

6 June 2002

BETROE PTY LTD
HARBORD BEACH HOTEL
CNR CHARLES & MOORE STREETS
HARBORD 2096

Dear Sir/Madam,

In April 2001 a revised remuneration structure was established, in relation to wagering turnover, and as a result a series of increases were applied to the base wagering commission rate.

A component of this (0.05%) was applied to partly compensate your venue for the increase in the SKY Channel fee payable for the year commencing 1 July 2001. It was agreed that this component (0.05%) would be removed, should there be a decrease in the SKY Channel fee payable. As you are aware, on 27 May 2002, SKY Channel announced a 5% reduction in the fee payable for the year commencing 1 July 2002, with a further moratorium on changes to trading terms until 1 July 2004.

In accordance with clause 13.3 within your Deed, TAB Wagering will be reducing the base commission rate by 0.05%, effective 1 July 2002. The table below shows the new base commission rates:

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

Should you have any queries or require additional information, please contact your Wagering Sales Officer.

Yours sincerely



Warwick Smith
Finance Manager - Wagering



Ref: WageringComm.Incr.-6.6.02-WS.doc

495 HARRIS STREET ULTIMO 2007
Address all mail to:
GPO BOX 4168
SYDNEY NSW 2001
AUSTRALIA
DX 949 SYDNEY
TELEPHONE +61 2 92110188
FACSIMILE +61 2 92115010
<http://www.tablimited.com.au>
TAB Limited ABN 17 081 765 308

6 June 2002

BRETROE PTY LIMITED
HARBORD BEACH HOTEL
CNR CHARLES & MOORE STREETS
HARBORD 2096

Dear Sir/Madam,

In April 2001 a revised remuneration structure was established, in relation to wagering turnover, and as a result a series of increases were applied to the base wagering commission rate.

A component of this (0.05%) was applied to partly compensate your venue for the increase in the SKY Channel fee payable for the year commencing 1 July 2001. It was agreed that this component (0.05%) would be removed, should there be a decrease in the SKY Channel fee payable. As you are aware, on 27 May 2002, SKY Channel announced a 5% reduction in the fee payable for the year commencing 1 July 2002, with a further moratorium on changes to trading terms until 1 July 2004.

In accordance with clause 13.3 within your Deed, TAB Wagering will be reducing the base commission rate by 0.05%, effective 1 July 2002. The table below shows the new base commission rates:

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

Should you have any queries or require additional information, please contact your Wagering Sales Officer.

Yours sincerely

Warwick Smith
Finance Manager - Wagering



Sky Channel Pty Ltd
ABN 77 009 136 010
79 Frenchs Forest Road
Frenchs Forest NSW Australia 2086

Monday, June 17, 2002



John Thorpe
Harbord Beach Hotel
29 Moore Road
HARBORD NSW 2096

Dear Subscriber,

Re: Sky Channel Subscription Fee - Reduction for Harbord Beach Hotel, Site Number 20242

We are pleased to announce the introduction of new trading terms, which incorporate reductions in subscription fees.

These changes are effective from 1 July 2002 and are in line with an undertaking that Sky Channel would share with commercial venue clients the cost savings flowing from lower broadcast rights fees negotiated with race clubs. In the past month we have achieved a reduction in rights fees with a number of race clubs that reflect business reality.

Under the subscription fee reduction, Sky Channel Hotel and Club customers will receive:

- A five per cent reduction from 1 July 2002
- No increase in 2003
- No change in trading terms until 1 July 2004

With Sky Channel not passing on an annual CPI increase of 3 per cent this year, the "new deal" represents an immediate net benefit to customers of 8.1 per cent.

Since July 1998, Sky has passed on only one subscription fee increase to customers, and we imposed a price freeze during 1999-2000. Over this time the CPI rose by 13.3 per cent. In addition to CPI Sky Channel's direct costs increased by more than 8 per cent per annum as a result of increased live race programming and higher rights fees to race clubs.

When licence agreements are renewed, it will be at the revised trading terms. Depending on the circumstances, subscription rate reviews are performed with the provision of an annual increase of no greater than 15 per cent for the first two years of the agreement.

In closing we appreciate your business, and look forward to continuing our commitment to providing you with live racing programming of world standards.

Yours faithfully

A handwritten signature in black ink, appearing to read "John S Angel".

John S Angel
National Sales Manager



Sky Channel Pty Ltd
ABN 77 009 136 010
79 Frenchs Forest Road
Frenchs Forest NSW Australia 2086

25 July 2002

Ms Trish King
Harbord Beach Hotel
29 Moore Street
HARBORD NSW 2096

Dear Trish,

Re: Sky Channel Licence Agreement

I refer to my letter dated 11 April 2002 to you regarding the renewal of your Sky Channel Licence Agreement, which was due on 24 May 2002. I also refer to my meeting with Mr John Thorpe to discuss this matter on Monday, 17 June 2002.

I note that to date the Harbord Beach Hotel has expressed a reluctance to renew your agreement.

Sky Channel has adopted a patient attitude and has continued to supply the signal in good faith through what is now considered to be an excessive period of time since your Agreement expired. However, like any other supplier to your business, we cannot continue to supply the service without the security of a signed agreement.

We wish to advise that a new completed Agreement is required by Friday, 2 August 2002. Unfortunately we will have to cease transmission of the Sky Channel signal to the Harbord Beach Hotel on that day unless a new Licence Agreement is signed.

I note that we have been unable to provide a quote for renewal of the service, as to date you have not supplied us with your Hotel's trading figures (that is, annual bulk beer litres sold, and average weekly TAB turnover). Accordingly, we have made an assessment of what the new licence fee is likely to be, based on our knowledge of your hotel and similar properties. On this basis, we have assessed your quarterly Sky Channel subscription fee to be \$5,589.00 (exclusive of GST) or \$6,147.90 (inclusive of GST). This assessment is based on annual bulk beer sales of 91,000 litres and average weekly TAB turnover of \$30,000.

