



Minutes of
Racing Queensland Limited
Board Meeting



Thursday, 1 July 2010

Board Room, Racing Queensland
Racecourse Road, Deagon

Meeting Commenced at 8:15am
Meeting Concluded at 3:05pm

Board Directors Present: Bob Bentley - *Chairman*
Tony Hanmer – *Deputy Chairman*
Bob Lette
Bill Ludwig
Wayne Milner
Bradley Ryan
Kerry Watson

In attendance: Malcolm Tuttle - *Chief Executive Officer*
Shara Murray - *Senior Corporate Counsel*
Adam Carter - *Chief Financial Officer*
Tracey Harris - *Finance and Business Manager*
Ron Mathofer - *Business Analyst*
Paul Brennan - *Director, Product Development*
Jamie Orchard - *Director, Integrity Operations*

Minutes: Debbie Toohey - *Board Secretary*

The Chairman opened the Meeting at 8:15am.

1.1 Apologies

Nil.

1.2 Declaration of Conflicts of Interest

A conflict of interest form was received by each Board Director and updated. The Board **NOTED** Attachment "A".

1.3 Confirmation of Minutes of Informal Racing Queensland Limited Board meeting of 1 April 2010

*The Board **RESOLVED** that the Informal RQL Board Meeting Minutes of 1 April 2010 be received and confirmed.*

MOVED by Mr Tony Hanmer **SECONDED** by Mr Wayne Milner

Motion carried

Confirmation of Minutes of Informal Racing Queensland Limited Board meeting of 7 May 2010

*The Board **RESOLVED** that the Informal RQL Board Meeting Minutes of 7 May 2010 be received and confirmed.*

MOVED by Mr Bradley Ryan **SECONDED** by Mr Tony Hanmer

Motion carried

Confirmation of Minutes of Informal Racing Queensland Limited Board meeting of 15 June 2010

The Board **RESOLVED** that the Informal RQL Board Meeting Minutes of 15 June 2010 be received and confirmed.

MOVED by Mr Tony Hanmer **SECONDED** by Mr Wayne Milner

Motion carried

1.4 Confirmation of Resolutions made at Informal RQL Board meetings dated 1 April 2010, 7 May 2010 and 15 June 2010

The Board **RESOLVED** that the Informal RQL Board Meeting Resolutions of 1 April 2010 and 7 May 2010 be received and confirmed.

The Board noted that there were no resolutions made at the Informal RQL Board meeting of 15 June 2010.

MOVED by Mr Bradley Ryan **SECONDED** by Mr Tony Hanmer

Motion carried

1.5 Action Sheet

The Board **NOTED** the action sheet.

1.6 Media Releases / Correspondence / Matters for Noting

The Board **noted** the following media releases and correspondence:

Media Releases

- Setting the record straight about country racing 28 May 2010

Other Correspondence

- Explanatory brief on the judgment – Belfair Pty Ltd v Racing New South Wales and Sportsbet Pty Ltd v New South Wales – Federal Court of Australia

16 June 2010

1.7 Confirmation of Flying Minute

The Board **CONFIRMED** the following Flying Minute dated 8 June 2010:

- Application by Shara Louise Murray for membership of Racing Queensland Limited ACN 142 786 874.

1.8 Strategic Asset Plan

The Chairman updated the Board in relation to the Strategic Asset Plan with the following:

1. The Strategic Asset Plan is required a result of the Issues Paper prepared by Queensland Racing Limited, which was debated with the Queensland Government late last year (2009) and subsequently approved early 2010.
2. The Issues Paper identified a range of projects that collectively would need funding in excess of \$150M. The final outcome resulted in a redirection of wagering tax to RQL of 50%, and as such, projects will need to be prioritised. The Issues Paper identified various projects that were specific to securing the funding.
3. The Queensland Government has advised that the rebate of taxation revenue funding will be held by Government and paid into an account on a monthly basis. The Queensland Government will allow for draw-downs, only against those projects specified against the Strategic Asset Plan. Each project will be supported by a cash flow analysis and a construction timetable.
4. The Strategic Asset Plan will consider the assets of the 3 racing codes, to secure the best economic outcomes.
5. Plans for some projects have been under investigation for some time; however, this does not automatically give these projects the right to continue as they were initiated when the 3 Control Bodies administered each code in isolation. In addition, a submission of a DA does not necessarily mean that a project will be approved by the Board.
6. Prior to the merger of the 3 codes, QRL had engaged the services of a consultant to carry out the due diligence analysis and prepare costings and cash flows for the Strategic Asset Plan. In particular, the BRC's Master Plan and the Ipswich / Logan greyhounds are currently under investigation and the results will be available at a future Board Meeting.
7. The draft strategic projects that are under consideration should be available for the August 2010 Board Meeting.

The Board **NOTED** the Chairman's update.

1.9 Albion Park

The Albion Park redevelopment proposal was tabled for Board Directors consideration and review.

Mr Milner advised the Board, that in future, in order for any papers to receive due consideration, they should be presented on time, not provided on the day. Mr Milner further noted that the presented paper was dated 15 June 2010; however, it was not received by the QRL Board Secretary until 25 June 2010 for distribution to the RQL Board.

The Chairman advised that he would be discussing with Board Directors the protocol for future submissions for Board consideration.

The Board considered the proposal which outlined that the Harness Racing Queensland Board, at its final Board meeting on 22 June 2010 had proceeded to lodge a DA on the proposed reconstruction of the Albion Park grandstand prior to this Board meeting.

Ms Kerry Watson advised that the Greyhound Harness Limited Board had not seen the DA and she was concerned that this had been lodged without the Greyhound Board's permission or knowledge. The DA, by law, should have been co-signed by the Greyhound Board as a joint 50% owner of Albion Park.

Mr Bob Lette advised that the outgoing Harness Board were keen to see the project progress and they considered that by lodging a DA this would save time.

The Chairman advised that the Albion Park project would be assessed along with the other potential capital works projects, and the lodgement of the DA with or without the outgoing Boards' approval was now academic.

1.10 Operations of the RQL Board

The Chairman advised Board members of additional protocols that he wishes to see adopted for the smooth operation of RQL:

1. Staff interaction – Directors have full access to all staff for the purpose of ascertaining information to assist them to fulfil their Director duties.
2. Board Directors wishing to have a project advanced will contact the Chairman in the first instance and if thought worthy, the CEO will proceed to have the proposal advanced. Under no circumstances are Board Directors to engage staff to work on projects or seek to have projects advanced outside these guidelines.
3. Legal advice: Directors need permission from the Chairman to seek independent legal advice outside of advice sought from RQL's Senior Corporate Counsel. There is to be no outside engagements or advice sought of Legal Counsel without Board and CEO approval on any matter.
4. Media – all media statements and interviews will be undertaken by the Chairman or whoever the Chair designates.
5. Board papers – Directors wishing to submit a board paper will first discuss with Chair.
6. Travel Entitlements – Directors need to be aware of their travel entitlements, and as such, previous resolutions of the RQL Board in relation to travel entitlements of Directors is tabled, for confirmation.
7. Any Board Director expenditure must adhere to RQL's Spending Policy.
8. All Director expenses are to be approved by RQL's Senior Corporate Counsel on the production of receipts.
9. The expenses of the Chairman are to be approved by the CEO.
10. Invitations – Local invitations to functions and race meetings are the responsibility of the individual Director, with any exceptional expenditure to be approved by the Chairman. Interstate invitations to functions and race meetings will need to be approved by the Chairman and RQL's Expenses Policy will apply. All gifts and benefits received by Directors are to be included on the RQL Gifts and Benefits Register.
11. Confidentiality of Board deliberations must be strictly adhered to.

