authorised Operator only; and
- (b) no other person, whether a Related Body Corporate of the Authorised Operator or otherwise.

13.3 Governing law and jurisdiction

The Authority is governed by the laws of Queensland. In relation to it and related matters, the Authorised Operator irrevocably submits to the non-exclusive jurisdiction of courts with jurisdiction there, and waives any right to object to the venue on any ground.

13.4 GST

- (a) Unless expressly included, the consideration for any supply under or in connection with the Authority does not include GST.
- (b) To the extent that any supply under or in connection with the Authority is a taxable supply and GST is not expressly included in the consideration, the recipient must pay, in addition to the consideration provided under the Authority for that supply an amount (**additional amount**) equal to the amount of that consideration multiplied by the rate at which GST is imposed in respect of the supply. The recipient must pay the additional amount at the same time as the consideration to which it is referable.
- (c) The Authorised Operator represents and warrants that it is registered for the purposes of GST Law.
- (d) If either the Control Body or the Authorised Operator is entitled under these conditions to be reimbursed or indemnified by the other party for a cost or expense incurred in connection with these conditions, the reimbursement or indemnity payment must not include any GST component of the cost or expense for which an input tax credit may be claimed by the party being reimbursed or indemnified.
- (e) Words and meanings used in this clause 13.4 that have a defined meaning in the GST Law have the same meaning as in the GST Law unless the context indicates otherwise.

13.5 Notices

Each communication (including each notice, consent, approval or request) given or made under or in connection with the Authority:

- (a) must be in writing (unless otherwise agreed by the Control Body in writing);
- (b) must be:
 - (i) delivered by hand to the postal address;
 - (ii) posted by prepaid post to the postal address;
 - (iii) sent by fax to the fax number; or
 - (iv) sent by email to the email address,of the recipient set out in the Authority; and

- (c) will be taken to be received by the recipient:
- (i) (in the case of prepaid post sent to an address in the same country) on the third day after the date of posting;
 - (ii) (in the case of prepaid post sent to an address in another country) on the fifth day after the date of posting by airmail;
 - (iii) (in the case of email) on delivery to the recipient;
 - (iv) (in the case of fax) at the time in the place to which it is sent equivalent to the time shown on the transmission confirmation report produced by the fax machine from which it was sent; and
 - (v) (in the case of delivery by hand) on delivery,

but if the communication is taken to be received on a day that is not a Business Day, it is taken to be received at 9am on the next Business Day.