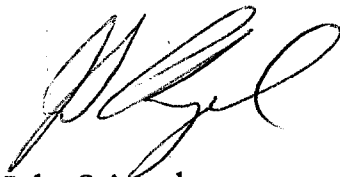
I stress that this figure is an assessment only. It is not a quote as we are unable to provide a quote in the absence of your Hotel's trading figures.
With this assessment we note that your subscription fee increases in excess of fifteen percent (15%).

Under the Company's pricing/trading term policy effective 1 July 2002 a maximum 15% per annum increase will be applied for the first two (2) years of any new contract. We have therefore calculated your new payment at 15% above the previous fee, and this is set out in the enclosed attachment to Licence Agreement.

Your subscription fee will increase in annual steps of 15% until the correct subscription fee is reached.

We have attached our Licence Agreement and Subscription Fee/Price List for your convenience. Please complete using your official Hotel's trading figures or contact me direct on (02) 9451 0888 or Sky Channel's NSW Sales Manager Mr Jamie Johnston on mobile 0419 561262 for assistance or clarification on this urgent matter.

Yours faithfully



John S Angel
National Sales Manager

Site number 20242
cc J Johnston, B Handley.



Sky Channel Pty Ltd
 ABN 77 009 136 010
 79 Frenchs Forest Road
 Frenchs Forest NSW Australia 2086

ATTACHMENT TO LICENCE AGREEMENT

In conjunction with Trading Terms dated 1 July 2002

Dated: _____

For Site Number: 20242 Site Name: Harbord Beach Hotel

Site Address: 29 Moore Street, Harbord NSW 2096

VENUES RENEWING EXPIRED LICENCE AGREEMENTS WILL BE SUBJECT TO THE SKY CHANNEL SUBSCRIPTION FEES – PRICE LIST, DATED 1 JULY 2002.

**THIS MAXIMUM PER ANNUM INCREASE WILL BE APPLIED FOR THE FIRST TWO (2) YEARS.
 NOTE: The new quarterly fee is payable in full after this period.**

	<u>AMOUNT</u>	<u>GST</u>	<u>TOTAL</u>
OLD QUARTERLY FEE	\$ 3,681.00	\$ 368.10	\$ 4,049.10 *
NEW QUARTERLY FEE	\$ 5,589.00	\$ 558.90	\$ 6,147.90 *
<u>ANNUAL INCREASES</u>			
Year 1 @ 15% =	\$ 4,233.15	\$ 423.32	\$ 4,656.47 *
Year 2 @ 15% =	\$ 4,868.12	\$ 486.81	\$ 5,354.93 *
TOTAL QUARTERLY FEE =	\$ 5,589.00	\$ 558.90	\$ 6,147.90 *

The Payee acknowledges that the Payee has reviewed and approved the terms and conditions set out in this attachment to the Licence Agreement and agrees to be bound by them.

SIGNED FOR AND BEHALF OF SKY CHANNEL PTY LTD SIGNED BY PAYEE

PRINT NAME PRINT NAME

All Sky Channel Subscription Fees are subject to normal industry increases. * Prices are inclusive of GST



Sky Channel Pty Ltd
 ABN 77 009 136 010
 79 Frenchs Forest Road
 Frenchs Forest NSW Australia 2086

**SUBSCRIPTION FEES
 PUB/CLUB TAB
 Effective 1 July 2002
 (Prices subject to change without notice)**

Annual Bulk Beer Litres	Weekly Fee (excludes GST)	Quarterly Fee (exclusive of GST)	GST Amount	Total Quarterly Fee (inclusive of GST)
0 - 14,999	\$157.69	\$2,050.00	\$205.00	\$2,225.00
15,000 - 29,999	\$165.54	\$2,152.00	\$215.20	\$2,367.20
30,000 - 49,999	\$197.15	\$2,563.00	\$256.30	\$2,819.30
50,000 - 69,999	\$227.38	\$2,956.00	\$295.60	\$3,251.60
70,000 - 89,999	\$277.85	\$3,612.00	\$361.20	\$3,973.20
90,000 - 109,999	\$311.62	\$4,051.00	\$405.10	\$4,456.10
110,000 - 129,999	\$339.00	\$4,407.00	\$440.70	\$4,847.70
130,000 - 149,999	\$371.85	\$4,834.00	\$483.40	\$5,317.40
150,000 - 169,999	\$391.54	\$5,090.00	\$509.00	\$5,599.00
170,000 - Plus	\$401.23	\$5,216.00	\$521.60	\$5,737.60

TAB TURNOVER CALCULATION

Average Weekly TAB Turnover	Weekly Fee (excludes GST)	Quarterly Fee (exclusive of GST)	GST Amount	Total Quarterly Fee (inclusive of GST)
0 - \$5,999	\$62.08	\$807.00	\$80.70	\$887.70
\$6,000 - \$9,999	\$70.15	\$912.00	\$91.20	\$1,003.20
\$10,000 - \$29,999	\$78.85	\$1,025.00	\$102.50	\$1,127.50
\$30,000 - \$49,999	\$118.31	\$1,538.00	\$153.80	\$1,691.80
\$50,000 - \$69,999	\$157.69	\$2,050.00	\$205.00	\$2,255.00
\$70,000 - \$99,999	\$215.23	\$2,798.00	\$279.80	\$3,077.80
\$100,000 - Plus	\$307.46	\$3,997.00	\$399.70	\$4,396.70

**Note * Total Quarterly Fee inclusive of GST.
 Sky Channel subscription fees are calculated by adding Annual Bulk Beer Litres and TAB turnover together.
 Subscriptions are calculated on a daily basis but your current annual rate remains unchanged**

HARBORD BEACH HOTEL



Sky Channel Pty Ltd
ABN 77 009 136 010
79 Frenchs Forest Road
Frenchs Forest NSW Australia 2086

Thursday, 8 August 2002

Mr Sean King
Hotel Manager
Harbord Beach Hotel
29 Moore Street
Harbord NSW 2096

Dear Sean

Thank you for meeting with myself and Brad Handley on Wednesday 7 August 2002 to discuss your Sky Channel subscription fees.