That the above operations of the RQL Board be confirmed by the Board.

MOVED by Mr Bill Ludwig **SECONDED** by Mr Wayne Milner

Motion carried

1.11 Industry Representation

The representation on industry associations is to be discussed at the August 2010 Board Meeting.

The Chairman requested that the CEO prepare a summary of all code industry commitments.

The Board **APPROVED** Ms Watson to represent RQL at the Adelaide Greyhound 2010 Annual Meeting. The Company will meet economy airfares and three (3) nights' accommodation and expenses.

MOVED by Mr Tony Hanmer **SECONDED** by Mr Bradley Ryan

Motion carried

1.12 Confirmation of RQL Board Dates

The Board **NOTED** the change in Board dates, these being:

- 6 August 2010
- 3 September 2010
- 27 September 2010
- 5 November 2010
- 9 December 2010

2.1 Chief Executive Officer Report

Mr Malcolm Tuttle updated the Board in relation to the following:

The Chairman advised the Board that in relation to discussion on race information legislation, it could be seen as a conflict with his position as a Director of Tatts Group, and as such, offered to stand down and leave the meeting on this subject.

Mr Hanmer advised that he considered that there was no conflict in the detail to be discussed and requested the Chairman to remain. The Board Directors other than the Chairman confirmed Mr Hanmer's statement for the Chairman to remain.

- *Race Information Legislation*

Mr Tuttle advised the Board of the situation to date with the progress of the race information deliberations and accepted comment from the Senior Corporate Counsel on the subject.

Ms Shara Murray updated the Board on the Sportingbet matter.

Following a detailed discussion, Mr Tuttle put to the Board a number of options for consideration as a means of moving forward:

1. Change nothing - continue with the legislation and conditions currently in force
2. Consider the recent NSW judgements - make minor adjustments
3. Consider the recent NSW judgments - make significant changes
4. Seek further advice

Mr Ludwig suggested that Mr David Jackson SC be approached to give advice on this matter.

The Board **RESOLVED** to seek further legal advice before proceeding to make any amendments to race information approvals. Ms Murray to prepare a brief to Counsel, rather than engage outside legal advisors. The Board considered this as their preferred action.

The Board **APPROVED** the engagement of David Jackson QC.

MOVED by Mr Wayne Milner **SECONDED** by Mr Bob Lette

Mr Bentley abstained from voting.

Motion carried

- *Broadcast Negotiations*

Mr Tuttle advised the Board as to the latest situation with the thoroughbred television media rights negotiations:

- (a) LEK had finalised the negotiations with both TVN and SKY and had presented to the Clubs their recommendations as set out and attached.
- (b) The Clubs, LEK and QRL had participated in a telephone conference on Monday, 28 June 2010. The purpose of that meeting was for the Clubs to discuss and finalise their preferred broadcaster to enter into a 10 year media agreement.
- (c) The telephone conference was chaired by Mr Tuttle and in attendance the Chairman, Mr Bentley. The Chairman advised the Clubs that he was a director of the Tatts Group and would remove himself from the meeting if there was any party that considered there was a conflict of interest. There were no dissenters.
- (d) The Chairman had advised the Clubs prior to the discussion and voting that both broadcasters had submitted their offers on the basis of the total Queensland rights only, and they, the Clubs would be considering their position as 'a whole of Queensland offer'.
- (e) The Chairman advised the Clubs that the QRL Board would not seek to influence their decision, but would only approve a whole of industry outcome, not a fragmented decision.
- (f) The Chairman advised the Clubs of QRL's offer to provide a broadcast subsidy of \$1M to the Clubs. This subsidy would be applicable to either offer made by TVN or SKY.
- (g) The Chairman advised the Clubs of the additional incentive offered by SKY of an additional payment of \$1.5M once only year 1 on signing of the Heads of Agreement, which had not been factored in to the SKY offer currently before the Clubs. QRL advised the Clubs that should they (the Clubs) determine to enter into the SKY arrangement, QRL would retain a minimum of \$500k towards the costs of these negotiations. The Chairman noted that the associated costs of negotiation through delays and legals had almost doubled the original estimate and QRL would seek to recover an equal amount from the TVN offer, if successful. This recovery would be through the administration subsidy in the case of TVN.

Following the acceptance of the preferred broadcaster's collective offer, the Clubs will need to authorise QRL to enter into a Heads of Agreement to finalise the terms and conditions for the individual Club contracts with the successful tenderer.

Mr Tuttle advised the Board that he had called on all Club representatives to speak to the offer tabled and to finish their discussion with a decision. Mr Tuttle confirmed that all Clubs were represented and all spoke at the meeting.

The decision was unanimous that the SKY Racing offer be accepted and QRL seek to proceed to exclusive negotiations and finalisation.

Mr Tuttle advised the clubs that this was their decision as the owners of the rights.

The Board **NOTED** the Clubs' decision and discussed the protections needed in the Heads of Agreement and any subsequent contracts. Mr Hanmer sought clarification on the \$1M commitment annually to the Clubs as a broadcast subsidy in the event that the individual distribution to Clubs was excessive and not reflective of their overall contribution.

The Chairman advised that RQL should seek to have a clause in the Heads of Agreement to cover this situation and the Board would need to rescind its previous offer to subsidise broadcast costs if this was to be the situation.

The Chairman advised that the Heads of Agreement needed to specifically include the following clauses:

1. A clause seeking UNITAB's permission under the Product and Program Agreement
2. RQL being in a position to accept equity in the broadcaster in the case of sale or amalgamation.
3. Protection that the Queensland Programme is telecast and not in a less favourable position that it currently occupies.

That the Board ratify the following:

1. The Chairman and the CEO to negotiate with SKY Racing in order to complete the Heads of Agreement, which is to include the above clauses
2. The CEO, Senior Corporate Counsel and the Chairman to negotiate the split of media rights fees between Clubs and approve the individual Club contracts, and
3. That a broadcast subsidy be paid to the Clubs of \$1M annually, subject to Clause 1 (The split of the fees payable to each Club so as to reflect their true contribution and not a reflection of the position they occupy because of favourable race dates).

MOVED by Mr Tony Hanmer **SECONDED** by Mr Wayne Milner

Motion carried

- *Joint Standing Committee on the review of the Racing & Wagering Western Australia Acts*

The Chairman and Mr Tuttle attended a video conference with the Committee and updated the committee on changes that have occurred in racing in Queensland and the amalgamation of the 3 codes to form RQL.

