

Statement of Alan David Rowan

I, **Alan David Rowan**, Chief Information Officer, of Racecourse Road Deagon, in the State of Queensland, state as follows:

Employment history

1. I am the Chief Information Officer for the Queensland All-Codes Racing Industry Board, trading as Racing Queensland (**Racing Queensland**). I was appointed to this position on 1 July 2012 by Racing Queensland's predecessor body, Racing Queensland Limited (**RQL**). I was retained in this position by Racing Queensland.
2. Prior to my appointment as the Chief Information Officer of RQL, I was employed by RQL as the IT and Communications Manager for the period 1 July 2010 to 30 June 2012.
3. Prior to the amalgamation of the greyhound, thoroughbred and harness control bodies on 1 July 2010, I was employed by Queensland Racing Limited (**QRL**), the control body for Thoroughbred racing, as the IT and Communications Manager for the period 1 July 2006 to 30 June 2010.
4. I was employed by the Queensland Thoroughbred Racing Board, QRL's predecessor, as the IT Manager for the period 16 August 2004 to 30 June 2006.
5. Before joining the Queensland Thoroughbred Racing Board, I was employed as the IT Manager with Mayne Group.

Employment during 1 January 2007 to 30 April 2012 (Relevant Period)

6. During the Relevant Period, I held the following positions:
 - (a) IT and Communications Manager - RQL (1 July 2010 to 30 April 2012); and
 - (b) IT and Communications Manager - QRL (1 January 2007 to 30 June 2010).
7. Unless otherwise stated, I performed substantively the same roles and discharged substantively the same responsibilities in my capacity as the IT and Communications Manager for both RQL and QRL during the Relevant Period. I have therefore below, referred to the roles I performed and the responsibilities I discharged in this capacity for both RQL and QRL on an inclusive basis.



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Key roles and responsibilities during the Relevant Period

8. In my capacity as the IT and Communications Manager, I performed roles and discharged responsibilities in the discrete areas of IT and Communications.
9. In respect of my IT related roles and responsibilities, I undertook and performed the following key tasks:
- (a) The day to day operational management of IT requirements and the IT department generally, including:
 - (i) ensuring the appropriateness, availability and security of the IT systems;
 - (ii) responding to fault resolution issues as and when they arose;
 - (iii) maintaining appropriate levels of IT related service delivery; and
 - (iv) general IT related procurement within:
 - A. the Procurement Guidelines; and
 - B. approved limits/the applicable budget.
 - (b) Management of specific broadcasting and audio visual functions connected to the relevant code of racing or all three codes of racing (where relevant), including:
 - (i) photo-finish and timing systems;
 - (ii) stewards equipment and race replay capability;
 - (iii) infrastructure and quality of vision with respect to the broadcasted product (where the "broadcasted product" is the vision on Sky Racing);
 - (iv) communications with Sky Racing and Race Clubs associated with technical issues arising in connection with matter in paragraph 9(b)(iii) above;



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- (v) providing advice with respect to the technical specifications included in the Broadcast Rights Agreement; and
- (vi) providing technical specification assistance to Race Clubs and negotiating with their contracted vision provider (i.e. third parties responsible for shooting and uploading race vision to Sky Racing) in respect of broadcasting related contracts and agreements.

10. In carrying out the IT related roles and discharging these responsibilities, I had three full time staff under my direct supervision and directly reporting to me.

11. In respect of my Communications related roles and responsibilities, I undertook and performed the following key tasks:

(a) Day to day operational management of the Communications department, including managing communications externally, and also internally within the organisation. This involved:

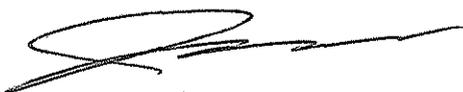
(i) with respect to internal communication, oversight and responsibility for establishing and maintaining the systems and framework to enable and facilitate internal communication (i.e. maintaining ITC systems for these purposes and other platforms such as the intranet);

(ii) with respect to external communication, as specifically directed by the Chairman or the CEO:

A. drafting, preparing and transmitting media releases as directed and approved by the Chairman or the Chief Executive Officer (CEO);

B. drafting, editing, finalising and transmitting the annual reports to the Office of Racing and other internal and external parties as approved by the Chairman or the CEO;

C. I also maintained the content of the public website with respect to logistical issues (on the direction of internal departments within RQL/QRL I would update a relevant part of the website). I note in respect of updating the public



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website with respect to "news items", this responsibility and the capacity to directly update this content was transferred to the internal departments from July 2010; and

D. drafting, editing, production and distribution of the industry magazines, for example the Racing Queensland magazine under QRL, the Thoroughbred Racing magazine, the Harness Racing magazine, and the Greyhound Racing Magazine under RQL.

(b) The Communications Department also had responsibility for, and oversight of, the coordination of events, activities and other functions held by RQL / QRL. This role included, on direction from the Chairman, Deputy Chairman or CEO, the co-ordination and management of:

(i) all matters associated with the various awards nights (for example, annual thoroughbred awards night) hosted by RQL/QRL as the control body for the relevant code of racing;

(ii) all matters associated with press calls/media announcements (for example, community consultation for the development of the Deagon Racecourse); and

(iii) promotional events for particular projects (for example, the launch of the synthetic track at the Sunshine Coast).

12. In carrying out the Communications related roles and discharging these responsibilities, I had three full time staff under my direct supervision and directly reporting to me.

13. Responsibility and oversight for external communications and events coordination was transferred to the Commercial and Racing Development Manager on 18 May 2012. Therefore from 18 May 2012, while I was still responsible for internal communications matters as detailed above at paragraph 11(a)(i) of this Statement, the external communications and events co-ordination functions were no longer part of my role.



