

D02/59303



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TAB LIMITED

(ABN 17 081 765 308)

**AGREEMENT TO APPOINT AGENT
TO PROVIDE WAGERING SERVICES
IN LICENSED PREMISES**

AGENT: X

TAB AGENCY: XXXX - X

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AGREEMENT TO APPOINT AGENT TO PROVIDE WAGERING SERVICES IN LICENSED PREMISES

DATE OF THIS AGREEMENT:

XX XX 2002

THE PARTIES TO THIS AGREEMENT:

TAB LIMITED (ABN 17 081 765 308)

of

495 Harris Street, ULTIMO, NSW 2007 ("TAB")

And ("Agent")

X

of

X

X

X <http://www.whitepages.com.au/wp/redirect.jhtml?url=>

NAME AND ADDRESS OF LICENSED PREMISES AT WHICH AGENCY WILL BE CONDUCTED:

("Premises")

X

X

X

TAB AGENCY NUMBER:

XXXX

LIQUOR ADMINISTRATION BOARD LICENCE NUMBER: _____

BACKGROUND

1. TAB holds an off-course totalizator licence under section 14 of the Totalizator Act 1997 ("**Act**") ("**Off-Course Totalizator Licence**") and an approval to conduct sports betting under section 13 of the Act ("**Sports Betting Licence**").
2. TAB is authorised to engage agents to conduct the activities or to exercise the functions authorised under the Off-course Totalizator Licence and the Sports Betting Licence and to provide Account Betting Services ("**Wagering Services**").
3. The Agent wishes to be appointed by TAB as an agent of TAB to provide Wagering Services in the Premises ("**Agency**").
4. This Agreement sets out the terms and conditions of the appointment of the Agent and operation of the Agency Premises.

AGREEMENT

TAB appoints the Agent as the agent of TAB to provide Wagering Services in the Agency Premises and the Agent accepts the appointment in consideration of the mutual promises of the parties for the Period and upon and subject to the terms and conditions set out in the Attachment.



EXECUTION

Executed as an agreement.

Signed for and on behalf of TAB Limited

Signature of Witness

Signature of Authorised Officer

Name of Witness

Peter Kadar, Chief Executive Wagering
Name and Title of Authorised Officer

Signed by the Agent /for and on behalf of the Agent:

Signature of Witness

Signature of Agent/Authorised Officer

Name of Witness

Name and Title of Authorised Officer

Signature of Witness

Signature of Agent/Authorised Officer

Name of Witness

Name and Title of Authorised Officer

(If the Agent is a company and must sign under seal, the seal should be affixed and witnessed in accordance with the constitution of the company.)

ATTACHMENT**TERMS AND CONDITIONS****1. PERIOD AND TERMINATION**

The Period will commence on the date of this Agreement and will terminate:

- a. on the expiry of not less than one (1) month's notice given by either Party to the other Party;
- b. at such time as TAB in its absolute discretion determines, with or without notice, in any of the following events:
 - i. if the Agent fails to perform fully any of the Agent's obligations under this Agreement or TAB determines there has been a breach of the warranty under clause 13.4;
 - ii. if the liquor licence relating to the Premises is suspended, revoked or withdrawn for any reason whatsoever;
 - iii. if continuation of this Agreement may in the opinion of TAB threaten or be likely to threaten TAB's ability to continue to hold the Off-Course Totalizator Licence, the Sports Betting Licence or any other licence or authority held by TAB from time to time;
 - iv. if in relation to an Agent who is an individual person or any Personnel, a Disqualifying Event occurs;
 - v. if TAB terminates any other agreement, deed or arrangement between TAB and the Agent relating to the operation of any other Totalizator Off-Course Betting Agency;
 - vi. if the Agent is a partnership, the death, retirement or withdrawal of a partner, or dissolution of the partnership, or the occurrence, in relation to any partner, of a Disqualifying Event;
 - vii. if the Agent is a company:
 - the making of an order to wind up the company (other than for the purpose of a reconstruction approved, in its absolute discretion, by TAB);
 - presentation of a petition to wind up the company;
 - the company enters into any scheme of arrangement with its creditors;
 - a receiver or official manager or administrator is appointed in respect of the company;
 - the occurrence of a Disqualifying Event in relation to any director or other person having any responsibility for management of the company;
 - any change in the shareholding in the company or in any company which is a holding company.
 - viii. if the weekly average of sales (not including cancellations) over the six (6) month period preceding termination is less than \$7,500 (or such other amount as TAB may from time to time determine).

2. OBLIGATIONS OF TAB LIMITED

During the Period, TAB Limited will:-

2.1. TAB EQUIPMENT AND SUPPLIES

Provide to the Agent, for the Agent's use in the conduct of the Agency during the Period, TAB Equipment and Supplies which TAB considers necessary for that purpose.