- *Three code amalgamation of RQL*

The Board acknowledged their appreciation on the excellent effort of all staff in completing the amalgamation.

- *Ipswich Development*

Mr Tuttle advised the Board that there is a meeting arranged with the Chair of the Ipswich Turf Club (Club) on Friday, 2 July 2010 to discuss:

- (a) the future of the Club
- (b) the Club's participation in the Strategic Asset Plan, and
- (c) the progress of the Club's development with Wingate Developments.

This was **NOTED** by the Board

• *Brisbane Racing Club development at Doomben and Eagle Farm*

Mr Tuttle has written to Mr Stephen Ferguson, CEO of the Brisbane Racing Club requesting updated information.

This report was **NOTED** by the Board.

2.2 Legal & Compliance

Ms Murray tabled the following resolutions to be approved by the Board:

1. Resolutions - Administration

1. That the Board of Racing Queensland Limited accepts the resignation of Shara Louise Murray as the sole Member of the Company, as at 1 July 2010.
2. That the following Directors of Racing Queensland Limited be admitted as Members of the Company and their names be entered into the Register of Members, effective 1 July 2010:
 - a. Robert Geoffrey Bentley
 - b. Anthony John Hanmer
 - c. William Patrick Ludwig
 - d. Wayne Norman Milner
 - e. Bradley John Ryan
 - f. Kerry Lee Watson, and
 - g. Robert James Lette.
3. That the Board of Racing Queensland Limited resolves that Shara Louise Murray be ratified as the Public Officer of the Company.
4. That the Board of Racing Queensland Limited confirms that the registered address of the Company is at Racecourse Road, Deagon, in the State of Queensland 4017.
5. That the Board of Racing Queensland Limited adopts the Company's Organisational Chart tabled at the meeting and its allocated positions.

MOVED by Ms Kerry Watson **SECONDED** by Mr Bill Ludwig

Motion carried

2. Resolutions - Financial

1. That the Board of Racing Queensland Limited authorises the Company to operate the following Racing Queensland Limited bank accounts:

Name Of Account	Bank	Account	Purpose	Authorised Users
Racing Queensland Limited	NAB	084-004 173211930	Current Thoroughbred Greyhounds Albion Park Harness	Any of two of the following:- CEO CFO Finance and Business Manager Company Secretary Accountant
Racing Queensland Limited	Westpac	034-050 208112	Harness – Business One Account	CEO CFO Finance and Business Manager

1. That BDO Kendalls Queensland is appointed as the Auditor of Racing Queensland Limited until the Company's first Annual General Meeting.
2. That the Board of Racing Queensland Limited authorises the Company to operate the following Racing Queensland Limited investment funds:

Name Of Account	Bank	Account	Purpose	Authorised Users
Racing Queensland Limited	Queensland Treasury Corporation	Thoroughbred, Greyhounds Harness	11am Account	Any of two of the following:- Director CEO CFO Finance and Business Manager Company Secretary Accountant
Racing Queensland Limited	Westpac	Harness 034050 208120	Maxi Reserve Account	Director CEO CFO Finance and Business Manager Company Secretary Accountant

3. That the Board of Racing Queensland Limited authorises the following Executives of the Company to have the following spending levels:

Delegate	Financial Authority Limit
RQL Board	Unlimited
Chief Executive Officer	<\$150,000 In line with Budget
Chief Financial Officer	\$50,000
Director Product Development	\$50,000
Director of Integrity Operations	\$20,000
Finance and Business Manager	\$20,000
Senior Corporate Counsel/Company Secretary	\$20,000
Accountant – Corporate Services	\$20,000
Facility Maintenance and Development Manager	\$10,000
Information Technology and Communication Manager	\$5,000
Racing Managers	
Dividing Races	\$10,000
Procurement	\$2,000
Licensing and Training Manager	\$5,000
Chief Steward	\$2,000
Executive Assistants	\$2,000
Racecourse/Facility Managers	\$5,000
Racecourse Supervisor	\$2,000

4. That the Board of Racing Queensland Limited authorises the following Executives of the Company to hold Company credit cards with the following credit limits:

Name	Name	Limit on Card
Chairman	Robert Bentley	\$20,000
Chief Executive Officer	Malcolm Tuttle	\$10,000
Chief Financial Officer	Adam Carter	\$20,000
Director Product Development	Paul Brennan	\$20,000
Director of Integrity Operations	Jamie Orchard	\$10,000
Finance and Business Manager	Tracey Harris	\$10,000
Senior Corporate Counsel/Company Secretary	Shara Murray	\$10,000
Facility Maintenance and Development Manager	Warren Williams	\$5,000
Information Technology and Communication Manager	David Rowan	\$2,000
Licensing and Training Manager	Peter Smith	\$2,000
Chief Steward	Wade Birch	\$5,000
Executive Assistants		\$2,000
Racecourse/Facility Managers		\$2,000
Racecourse Supervisor		\$1,000
Stewards		\$300

Detailed Listing of RQL

Surname	First Name	Credit Limit	Bank
Alexander	Tegan	300.00	NAB
Aurisch	Daniel P	300.00	NAB
Bentley	Robert	20,000.00	NAB
Birch	Wade	5,000.00	NAB
Brennan	Paul	20,000.00	NAB
Brown	Ian D	2,000.00	NAB
Carter	Adam	20,000.00	NAB
Christensen	Kearra	10,000.00	NAB

Collins	Luke	1,000.00	NAB
Dart	James	1,000.00	NAB
Fletcher	Simon	300.00	NAB
Gillard	Paul	300.00	NAB
Haigh	Matthew	300.00	NAB
Henderson	Matthew S	1,000.00	NAB
Hitchener	Rion	1,000.00	NAB
Jasprizza	Chris	300.00	NAB
Kelly	Scott	300.00	NAB
Knight (Pick)	Jaime	20,000.00	NAB
Leisemann	Brent	1,000.00	NAB
Lenz	Martin	300.00	NAB
Mawhinney	George S	2,000.00	NAB
Murray	Shara	2,000.00	NAB
Orchard	Jamie	10,000.00	NAB
Quick	Travis C	300.00	NAB
Reid	Darryl	1,000.00	NAB
Richards	Paul	5,000.00	NAB
Rowan	David	3,000.00	NAB
Smith	Peter	5,000.00	NAB
Sweeney	Mark	300.00	NAB
Toohey	Debbie L	2,000.00	NAB
Torpey	Norman	300.00	NAB
Truscott	Colin	300.00	NAB
Turner	Bevan	3,500.00	NAB
Tuttle	Malcolm	10,000.00	NAB
Whitchurch	Renee	10,000.00	NAB
Williams	Warren J	5,000.00	NAB

Williamson	James	300.00	NAB
Wolsey	Kwan	300.00	NAB
Woodham	Trevor	1,000.00	NAB
	Total	166,000.00	
	CORPORATE FACILITY LIMIT	200,000.00	
	Balance	34,000.00	

6. That approvals given by the Board of Queensland Racing Limited in relation to the Projects listed below, including budgets are approved by the Board of Racing Queensland:

Project description	Detail	Actual	Budget	Variance
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CLUB CONTRIBUTION PROJECTS

Beaudesert Race Club	Track supplies and surveys	\$40,120	\$100,000	\$59,880
Bowen Turf Club	Subdivision costs	\$2,530	\$10,000	\$7,470
Barrier Stalls Various Clubs	Barrier Stalls GCTC, Ipswich & TTC	\$418,677	\$726,000	\$307,323
Eagle Farm	Running Rails, Camera, Towers	\$9,589	\$300,000	\$290,411
Mackay Turf Club	Engineering services and survey	\$82,788	\$100,000	\$17,212
Rockhampton Master Plan	Redevelopment	\$5,732,255	\$6,500,000	\$767,745
Toowoomba Turf Club Synthetic Track	Synthetic track, lights	\$11,650,001	\$12,000,000	\$349,999
QRL Stabling Facilities Sunshine Coast	Construction Stabling facilities	\$10,048,528	\$12,084,421	\$2,035,893
RISA Ticketing	TAB Clubs	\$-	\$1,400,000	\$1,400,000
		\$27,984,488	\$33,220,421	\$5,235,933

QLD RACING, INDUSTRY PROJECTS

Deagon Development	Engineering services and survey	\$66,209	\$100,000	\$33,791
History of Racing	Film Production History over 3 years	\$263,097	\$500,000	\$236,903
		\$1,586,042	\$ 2,162,457	\$576,415

7. Bank Charges:

	QRL	QHRL / GQL
Principal Amount	\$12,000,000.00	\$ 4,000,000.00
Financier	NAB	Westpac
Finance Term – Start	13 Jan 2010	9 June 2009
Account		034002 573756
Finance Term – End	exp 31 Oct 2015	3 year exp June 2012
Purpose of Loan	256 Stables	Demolition of Russ Hinze Grandstand
Security Held	Corbould Park Racecourse, 170 Pierce Ave, Caloundra.	All property located at 29 Amy St, Albion
Interest Rate Cover	10 Times of EBITDA plus demolition expenses / Interest Paid	2.75 Times of EBITDA plus demolition expenses / Interest Paid

QRL Bank Charge

That the Board notes that the existing charge with the National Australia Bank Limited remains and is transferred under the transitional provisions of the *Racing Act 2002* (Qld).

QHRL / GQL Bank Charge

That the Board of Racing Queensland Limited approves and authorises one Director and the Company Secretary to execute the necessary forms with the Westpac Banking Corporation.

MOVED by Mr Bill Ludwig **SECONDED** by Mr Tony Hanmer

Motion carried

3. Resolutions - Code of Conduct and Compliance Officers

1. That the Board of Racing Queensland Limited adopts as Racing Queensland Limited's *Code of Conduct and Ethics*, the Code tabled at the meeting which applies to all Racing Queensland Limited officials, including Board members, in the performance of their functions and duties.
2. That the Board of Racing Queensland Limited appoints Jamie Orchard (Integrity Compliance) and Shara Murray (all other Compliance) as Company Compliance Officers.

MOVED by Mr Tony Hanmer **SECONDED** by Mr Bradley Ryan

Motion carried

4. Resolutions - Board Committees

That the Board of Racing Queensland Limited establishes the following Committees, appoints the following persons as its Members and adopts as their respective Charters, of the Board of Racing Queensland Limited, as at 1 July 2010 those tabled at the meeting

Remuneration and Nomination Committee

Members:

- (a) Robert Bentley – Chair
- (b) William Ludwig, and
- (c) Kerry Watson.

Audit, Finance and Risk Committee

Members:

- (a) Bradley Ryan – Chair
- (b) Robert Lette
- (c) Anthony Hanmer, and
- (d) Wayne Milner.

Marketing Committee

Members:

- (a) Anthony Hanmer – Chair
- (b) Kerry Watson, and
- (c) Wayne Milner.

MOVED by Mr Bradley Ryan **SECONDED** by Mr Bob Lette

Motion carried

5. Resolutions - Licensing Committee

1. That the Board of Racing Queensland Limited adopts the Licensing Committee.
2. That the Directors of Racing Queensland Limited delegate their powers under:
 - (a) AR 7 iii (b) Rules of Racing (including Australian Rules of Racing and Local Rules of Racing - Thoroughbred)
 - (b) AHR 90(1) Australian Harness Racing Rules
 - (c) R 15 Greyhounds Australasia Rules (GAR)to the Licensing Committee of Racing Queensland Limited under the authority of section 198 D(1)(c) of the *Corporations Act 2001* (Cth).
3. That the Board of Racing Queensland Limited approves that the Licensing Committee consists of:
 - (a) Peter Smith – Chairman
 - (b) Jamie Orchard – Director of Integrity Operations
 - (c) Vikki Hooper – Senior Licensing Officer
 - (d) Shara Murray – Senior Corporate Counsel/Company Secretary, and
 - (e) A Senior Representative of the Stewards, as approved by the Director of Integrity Operations.
4. That the Board of Racing Queensland Limited adopts the Licensing Committee Charter tabled at the meeting.

MOVED by Mr Bill Ludwig **SECONDED** by Ms Kerry Watson

Motion carried

6. Resolutions - Evidence Evaluation Committee

1. That the Board of Racing Queensland Limited establishes the Evidence Evaluation Committee.
2. That the Board of Racing Queensland Limited approves that the Evidence Evaluation Committee consists of the following members:
 - (a) Jamie Orchard – Chairman
 - (b) Shara Murray – Senior Corporate Counsel/Company Secretary, and
 - (c) A Senior Representative of the Stewards, as approved by the Director of Integrity Operations.
3. That the Board of Racing Queensland Limited notes that the protocols of the Evidence Evaluation Committee are referred to in the Integrity Department's following procedures:
 - (a) Complaints Procedures, and
 - (b) Procedures for handling appeals to the RQL Appeal Committee and Queensland Civil and Administrative Tribunal

MOVED by Mr Bob Lette **SECONDED** by Mr Wayne Milner

Motion carried

7. Resolutions - Country Racing

1. That the Board of Racing Queensland Limited establishes the Country Racing Committee and the Associations for the provision of advice to the Board of the Company in relation to country thoroughbred races:
 - (a) the Capricornia Country Racing Association;
 - (b) the Central West Country Racing Association;
 - (c) the Downs Country Racing Association;
 - (d) the Eastern Downs Country Racing Association;
 - (e) the Far North Country Racing Association;
 - (f) the Leichardt Country Racing Association;
 - (g) the North West Country Racing Association; and
 - (h) the South East Country Racing Association.
2. That the Board of Racing Queensland Limited adopts the Country Racing Associations' Charter tabled at the meeting.
3. That the Board of Racing Queensland Limited adopts the Country Racing Committees' Charter tabled at the meeting.
4. That the Board of Racing Queensland Limited appoints William Ludwig as its representative on the Country Racing Committee. The Board of Racing Queensland Limited confirms that pursuant to clause 26.2(d) of the Constitution of the Company, William Ludwig will be the Chairman of the Country Racing Committee.