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14. In my capacity as the IT and Communications Manager within the Relevant Period, I was required to have dealings with the Board generally and with specific members of the Board. I would make the following observations in respect of these dealings:

- (a) Where a particular project or activity triggered a financial threshold amount (i.e. IT related expenditure in excess of \$100,000) Board approval would be necessary. As a result, I would be required to provide a paper for decision to the Board and attend the relevant meeting to discuss the paper with the Board;
- (b) Where a particular project or activity was considered to be of strategic significance or of general interest to the Board, I adopted the same process as outlined in paragraph 14(a) of this Statement with respect to my dealings with the Board;
- (c) Where a particular project or activity did not fall into the categories set out in paragraphs 14(a) or 14(b) of this Statement, if the particular project required expenditure above my expenditure delegation (being \$5,000 under RQL and \$2,000 under QRL) approval was obtained from the CEO;
- (d) However, in some circumstances, decisions in respect of expenditure for communications and events management activities, due to the nature of these type of activities, had to be made very quickly. In these circumstances, while the processes and procedures identified in paragraphs 14(a), 14(b) and 14(c) of this Statement may not have been strictly adhered to (for example timing and required paperwork), decisions in respect of expenditure were still made within the broader governance framework connected to the particular event or activity (i.e. the expenditure fell within and was part of the relevant project budget);
- (e) There were also circumstances where particular activities were carried out on the direction of Board members. From my recollection, these activities were usually activities where the relevant Board member had a specific interest in a particular activity such that the activity could be described as a "pet project" for the Board member;
- (f) These type of activities did not involve matters of strategic importance and the expenditure did not exceed \$100,000. I recollect that while these activities were undertaken with appropriate authorisation and approvals from the Board, it was



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usually the case that the decision making framework and approvals process would be dictated by the particular Board member. I recall there only being a very limited number of circumstances where activities were conducted on this basis; and

- (g) In some instances certain Board members would have a particular interest in relation to certain events/activities. Because of that interest, the relevant Board member would engage with me (and Communications Department staff) outside of the formalised Board briefing process.

Notice from the Commission

15. Attachment "ADR-[1]" is a copy of a Requirement to Provide Written Statement Notice dated 23 July 2013 (**Notice**) directed to me from the Queensland Racing Commission of Inquiry (**Commission**) and received under cover of a letter from the Commission dated 23 July 2013 and received on 23 July 2013. This Statement is provided in response to the Notice [RQL.130.001.0062].

Access to records

16. For the purposes of responding to the Notice and preparing this Statement I have, in my position as Chief Information Officer of Racing Queensland, had access to the business records of Racing Queensland to obtain information to provide a response to the Notice. Unless otherwise stated, the matters set out in this Statement are based on my own knowledge or the information derived from the records.
17. I set out below my responses to each of the questions set out in the Notice.

1. MANAGEMENT (paragraph 3(b) of the Terms of Reference)

1.1 As to the Relevant Entities during the Relevant Period, the

- (a) management policies;*
- (b) management processes;*
- (c) management guidelines; and*
- (d) workplace culture and practices*
that were in place and whether each one:
- (e) ensured integrity; and*
- (f) was adhered to.*

1.2 The involvement of the boards or members of the boards of the Relevant Entities in the exercise of functions of:



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(a) the executive management team; and
(b) other key management personnel, including the company secretary and those involved in integrity matters.

RQL

18. In respect of RQL, as the IT and Communications Manager, I was the "policy owner" in respect of several management policies, processes, guidelines, culture and practices directly related to my role as the IT and Communications Manager which I consider would have been relevant to ensuring integrity. These policies, processes guidelines, culture and practices consisted of the following:

- (a) Internet Usage policy and Email Usage policy. A copy of the Internet Usage policy and Email Usage policy appears at "ADR-[2]" [RQL.109.008.1978] to this Statement;
- (b) Remote Access policy. A copy of the Remote Access policy appears at "ADR-[3]" [RQL.109.008.2326] to this Statement;
- (c) Website policy. A copy of the Website policy appears at "ADR-[4]" [RQL.124.009.0073] to this Statement;
- (d) Media Accreditation policy. Copies of the various version of the Media Accreditation policy appear at "ADR-[5]" [RQL.109.010.2571] and "ADR-[6]" [RQL.109.011.4987] to this Statement;
- (e) Media Communication Protocols policy. A copy of the Media Communication Protocols policy appears at "ADR-[7]" [RQL.137.001.0023] to this Statement; and
- (f) The Mobile Phone policy. A copy of the Mobile Phone policy appears at "ADR-[8]" [RQL.137.001.0027] to this Statement. Although displaying the logo for Racing Queensland, this version of the policy was used by RQL.

19. In terms of the nature and scope of my responsibilities as a "policy owner", I would make the following observations:

- (a) Common practice was that "policy owners" would usually be senior executive officers heading up the department which correlated with the subject matter of the relevant policy. For example, as the senior executive responsible for IT, it was



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considered appropriate that I be designated as "policy owner" in respect of policies relating to issues such as emails and internet usage;

- (b) I understood my key responsibility as a "policy owner" was to ensure that the relevant policy was up to date, relevant and at a substantive level, covered the subject areas that a policy about that type of subject matter should cover. This responsibility was and is ongoing;
- (c) I was not responsible for preparing the entire content of a relevant policy. For example, where a policy involved compliance and disciplinary issues, the relevant area, such as the legal area, would be asked to prepare the relevant sections of the policy. In these circumstances, the "policy owner" could be considered to be the co-ordinator of the content of the relevant policy; and
- (d) As a "policy owner", while responsible for the matters set out paragraph 19(b) of this Statement, I was also not responsible for ensuring and monitoring compliance at both an organisational or individual officer level. That was the responsibility of more senior staff and officers such as the CEO.