With the redevelopment of your Hotel underway and the effect this has had on critical areas of your business, Sky Channel is willing to consider your request for special terms.

Given the above we wish to offer you an extension of your current Licence Agreement. This will be at the current rate of \$3681 (excluding GST) for the period 25 May 2002 to 31 October on the provision that we receive a signed Licence Agreement at the new rate of \$5589 (excluding GST) with the operative date 1 November 2002 by Thursday 8 August 2002. Please note that the rate in the first year will be \$4,233.15 (excluding GST) and in the second year \$4,868.12 (excluding GST).

All other provisions of the original Licence Agreement will remain applicable.

In closing we thank you for allowing us the opportunity to be of assistance and wish to assure you of our continuing commitment to you as a valued Sky Channel customer.

Yours sincerely

Jamie Johnston
Sales Manager NSW/ACT

cc: B Handley
Site # 20242

ref:arnw/files/fj/1a/02:07

HARBORD BEACH HOTEL



Sky Channel Pty Ltd
ABN 77 009 136 010
79 Frenchs Forest Road
Frenchs Forest NSW Australia 2086

8 August 2002

Mr Sean King
Harbord Beach Hotel
29 Moore Street
Harbord NSW 2096

Dear Mr King

SKY CHANNEL CONTRACT

I am pleased to confirm that a five (5) month extension of your Sky Channel Licence Agreement has been granted for the period between 25 May 2002 to 31 October 2002.

All other provisions of the original Licence Agreement will remain applicable.

Yours sincerely

A handwritten signature in black ink, appearing to read "Jamie Johnston".

Jamie Johnston
Sales Manager NSW/ACT

Site No. 20242
cc: G Thomas, B Handley

NOTE - PLEASE SIGN

I, Sean King of Harbord Beach Hotel confirm Acceptance of this Licence Agreement Extension. And understand that all terms and conditions and provisions of the original agreement remain applicable.

Signed: _____
A handwritten signature in black ink, appearing to read "Sean King".

Date: 8/8/02

HARBORD BEACH HOTEL



Sky Channel Pty Ltd
 ABN 77 009 136 010
 79 Frenchs Forest Road
 Frenchs Forest NSW Australia 2086

SUBSCRIPTION FEES PUB/CLUB TAB Effective 1 July 2002 (Prices subject to change without notice)				
Annual Bulk Beer Litres	Weekly Fee (exclusive of GST)	Quarterly Fee (exclusive of GST)	GST Amount	Total Quarterly Fee (Inclusive of GST)
0 - 14,999	\$157.69	\$2,050.00	\$205.00	\$2,225.00
15,000 - 29,999	\$165.54	\$2,152.00	\$215.20	\$2,367.20
30,000 - 49,999	\$197.15	\$2,563.00	\$256.30	\$2,819.30
50,000 - 69,999	\$227.38	\$2,956.00	\$295.60	\$3,251.60
70,000 - 89,999	\$277.85	\$3,612.00	\$361.20	\$3,973.20
* 90,000 - 109,999	\$311.62	\$4,051.00	\$405.10	\$4,456.10
110,000 - 129,999	\$339.00	\$4,407.00	\$440.70	\$4,847.70
130,000 - 149,999	\$371.85	\$4,834.00	\$483.40	\$5,317.40
150,000 - 169,999	\$391.54	\$5,090.00	\$509.00	\$5,599.00
170,000 - Plus	\$401.23	\$5,216.00	\$521.60	\$5,737.60
TAB TURNOVER CALCULATION				
Average Weekly TAB Turnover	Weekly Fee (exclusive of GST)	Quarterly Fee (exclusive of GST)	GST Amount	Total Quarterly Fee (Inclusive of GST)
0 - \$5,999	\$62.08	\$807.00	\$80.70	\$887.70
\$6,000 - \$9,999	\$70.15	\$912.00	\$91.20	\$1,003.20
\$10,000 - \$29,999	\$78.85	\$1,025.00	\$102.50	\$1,127.50
* \$30,000 - \$49,999	\$118.31	\$1,538.00	\$153.80	\$1,691.80
\$50,000 - \$69,999	\$157.69	\$2,050.00	\$205.00	\$2,255.00
\$70,000 - \$99,999	\$215.23	\$2,798.00	\$279.80	\$3,077.80
\$100,000 - Plus	\$307.46	\$3,997.00	\$399.70	\$4,396.70

Note * Total Quarterly Fee Inclusive of GST.
 Sky Channel subscription fees are calculated by adding Annual Bulk Beer Litres and TAB turnover together.
 Subscriptions are calculated on a daily basis but your current annual rate remains unchanged

HARBORD BEACH HOTEL



Sky Channel Pty Ltd
ABN 77 009 136 010

79 Frenchs Forest Road, Frenchs Forest NSW 2086
Telephone: (02) 9451 0868 Facsimile: (02) 9452 2222
www.skychannel.com.au

SKY CHANNEL EASY PAYMENT PLAN CLIENT SERVICE AGREEMENT

Drawing arrangements:

We will advise you, in writing, the details of the Sky Channel Easy Payment Plan drawing arrangement (amount, frequency, and commencement date) at least 15 calendar days prior to the first drawing.

Where the due date falls on a non-business day, we will draw the amount on the next business day.

We will not change the frequency of drawing arrangements without your prior approval other than as provided in the Sky Channel Licence Agreement. The drawing amount will fluctuate due to Sky Channel's method of calculating subscription fees on a daily basis, however your current annual rate will remain unchanged as per your Licence Agreement.

We reserve the right to cancel the Sky Channel Easy Payment Plan drawing arrangements if three or more drawings are returned unpaid by your nominated Financial Institution and to arrange with you an alternate payment method.

We will keep all information pertaining to your nominated account at the Financial Institution, private and confidential.