MOVED by Mr Tony Hanmer **SECONDED** by Ms Kerry Watson

Motion carried

8. Resolution - First Level Appeal Committee

That the Board of Racing Queensland Limited establishes the First Level Appeal Committee and appoint the following Committee Members:

- (1) Peter Elliot
- (2) Noel Brosnan
- (3) Anthony Hockings
- (4) Roy Dickinson
- (5) Tony Fitzgerald
- (6) Noel Thomson
- (7) Des McGee
- (8) John Blakeney
- (9) Catherine Arnold
- (10) Gary Casey
- (11) Daryl Kays
- (12) Giovanni Porta
- (13) Les Geeves
- (14) John Schrek
- (15) Don Button
- (16) Neal Ambrose
- (17) Paul James
- (18) Neil Cremin, and
- (19) Pamela Wilson.

MOVED by Mr Bradley Ryan **SECONDED** by Mr Bill Ludwig

Motion carried

9. Resolutions - Integrity

1. That the Board of Racing Queensland Limited resolves to approve the NSW Bookmakers Telephone Betting System for the purposes of section 249 of the *Racing Act 2002* (Qld), it being satisfied on the basis of previous use that:
 - (a) all telephone calls on the system will be recorded; and
 - (b) it can adequately supervise the system and its use.
2. That the Board of Racing Queensland Limited resolves that:
 - (1) The Australian Rules of Racing (as amended) are adopted by Racing Queensland Limited, effective as at 1 July 2010
 - (2) The Local Rules of Racing (Thoroughbred Racing) attached hereto are made by Racing Queensland Limited, effective as at 1 July 2010
 - (3) The Australian Harness Racing Rules (as amended) are adopted by Racing Queensland Limited, effective as at 1 July 2010
 - (4) The Local Rules (Harness Racing) as attached hereto are made by Racing Queensland Limited, effective as at 1 July 2010
 - (5) The Greyhounds Australasia Rules are adopted by Racing Queensland Limited, effective as at 1 July 2010
 - (6) The Local Rules (Greyhound Racing) are made by Racing Queensland Limited, effective as at 1 July 2010, and
 - (7) The Local Rules (All Codes) as attached hereto are made by Racing Queensland Limited, effective as at 1 July 2010.
 - (8) The various matters set out in the Prescription document attached are prescribed for the purposes of the Greyhounds Australasia Rules and the Local Rules (Greyhound Racing).

3. That the Board of Racing Queensland Limited resolves that:
 - (1) The persons whose names appear in Schedule A hereto be appointed as Stewards of Racing Queensland Limited in relation to the Code specified
 - (2) For the purposes of Local Rule of Racing 21 (6), Wade Birch is appointed as Chairman of Stewards (Thoroughbred Racing) and Daniel Aurisch is appointed as Deputy Chairman of Stewards (Thoroughbred Racing)
 - (3) For the purposes of Australian Harness Racing Rule 14 (2), Martin Knibbs is appointed as Chairman of Stewards (Harness Racing) and Neil Finnigan is appointed as Deputy Chairman of Stewards (Harness Racing)
 - (4) For the purposes of Greyhounds Australasia Rules, Zac Bryson is appointed as Chairman of Stewards (Greyhound Racing) and Gail Thorsby is appointed as Deputy Chairman of Stewards (Greyhound Racing), and
 - (5) Those persons subsequently employed in a full time or part time capacity by Racing Queensland Limited and designated as a Steward shall be taken for the purposes of all Rules to be appointed by Racing Queensland Limited as a Steward.
4. That the Board of Racing Queensland Limited delegates its powers in AR 7 (iii) (e) to the extent of those powers of Stewards mentioned in AR 8 (e) to the Company's Licensing and Training Manager. The Licensing & Training Manager is restricted to using these specified powers for the purposes of ensuring compliance with the Licensing Scheme Policy or other requirements in relation to licensing or training obligations.
5. That the Board of Racing Queensland Limited resolves that for the purposes of 'The Collection Procedures' as developed in accordance with the *Racing Act 2002* (Qld), each of the following persons are authorised as Authorised Representatives of the Control Body:
 - (a) Each Steward appointed by Racing Queensland Limited, and
 - (b) Any other person as authorised from time to time by the Director of Integrity Operations.
6. That the Board of Racing Queensland Limited confirms the following in relation to Sports Betting Contingencies:
 - (1) In accordance with section 255 of the *Racing Act 2002* (Qld), the attached sporting contingencies are declared as sporting contingencies for which racing bookmakers may carry on bookmaking.
 - (2) The *Racing Act 2002* (Qld) requires these attached sporting contingencies to be published in the Calendars, put on the website and sent to all licensed bookmakers.
7. That the Board of Racing Queensland Limited confirms the following in relation to Minimum Betting Limits:

In accordance with Racing Queensland Limited Thoroughbred Local Rule of Racing 88(2), the maximum amount of a bet which a Bookmaker is required to accept and shall offer to accommodate the bettor to at least that amount is prescribed as follows:

	Win Only / Place Only
DSWQRA	
Toowoomba and Dalby TAB meetings	1000 / 600
All other meetings	1000 / 300
CRA	
Rockhampton meetings	
betting on local/southern metro events	1000 / 500
betting on other than local/southern metro events	1000 / 300
All other meetings	1000 / 300
CWQRA	
All meetings	1000 / 300-
SEQRA	
Eagle Farm & Doomben (Saturdays)	
Rails - local and southern events	4000 / 2000
Main Ring - local and southern events	2000 / Nil
Eagle Farm & Doomben (Public Holidays)	
Rails - local and southern events	3000 / 1000
Main Ring - local and southern events	Nil
Eagle Farm & Doomben (Midweek)	
Rails - local and southern events	3000 / 1000
Main Ring - local and southern events	Nil
Ipswich (Saturday meetings)	
Rails - local and southern events	2000 / 600
Main Ring - local and southern events	1000 / 400
Ipswich (Midweek meetings)	
All rings	1000 / 400
Gold Coast	
Rails - local and southern events	2000 / 600
Main Ring - local and southern events	1000 / 600
Sunshine Coast	
Rails - local and metropolitan events	1500 / 500
- all other meetings	1000 / 300
Main Ring - all meetings	1000 / 300
Lockyer & Friday Circuit Clubs	
All rings	1000 / 300
Country	
Local events with more than 6 runners	1000 / 300
Local events with 6 runners or less	1000 / 300
Brisbane, Sydney, Melbourne and others	1000 / 300
NQRA	
Townsville	
Local, southern and Interstate Events	1000 / 300
Meetings during months of July	1500 / -
Cairns	
Local events	1000 / 300
Southern events	2000 / -

Mount Isa		
	Local events	1000 / 300
	Southern events	2000 / -
Mackay Turf Club		
	Local events	1000 / 300
	Southern events	1000 / 300
All other NQRA Meetings		
	Local and other events	1000 / 300
	Southern & Interstate events	1000 / 300