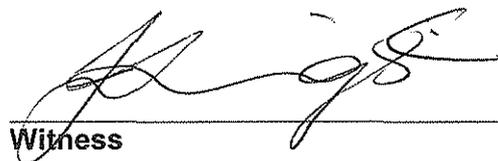
20. I am unable to provide comments on whether any of the policies and matters referred to above at paragraph 18 of this Statement were such that they "ensured integrity" and were being adhered to at an organisational or individual staff member level as I cannot specifically recall any specific instances of non-compliance.

21. Outside of the policies, processes, guidelines, culture and practices referred to in paragraph 18 of this Statement for which I am the designated "policy officer", I am aware of the following policies, processes, guidelines, culture and practices (and the versions identified) which I consider would have been relevant to ensuring integrity during the Relevant Period:

- (a) The Employee Handbook. A copy of the Employee Handbook appears at "ADR-[9]" [RQL.124.005.0016] to this Statement;
- (b) The Code of Conduct. A copy of the Code of Conduct appears at "ADR-[10]" [RQL.003.001.0741] to this Statement;
- (c) My Employment Agreement dated 1 July 2010. A copy of my Employment Agreement appears at "ADR-[11]" [RQL.002.001.0272] to this Statement;



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- (d) The Social Media Policy. A copy of the Social Media Policy appears at "ADR-[12]" [RQL.109.010.1962] to this Statement;
 - (e) Purchasing Policy (created in May 2010 and updated to 16 November 2012). Copies of the various versions of the Purchasing Policy appear at Attachments "ADR-[13]" [RQL.109.009.1641], "ADR-[14]" [RQL.109.010.3825], "ADR-[15]" [RQL.101.006.4490] and "ADR-[16]" [RQL.109.011.3811] to this Statement; and
 - (f) Addendum to the Purchasing Policy (created on 25 November 2011 and updated to 19 March 2012). Copies of the various versions of the Addendum to the Purchasing Policy appear at Attachments "ADR-[17]" [RQL.118.013.0190], "ADR-[18]" [RQL.109.011.3830] and "ADR-[19]" [RQL.109.012.1273] to this Statement.
22. My awareness of the matters referred to in paragraph 21 above is not exhaustive and I consider that there are likely to be additional policies, processes, guidelines, culture and practices relevant to ensuring integrity.
23. In respect of the scope of my awareness in respect of the policies set out in paragraph 21 of this Statement, I note the following:
- (a) As a senior manager, my awareness of the Procurement Policy (including the Addendum thereto) was heightened as I was required to refer to and follow the procurement policy on a regular basis as I had responsibility for procurement and expense related functions due to my position as the IT and Communications Manager;
 - (b) As a senior manager who had supervisory authority over up to six staff, I had a heightened awareness of policies such as the Code of Conduct and the Employee Handbook; and
 - (c) For the other policies referred to above at paragraph 21 of this Statement, my awareness of these policies is a personal awareness only.
24. Whilst I was aware of the existence of the policies, processes, guidelines, culture and practices outlined above at paragraph 21 of this Statement, I was not aware of whether these policies were adhered to or complied with, either on an organisational or individual staff member level



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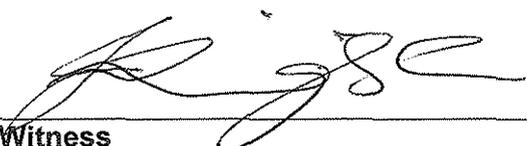
or ensured integrity. Therefore, I cannot provide a response to paragraph 1.1 of the Schedule to the Notice in respect of these matters.

QRL

25. In respect of QRL, as the IT and Communications Manager, I was the "policy owner" in respect of several management policies, processes, guidelines, culture and practices directly related to my role as the IT and Communications Manager which I consider would have been relevant to ensuring integrity. These policies, processes guidelines, culture and practices consisted of the following:
- (a) Internet Usage policy and Email Usage policy. A copy of the Internet Usage policy and Email Usage policy appears at "ADR-[20]" [RQL.137.001.0003] to this Statement;
 - (b) Remote Access policy. A copy of the Remote Access policy appears at "ADR-[21]" [RQL.137.001.0001] to this Statement;
 - (c) Website policy. A copy of the Website policy appears at "ADR-[22]" [RQL.109.007.2067] to this Statement;
 - (d) Media Accreditation policy. Copies of the various versions of the Media Accreditation policy appear at "ADR-[23]" [RQL.137.001.0014] to this Statement; and
 - (e) Media Communication Protocols policy. A copy of the Media Communication Protocols policy appears at "ADR-[24]" [RQL.137.001.0025] to this Statement.
26. In terms of my specific roles and responsibilities as "policy owner" of the above mentioned policies, I refer to my comments at paragraph 19 of this Statement.
27. In terms of commenting on whether the policies, processes guidelines, culture and practices set out in paragraph 25 of this Statement ensured integrity and were complied with, I refer to my comments in paragraph 20 of this Statement.
28. Outside of the policies, processes, guidelines, culture and practices referred to in paragraph 25 for which I am the designated "policy officer", I am aware of the following policies, processes,



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guidelines, culture and practices (and the versions identified) which I consider would have been relevant to ensuring integrity during the Relevant Period:

- (a) The Employee Handbook. A copy of the Employee Handbook appears at "ADR-[25]" [RQL.109.006.0835] to this Statement;
- (b) The Code of Conduct. Copies of the Code of Conduct appear at "ADR-[26]" [RQL.109.006.0053] to this Statement;
- (c) My Employment Agreement dated 13 August 2009. A copy of my Employment Agreement appears at "ADR-[27]" [RQL.137.001.0033] to this Statement; and
- (d) QRL Purchasing Policy (various versions from November 2006 to May 2009). The various versions of the QRL Purchasing Policy appear as Attachments "ADR-[28]" [RQL.109.001.0200], "ADR-[29]" [RQL.109.001.1088], "ADR-[30]" [RQL.109.007.4257] and "ADR-[31]" [RQL.109.005.0557] to this Statement.

