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26th March 2008

David Hatfield
Acting General Manager
Adjudication Branch
Australian Competition and Consumer Commission
GPO Box 3131
CANBERRA, ACT 2601

Dear Sir,

RE: Exclusive Dealing Notification lodged by NASR and others

We refer to the letter dated 14th March 2008 providing details of the Exclusive Dealing Notification lodged by NASR. On behalf of the management of the Perth Motorplex we offer the following comments on this matter.

All Motorsport events scheduled at the Perth Motorplex are sanctioned by the relevant peak National sporting organisation. The following are the peak Australian sporting organisations, which the Perth Motorplex racing activities are sanctioned by:

- Drag Racing – Australian National Drag Racing Association (ANDRA);
- Speedway – National Association of Speedway Racing (NASR);
- Motocross, Quad Bikes and Speedway Bike – Motorcycling Australia (MA);
- Go Karts – Australian Independent Dirt Kart Association (AIDKA); and
- Autocross and Rally – Confederation of Australian Motorsport (CAMS).

All these organisations provide the driver licensing, technical, safety and racing regulations for a number of types of vehicles and classes of competition for their particular sport. Each of the sanctioning organisations provides Public Liability Insurance for the venue along with Personal Accident Insurance coverage for Competitors and Crew members.

For each of these event types the Perth Motorplex has an event permit from the relevant organisation and competitors entering the event are licensed by that organisation.

NASR is the only Speedway organisation in Australia approved by the peak world Motorsport body, the Federation Internationale Automobile (FIA) and this approval was also ratified the Confederation of Australian Motorsport (CAMS) by the peak Motorsport body in Australia.

In response to the specific issues raised we offer the following observations:

1. *How important is it to hold a NASR licence if you are a speedway driver? What other race controlling bodies provide licences and/or manage speedway events that drivers can attend instead of NASR approved events?*

In the opinion of the management of the Perth Motorplex NASR provides the best Public Liability Insurance, Personal Accident Insurance, Technical Regulations and Racing Regulations, Track, Vehicle and Driver Safety Regulations, Risk Management and Judicial Process for Speedway racing in Australia.

Additionally, as a NASR member, speedway racing competitors have access to the governing rules and judicial procedures of NASR, and are given the ability to participate in the future development of the sport. By becoming NASR license holders, speedway racing participants are also able to make a contribution towards the overall management of the sport and the public perception of speedway racing. This in turn helps to ensure that the sport as a whole is constantly improved, and benefits the public by maximizing safety standards and procedures. NASR license holders also receive a regular newsletter and other ancillary benefits.

The business of the Perth Motorplex is the promotion, scheduling and operation of Motorsport events at the venue. The Perth Motorplex considers that it is best practice for the sanctioning of events to be undertaken by the peak body in Australia for the particular sport. As noted previously, NASR is the only Speedway racing organisation in Australia approved by the peak world Motorsport body, the Federation Internationale Automobile (FIA).

NASR provides the Perth Motorplex and the sport of Speedway racing with a high quality organisational structure, to our knowledge no other Speedway organisation in Australia is able to provide such a high level of operation.

2. *NASR advise that it has negotiated a group personal injury insurance policy which provides coverage to licensees as a member benefit at no additional cost. NASR advise that licensees/members remain free to obtain appropriate personal injury insurance from other providers. Do drivers obtain their own insurance? Why or why not? How difficult is it to obtain personal injury insurance as a speedway driver or track/venue operator? Who are the main providers of insurance? What is the approximate cost for obtaining insurance for speedway racing?*

Speedway racing participants have the option of obtaining personal accident insurance from wherever they wish, however to our knowledge most drivers do not have their own insurance. The NASR personal accident insurance cover is available to all NASR licence holders as a member benefit and in most cases, drivers and other NASR members appear to be satisfied with the personal accident insurance provided as a member benefit.

NASR license holders are free to obtain additional insurance from other providers should they so choose. However, they may only make a claim under one policy should they become injured.

There are a limited number of insurance companies in the Australian market who have products that may be suitable for Speedway racing venues and competitors. Generally insurance for "racing" is seen as specialised and not covered by normal policies, because of the perceived risks and dangers associated with the racing activities.