MOVED by Mr Wayne Milner **SECONDED** by Mr Bob Lette

Motion carried

10. Resolutions - Section 81 Policies

That the Board of Racing Queensland Limited adopts the following Section 81 policies tabled at the meeting, as per the *Racing Act 2002* (Qld), as at 1 July 2010:

- (a) Code of Racing Policy Development 81(a)
- (b) Policy for Safeguarding the Public Interest in Thoroughbred, Harness & Greyhound Racing 81(b)
- (c) Licensing Scheme Policy 81(c)
- (d) General Policy for Training and Development 81(d)
- (e) Policy for a Program for the Testing and Training of Racing Animals, Including Holding Trials 81(e)
- (f) Policy for Lawful Betting on Races 81(f)
- (g) Website Policy 81(g)
- (h) Policy for First Level Appeals 81(h)
- (i) Policy on the Formation, Management and Licensing of Clubs 81(i)
- (j) Policy on the Allocation of Race Days and Provision of Funding to Race Clubs 81(j)
- (k) Policy on the Standards Required for Licensed Venues, Including Venue Licensing Procedures 81(k)
- (l) Policy for Employment of Non-Licensed Staff 81(l)
- (m) Policy on way Races are to be held 81(m)
- (n) Policy for Decision Making by Stewards 81(n)
- (o) Record Keeping Policy 81(o)
- (p) Awareness of Duties Policy, Including Sexual Harassment, Bullying and Unlawful Discrimination in the Racing Industry 81(p)
- (q) Drug and Alcohol Policy (Licence holders and Race club officials) 81(q)
- (r) Handicapping/Grading Policy 81(r)
- (s) Animal Welfare Policy 81(s)
- (t) Policy on Spending by Non-Proprietary Licensed Clubs 81(t)
- (u) Policy on Disposal of Land by Non-Proprietary Licensed Clubs 81 (u)
- (v) Policy on Dealing with Intangible Assets by Non-Proprietary Licensed Clubs 81(u)
- (w) Fees Policy 81(v)
- (x) Forms Policy 81(w)

The Board of Racing Queensland Limited has determined that exceptional circumstances require the urgent making of the above named policies in a timeframe that does not allow adequate time for consultation.

The exceptional circumstances that exist are:

1. Pursuant to the *Racing and other Legislation Amendment Act 2010* (Qld):
 - 1.1 the approvals held by the three control bodies for racing in Queensland were cancelled on midnight 30 June 2010;
 - 1.2 on 1 July 2010 the Minister must give an approval to Racing Queensland Limited for the three codes of racing in Queensland; and
 - 1.3 Racing Queensland Limited will be the control body for the three codes of racing in Queensland with effect from and including 1 July 2010.
2. Section 81 of the *Racing Act 2002* (Qld) requires a control body to have certain policies in place. In order for Racing Queensland Limited to have these policies in place with effect from and including 1 July 2010, the above named policies need to be made on the urgent basis in a timeframe that does not allow adequate time for consultation.

In accordance with the Code of Racing Policy Development, the above named policies will be reviewed within three months of publication. The above named policies will not continue to have effect after six months from publication unless there has been formal consultation on the review of each of the policies as is required for the development of a non-urgent policy in accordance with the Code of Racing Policy Development.

Mr Lette dissents from agreeing that any reference to the Product and Programme Agreement or Intercode Agreement should be excluded from any policy.

MOVED by Mr Tony Hamner **SECONDED** by Mr Bradley Ryan

Motion carried

11. Resolutions - Section 80 (1)(b) Policies

That the Board of Racing Queensland Limited adopts the following section 80(1)(b) policies tabled at the meeting, as at 1 July 2010:

- (a) Policy for Racing Queensland Limited's Commercial Decision-Making
- (b) Rules of Racing Policy
- (c) QCRS Trainer Policy
- (d) Policy on Complaint Management System
- (e) Policy on Veterinary Services to be provided at Race Meetings and Trials
- (f) TAB Club Capital Works Policy
- (g) Sulky Fund Policy (Harness Code) (refer in 6 months – to be faded out)
- (h) Telephone Only Bookmakers Policy (Greyhound Code), and (The Chairman declared a conflict of interest and Mr Hamner took the Chair)
- (i) Policy on Media Accreditation.

The Board of Racing Queensland Limited has determined that exceptional circumstances require the urgent making of the above named policies in a timeframe that does not allow adequate time for consultation.

The exceptional circumstances that exist are:

1. Pursuant to the *Racing and other Legislation Amendment Act 2010* (Qld):
 - 1.1 the approvals held by the three control bodies for racing in Queensland were cancelled on midnight 30 June 2010;

- 1.2 on 1 July 2010 the Minister must give an approval to Racing Queensland Limited for the three codes of racing in Queensland; and
- 1.3 Racing Queensland Limited will be the control body for the three codes of racing in Queensland with effect from and including 1 July 2010.
2. Section 80(1)(b) of the *Racing Act 2002* (Qld) provides that a control body may have a policy if the control body believes it is good management to have such a policy.
3. The three control bodies for racing had numerous policies in place which the Board of Racing Queensland Limited believes are authorised by section 80(1)(b) of the *Racing Act 2002* and should be adopted in order to provide for continuity and stability in the industry following the implementation of the *Racing and other Legislation Amendment Act 2010*.
4. In order to have these policies in place with effect from and including 1 July 2010, the above named policies need to be made on the urgent basis in a timeframe that does not allow adequate time for consultation.

In accordance with the Code of Racing Policy Development, the above named policies will be reviewed within three months of publication. The above named policies will not continue to have effect after six months from publication unless there has been formal consultation on the review of each of the policies as is required for the development of a non-urgent policy in accordance with the Code of Racing Policy Development.

Mr Ryan suggested a Policy on Race Clubs – Executive Staff. Mr Ryan to draft this Policy.

MOVED by Mr Bradley Ryan **SECONDED** by Mr Bob Lette

Motion carried

12. Resolution - Metropolitan Racing Policy – Brisbane

That the Board of Racing Queensland Limited removes the application of the attached Metropolitan Racing Policy – Brisbane, as at 1 July 2010.

MOVED by Mr Bill Ludwig **SECONDED** by Mr Bradley Ryan

Motion carried

13. Resolution - Internal Information Technology Policies

That the Board of Racing Queensland Limited adopts the following internal Information Technology policies, as at 1 July 2010:

- (a) Horses Change Request Procedure
- (b) Purchasing and Maintenance Procedures Computer Hardware and Software
- (c) Website Change Request Procedure
- (d) Remote Access Policy, and
- (e) Information Systems Orientation Manual.