29. My awareness of the matters referred to in paragraph 28 above is not exhaustive and I consider that there are likely to be additional policies, processes, guidelines, culture and practices relevant to ensuring integrity.

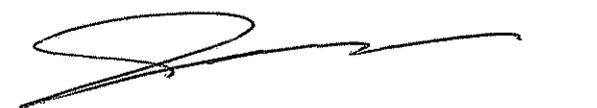
30. In respect of the scope of my personal awareness in respect of the policies set out in paragraph 28 above, I would refer to my comments in paragraph 23 of this statement.

31. Whilst I was aware of the existence of the policies, processes, guidelines, culture and practices outlined above at paragraph 28, I was not aware of whether these policies were adhered to or complied with, either on an organisational or individual staff member level or ensured integrity. Therefore, I cannot provide a response to paragraph 1.1 of the Schedule to the Notice in respect of these matters.

Involvement of Board and / or Board Members of RQL / QRL

32. My comments and observations in respect of the matters set out in paragraphs 1.2 of the Schedule to the Notice for both RQL and QRL are as follows:

- (a) It is my observation that the Board and the Chairman of the Board did have at least a high degree of awareness, if not a high level of involvement, in the day to day operations and management of RQL and QRL;


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- (b) This was reflected in the level of detail that the Board and the Chairman had in respect of more administrative type matters and decisions associated with RQL and QRL;
- (c) On occasions, where a project or activity was of specific interest or concern to the Board or a Member of the Board, the Board or Member would have a high degree of involvement in the day to day operation, management and oversight in respect of the relevant project of activity; and
- (d) By way of example, I refer to the merger of the industry racing publications (magazines). As I recall in mid-2010 the Board desired to realise efficiencies and cost reductions by merging the Thoroughbred, Harness and Greyhound Racing publications such as they were at that time. I was asked by the Deputy Chairman to provide financial figures with respect to the current publications and a merged three code publication. The Deputy Chairman then directly managed, in conjunction with the Senior Communications Officer (being one of my direct reports), the process of terminating the current harness and greyhound publications and implementing a merged three code magazine in their place. This direct management included; formulating the strategy with respect to the merged three code publication, directing the Senior Communications Officer operationally, meeting and making agreements with suppliers, and negotiating and approving contract termination payouts.

33. Other than the matters referred to in paragraph 32 of this Statement, I cannot comment further in relation to paragraph 1.2 of the Schedule to the Notice.

2. EMPLOYMENT CONTRACTS: TUTTLE, ORCHARD, BRENNAN, REID (paragraph 3(c) of the Terms of Reference)

2.1 The events surrounding the renegotiation of employment contracts in 2011, for the following senior executives of Racing Queensland Limited:

- (a) Malcolm Tuttle;*
- (b) Jamie Orchard;*
- (c) Paul Brennan; and*
- (d) Shara Reid (formerly Murray).*

2.2 The events surrounding the payouts made under the abovementioned contracts on the voluntary termination in March 2012 of the employment of:

- (a) Mr Tuttle;*



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- (b) Mr Orchard;*
- (c) Mr Brennan; and*
- (d) Ms Reid.*

2.3 The actions of the directors and senior executives of Racing Queensland Limited referred to in paragraph 2.1 and 2.2 hereof and:

- (a) the responsibilities;*
- (b) duties; and*
- (c) legal obligations of those persons.*

34. I was often present at Board Meetings given that I was the IT and Communications Manager. My knowledge of the matters referred to in paragraphs 2.1 and 2.2 of the Schedule to the Notice is limited to my attendance and accordingly, I have only a very peripheral understanding of these matters. Usually I was only present at Board Meetings to present on issues relevant to my role as IT and Communications Manager. As far as I can recall, I did not remain present at the Board Meetings after I had finished my particular presentation to the Board.
35. I am aware that:
- (a) during the Board meeting of 6 May 2011 (Attachment "ADR-[32]" to this Statement are the minutes for 6 May 2011 - RQL.004.011.0081) the Board made a resolution to extend certain executive employment agreements and to offer employment agreements to staff members. I am aware of this resolution as I was one of the staff members to which this resolution applied; and
 - (b) at a subsequent Board meeting, the Board discussed this resolution and rescinded the resolution. This was the Board meeting of 5 August 2011. A copy of the minutes of that meeting are Attachment "ADR-[33]" to this Statement (RQL.004.011.0080);
36. However, I was not actually present at these Board Meetings for these discussions and I did not receive a copy of the minutes of meeting after the meeting for my review or comment.
37. I was only present at the 6 May 2011 meeting for Mr Odgers presentation with respect to the 2011/12 Marketing Strategy (Item 3.4). Mr Odgers was a member of my staff. I was present to supervise his presentation in my capacity as his manager.



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38. I was only present at the 5 August 2011 for my presentation with respect to the Greyhounds Australasia National Data Repository Development Update (Item 3.3).
39. During the Relevant Period, I had no knowledge of the discussions referred to in paragraphs 2.1 and 2.2 of the Schedule to the Notice. I only became aware of these discussions after the expiry of the Relevant Period. Other than my comments at paragraphs 34 to 38 above, I cannot make any comment on the matters raised in paragraph 2 of the Schedule to the Notice.