2.2. MAINTENANCE AND REPLACEMENT OF TAB EQUIPMENT AND SUPPLIES

Within a reasonable time after receipt of notification by the Agent of a requirement arising and subject to clause 3.1(viii) to the extent TAB considers necessary, rectify, repair, maintain or replace TAB Equipment and Supplies to the extent TAB considers necessary. The Agent will bear all costs incurred by TAB in delivering any replacement Supplies to the Agent if TAB has to arrange special delivery because the Agent has not complied with ordering procedures prescribed in Instructions and Procedures.

2.3. INFORMATION AND TECHNICAL ASSISTANCE

Provide such information and technical assistance to the Agent as TAB considers necessary for the conduct of the Agency from time to time.

2.4. COMMISSION

Pay Commission to the Agent on such terms and frequency as TAB may from time to time determine.

2.5. SETTLEMENT AMOUNT

Pay any Settlement Amount on such terms and frequency as is required.

3. OBLIGATIONS OF THE AGENT

During the Period, the Agent will:-

3.1. OPERATE THE AGENCY

Operate the Agency Premises in a proper, orderly and efficient manner consistent with the standards of presentation and service prescribed in Instructions and Procedures. Without limiting the extent of this provision, the Agent will:

i. HOURS OF BUSINESS OF THE AGENCY

Ensure the Agency Premises is open and operates at such times during the normal trading hours of the Agent as TAB makes its Wagering Services available to the Agent or at such other times as the Agent and TAB agree in writing.

ii. INFORMATION

Open promptly or access and read carefully information and other material delivered by TAB to the Agency Premises by whatever means, including electronically, and promptly carry out or cause to be carried out, any actions or functions required to be carried out to comply with that information and material, including without limitation, conveying relevant information to Personnel.

iii. COMPLIANCE WITH INSTRUCTIONS AND PROCEDURES

Comply with, and ensure that Personnel comply with, Instructions and Procedures including, without limitation, Instructions and Procedures for:

- display of signage in the Agency;
- payment of Dividends;
- display of race/sports betting events;
- display of race/sports betting events results;
- scratchings from races;
- providing Account Betting Services;

- security procedures including in relation to Personnel, internal cash security, and TAB Equipment;
- maintenance and retention of documents, records and accounts relating to the conduct of the Agency;
- maintenance of TAB Equipment;
- ordering procedures for Supplies;
- responsible gambling.

iv. PROMOTION

Participate, at its own cost, in promotional and marketing activities to promote the products offered from time to time by TAB.

v. BETTING TICKETS

Pay for betting tickets ordered which are in excess of actual quarterly usage. Quarterly usage will be determined by TAB through a comparison of betting tickets which are ordered and betting tickets which pass through the TAB Equipment. Where the betting tickets ordered by the Agent exceed the betting tickets passing through the TAB Equipment the Agent will be invoiced in arrears for the cost of the excess betting tickets.

vi. SECURITY GUARANTEE

Before the commencement of the Period lodge with TAB a Security Guarantee in such amount as TAB from time to time decides:

- in the case of an existing Agency, the Security Guarantee will be the greater of \$5,000 or 12.5% of average weekly sales of the Agency calculated for the preceding 12 months, and in any other case is not less than \$5,000;
- TAB may accept such other form of security as TAB may determine in lieu of a cash Security Guarantee;
- the Agent must if called upon by the giving of one (1) month's notice in writing by TAB increase the amount of the Security Guarantee to such other amount as TAB shall specify in that notice;
- subject to this Agreement, the Security Guarantee will be held by TAB and may immediately, subsequent to or upon the termination of this Agreement be applied by TAB at its sole discretion for the purpose of discharging any liability of the Agent to TAB or to any person to which TAB has a legal liability arising from the conduct of the Agency by the Agent.
- no interest will be paid on the Security Guarantee by TAB.
- In the event that this Agreement is terminated within 12 months of the commencement of the Period TAB may deduct from the Security Guarantee any and all costs associated with the establishment of the Agency at the Premises.

vii. INSURANCE

Ensure that the Premises is covered by all necessary insurances for the conduct of the Agency and Agency Premises, including statutory workers' compensation and public liability insurance.

viii. TAB EQUIPMENT

Ensure at all times that TAB Equipment is maintained in good working condition and is used at all times in the Agency Premises for the purpose for which it was provided. The Agent will take reasonable care to prevent damage or loss occurring to TAB Equipment and comply with any TAB requirements relating to routine preventative maintenance. The Agent will immediately notify TAB by telephone of any failure, malfunction, damage or breakdown of any TAB Equipment. If the Agent fails to comply with this sub-clause and TAB suffers loss as a result, TAB is entitled to deduct the amount of the loss from the



Security Guarantee immediately after that loss is incurred. The Agent will pay to TAB any amount by which the loss exceeds the Security Guarantee.

ix. NOTICE OF SALE

In the case of the Premises being a Hotel, give TAB not less than four (4) weeks notice in writing of the Agent's intention to complete the sale of the Hotel. If the Agent fails to provide four (4) weeks notice in writing TAB is entitled to retain the Security Guarantee by way of compensation for costs, expenses and losses incurred.

x. NOTIFICATION

Immediately notify TAB by telephone of any attempted or actual fraud or robbery.