To date the current costs, terms and conditions of the NASR insurance are very

competitive and to our knowledge better than any other package offered in the market.

3. *NASR advise that should a licensee/member obtain their own insurance instead of/in addition to the insurance provided as a member benefit of the NASR licence, the licence fee paid by that member is not adjusted. Does this prevent licensees/members from taking out their own insurance? Why or why not?*

NASR members are not prevented from obtaining their own personal accident insurance. Unfortunately we cannot advise on how difficult it may be for NASR members to obtain personal accident insurance on an individual basis, however as noted above "racing" is often seen as a special risk by insurance companies.

We understand that the insurance premiums are only a part of the services used to calculate licence fees for NASR members. There several factors involved with the activities of NASR in the speedway racing industry along with the other benefits provided to members.

It would appear that many NASR members choose not to purchase separate personal accident insurance as they are satisfied with the cover provided as part of NASR membership.

CAMS and ANDRA, as governing bodies in their respective fields, both provide personal accident insurance as a member benefit. To our knowledge, neither CAMS nor ANDRA members receive any reduction in membership fees, should they obtain separate personal accident insurance over and above the cover provided by the respective organisations.

4. *NASR advise that licensees/members may obtain licences from other associations and may therefore race at non-NASR approved tracks and events. However, NASR's group personal injury insurance provided as a member benefit does not apply to non-NASR approved races, events or tracks. Do drivers race at both NASR and non-NASR approved events and venues? Does this deter a driver from racing at non-NASR approved events and tracks? Why or why not?*

For Speedway events at the Perth Motorplex NASR personal accident insurance covers the NASR sanctioned events. It is our understanding that NASR personal accident insurance may apply to non-NASR approved tracks, if that specific event is sanctioned or approved by NASR.

Should they choose to, drivers and entrants can race at both NASR and non-NASR approved events and venues.

However, it is our belief that many non-NASR approved tracks have inadequate facilities, safety features and public liability insurance. We believe that many non-NASR approved tracks have cheaper public liability insurance which, in some cases, have participant exclusions or use non-APRA approved or foreign unauthorised insurers which means that drivers and entrants could be exposed to significant personal liability.

5. *How important is it for a venue or track to be NASR approved? Can you outline what the effect of not being NASR-approved might have on these tracks?*

NASR provides the Perth Motorplex and the sport of Speedway racing with a high quality organisational structure.

Tracks that choose to become "NASR Tracks" by adopting NASR systems and procedures previously had been able to access a discount from NASR on their public liability

insurance premium. This is on the basis that they are implementing good risk management practices by becoming affiliated with NASR, and it is a choice for each track to make.

However, NASR also provides the best Technical Regulations and Racing Regulations, Track, Vehicle and Driver Safety Regulations, Risk Management and Judicial Process for Speedway racing in Australia.

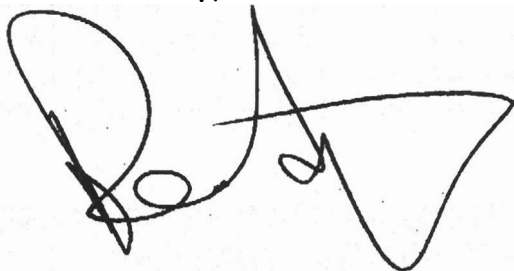
6. *How important is it for a sprint car driver, saloon car driver or V8 dirt modified car driver to be a member the SCCA, ASCF or the DMA? Are there alternative racing body organisations that operate events and/or tracks in these categories of racing?*

The competitor organisations (such as SCCA, ASCF or the DMA) perform the important role in providing input to NASR on the specifications and safety standards for specific types of vehicles.

However, one of the important roles for the respective competitor organisations for sprint car drivers, saloon car drivers and V8 dirt modified drivers is that they provide "social and club" level member benefits, in addition to input on the technical aspects noted above.

Please feel free to contact the writer at the Perth Motorplex should you require any additional information.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Kevin Prendergast', written over a light grey rectangular background.

KEVIN PRENDERGAST

General Manager