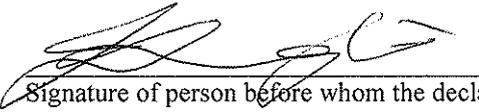
3. ANY OTHER RELEVANT MATTER

3.1 Any other matter relevant to the Commission's Terms of Reference.

40. I can recall that I had some dealings with Contour Consulting Engineering (**Contour**) with respect to the fibre optic cabling to be used for the redevelopment of the Cairns racetrack. Contour were the project managers for this redevelopment project. I was responsible for providing the technical specifications. I had no knowledge of why Contour were selected as the project managers. As I recall, this project did not go ahead.
41. I have no other comment to make in relation to this question.
42. I make this statement conscientiously believing the same to be true, and by virtue of the provisions of the *Oaths Act 1867* (Qld).

Dated 9 August 2013

Signed and declared by Alan David Rowan at
Brisbane in the State of Queensland
this 9th day of August 2013
Before me:


Signature of person before whom the declaration is made


Signature of declarant

Jill Mary Kingston, Solicitor of the Supreme Court of Queensland.
Full name and qualification of person before whom the declaration is made

Queensland Racing
Commission of Inquiry

2242608 - R1

23 July 2013

Mr David Rowan
C/- Clayton Utz
GPO Box 55
BRISBANE QLD 4001

Dear Mr Rowan

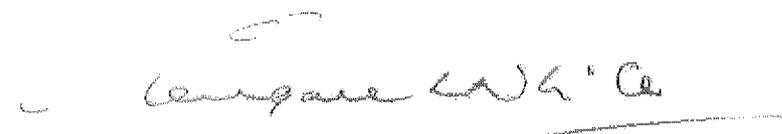
**REQUIREMENT TO PROVIDE WRITTEN STATEMENT TO RACING
COMMISSION OF INQUIRY**

Please find enclosed a notice requiring you to give written information in a statement to the Queensland Racing Commission of Inquiry established by the *Commissions of Inquiry Order (No. 1) 2013*.

The statement is to be provided to the Commission on or before 9 August 2013, at the place and in the manner specified in the notice.

If you require further information, clarification or assistance, please contact (at first instance) the Commission's Secretary, Joanne Bugden, on 1300 763 087.

Yours sincerely



Commissioner
The Hon. Margaret White AO



QUEENSLAND RACING COMMISSION OF INQUIRY

Commissions of Inquiry Act 1950
Section 5(1)(d)

REQUIREMENT TO GIVE INFORMATION IN A WRITTEN STATEMENT

To: David Rowan
Of: C/- Clayton Utz, GPO Box 55, BRISBANE QLD 4001

I, **THE HONOURABLE MARGARET WHITE AO**, Commissioner appointed pursuant to *Commissions of Inquiry Order (No. 1) 2013* to inquire into certain matters pertaining to racing in Queensland ("the Commission") require you to give a written statement to the Commission pursuant to section 5(1)(d) of the *Commissions of Inquiry Act 1950* in regard to your knowledge of the matters set out in the Schedule annexed hereto.

YOU MUST COMPLY WITH THIS REQUIREMENT BY:

Giving a written statement prepared either in affidavit form or verified as a statutory declaration under the *Oaths Act 1867* and in accordance with the Practice Guideline (which is published on the Commission website at www.racinginquiry.qld.gov.au) to the Commission on or before 9 August 2013, by delivering it to the Commission at Level 1, 50 Ann Street, BRISBANE, or to the Commission's secretary at PO Box 12369, George Street, BRISBANE, or electronically to info@racinginquiry.qld.gov.au.

If you believe that you have a reasonable excuse for not complying with this notice, for the purposes of section 5(2)(b) of the *Commissions of Inquiry Act 1950* you will need to provide evidence to the Commission in that regard by the due date specified above.

DATED this *twenty third* day of *July* 2013

The Hon. Margaret White AO
Commissioner
Queensland Racing Commission of Inquiry

SCHEDULE

Commission of Inquiry Act 1950

1. **MANAGEMENT** (paragraph 3(b) of the Terms of Reference)
 - 1.1 As to the *Relevant Entities* during the *Relevant Period*, the
 - (a) management policies;
 - (b) management processes;
 - (c) management guidelines; and
 - (d) workplace culture and practicesthat were in place and whether each one:
 - (a) ensured integrity; and
 - (b) was adhered to.
 - 1.2 The involvement of the boards or members of the boards of the *Relevant Entities* in the exercise of functions of:
 - (a) the executive management team; and
 - (b) other key management personnel, including the company secretary and those involved in integrity matters.
2. **EMPLOYMENT CONTRACTS: TUTTLE, ORCHARD, BRENNAN, REID**
(paragraph 3(c) of the Terms of Reference)
 - 2.1 The events surrounding the renegotiation of employment contracts in 2011, for the following senior executives of Racing Queensland Limited:

- (a) Malcolm Tuttle;
- (b) Jamie Orchard;
- (c) Paul Brennan; and
- (d) Shara Reid (formerly Murray).

2.2 The events surrounding the payouts made under the abovementioned contracts on the voluntary termination in March 2012 of the employment of:

- (a) Mr Tuttle;
- (b) Mr Orchard;
- (c) Mr Brennan; and
- (d) Ms Reid.

2.3 The actions of the directors and senior executives of Racing Queensland Limited referred to in paragraph 2.1 and 2.2 hereof and:

- (a) the responsibilities;
- (b) duties; and
- (c) legal obligations of

those persons.

3. ANY OTHER RELEVANT MATTER

3.1 Any other matter relevant to the Commission's Terms of Reference.

GLOSSARY

Officers - means:

- the directors of Racing Queensland Limited;
- the executive management team of Racing Queensland Limited;
- other key management personnel of Racing Queensland Limited;
- the company secretary of Racing Queensland Limited.