3.2. CONTROL OF THE AGENCY

Ensure at all times the Agency Premises is under suitable control and supervision.

3.3. PERSONNEL

- i. employ or engage such number of competent Personnel as will be necessary for the proper, orderly and efficient operation of the Agency;
- ii. be responsible for and indemnify TAB against every act or omission of the Agent and Personnel;
- iii. submit on request to TAB the names and such other details as TAB reasonably requires with respect to all Personnel involved in the conduct of the Agency;
- iv. exclude from any involvement in the conduct of the Agency or operation of the Agency Premises any person whom TAB at any time requires to be excluded. TAB need not give any reason for any such exclusion;
- v. not knowingly employ at the Premises any person who has been convicted of any offence relating to illegal gambling or wagering;
- vi. not employ nor engage Personnel who are under the age of 18;
- vii. make all Personnel responsible for or involved in conduct of the Agency available at the expense of the Agent for training at such times as TAB may reasonably require; and
- viii. ensure that the Agent and Personnel do not participate in gambling or wagering activities whilst they are on duty at the Premises.

3.4. COMPLIANCE

Comply strictly with, and ensure all Personnel comply strictly with, all applicable acts, regulations, statutory rules, other legal requirements, codes of conduct and policies for the conduct of the Agency and immediately notify TAB by telephone or in writing of any breaches of any such acts. Without limiting the generality of this requirement, the Agent and Personnel will:

- comply with all procedures and systems which TAB may require from time to time for the purposes of the Financial Transaction Reports Act 1988;
- comply with all procedures and systems which TAB may require for the purposes of the Totalisator (Responsible Gambling) Regulation 2000;
- not conduct or participate in, nor permit or suffer any Personnel or invitees nor any other person to conduct or participate in any illegal gambling or wagering, including credit betting, on or from the Premises;
- not accept bets from minors or from persons placing bets on behalf of minors;
- not accept bets on a race or sports betting event after the closing time for acceptance of bets on that race or sports betting event; and
- conduct the Agency in accordance with responsible gambling codes of conduct or policies.

3.5. FITTINGS AND AGENT'S EQUIPMENT

Subject to this Agreement, install and maintain all fittings which TAB may from time to time require for the fitout of the Agency Premises and Agent's Equipment at the expense of the Agent.

3.6. RECEIPT OF MONIES

Keep all monies received by the Agent from customers in the conduct of the Agency (which for the sake of clarity will at all times belong to TAB) separate from other monies received by the Agent. The Agent will promptly pay all Settlement Amounts to TAB by depositing those Settlement Amounts into an account approved by TAB conducted with a financial institution. This obligation to make payment to TAB will apply strictly against the Agent whether or not:

- i. the actual monies received by the Agent may have been lost, destroyed or stolen; and
- ii. there may have been a wilful or negligent act or omission on the part of the Agent or Personnel in relation to the loss, destruction or theft.

3.7. ACCESS TO PREMISES

Permit any person nominated by TAB to enter the Premises at any time and inspect all documents, records, monies and accounts relating to the conduct of the Agency. The Agent and Personnel will provide to any person nominated by TAB all such information and explanation relating to the conduct of the Agency as that person reasonably requires.

3.8. EXPENSES

Meet the costs and expenses of conducting the Agency including without limitation:

- i. the costs associated with printing the daily form service including the cost of toner, paper and all consumables; and
- iii. the Sky Channel Fee and any increase in the Sky Channel Fee.

3.9. NOT DAMAGE THE REPUTATION OF TAB

Refrain from acting, and not permit or allow Personnel to act, in any manner so as to depreciate or disparage TAB or the Wagering Services or to damage TAB Equipment or Supplies. This clause will survive termination of this Agreement.

4. SUSPENSION OF AGENT

TAB may at any time suspend the Agent forthwith where TAB in its absolute discretion determines that it has grounds for suspecting the occurrence of an event specified in clause 1(b). Upon Suspension, the Agent will immediately surrender control of the Agency to TAB or to such person as TAB may nominate. During Suspension, TAB or its nominee may at the absolute discretion of TAB, conduct the Agency at the Premises. TAB will account to the Agent for net fees and commission (if any) earned by TAB from conduct of the Agency during the Suspension, after deducting all costs incurred by TAB, including costs of employing persons to conduct the Agency during the Suspension.