Termination and Changes

You may terminate the Sky Channel Easy Payment Plan or stop payment of the drawing arrangements at any time by giving written notice to us, by registered or certified mail. Such notice, should be received by us at least 15 business days prior to the due date.

You may request change to the drawing amount and/or frequency of Sky Channel Easy Payment Plan drawings by contacting us and advising your requirements in writing no less than 15 business days prior to the due date.

Where you consider that a drawing has been initiated incorrectly (outside the Sky Channel Easy Payment Plan arrangements) you should take the matter up directly with us.

Your accountability:

It is your responsibility

- to ensure that sufficient funds are available in the nominated account to meet a drawing on its due date.
- to ensure that the authorisation given to draw on the nominated account, is identical to the account signing instruction held by the Financial Institution where the account is based.
- to advise us if the account nominated by you to receive the Sky Channel Easy Payment Plan drawings is transferred or closed.
- to arrange with us a suitable alternate payment method if the Sky Channel Easy Payment Plan drawing arrangements are cancelled either by yourselves or the nominated Financial Institution.

HARBORD BEACH HOTEL



CHANNEL

Sky Channel Pty Ltd
 ACN 009 136 010
 79 Frenchs Forest Road
 Frenchs Forest NSW Australia 2086

KEG - LITRES (CALCULATIONS)

KEG IN WEEKS	LITRES PER ANNUM
8	20,592
10	25,740
12	30,888
15	38,610
25	64,350
35	90,090
40	102,960
60	154,440
78	200,772

HARBORD BEACH HOTEL



Sky Channel Pty Ltd
ABN 77 009 136 010
79 Frenchs Forest Road, Frenchs Forest NSW 2086
Telephone: (02) 9451 0888 Facsimile: (02) 9452 2222
www.skychannel.com.au

OFFICE USE ONLY
SITE No.

LICENCE AGREEMENT

THIS AGREEMENT is made 8-8-2002 (Date) 45002308429 (ABN)

BETWEEN: RETROE PTY LTD ("Payee")
of 29 MOORE ST HARBORD 2096 N.S.W (Address)

AND: SKY CHANNEL PTY. LIMITED, having its principal office at 79 Frenchs Forest Road, Frenchs Forest, 2086, ("the Licensor")
Subject to the terms and conditions of this Agreement, the Licensor agrees to cause the transmission of the Works to the Payee by satellite.

The following are the key features of SKY CHANNEL LICENCE AGREEMENT:

- The Licence is for a period of five (5) years ("initial term").
- The Licensor will make all reasonable efforts to ensure clear and comprehensible reception of SKY CHANNEL programmes.
- The Licensor will actively promote SKY CHANNEL to enhance the benefits derived by the Payee.
- The Licensor will be responsible for maintenance of its own equipment.

The Licence is for premises ("the Premises") at:

HARBORD BEACH HOTEL (name of establishment)

29 MOORE ST HARBORD NSW 2096
(street number) (street name) (town/suburb) (postcode)

0299053434 (Telephone) 0299051923 (Facsimile) (Liquor Licence Number)

The contact name is:

JOHN THORPE & SEAN KING (first name) (surname)

HARBORDHOTEL@bigpond.com (e-mail address)

The Subscription fee (exclusive of GST): \$ 5,584.00

GST amount: \$ 558.90

TOTAL QUARTERLY FEE (Inclusive of GST): \$ 6,147.90

The Payee acknowledges that the Payee has reviewed and approved the terms and conditions set out in the succeeding pages of this Agreement and agrees to be bound by them.

SIGNED FOR AND BEHALF OF SKY CHANNEL PTY. LTD.:

SIGNED BY PAYEE: [Signature]

PRINT NAME: JAMES JOHNSON

PRINT NAME: SEAN KING

WITNESSED BY: [Signature]

WITNESSED BY: [Signature]

PRINT NAME: SHANE LENNON

PRINT NAME: SHANE LENNON

OFFICE USE ONLY

Site No: 20212 Client No: Debtor No: Site Type: PUB/TAB
 Program Qty: 2 PPV Tier: L! Operational Date: 1ST NOV 2002 Rep No:
 Weekly TAB Turnover: 30,000 Annual Beer Volume: 91,000 TAB No: 1902
 Notes: Billing Frequency: Mth: Qtr:

TERMS AND CONDITIONS OF PUBLIC PERFORMANCE LICENCE**WHEREAS**

- A. The Licensor is and will be the Payee in Australia in respect of the copyright subsisting in various cinematograph films, television broadcasts and sound broadcasts ("the Works") and has the right in Australia to authorise the Works to be seen and heard in public.
- B. The Payee desires that the works be seen and heard in the Premises for the purposes of and in connection with its business and the Licensor has agreed to authorise such performance as provided herein.
- C. The Licensor agrees to cause the transmission of the Works to the Payee by satellite, for reception by the Payee by encoded receiver.

NOW IT IS AGREED**1. Grant of Licence**

The Licensor hereby licenses the Payee to perform the Works within the Premises for a period of five years from the date of completion of installation of the radio communication receiver and decoding device pursuant to Clause 2 or otherwise from the date hereof ("Effective Date") subject to earlier termination. The Payee acknowledges that the Works licensed pursuant to this Agreement do not necessarily include all programmes transmitted by the Licensor and that the Licensor may transmit programs at times or with content that the Licensor deems special and outside of the licence envisaged by this Agreement.

2. Provision of Equipment

The Licensor agrees, subject to any special agreement to the contrary, and solely for the purposes of the Payee receiving and exhibiting the Works as transmitted by the Licensor by satellite pursuant to this Agreement to provide the Payee;

- a) a decoding device; and
- b) a radio-communication receiver (a "receiver dish") for installation at the Premises for the Initial Term; and
- c) all other ancillary equipment including but not limited to L.N.C.'s, cabling, splitters and line amps ("the Equipment").