Relevant Entities – means:

- Racing Queensland Limited
 - before July 2010: Queensland Racing Limited, Greyhounds Queensland Limited and Queensland Harness Racing Limited;
 - before July 2008: Greyhound Racing Authority and Queensland Harness Racing Board;
- entities controlled by Racing Queensland Limited or the other entities mentioned above, including Queensland Race Product Co Limited.

Relevant Period means 1 January 2007 to 30 April 2012.

Terms of Reference: the terms of reference for the Commission are contained in *Commissions of Inquiry Order (No. 1) 2013* which is available on the Commission's website at www.racinginquiry.qld.gov.au/.

INFORMATION TO ADDRESSEE

YOU MUST COMPLY WITH THIS SUMMONS OR NOTICE

Pursuant to sections 5 and 7 of the *Commissions of Inquiry Act 1950* ("the Act"), a failure without reasonable excuse to comply with this summons or notice, and (if summonsed to give evidence) a failure to continue to attend as required by the Commissioner until excused from further attendance, constitutes an offence which carries a maximum penalty of 200 penalty units or 1 year's imprisonment. Non-compliance with this summons or notice may result in a warrant being issued for your arrest.

LEGAL REPRESENTATION

You may be legally represented at a Commission hearing, if you first obtain leave from the Commissioner. The procedure for seeking such leave is set out in the Initial Practice Guidelines available on the Commission's website at www.racinginquiry.qld.gov.au.

IF THIS NOTICE REQUIRES YOU TO GIVE A STATEMENT OR ANSWER QUESTIONS

Pursuant to section 14 of the Act, a person attending before the Commission is not entitled to remain silent upon being required to give evidence, refuse or fail to answer any question they are required by the Commissioner to answer, or refuse or fail to produce any thing that the person has been summonsed or required to produce, on the ground that to do otherwise would or might tend to incriminate the person.

Pursuant to section 14A of the Act, a statement or disclosure made by any witness in answer to any question put to the witness by the Commission or the Commissioner shall not be admissible in evidence against the witness in any civil or criminal proceedings save for any proceedings for contempt or in relation to the offences specified in section 22 of the Act.

IF THIS NOTICE REQUIRES YOU TO PRODUCE A DOCUMENT OR THING

You must bring the stated document or thing to the Commission, if the stated document or thing is in your possession, custody or control. You must produce the document or thing to the Commission, unless you have a reasonable excuse. A claim of privilege, other than legal professional privilege, is not a reasonable excuse. However, legal professional privilege is not a reasonable excuse if the privilege is waived by any person (including you) who has authority to waive it.

PROTECTIONS AND ALLOWANCES FOR A WITNESS

Every witness attending before the Commission has the same protection and the same liability as a witness would in any action or trial in the Supreme Court of Queensland.

Pursuant to section 23 of the Act, penalties apply to any employer who dismisses an employee from employment, or prejudices him or her in their employment because the employee appeared as a witness before the Commission.

Pursuant to section 24 of the Act, a person attending a Commission hearing under summons is entitled to be paid the allowances and expenses as allowed by regulation or by the Commissioner.

INTERNET AND EMAIL POLICY

P001

{ ASK DOCTITLE "DOCUMENT TITLE" * MERGEFORMAT } { ASK docno "Document Number" * MERGEFORMAT } { ASK workunit "Work Unit" * MERGEFORMAT } { ASK version "Document Version e.g. 3 Draft" * MERGEFORMAT } { ASK date "Date Issued e.g. 03/06/99" * MERGEFORMAT }

PURPOSE

To state Racing Queensland Limited's policy relating to e-mail and Internet access and usage and provide the IT Department with the opportunity to provide more effective services.

INTERNET USAGE POLICY

1. PURPOSE

1.1 Use of the Internet by Racing Queensland Limited employees is permitted and encouraged where such use is suitable for business purposes and supports the goals and objectives of the company. The Internet is to be used in a manner that is consistent with the Racing Queensland Limited's standards of business conduct and as part of the normal execution of an employee's job responsibilities.

1.2 This policy is designed to:

- Protect the capacity of Racing Queensland Limited's connection to the Internet to deal with legitimate traffic
- Protect Racing Queensland Limited and individuals from the consequences of illegal or inappropriate use
- Protect Racing Queensland Limited's systems from the introduction of viruses or from unauthorized entry
- Ensure that the costs incurred by Racing Queensland Limited are as a result of legitimate use.

2. SCOPE

2.1 This policy sets out Racing Queensland Limited's approach to providing sufficient and appropriate Internet access for more efficient departmental operation and reduced risks in using these technologies within the department.

2.2 Internet access is provided for officially approved purposes only.

3. RESPONSIBLE OFFICERS

All Racing Queensland Limited management and staff (including contractors).

4. DEFINITIONS, TERMS AND ACRONYMS

- 4.1 Hypertext:** a hypertext document is one that lets you jump from place to place in the document using links of some kind (normally highlighted words).
- 4.2 Internet:** the Internet is a worldwide network of computers that offer access to people and information.
- 4.3 Internet Access via the World Wide Web (WWW):** Enabling staff to access the home pages of client organisations for information purposes to assist with Racing Queensland Limited operations.
- 4.4 Intranet:** the application of Internet-type technologies internally within an organisation
- 4.5 IT:** Information Technology
- 4.6 Vandalism:** Any malicious attempt to harm or destroy data of another user, or data of any agencies or other networks linked to Racing Queensland Limited via the Internet. This includes the uploading or creation of a computer virus.
- 4.7 WWW:** the World Wide Web is a hypertext system on the Internet that helps you look for information on a worldwide system.

5. ACTIONS

All staff usage of the internet must be consistent with Racing Queensland Limited purposes.