5. AGENT'S OBLIGATIONS ON TERMINATION

On termination of this Agreement, the Agent will immediately:

- a. account for and pay to TAB all money held by or under the control of the Agent which belongs to TAB and all other amounts for which the Agent may be liable to TAB under this Agreement; and
- b. hand TAB Equipment and Supplies and all other property of TAB then in the possession, or under the control of the Agent, to TAB;
- c. permit TAB to remove from the Premises all TAB Equipment and Supplies; and
- d. ensure that all signs and other material referring to 'TAB', its products and services, or in relation to the Agency are promptly removed and that no further advertisements are published indicating any relationship between the Agent and TAB.

6. TAB'S OBLIGATION ON TERMINATION

On termination of this Agreement, TAB will account to the Agent for the Security Guarantee and return the balance (if any) of the Security Guarantee to the Agent less any remaining amount owing or which TAB reasonably anticipates will become owing by the Agent to TAB in accordance with this Agreement.

7. GST

Unless otherwise expressly stated, Commission and all other sums payable or consideration (whether monetary or non-monetary) to be provided under this Agreement are exclusive of GST.

If GST is imposed on any supply made under, in connection or in association with, or in respect of this Agreement, the Party making the supply may recover an amount equal to the GST payable on the taxable supply, in addition to Commission and any other sums payable or consideration (whether monetary or non-monetary) at the time the Commission and such other sums or consideration is paid. TAB will provide to the Agent a Recipient Created Tax Invoice in relation to Commission or such other sums or consideration it pays to the Agent.

8. NO COMPENSATION ON TERMINATION

The asset value of the Agency, including any goodwill, is and will remain the sole property of TAB. Without limiting any other rights of either Party under this Agreement, neither Party will be liable to pay compensation to the other Party by reason only of the Period.

9. DISPUTE RESOLUTION

If any dispute arises in relation to this Agreement, the Parties will endeavour to settle the dispute by discussions conducted in good faith between the Agent (or a person nominated by the Agent) and TAB (or a person nominated by TAB).

If the dispute is not resolved within seven (7) days (or such other period as agreed in writing by the Parties) the Parties must refer the dispute to mediation to be conducted in accordance with the Australian Commercial Disputes Centre ("ACDC") Mediation Guidelines, to a mediator agreed by the Parties, or if the Parties do not agree on a mediator, a mediator nominated by the then current Chief Executive Officer of ACDC or the Chief Executive Officer's nominee. The mediator's costs will be shared equally by the Parties.

If the dispute has not been settled within twenty-eight (28) days after the appointment of a mediator then, either Party may take whatever action it chooses to enforce its rights provided that nothing in this clause will affect the rights of a Party to terminate this Agreement.

10. LIABILITY OF TAB

TAB will not be liable for any damage, loss, liability, claim or expenses (including legal costs), whether direct, indirect or consequential and howsoever caused (including, without limitation, by negligence) suffered or incurred by the Agent arising out of the Agreement, the appointment of the Agent as an agent of TAB and any act, matter, or thing occurring in relation to or in the course of that appointment except where any of the following apply:

1. The loss is suffered by the Agent by reason of the failure or inability of TAB to rectify, repair, maintain or replace TAB's Equipment or Supplies; and
2. The loss was due to the negligence of TAB; and
3. The loss could not have been avoided or mitigated by the Agent had the Agent exercised reasonable care in the use and maintenance of the Equipment or Supplies.

Notwithstanding the preceding paragraphs, nothing in this Agreement excludes, restricts or modifies rights which the Agent may have under legislation and which may not be excluded, restricted or

modified. To the extent that the Agent has such rights, the liability of TAB shall be limited to the maximum extent permitted under the applicable legislation.

Where Force Majeure prevents or delays TAB from performing any obligation under this Agreement, that obligation is suspended as long as the Force Majeure subsists. If the Force Majeure continues for a period of 2 months or more TAB may, without affecting the accrued rights and obligations of the Parties as at the date of termination, terminate this Agreement without notice to the Agent.

11. LIABILITY OF THE AGENT

The Agent agrees to indemnify TAB in respect of any claim, action, damage, loss, liability, cost, charge, expense, outgoing or payment which TAB pays, suffers, incurs or is liable for in connection with any act or omission of the Agent or Personnel and any breach, or default under, the Agreement by the Agent

The Agent agrees to immediately give notice to TAB of any action or claim or pending proceedings brought or likely to be brought against the Agent in relation to the Agency.