The Payee warrants it will not use the Equipment for any other purpose other than receiving and exhibiting the Works in accordance with the terms of this Agreement. The Equipment will be held by the Payee as bailee at will of the Licensor. The Licensor warrants that all reasonable efforts shall be made so as to ensure that the Works are received upon transmission in a clear and comprehensible state (evidence of which shall be demonstrated from the decoding device only). The Payee acknowledges that from time to time technical problems may arise (whether or not caused by the Licensor or its agents) such as to interfere with such transmission, the occurrence of which shall not give rise to any cause of action or reduction of fees or permit termination of this Agreement. The Licensor expressly limits any liability for loss or damage arising in connection with or resulting from the failure or non-performance of the Equipment provided hereunder, to the repair or replacement thereof.

3. Subscription Fees

In consideration of the licence pursuant to Clause 1 and the supply of the Equipment pursuant to Clause 2, the Payee agrees to pay the fees specified as from the Effective Date. Fees shall be payable within fourteen (14) days of presentation of an invoice by the Licensor in advance in respect of each quarter year or shorter period (ending 30 June, 30 September, 31 December and 31 March in each year) by remittance to the address specified hereinbefore or such other address or in such manner as is from time to time notified by the Licensor. Fees for shorter periods will be apportioned. The fees payable may be adjusted by the Licensor in its entire discretion from time to time, and any increase shall include the percentage by which the charge of Optus ("The Carrier") for the financial year current at the time of each such review, and levied under the Customer Service Agreement between The Carrier and Sky Channel Pty Ltd which regulates the use of the transponder of The Carrier's means of delivery, used for transmission hereunder, has increased against the same charge of The Carrier for the preceding financial year. Unpaid monies shall bear interest at a rate of 2% per annum above the prime rate quoted by the bankers to Licensor accrued weekly and calculated as at the start of each week during the period of default.

4. Other Charges and Taxes

All taxes, charges and Government imposts of any kind may be charged and recovered. The licensor is registered for Goods and Services Tax (GST) purposes and able to issue tax invoices to enable the Payee to claim input tax credits if entitled.

5. Security Bond

A \$500 bond is payable and must be attached to the signed licence agreement. The bond will be refunded upon completion of this first twelve months from the effective date. No interest is payable on the bond.

6. Conditional Agreement

This agreement is conditional upon:

- a) the grant to the Licensor or a related corporation and the continuance of a licence under the Radio-Communications Act in respect of the transmission of the Works by satellite; and
- b) the erection of a receiver dish at the Premises in accordance with any applicable planning permission or authority (the issue and maintenance of which the Payee warrants shall occur and at all times be complied with) and in conformity with any licence or exemption in respect of such receiver under the Radio-Communications Act.

7. Maintenance and Repairs

- HARBORD BEACH HOTEL
- The Licensor shall use all reasonable efforts to maintain and keep the equipment in good working order. However, if equipment is lost, stolen or damaged whilst on the Payee's premises the Licensor will repair or replace the said equipment, at the Payee's cost and expense. The Payee will pay any invoice issued by the Licensor with the respect to such costs.
 - The Payee undertakes not to interfere or tamper with the equipment at any time, for any purpose, unless authorised by the Licensor. Any costs associated with the unauthorised tampering of this equipment will be borne by the Payee. Any equipment relocation costs, where requested by the Payee, shall be at the Payee cost.

8. Conditions of Licence

It is a condition of the continuation of the licence of the Works hereunder that the Payee shall:

- obtain and keep in force any licence or permit necessary under the Radio-Communications Act in respect of the installation and operation of a receiver dish of a kind necessary to receive the Works, as transmitted from time to time by the Licensor.
- comply with any conditions to such licence or permit, or to any exemption as may have been granted in relation thereto, as may be granted to the Payee pursuant to the Radio-Communications Act, in respect of the operation of any receiver dish used by the Payee in connection with this Agreement.
- not permit or suffer any abridgement, alteration or editing of the programme of the Works as compiled by the Licensor (including any sponsored programs, advertisements or endorsements), without the prior approval of the Licensor.
- unless otherwise agreed by the Licensor, at all times ensure that the exhibition of the Works is in a manner compatible to the enjoyment of the Works and in a manner which will enhance the reputation of the Licensor, by the provision of adequate and comfortable seating, the control of background noise or interruption, the provision of appropriate services and the availability of refreshments.
- at all times comply with the spirit and intent of the Broadcasting Services Act, 1992, as amended from time to time and shall not do, permit, suffer or allow any act or omission which would or may result in the Licensor breaching or participating in or facilitating arrangements which are inconsistent with spirit and intent of the Broadcasting Services Act, 1992; and
- permit the Licensor and its servants and agents to enter at any time upon the Premises for the purposes of inspecting and testing the condition of and servicing and maintaining the Equipment and further shall permit the Licensor to remove such Equipment or any part thereof from the Premises; and
- use the Equipment solely for the reception and exhibition of the Works in accordance with this Agreement.
- It is the Payee's responsibility to obtain the relevant A.P.R.A. (Australian Performing Rights Association) Licence for the performance of musical content incorporated in the works at the Payee's premises.

9. Promotion

The Licensor may provide to the Payee a schedule of the Works to be available for public performance pursuant to this Agreement and the Payee may:

- at the cost of the Payee, advertise the scheduled Works, in a manner approved by the Licensor;
- join in any promotion nominated by the Licensor, including the display of any promotional posters, materials or advertisements and the distribution of any printed brochures, pamphlets or advertisements, as provided by the Licensor to the Payee; and
- promote and participate in (without cost to the Payee) any promotional campaigns, games, lotteries or competitions conducted in connection with such scheduled programmes (subject to any necessary licence or permit pursuant to applicable gaming legislation).

The Payee acknowledges that the Works will be transmitted in conjunction with advertisements (and that the Licensor will be entitled to all revenue therefrom) and agrees to participate (without costs to it) in any campaign agreed between the Licensor and any advertiser. The promotion of any programme by the Licensor does not create an obligation upon the Licensor to transmit or continue to transmit such a programme.