- 5.1 The use of the Internet in Racing Queensland Limited for unacceptable purposes as outlined in Section 5.9, or in support of such activities, is forbidden
- 5.2 Management must approve in writing access to the Internet for an individual via the User account request form
- 5.3 All Racing Queensland Limited employees must comply with all applicable laws and regulations, including respect for the rights of the owners of material published on the Internet
- 5.4 All staff using the Internet must refrain from unacceptable work practices, doing otherwise is considered just cause for disciplinary action that may include written warnings, revocation of access privileges and in extreme cases termination
- 5.5 Employees communicating on the Internet must be aware that they represent Racing Queensland Limited and must adhere to a professional code of conduct and ethics
- 5.6 Confidential or sensitive data must not be forwarded on the Internet without encryption
- 5.7 The use of the Internet is monitored and is traceable to individuals. Any potential breaches of policy will be investigated. Sites deemed as unacceptable under this policy will be restricted and have access denied via monitoring software
- 5.8 Employees may be called upon to explain their usage of the Internet

5.9 Unacceptable work practices include:

- Misrepresenting Racing Queensland Limited
- Using an account to send anonymous messages, or attempting to obscure the origin of any message or download material under an assumed Internet address or otherwise disguise their user identity
- Accessing, browsing, viewing, acquiring or publishing any information of an abusive, pornographic or profane nature or material likely to be offensive in relation to current community standards on the basis of gender, race, religion or other
- Transmitting or causing to be transmitted communications that may be construed as harassment or disparagement of others based on the criteria of the anti-discrimination legislation and departmental policy
- Wasting finite resources or obstructing other officers' work by consuming large amounts of system resources, especially the sending of broadcast messages or any

other types of use which would cause congestion of the networks or otherwise interfere with the work of others

- Using the facilities and capabilities of the Internet to conduct any business or activity for commercial purposes or financial gain, including publishing material that contains advertising or solicitation of other network users to use goods or services
- Without proper authorisation, transmitting or making available via the Internet Racing Queensland Limited information
- Downloading programs.

5.10 Personal Internet use

Use of the Internet for personal reasons is allowed however such use may not contravene the above unacceptable work practices and should be conducted at times so as not to impact on work commitments.

5.11 Penalties

Inappropriate use of the Internet may result in internal disciplinary procedures. Breaches of the law will be referred to the relevant law enforcement authority and suspected official misconduct reported to the Crime and Misconduct Commission.

5.12 Access

Access to WWW services enables staff to access the web pages of client organisations for information purposes.

Sufficient access will be established for each department with individual access points implemented where the need is clearly established and authorised.

Personal use of the World Wide Web is permitted provided this usage is acceptable.

5.13 Staff Training and Awareness

Training on basic Internet usage skills is available for staff. Staff should contact the IT Helpdesk for information.

5.14 Responsibilities

Racing Queensland Limited managers and supervisors are responsible for ensuring their staff are aware of this policy.

- 5.15 Racing Queensland Limited employees (including contractors) are accountable to their employing agency for appropriate use of these technologies and for abiding by the directives of this document. Internet users have the responsibility to ensure their use of Internet facilities is consistent with the departmental purposes and to abide by the guidelines set out in this procedure.

- 5.16 Racing Queensland Limited IT Department staff will maintain the operational links to the Internet, establish access to WWW facilities for new users, undertake appropriate monitoring of Internet usage and assist with the provision of staff training.
- 5.17 Business units that are responsible for modules of the Racing Queensland Limited website pages are to commit resources to ensure the ongoing data integrity of the information contained on pages.
- 5.18 No software new to Racing Queensland Limited is to be downloaded from the Internet. Requests for software are to be via the IT Help Desk. Any software that does not comply with policy will be denied.
- 5.19 Staff are to be aware of the high risk from viruses associated with opening e-mails with attachments.

6. REFERENCES

- Computer Systems Agreement Form (F002).
- Computer Systems Account Request Form (F001).

EMAIL USAGE POLICY

1. PURPOSE

1.1 Email is a service provided to facilitate efficient communication within Racing Queensland Limited and out to customers and business partners.

Staff using this service should be aware that email transmitted or received on the Racing Queensland Limited network is the property of Racing Queensland Limited

1.2 This policy is designed to:

- Protect Racing Queensland Limited and individuals from the consequences of illegal or inappropriate use of the email system
- Protect Racing Queensland Limited's systems from the introduction of viruses or from unauthorized entry
- Ensure that the costs incurred by Racing Queensland Limited are as a result of legitimate use

2. SCOPE

2.1 This policy sets out Racing Queensland Limited's approach to providing sufficient and appropriate email access for more efficient departmental operation and reduced risks in using these technologies within the department.

2.2 Email access is provided for officially approved purposes only.

3. RESPONSIBLE OFFICERS

All Racing Queensland Limited management and staff (including contractors).

4. DEFINITIONS, TERMS AND ACRONYMS

4.1 Anonymous messages: either those messages which do not contain details of an officer's name and affiliation, or messages sent through an anonymous re-mailing service.

4.2 E-mail: comes from the term electronic mail and simply means a way of sending messages across a computer network.

4.3 E-mail Disclaimer:

*****E-Mail Disclaimer*****

This email, together with any attachments, is intended for the named recipient only.

This email may contain information which is confidential, of a private nature or which is subject to legal professional privilege or copyright. Accordingly, any form of disclosure, modification, distribution and/or publication of this email message is prohibited unless expressly authorised by the sender acting with the Authority of or on behalf of Racing Queensland Limited.

If you have received this email by mistake, please inform the sender as soon as possible and delete the message and any copies of this message from your computer system network. The confidentiality, privacy or legal professional privilege attached to this email is not waived or destroyed by that mistake.