MOVED by Mr Bradley Ryan **SECONDED** by Mr Tony Hanmer

Motion carried

14. Resolutions - Financial Policies

1. That the Board of Racing Queensland Limited adopts the following internal Financial policies, as at 1 July 2010:
 - (a) Expense Reimbursement Policy
 - (b) Credit Policy
 - (c) Sponsorship Policy, and
 - (d) Purchasing Policy. *(Links to be checked in policy)*

2. That the Board of Racing Queensland Limited adopts the following Financial policies, as at 1 July 2010:
 - (a) Event Management Policy *(To be printed in colour)*
 - (b) Risk Management Policy. *(This policy to be reviewed by the Audit, Finance and Risk Committee meeting and to be taken back to the Board for adoption.)*

MOVED by Mr Bradley Ryan **SECONDED** by Mr Wayne Milner

Motion carried

17. Resolution – HR Policies

That the Board of Racing Queensland Limited adopts the following Human Resource policies, as at 1 July 2010:

- (a) Harassment, Discrimination and Bullying – Policy and Procedures, and
- (b) Grievance Handling Policy - Policy and Procedures.

MOVED by Mr Tony Hamner **SECONDED** by Mr Bradley Ryan

Motion carried

18. General Issues

(a) Constitution of Racing Queensland Limited

Ms Murray tabled the approved RQL Constitution. This will be available on the RQL website from 1 July 2010.

(b) Radio Sports 927 Broadcast – 16 June 2010

Ms Murray updated the Board in relation to the following:

- (a) Correspondence dated 21 June 2010 sent to Mr Noel Crowe of Radio Sports 927 (Sports 927) in relation to a broadcast of 16 June 2010 involving an interview between Mr Shane Anderson and Mr Nick Columb.
- (b) Correspondence dated 24 June 2010 received from Corrs Chambers Westgarth Lawyers on behalf of their client, Sports 927.
- (c) Correspondence dated 25 June 2010 sent to Corrs Chambers Westgarth Lawyers in relation to Radio Sport 927 Broadcast – 16 June 2010.

(c) General Update

- Cairns Jockey Club:

- (i) On 27 February 2007, Trafalgar lodged a action for damages against the Cairns Jockey Club (Club) and individual Committee Members (No D&O Insurance)
 - (ii) The Club is not in any financial position to defend this Court action.
 - (iii) Queensland Government has advised Trafalgar that Cannon Park is to remain race course land for the benefit of racing in Far North Queensland.
 - (iv) Queensland Government has received a letter from Trafalgar informing them that if they attempt to transfer the land, Trafalgar will seek an injunction.
 - (v) This claim will now proceed to trial. As best as RQL can ascertain, the Club has reasonable chances of success. Discovery is currently occurring.
- Bowen Sub-division, Stage 2

Stage 2 is currently being undertaken. Approximately 10 lots will be developed with similar covenants to the previous development.
 - Cairns Greyhound Show Cause
 - (i) On 7 June 2010, Greyhound Queensland Limited (GQL, now known as RQL) issued a Show Cause on the Cairns Greyhound Racing Club Inc on the grounds that the GQL is considering the future of the Club and the need for consolidation of the greyhound racing industry in Far North Queensland to maximise the future returns to owners and trainers.
 - (ii) The Show Cause response is due Friday, 9 July 2010 – as to why the Club should not be delicensed.
 - (iii) Ms Murray to handle the matter – assess the information provided under the show Cause Notice and provide a report at the next RQL Board Meeting.
 - Townsville Turf Club:
 - (i) On 15 March 2010, Queensland Racing Limited (QRL, now known as RQL) delivered a Show Cause Notice (Notice) to the Townsville Turf Club (TTC) on the grounds of insolvency and the failure to comply with the TTC's Constitution. The TTC were also advised that QRL was very concerned that the TTC was trading whilst insolvent and there did not appear to be any turnaround planned by which the TTC's financial position would in the near future return to solvency.
 - (ii) On 29 April 2010, QRL advised the TTC that the grounds of the Notice were now satisfied. QRL further informed the TTC that Deloitte's would continue to conduct its audit on the TTC and will review the information provided by the TTC under the Notice.
 - (iii) To date, the TTC are continuing to operate in accordance with their Club licence.
 - Anti-Discrimination Complaint:
 - (i) Anti-Discrimination complaint by Bobby Chrystal against QHRL and GQL alleging discrimination on the basis on impairment in the area of goods and services between 1 March 2008 – 6 January 2010.
 - (ii) Submission due Wednesday, 7 July 2010. Ms Murray has carriage over this matter.
 - Sedan Dip Race Club:

- (i) Ms Murray received a verbal request for the Sedan Dip Race Club (Club) to dissolve, on the basis that the Club was unable to meet QRL's Minimum Standards.
- (ii) Ms Murray received formal correspondence from the Club's Solicitor.
- (iii) On 30 June 2010, QRL advised the Club that it approved the dissolution of the Club, however, it put on record that the Club was able to meet the minimum standards. On review of the documents provided by the Club, the Club was in a financial position to bring the club/track to minimum standards (\$39,500.00).

2.3 Finance Report

Mr Adam Carter updated the Board in relation to the Finance Report and sought approval for the following assumptions for the Budget FY1011:

1. **Prizemoney.** seek approval that there will be no prizemoney increases for the FY1011 budget for all codes both TAB and Non TAB until a complete review has been undertaken.
2. Endorse the change to **Admin Subsidies to Operational Subsidies** for Thoroughbred TAB clubs subject to a complete timing of when club race day related staff are employed by RQL. RQL to recoup all additional costs from the operational subsidy going forward. Review date to be in second half of FY1011.
3. Endorse the change in the **Operational Subsidy** to Non Tab Thoroughbred Clubs total \$555K
4. Endorse the proposed **jockey riding fee increase from \$143 to \$147 per ride** from 1 September 2010 based on CPI as at 31 March 2010.
5. Endorse the proposed increases to **Board fees of \$525K**
6. Approve the proposed **system development improvements** of \$300K for Accounting Upgrade, website Development for all 3 codes. This is to ensure RQL is line with best practice and to provide more efficient services through ecommerce to the industry and to compliment the business plan for FY10/11

This was **APPROVED** by the Board.

MOVED by Mr Bradley Ryan **SECONDED** by Mr Tony Hanmer

Motion carried

Mr Carter updated the Board in relation to the Deloitte Report on Townsville Turf Club in terms of the Corporate Governance and Financials Assessment follow up.

- Deloitte attended site on 21 to 24 June to commence field work.
- Deloitte held meetings with Michael Charge, Kevin O'Keefe and Alan Parry to discuss the current situation of TTC and their proposed way forward. They have been cooperative to date.
- The information requested prior to Deloitte commencement was not provided prior to their arrival. A lot of the information was provided while they were on site, which has slowed their progression. Further, due to the inaccuracies/amendments in some of the information, rework will be required which will be at an additional cost.
- Deloitte have identified formula errors in the Company's forecast. Deloitte are currently waiting to hear from Michael Charge regarding our findings. These will be outlined in their report once it has been resolved. Deloitte findings show a

worsening cash position, from \$184k (original forecast and using opening bank balance as at 1 June 2010) to \$89k (corrected forecast and using bank balance as at 1 June 2010).