10. No Disparagement

The Payee acknowledges and agrees that:

- the Works may be transmitted in connection with, and for the purpose of, promoting various products, including products supplied by the Licensor or related corporations; and
- the Payee shall not act in any manner, nor suffer or permit any employee of the Payee to so act, so as to depreciate or disparage such products.

11. Extension of Term

This Agreement and the licence granted hereunder shall continue for further successive periods of one year after the initial term, if:

- the Payee has complied with all provisions of this Agreement; and
 - The Licensor has not given notice to the Payee requiring termination of the Agreement.
- The Licensor may nominate an increased fee in respect of each such extended term, which fee shall be paid by the Payee in accordance with Clause 3 hereof, provided that the Payee may terminate this Agreement within thirty (30) days of notice of such increased fee.

HARBORD BEACH HOTEL

12. Assignment

The Payee shall not transfer, assign or sell the benefit of this Agreement to any other person without the prior consent of the Licensor, which consent shall not be unreasonably withheld by the Licensor if such assignment is to occur upon the transfer of the business of the Payee and the Licensor is reasonably satisfied that the assignee is a person of financial standing and good reputation. The Payee agrees that it shall not, nor shall it attempt or purport to, assign transfer or sell the business conducted by the Payee at the Premises unless as a condition of any such assignment, transfer or sale, the assignee thereof enters into an agreement on the same terms mutatis mutandi as this Agreement.

13. Termination

This Agreement shall continue in force until terminated by six months notice in writing, evidenced by certified mail, by either party, provided that the Licensor may terminate this Agreement by notice in writing to the Payee immediately:

- a) upon breach of any provision of this Agreement by the Payee;
- b) upon the presentation of any petition for the bankruptcy of the Payee or, in the case of any Payee which is a corporation, any petition for the winding up of such corporation or the appointment of any liquidator, provisional liquidator, receiver or receiver and manager;
- c) if the Payee creates or purports to create any mortgage, charge, lien or other encumbrance in respect of the encoding device or receiver dish provided by the Licensor hereunder; and
- d) if the Payee does anything or fails to do anything which would entitle a receiver to take possession of any assets of the Payee.

14. Force Majeure

The Licensor and the Payee will be released from their respective obligations in the event of national emergency, war, prohibitive government regulations or if any other cause beyond the reasonable control of the parties or either of them renders the performance of this Agreement impossible, whereupon all monies due under this Agreement shall be paid immediately and the Payee shall forthwith return or cause to be returned to the Licensor the decoding device and receiver dish provided by the Licensor hereunder, provided that this Clause shall only have effect at the discretion of the Licensor except when such event renders performance impossible for a continuous period of not less than 6 calendar months.

15. Severance

If any provision of this Agreement is declared by any judicial or other competent authority to be void, voidable, illegal or otherwise unenforceable, it shall be severed from this Agreement and the remaining provisions of this Agreement shall remain in full force and effect, unless the Licensor in its absolute discretion decides that the effect of such declaration is to defeat the original intention of the parties, in which event the Licensor shall be entitled to terminate this Agreement by notice in writing to the Payee.

16. Procedure on Termination

Upon termination of this Agreement, the Licensor may take delivery of and remove the Equipment. The costs of such removal shall be to the account of the Payee. The Licensor shall be under no liability to repair or reinstate the Premises (or any part thereof) damaged or disrupted in connection therewith. The Payee authorises the Licensor or its representative to enter any premises of the Payee in which such Equipment is located or installed, during normal business hours, to remove or collect the same.

17. Whole Agreement

This Agreement contains the whole agreement between the parties and the Payee acknowledges that it has not relied upon oral or written representation made to it by the Licensor or its employees or agents and has made its own enquiries in to all matters relevant to this Agreement and the Licence hereunder.

18. Notices

Any notice given pursuant to this Agreement shall be given in writing signed by any Director, Manager or Secretary of the Party giving notice and such notice shall be sent by certified mail.

19. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of N.S.W.



8 August 2002

Mr. Jamie Johnston
NSW Sales Manager
Sky Channel Pty Limited
79 Frenchs Forest Road
FRENCHS FOREST NSW 2086

Dear Sir

OUR LICENCE AGREEMENT

I am writing to you to record the circumstances in which Transmission Licence Agreements were signed with you last night.

As you are aware, our Licence Agreement ended some time ago. The signing of a new Agreement has been discussed on several occasions with John Angel, your National Sales Manager, and it was agreed that the signing of it would not take place until we had completed extensive renovations. Those renovations affect the bar trading area and the Pub Tab.

Notwithstanding the arrangement made with you, you required us last week to sign a fresh 5 year Agreement immediately or transmission would cease. On 1st August we sought your adherence to the agreement we had made with John Angel, currently on leave. We wrote to you to this effect. At the same time we telephoned you to ensure that you had received our facsimile and repeated what was in the letter. You indicated that you had not received the letter addressed to Mr Angel but that you would locate it and telephone us the following day. You did so at about noon and it was suggested that a meeting be convened to discuss our relationship. It was agreed that we would meet at 1.00pm at the hotel on Wednesday last week.



29 Moore Road, Harbord, (P.O Box 20) NSW, 2096
Ph: 9905 3434 Fax: 9905 1923
E-mail: HARBORDHOTEL@bigpond.com

HARBORD BEACH HOTEL

AUG 12 '02 04:32PM HARBORD BEACH HOTEL



At that meeting I emphasised the long-term relationship the hotel had had with Sky and the fact that we did not wish to cease transmission in the interests of providing services to our customers and very conscious of our obligations to maintain our PubTab Agency as best we could. You indicated there had been cases where you suspended the signal during renovation work and, at the same time, suspended the operation of the transmission agreement. You said you would put it to your Board that we continue with the current Agreement until renovations were concluded on the basis that we sign a new transmission agreement. I said that anything was better than to commit to payment for a new agreement now as it simply could not be afforded during the period of renovations.