Without limiting the generality of the foregoing, the indemnity shall relate to any event arising out of or by reference to or in respect of:

- the Agency;
- any act, neglect, default or omission of the Agent or Personnel or invitees;
- any business or activity undertaken or carried on by the Agent;
- any event occurring on the Premises whether of a business character or not,

whether or not such matters arise out of fraud or negligence of the Agent or Personnel or invitees.

TAB may in its sole discretion waive the whole or any part of any liability of the Agent arising out of the operation of this clause.

12. WAIVER

A failure to exercise or delay in exercising, or a partial exercise of, a right whether arising from a breach of this Agreement, the occurrence of an event specified in clause 1(b) of this Agreement or otherwise does not result in a waiver of that right.

13. GENERAL

13.1. WHOLE AGREEMENT

The Parties acknowledge this Agreement constitutes the whole agreement between them and it supersedes all prior deeds and agreements between TAB and the Agent with respect to the Agency and any such agreements are hereby terminated.

13.2. GOVERNING LAW

This Agreement is governed by the laws applicable for the time being in the State of New South Wales and the courts exercising jurisdiction in that State shall have jurisdiction with respect to this Agreement.

13.3. VARIATION

This Agreement, including without limitation, the Commission, may be varied by TAB at any time without the consent of the Agent by TAB providing not less than one month's notice to the Agent.

13.4. INFORMATION PROVIDED TO TAB

The Agent warrants that all the information provided to TAB by the Agent before signing this Agreement is, to the best of the Agent's knowledge, correct and acknowledges that TAB has entered into this Agreement in reliance on that information.

13.5. NOTICES

Any notice or other commitment for the purposes of this Agreement must be signed by the Party giving the notice or communication and delivered by personal service or prepaid post or facsimile to the other Party at the address of that Party as set out in the first part of this Agreement or as subsequently notified in writing to the other Party.

The Agent must deliver or post to TAB the original of any bank guarantee, bond or other document required under this Agreement and not seek to provide any such document by facsimile or other form of copy.

13.6. RECEIPT OF NOTICES

A notice given by facsimile shall be deemed to have been given on receipt of a satisfactory transmission report to the dispatching Party. A notice given by email or TAB daily form service shall be deemed to have been given upon receipt confirmation and if sent by prepaid registered or certified post shall be deemed to have been given on the third business day following the day on which it was posted.

13.7. ASSIGNMENT

The Agent may not sell, transfer or assign the benefit of this Agreement (or any part thereof) to any person.

13.8. CONFIDENTIALITY

The Parties will keep confidential the terms of this Agreement and information provided to each other under the terms of this Agreement. The Agent will keep confidential all information provided by TAB to the Agent including, without limitation, financial information, marketing information, technical information, trade secrets and confidential know-how and all software, Instructions and Procedures, manuals, applications, maps, diagrams, charts, documentation and notes relating to any TAB systems, except information that is public knowledge or is lawfully obtained by the Agent from a third person. The Agent will ensure all Personnel comply with this clause as if they were each a party to this Agreement. This clause will survive termination of this Agreement.

13.9. LIMITATION OF AUTHORITY OF AGENT

The Agent will not act on behalf of TAB nor incur any liability on behalf of TAB except in the manner and to the extent expressly authorised by this Agreement.

14. DEFINITIONS AND INTERPRETATIONS

13.1. In this Agreement, unless the context otherwise requires, the following words and expressions shall have the meanings attributed to them

'Account Betting' means services conducted by TAB to allow Wagering Services to be offered by any means including without limitation, by telephone, the internet or interactive technology.

'Account Betting Services' includes opening and closing Betting Accounts, receipt of deposits to Betting Accounts, payment of withdrawals on Betting Accounts, responding to enquiries in relation to Betting Accounts and Account Betting and other related services nominated by TAB from time to time.

'Agency' means the provision of a betting service to the public on or from the Premises in respect of those events and forms of betting in respect of which TAB provides that service at any time during the Period.

'Agency Premises' means that part of the Premises used by the Agent for the purpose of providing a betting service to the public (and including Account Betting Services) in respect of those events and forms of betting in respect of which TAB provides that service at any time during the Period.

'Agent' means the Party specified as Agent in the Background section of this Agreement.

'Agents Equipment' means any equipment nominated by TAB from time to time for use in the conduct of the Agency including, television receiving equipment, TABText receiving equipment, radio equipment (including, without limitation, the receiving dish and decoder box) and radio antennae.

'Agreement' means this agreement between TAB and the Agent of which this Attachment forms part.

'Attachment' means this attachment to and forming part of this Agreement.

'Betting Account' means an account opened and conducted by an individual with TAB for the purpose of that individual conducting Account Betting.