- They have a claim against the contractor who constructed the infield dam. They have filed a statement of claim, however, it is not being actively pursued as they do not have sufficient funds.
- To date the club, has formulated limited restructuring plans. In particular they have flagged the following options:
 - o Certain members have opened a facility with NAB totalling \$700k. As at 31 May 2010 was drawn up to \$350k. The loan is in the name of the members and the funds are on lent to TCC. Deliottes are in the process of reviewing the loan agreement and will comment on RQL report
 - o They raised the issue of realising the "corner block" and still seem interested in pursuing this. Deliottes understand they need RQL and the Minister's approval for this to proceed. They would look to use the proceeds of sale for working capital, refurbishment of facilities and on-site stables.
 - o They are offering conference /wedding facilities however, they have limited space and the facilities need an upgrade to be competitive.
 - o They largely rely upon their Winter Carnival (approx 5.3% of total YTD10 income), bar sales (29.1%), sponsorships (10.2%), and the subsidy from RQL (22.4%) to fund TCCs operations. Limited revenue is generated from mid-week or weekend races, with on-course Tote revenue only contributing 4.5% of total YTD10 revenue.
 - o They will need to consider reducing maintenance expenditure which will impact the quality of the course.

Mr Carter further updated the Board in relation to:

- Internal Audits will be conducted at the Gold Coast Turf Club and Toowoomba Turf Club.
- Leases on motor vehicles will be investigated and whether novated is the way to go and the options have been included in the HR Motor Vehicle Policy
- Ms Tracey Harris will conduct an internal audit of the Redcliffe Peninsula Harness Racing and Sporting Club Inc.
- A complete budget for RQL will be presented to the October 2010 board meeting.

Mr Ron Mathofer updated the board in relation to Wagering and Race Information Fees:

- The impact of overseas racing and race information fees on revenue from UNITAB is down approximately \$27M for all codes (including \$1.8M paid to WA for FY0809).
- New Zealand make up the bulk of the fee – 3% charge they put on RQL.
- Outstanding Race Information Fees is \$6,296,096.

The Board suggested that the Audit, Finance and Risk Committee meeting be held on separate days to the RQL Board meeting.

This was **NOTED** by the Board.

2.4 Product Development Report

Mr Paul Brennan updated the Board in relation to a number of initiatives currently being undertaken by the Product Development Department.

- Mackay Turf Club – Discussions are continuing regarding the development of partnership between RQL and the Mackay Turf Club and will form part of the Strategic Asset Plan.

- Beaudesert Race Club – Discussions are continuing with the Beaudesert Race Club and Scenic Rim council regarding the ownership of the Beaudesert Facility.
- Callaghan Park, Rockhampton – Improvements have been finalised.
- Corbould Park – Caloundra – Open day for the stables will be held on Sunday, 25 July 2010.
- Review of TAB Thoroughbred Racing Tracks – RQL have engaged Mr Peter Semos from Global Turf Solutions to undertake a review of the racing surfaces at each TAB facility.
- Logan - \$22.6M is the total cost for this project.
- Harness Racing Venues – There will be an organised trip to Gold Coast, Albion Park and Redcliffe for inspection.
- Queensland Country Racing Committee – a meeting has been scheduled for 21 July 2010, this meeting maybe rescheduled to next week.

This was **NOTED** by the Board.

2.5 Integrity Report – June 2010

Mr Jamie Orchard updated the Board in relation to the relevant issues in the Integrity Department.

Mr Orchard also informed the Board that an investigation is to be held into a complaint regarding Mr Pat Duff and his wife in the training, selling and purchasing of racehorses. The Board will be kept updated on this complaint.

This was **NOTED** by the Board.

The Chairman declared a conflict of interest and left the meeting. Mr Hanmer took over as chair.

3.1 Queensland Race Product Co.

The Board agreed that the next Product Co General meeting and Board meeting will be held at 8:00am on Friday, 6 August 2010.

This is to discuss the ending of the Intercode Agreement and amending the Constitution.

This was **NOTED** by the Board.

The Chairman returned to the meeting and resumed the role of Chairman.

3.2 Combined Code Publication

Mr Hanmer updated the Board in relation to combining all three racing magazines and publications into one RQL publication.

Mr Hanmer advised the Board that Harness still has a contract for 15 months with their editor. Mr Hanmer is in negotiations with Harding Richards Lawyers who represents the editor.

The Board were presented with 4 options for a new combined code racing magazine. The options were discussed.

Option 4 was the preferred approach, combining 3 titles into 1 magazine with 2 different covers and a different programme section for each code. Each relevant section would have a code specific cover with page numbering directing the readers to where the different code sections start as well as colour tabs on the edge of each page to find the

section. The ability to maintain the magazine below the 500gram excess postal cost per item will be achieved by keeping the magazine under 160 pages. A meeting has already taken place with Mr Brennan and Mr Smith, and marketing identifying over 40 pages which can be removed as are now available on RQL website.

In producing option 4 the latest programmes from the 3 brands have been accounted for, programmes of 16 pages of greyhound text together with 4 pages of greyhound programmes, 16 pages of Harness text and 16 pages of Harness programme will mean that the Harness and greyhound codes will in fact have larger editorial content than their individual magazines currently provide and there will be a standardisation of 1 magazine clearly promoting 1 entity.

Mr Hanmer is to provide final costings and production details in a Board paper for the next board meeting to obtain an affirmative determination from the Board.

The Board **AGREED** with the combined code publication of the magazine.

3.3 Board Attendance

Mr Hanmer updated the Board in relation to the upcoming RQL functions. These being:

13 August 2010 – Nominations Night
28 August 2010 – Awards Night

These were **NOTED** by the Board.

3.4 Other Business

- Mr Brennan to meet directly with Harness callers and to negotiate their costs. Mr Brennan to talk to Barrie Fletton.
- The Brisbane Racing Club is in the process of denying trainers with less than 5 horses to train at Eagle Farm, this will affect 40-50 trainers. RQL will accommodate these trainers at Deagon.
- Ms Watson informed the Board that a Greyhound Strategic Plan is still in progress and once received will be signed off from the previous Board and then brought to the RQL Board to be considered in the Strategic Asset Plan.

Meeting concluded at 3:05pm

Confirmed as a true record.

R G Bentley
Chairman
Dated...../...../2010

Mr Bob Bentley

Director of Tatts Group
Director/Chairman of Sunshine Coast Racing Pty Ltd (ACN 120 875 363)
Director/Chairman of Australian Racing Board

Mr Tony Hanmer

Member of the Sunshine Coast Turf Club

Mr Bob Lette

Life member Albion Park Harness Racing Club
Member of Brisbane Racing Club
Consultant to Mullins Lawyers
Non Executive Director Watpac Limited

Mr Bill Ludwig

Secretary of the Australian Workers' Union (including signing of all correspondence and Industrial Instruments)
Board Member of WorkCover Queensland
Member of Brisbane Racing Club

Mr Bradley Ryan

Member of the Brisbane Racing Club
Member of Tattersalls Club

Mr Wayne Milner

Member of the Brisbane Racing Club
Member of the Sunshine Coast Turf Club
Member of the Ipswich Turf Club
Member of the Victoria Racing Club
Life Member of QROA
Member of Queensland Breeders Association
Holder of Victoria Owners Gold Card