I said that we considered the price increase you demanded to be unjust.

At 12 noon on Friday 9th, you telephoned and said that your Board had agreed to continue transmission provided we agreed to sign a temporary agreement today and a new 5 year licence agreement today, to commence from 1st November or thereabouts. When it was indicated that I would not be available until this evening, you said that that was fine and you would come by at 5.30pm!

In view of the matters described above, we consider both the circumstances surrounding our entry into the transmission licence agreements and the terms of the agreements to be unconscionable.

More particularly, we have been operating in the legitimate expectation that the interim arrangements would remain in place until the renovations affecting the PubTab and the bar area had been completed, and that any new agreement would only be negotiated and executed after completion of the renovations. Instead, you have now resiled from this position and required us to immediately execute a 5 year agreement on less favourable terms before the renovations are complete. Obviously, whether or not the new rates are appropriate will depend in large measure on the outcome of the renovations, the effect of which cannot yet be determined.

Further, the timing of the dealings described above and the manner in which these dealings were conducted involves duress and unfair commercial tactics and pressure. You have taken advantage of the fact that you are the sole supplier of transmission services of live racing feed in Australia. You have also taken unfair advantage of the fact that we require this service in order to satisfy our patrons' demands.





3

In our view, the interim arrangement was not causing you any prejudice and should have remained in place until the renovations were complete. The terms of the new arrangements can only have the potential to cause prejudice to ourselves. We also note that we have been valuable customers of Sky Channel for many years.

This letter puts on the record the circumstances surrounding the execution of the new agreement and our strongly held concerns in relation to your unconscionable conduct.

Yours sincerely

A handwritten signature in black ink, appearing to read "S King", written over a light blue horizontal line.

Sean King
MANAGER



29 Moore Road, Harbord, (P.O Box 20) NSW, 2096
Ph: 9905 3434 Fax: 9905 1923
E-mail: HARBORDHOTEL@bigpond.com

HARBORD BEACH HOTEL

AUG 12 '02 04:33PM HARBORD BEACH HOTEL BT 29053434



Sky Channel Pty Ltd
ABN 77 009 136 010
79 Frenchs Forest Road
Frenchs Forest NSW Australia 2086

Wednesday, 6th June 2001

Mr Colin Waller
Berry Hotel
Queen Street
BERRY NSW 2535

Dear Colin,

Re: Sky Channel Subscription Fees (Site 22302, Berry Hotel)

We wish to advise effective 1 July 2001, Sky Channel subscription fees will increase by 3 percent.

We appreciate that no one will be pleased with this advice, but we have been forced into taking this action to enable Sky to continue to provide a quality service to our subscribers.

This is the first general Sky Channel subscription fee increase since July 1998. We have endeavored to contain our fee at this level despite having to bear significant cost rises.

Since July 1998 the Consumer Price Index (CPI) has risen by 10.3 percent.

This year Sky will contribute some \$35 million dollars in broadcast rights fees to the Australian racing industry, with these payments increasing by an average of 8 percent per annum.

The growth in the overheads we incur providing our customers with a unique and professional service, means we have no alternative but to pass on a proportion of our overall cost increases, which we have been unable to fully absorb.

We are striving to reduce broadcast rights fees - and are strongly committed to pass on any savings in this area to our commercial customers.

While we are hopeful of a positive outcome to the negotiations on rights fees, it is a laborious process and we cannot afford to have Sky's margins continually eroded.

In closing, we trust you can appreciate our commitment to providing you with live racing programming of world standards, and we look forward to continuing a mutually beneficial relationship.

Yours sincerely
SKY CHANNEL

JOHN S ANGEL
National Sales Manager

MICHAEL ORLOV



Sky Channel Pty Ltd
ABN 77 009 136 010
79 Frenchs Forest Road
Frenchs Forest NSW 2086
Phone: (02) 9451 0608
Fax: (02) 9975 2942
Customer Relations: 1800 261 710
www.skychannel.com.au



BERRY HOTEL
120 QUEEN STREET
BERRY NSW 2539

Attention: A/c: COLIN WALLER

Please retain this portion for taxation purposes

Statement Date

01/08/2001

Page 1 of 1

Account Number : 223021

01/07/01	Brought Forw.		3,651.77
24/07/01	0000002615		-3,651.77
26/07/01	078063	Payment Received - Thankyou Berry Hotel BERRY, NSW Con. 3 (1/08/01 to 31/08/01) Sky Basic Service	1,245.76
<i>Paid 28/8/01</i>			
<i># 276</i>			
<i>30</i>			
Total Amount Payable			1,245.76

* Indicates Taxable Supply

Total includes GST of **113.25**

0.00	1,245.76	1,245.76
------	----------	----------

PAYMENT TERMS STRICTLY 14 DAYS

MICHAEL ORLOV



KEG - LITRES (CALCULATIONS)

8	20,592
10	25,740
12	30,888
15	38,610
25	64,350
35	90,090
40	102,960
60	154,440
78	200,772

\$3,961
 #2697
 1078
 3765
 3461
 304



Sky Channel Pty Ltd
 ACN 009 136 010
 79 Frenchs Forest Road
 Frenchs Forest NSW Australia 2086

\$2265
 1078
 \$3,343

SUBSCRIPTION FEES FOR CABLE TAB				
Annual Bulk Beer Litres	Weekly Fee (exclusive of GST)	Quarterly Fee (exclusive of GST)	GST Amount	Total Quarterly Fee (inclusive of GST)
0 - 14,999	\$165.921	\$2,157.00	\$215.70	\$2372.70
15,000 - 29,999	\$174.23	\$2,265.00	\$226.50	\$2,491.50
30,000 - 49,999	\$207.46	\$2,697.00	\$269.70	\$2966.70
50,000 - 69,999	\$239.30	\$3,111.00	\$311.10	\$3,422.10
70,000 - 89,999	\$292.46	\$3,802.00	\$380.20	\$4182.20
90,000 - 109,999	\$328.00	\$4,264.00	\$426.40	\$4690.40
110,000 - 129,999	\$356.76	\$4,638.00	\$463.80	\$5101.80
130,000 - 149,999	\$391.38	\$5,088.00	\$508.80	\$5596.80
150,000 - 169,999	\$412.07	\$5,357.00	\$535.70	\$5892.70
170,000 - Plus	\$422.30	\$5,490.00	\$549.00	\$6,039.00