'Commission' means the sum of:

- \$5 per new Betting Account opened at the Agency; and
- \$0.50 per Account Betting withdrawal at the Agency; and
- 1.08% (or such other amount as TAB may from time to time nominate) of Account Betting deposits received at the Agency; and
- 1.125% (or such other amount as TAB may from time to time nominate) of all Totalizator Investments where the weekly average sales (i.e. Totalizator Investments not including cancellations) is less than \$7,500;
- 2.125% (or such other amount as TAB may from time to time nominate) of all Totalizator Investments where the weekly average sales is greater than \$7,500;
- 1.35% (or such other amount as TAB may from time to time nominate) of all Sports Betting Investments and Fixed Odds Investments

All commissions are calculated and paid on a monthly basis and will become effective upon the date of signing of this Agreement irrespective of any previous arrangements between the parties.

'Disqualifying Event' means in relation to any relevant person, the death, mental illness, mental incapacity, bankruptcy, commission of any act of bankruptcy, entry into any arrangement with creditors generally, failure to carry out TAB instructions, commission of any criminal offence involving dishonesty, theft or fraud, or any circumstances arising which in the opinion of TAB reflects adversely on the capability or trustworthiness of that person.

'Dividends' means monies paid by the Agent on winning bets claimed at the Agency.

'Fixed Odds Investments' means bets made at the Agency in relation to betting offered under the Sports Betting Licence where the odds are fixed excluding cancelled bets and bets on scratchings, which are transmitted by the Agent and accepted by TAB.

'Force Majeure' means any act of God; war; revolution or any other unlawful act against public order or authority; an industrial dispute; a governmental restraint; or any other event which is not within TAB's reasonable control

'GST' has the same meaning given in A New Tax System (Goods and Services) Tax Act.

'Hotel' means Premises for which the Agent holds a hoteliers licence under the Liquor Act 1982.

'Instructions and Procedures' means any operations manual, policy manual, communications manual, training material or any other manuals or instructions or directives issued by TAB to the Agent from time to time.

'Investments' means the sum of Sports Betting Investments and Totalizator Investments.

'Off-Course Totalizator Licence' means the off-course totalizator licence specified in the Background section of this Agreement.

'Party' means either TAB or the Agent.

'Personnel' includes employees, contractors, licencees or agents of the Agent.

'Period' means the period commencing from and including the date of this Agreement and concluding on the date of termination of this Agreement.

'Premises' means the premises so specified in this Agreement.

'Receipts' means all monies received by the Agent in relation to the conduct of the Agency.

'Recipient Created Tax Invoice' has the same meaning given in A New Tax System (Goods and Services Tax) Act.

'Security Guarantee' means the payment, guarantee or transfer of property which the Agent is required to provide to the TAB as security for performance by the Agent of the Agent's obligations under this Agreement.

'Settlement Amount' means the sum of Receipts less any Dividends and Account Betting withdrawals.

'Sky Channel Fee' means all the costs associated in delivering the Sky Channel service to the Premises.

'Sports Betting Investments' means bets made at the Agency in relation to betting offered under the Sports Betting Licence excluding cancelled bets and bets on abandoned sports betting events, which are transmitted by the Agent and accepted by TAB.

'Sports Betting Licence' means the sports betting licence specified in the Background section of this Agreement.

'Supplies' means consumable items nominated by TAB from time to time for use in the Agency including, betting slips, betting tickets, race meeting information, stationery and point of sale promotional material but does not include DFS consumables.

'Suspension' means suspension in accordance with this Agreement, by TAB, of the appointment of the Agent.

'TAB Equipment' means equipment and fittings including wall display boards, PCs, printers, benches, signage, ticket bins and data processing terminals for providing Wagering Services at the Agency but does not include Agents Equipment.

'Totalizator Investments' mean bets made at the Agency in relation to betting offered under the Off-Course Totalizator Licence excluding cancelled bets and bets on scratchings, which are transmitted by the Agent and accepted by TAB.

'Wagering Services' means activities and functions TAB is authorised to conduct and exercise under the Off-Course Totalizator Licence and the Sports Betting Licence and Account Betting Services.

13.2. Headings are for convenience only and do not affect the interpretation of this Agreement;

13.3. Any reference to money is to the lawful currency for the time being of the Commonwealth of Australia;

13.4. Any reference to a statute includes all subordinate legislation made thereunder and any amendment, consolidation, replacement or re-enactment thereof;

13.5. Where any obligation of this Agreement fails to be performed on a day other than a business day, this Agreement shall be construed as requiring that obligation to be performed on the next business day;

13.6. Where any time period is required to be calculated from a specified day, that day shall be included in the calculation;

13.7. The singular includes the plural and vice versa, each gender includes the other gender and any reference to a person includes a corporation.