TAB TURNOVER CALCULATION				
Average Weekly TAB Turnover	Weekly Fee (exclusive of GST)	Quarterly Fee (exclusive of GST)	GST Amount	Total Quarterly Fee (inclusive of GST)
0 - \$5,999	\$65.30	\$849.00	\$84.90	\$933.90
\$6,000 - \$9,999	\$73.84	\$960.00	\$96.00	\$1056.00
\$10,000 - \$29,999	\$82.92	\$1,078.00	\$107.80	\$1,185.80
\$30,000 - \$49,999	\$124.38	\$1,617.00	\$161.70	\$1,778.70
\$50,000 - \$69,999	\$165.92	\$2,157.00	\$215.70	\$2,372.70
\$70,000 - \$99,999	\$226.53	\$2,945.00	\$294.50	\$3,239.50
\$100,000 - Plus	\$323.61	\$4,207.00	\$420.70	\$4627.70

Note * Total Quarterly Fee inclusive of GST.
 Sky Channel subscription fees are calculated by adding Annual Bulk Beer Litres and TAB turnover together.
 Subscriptions are calculated on a daily basis but your current annual rate remains unchanged

ROY

MICHAEL ORLOV
COLV

DOUGLAS
WALKER

67 66 9300

0418283200



1645/001

2 November 2001

C Waller & Associates Pty Limited
Berry Hotel
120 Queen Street
BERRY 2535

495 HARRIS STREET ULTIMO 2007
Address all mail to:
GPO BOX 4188
SYDNEY NSW 2001
AUSTRALIA
DX 949 SYDNEY
TELEPHONE +61 2 92110188
FACSIMILE +61 2 92115010
<http://www.tablimited.com.au>
TAB Limited ABN 17 081 765 308

FOLLOW UP OF LICENSED AGENCY AGREEMENT

There have been many changes to the delivery of TAB Wagering for our Licensed Agencies over the past 12 months and more are planned in the near future. The main purpose for these changes have been to:

- Incorporate new legislation such as Responsible Wagering;
- Restructure our remuneration package and provide a greater reward to all of our licensed venues;
- Reduce the labour associated with delivering TAB Wagering; and
- Re-position TAB Wagering in the market place as a more diverse, entertaining and attractive resource for your venue.

In the best interest of both TAB Limited and your business it is important that you are aware of these changes and that they are reflected in our current terms of agreement.

The new Licensed Agency Agreement was forwarded to your outlet on 27 July 2001 for your execution.

Sometime ago members of the AHA (NSW) were advised not to sign the new agreement. *Since then the AHA (NSW) has advised in the October AHA Newsletter that "the problems with the new TAB contract have largely been resolved - therefore at present, there is no longer any reason not to re-sign".*

Our records show that to date you have not returned the Licensed Agency Agreement. We request that signed agreement be returned by 12 November 2001. If the agreement has been misplaced please contact Sales Administration to arrange a new copy to be sent.

Should you have any queries please do not hesitate to contact Sales Administration Section on (02) 92181483.

Yours sincerely

ELENA SARAFILOSKI
Field and Administration Support
esarafil@tablimited.com.au

MICHAEL ORLOV

20



Sky Channel Pty Ltd
ACN 009 136 010
79 Frenchs Forest Road
Frenchs Forest NSW Australia 2086

19 June 2001

Mr Colin Waller
Berry Hotel
120 Queen Street
BERRY NSW 2535

Dear Mr Waller,

Re: SKY CHANNEL LICENCE AGREEMENT
Berry Hotel Site ID:22302

We wish to advise your current Sky Channel Licence Agreement is due for renewal on 02 August 2001. Accordingly, our Representative will be making contact with you, in the near future, in order to make arrangements for the ongoing supply of Sky Channel.

As you may also be aware, Sky Channel has a strong commitment to service excellence. Since our inception we have been constantly striving to provide the best live coverage of Thoroughbred, Harness and Greyhound racing, the result of which has seen Sky Channel become Australia's first and foremost satellite telecaster.

Furthermore, Sky Channel is now an integral business partner of the Australian Racing Industry, enabling us to bring you the best coverage available. Additionally, we have greatly increased our telecasts of quality International Sporting Events. It is our intention to build even further on this already extensive coverage and to bring to you, the best live television and racing coverage in Australia.

We would also like to thank you for your support over the years and we welcome the opportunity to be of service to you in the future.

Yours sincerely,

JOHN S ANGEL
National Sales Manager

SENDER TO KEEP
CN3767131

17 August 2001



Sky Channel Pty Ltd
ACN 009 136 010
79 French Forest Road
French Forest NSW Australia 2086

Mr Colin Waller
Berry Hotel
120 Queen Street
BERRY NSW 2535

Dear Mr Waller

We wish to confirm discussions between yourself and our Representative, Paul Maher, concerning the renewal of your Licence Agreement.

To enable us to continue to provide you with the Sky Channel service, we require a new Licence Agreement to be entered into between yourself and our company. As you would be aware, the current agreement expired on 3 August 2001.

In order for this matter to be expedited, we ask that the completed Licence Agreement be forwarded to this office, no later than 27 August 2001, as it would be a matter of regret to us if your signal were placed in jeopardy.

In the meantime, we look forward to our continuing relationship with you as a valued Sky Channel Customer.

Yours sincerely
SKY CHANNEL

A handwritten signature in cursive script that reads "A Thomas".

ANGELA THOMAS
CUSTOMER RELATIONS MANAGER

cc Paul Maher
Site 22302