D02/59304



RAC000AMH2

Please Note:

Attachment “H” is not part of the document approved for placement on the Public Register

D02/59305



RAC000AMH3

6 April 2001

Dear Member

AHA (NSW) receives increased commission from TAB Limited

The Association would like to thank Warren Wilson, the Managing Director of TAB Limited, and his team for the full and frank discussions which took place in good faith.

We are pleased to advise that negotiations have now been completed, and the Council and Executive request your support for the TAB agreement.

Your new commission

The TAB has agreed to the increase in the top commission rate, which will now rise from 2.0pc to 2.125pc.

This will benefit the majority of AHA (NSW) members, whose PubTABs turn over in excess of \$7500/week.

PubTABs turning over less than \$7500/week will now have a commission of 1.125pc.

Skychannel fees

Skychannel fees for this year will increase by only 3pc. The settlement of this agreement means your Association will meet with the TAB next March to negotiate a discount on Skychannel fees.

The TAB has advised it will pass on any savings achieved through negotiations with the racing industry directly to PubTAB operators.

Summary

Thanks must also go to your Executive for what has been a rather long process.

We must thank you, our members, for your excellent response to the March survey on TAB/Skychannel concerns.

Kind regards,

BRIAN ROSS
Chief Executive

JOHN THORPE
President

TAB COMMISSION LIFTED

The AHA (NSW) has achieved a commission rate increase after protracted negotiations with the TAB.

In an outcome welcomed by AHA (NSW) President John Thorpe, PubTABs turning over more than \$7500 per week will now get 2.125pc commission instead of the previous 2pc.

For sites turning over less than \$7500, there will be a commission rate of 1.125pc.

In return, the AHA (NSW) has agreed to accept the TAB's requirement that PubTAB operators pay for the cost of consumables (toner and paper).

AHA (NSW) Chief Executive Brian Ross said these agreements reflected the wishes of members, as expressed in the Statewide survey carried out during March.

On the controversial topic of Skychannel fees, there will be short-term pain but long-term gain.

The 3pc price increase on Skychannel fees that had been scheduled for this year will still go ahead.

However, TAB Managing Director Warren Wilson was optimistic that renewal of contracts with race clubs over the next 18 months will provide the opportunity for massive drops in Skychannel fees.

Mr Wilson predicted a 10pc drop in Sky fees was possible within 12 months, with another 10pc being possible within a further eight months.

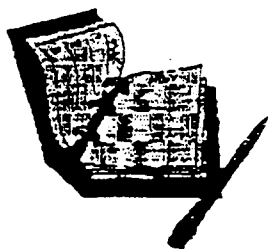
Bevan Douglas, Senior Vice-President and TAB/Sky Committee Chairman, has told Mr Wilson that the AHA (NSW) will hold the TAB to account for these predictions, as Skychannel fees are the single biggest complaint from hoteliers on any industry issue.

**AHA
NSW**
AUSTRALIAN
HOTELS
ASSOCIATION
(NSW)

AHA (NSW)

MEMBER UPDATE

DIARY DATES



SEPTEMBER

- September 27
Executive Meeting

OCTOBER

- October 1
Public Holiday
- October 16
Council Meeting & Dinner
sponsored by IGT
- October 25
Executive Meeting

NOVEMBER

- November 12
Awards for Excellence
General Division Presentation
Dinner, Star City
- November 28
Network Night
- November 29
Executive Meeting

DECEMBER

- December 11
Council Meeting & Dinner,
sponsored by Caron & United
Breweries

AUSTRALIAN HOTELS
ASSOCIATION (NSW)
LEVEL 5, PRINCE CENTRE
8 QUAY STREET,
HAYMARKET NSW 2000
PHONE: 02 9231 6922
FAX: 02 9281 1357
WEBSITE:

NEW LEGAL ADVISOR APPOINTED

A former Licensing Magistrate and member of the Liquor Administration Board of New South Wales, Philip Harvey has been appointed as legal advisor to the Association.

Mr Harvey will provide general legal advice to the executive board, but will also be available to assist members with their legal concerns, particularly relating to the Liquor Act and other legislation directly affecting the operation of their premises.

With the imminent introduction of the new gaming package, it is hoped that Mr Harvey will be able to assist those members who by virtue of the new legislation, will be required to obtain Social Impact Assessments before extending their gaming machine holdings.

He will be available for three days every week, usually from Tuesday to Thursday inclusive, and any queries that arise on other days will be answered as soon as possible – call the AHA (NSW) on 02 9281 6922.

Mr Harvey had a lengthy career in the State Public Service, including nine years in senior positions at the Premier's Department, before being appointed a Licensing Magistrate and Member of the Liquor Administration Board in 1983.

He remained in that position until transferring to the Local Court Bench in 1997, retiring from the position of Magistrate, Bathurst and Mudgee circuit at the end of July, 1998.

"I am looking forward to the challenges offered in my new position," says Mr Harvey. "In 15 years as a Magistrate, more than 14 of them in the licensing jurisdiction, I had much to do with hotels and hoteliers. I found an overwhelming majority of them to be responsible and capable custodians of the onerous privilege placed upon them of administering the State's liquor and gaming laws in a manner which was beneficial to society generally and of course financially advantageous to the State."

Having arrived at the Association to find it in the thick of the debate on the new gaming package and in the week the non-smoking law was introduced, Mr Harvey says he was immediately impressed by the degree of professionalism he has encountered in the AHA (NSW)'s head office and the industry generally.

"I am looking forward very much to being able to assist members with any problems they may have with the existing legislation and with the many changes that will undoubtedly occur within the foreseeable future."

AHA (NSW) RESOLVES TAB CONTRACT

Members are advised that the recent difficulty with the TAB over the new PubTAB agreement contracts is over.

Subsequently, there is presently no longer any reason not to re-sign if that is your intention under your business plan.

The Association has met with the TAB in order to discuss potential problems emerging in the new contract.

Senior Vice-President and TAB/Sky Committee Chairman, Bevan Douglas, said the major concerns of members have been resolved, particularly the danger under the new contract that PubTABs

would have to start picking up marketing and promotion costs on a compulsory basis.

Following negotiations with the AHA (NSW), the TAB has agreed this out. TAB Managing Director, Warren Wilson, in a letter to the Association, has stated:

"The intent is that the TAB will provide all marketing and promotional material at TAB's cost. The participation by the Agent in any marketing and promotional activity is at the total discretion of the Agent."

There will more TAB/Sky channel news in the upcoming issue of Hotel News.



Ref: AH.A-6.6.02-W5 doc.



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 TAB Limited ABN 17 081 765 308

6 June, 2002

Mr John Thorpe
 Australian Hotels Association
 Level 5 Prince Centre
 8 Quay St
 SYDNEY NSW 2000

Dear John,

Re: PubTAB Wagering Commission Rates

In March 2001, a new remuneration package was offered to PubTABs. A component of the increased commission was an offset against increased SKY Channel costs for PubTABs. It was understood at the time that this 0.05% component of the commission increase would be removed, should the SKY Channel fee be reduced.

On 27 May 2002, it was announced that there would be a 5% reduction in the SKY Channel fee payable by PubTABs effective from 1 July 2002, with a further moratorium on changes to trading terms, until 1 July 2004. Accordingly, TAB Limited will be reducing the commission rate payable on Wagering turnover by 0.05% effective from 1 July 2002. The adjusted commission rate structure is shown below:

PubTAB Avg. Weekly Turnover	Commission Rate
<\$7,500	1.075%
>\$7,500	2.075%

All other existing commission arrangements remain unchanged.

TAB Limited will be notifying all PubTABs of this change, together with their May Commission Statement.

TAB Limited looks forward to the AHA's continued support and assistance, during the transitional period.

Should you have any enquiries, please contact Warwick Smith on Ph: 02 9218 1403.

Yours sincerely,

PETER KADAR
 Chief Executive Wagering
 Email: pkadar@tablimited.com.au

625/32

TAB

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TAB Limited ACN 081 765 308

D02/59307



RAC000AMH5

12 April 2000

Dear

In recent months TAB Limited has been planning for the introduction of the next generation of betting terminal that will replace existing equipment in a program due to commence from late September, 2000.

In planning for the new technology it has become evident that a small number of existing outlets with marginal weekly sales will become even more uneconomic to maintain.

Unfortunately, your current weekly average sales fall into this category. Consequently, I am writing to you today so that, with the assistance of TAB Limited, you may be able to promote your TAB service to the level where it is profitable for both yourself and TAB Limited. In this regard you are encouraged to discuss the future promotion of your TAB facility with your Sales Manager.

The evaluation of your TAB service has concluded that average weekly sales of \$7,500 are required before TAB Limited realises any return on the assets and services provided. To maintain the service it will therefore be necessary to achieve and maintain this level of average sales by 30 September, 2000. Should the volume of your wagering service not be sufficient to reach this level of profitability, it will be necessary to reallocate the betting terminal to another outlet with greater customer demand.

In recognition of the important part that a TAB wagering service plays in particular communities, every effort will be made to maintain your facility.

Should your average weekly sales not achieve the necessary threshold to continue the service, TAB Limited will allow you the option to retain the service and forego commission for a further period until such times as your average weekly sales exceed \$7,500. This arrangement will be subject to regular review.

Over the next six months I encourage you to discuss the development of your wagering facility with your Sales Manager on a regular basis.

Yours sincerely

PETER KADAR

Chief Executive Wagering

Email: pkadar@mailbox.tabnsw.com.au