It is your responsibility to ensure that this email does not contain and is not affected by computer viruses, defect or interference by third parties or replication problems (including incompatibility with your computer system).

Unless expressly attributed, the views expressed in this email do not necessarily represent the views of Racing Queensland Limited.

4.4 E-mail services: Enabling staff to send and receive e-mail messages with external clients and Internet users worldwide.

4.5 IT: Information Technology

5. ACTIONS

All staff usage of email must be consistent with Racing Queensland Limited purposes.

- 5.1 The use of e-mail in Racing Queensland Limited for unacceptable purposes as outlined in Section 5.9, or in support of such activities, is forbidden
- 5.2 Email transmitted or received on the Racing Queensland Limited network is the property of Racing Queensland Limited and a copy of all email sent and received by the system is kept
- 5.3 All Racing Queensland Limited employees must comply with all applicable laws and regulations, including respect for the rights of the owners of material published in or attached to e-mail
- 5.4 All e-mail content may be treated as a record and as such, all e-mail usage must be able to survive public scrutiny and/or disclosure. By nature of the sender or recipient address, all messages are traceable to and legally associated with Racing Queensland Limited
- 5.5 Any officer in receipt of e-mail which may be considered unacceptable (refer to section 5.9 for guidance) are to notify their manager, or the IT Department immediately
- 5.6 Employees' use of e-mail will be monitored by the IT Department. Email deemed to be in breach of this policy will be identified and quarantined by monitoring software and may be reported
- 5.7 Employees may be called upon to explain their usage of e-mail
- 5.8 Electronic messages and electronic files may be subject to record keeping, archiving, and freedom of information and audit requirements.

5.9 Unacceptable work practices include:

- Swearing
- Misrepresenting Racing Queensland Limited
- Using an account to send anonymous messages, or attempting to obscure the origin of any message or otherwise disguise their user identity
- Sending any information of an abusive, pornographic or profane nature or material likely to be offensive in relation to current community standards on the basis of gender, race, religion or other
- Transmitting or causing to be transmitted communications that may be construed as harassment or disparagement of others based on the criteria of the anti-discrimination legislation and departmental policy

- Wasting finite resources or obstructing other officer's work by consuming large amounts of system resources, especially the sending of broadcast messages or any other types of use which would cause congestion of the networks or otherwise interfere with the work of others
- Without proper authorisation transmitting material that might bring Racing Queensland Limited into disrepute
- Without proper authorisation transmitting via e-mail Racing Queensland Limited information
- Without proper authorisation, invading the privacy of individuals or entities that are creators, authors, users, or subjects of the information resources. This includes publishing any information, which violates or infringes upon the rights of any person.
- 'Junk' mail (eg. chain letters etc) is not permitted
- Indiscriminate mailing of general information to large groups

5.10 Acceptable usage

Personal use of e-mail is permitted provided this usage is acceptable and does not contravene the unacceptable work practices listed above.

5.11 Penalties

Inappropriate use of e-mail facilities may result in internal disciplinary procedures including written warnings, suspension of email privileges or in extreme cases termination. Breaches of the law will be referred to the relevant law enforcement authority and suspected official misconduct reported to the Criminal Justice Commission.

5.12 Access

Email capability is available for all staff unless specifically withheld (as mentioned above). This will occur as part of the procedure of registering new staff on the departmental networks. No separate request is required for e-mail capability.

5.12 Staff Training and Awareness

Appropriate training on basic e-mail skills is available for staff. Staff should contact the IT Helpdesk for information.

5.13 Email productivity

5.14 Email Etiquette

Staff should be aware of email etiquette. For example, uppercase writing represents shouting. Correct language and business process should be used at all times.

5.15 Filing Requirements

Staff should ensure that a printed copy of appropriate documentation is placed on a departmental Records file. Appropriate electronic information refers to instances where the information is used as the basis of a decision or is related to a legal or workplace health and safety issue.

5.16 Responsibilities

Racing Queensland Limited managers and supervisors are responsible for ensuring their staff are aware of policies and know where to find information on the e-mail policy and practices.

Racing Queensland Limited employees (including contractors) are accountable to their employing agency for appropriate use of these technologies and for abiding by the directives of this document.

5.17 E-mail is a significant user of network capacity and may affect the response time of other systems using the network

5.18 Any information sent or received electronically is the property of Racing Queensland Limited and must therefore be treated with due care.

5.19 Reading and sending spurious messages can consume significant time

5.20 Large attachments to e-mail must be compressed in the correct manner before sending – a limit of 5MB has been placed on the system

5.21 Staff are to be aware of the high risk from viruses associated with opening e-mails with Attachments.

6. REFERENCES

- Computer Systems Agreement Form (F002).
- Computer Systems Account Request Form (F001).

RELEASE NOTICE			
Version Number	Date of Issue	Amendment Details	Amended By
1	15/03/2001	Initial release	S Corney
1.1	23/10/02	Updated organisation name to Queensland Racing	N Notomi
1.2	08/02/05	Updated policies and name to Queensland Racing Limited	D Rowan
1.3	22/02/05	Update references	D Rowan
1.4	01/07/2010	Updated for Racing Queensland	D Rowan
<p>Author: David Rowan Date: 01/07/10 Title: IT&C Manager</p> <p>Approved By: Date: 01/07/10 Name: David Rowan Title: IT&C Manager</p>			

Remote Access Policy

Purpose

The purpose of this policy is to provide guidelines for remote access or CSG connections to Racing Queensland Limited's corporate network.

Scope

The policy applies to all Racing Queensland employees, contractors, consultants, temporaries and other workers including all personnel affiliated with third parties utilising VPNs or other remote access technologies to access the Racing Queensland Limited's network.

Policy

Approved Racing Queensland Limited employees and authorised third parties may utilise the benefits of remote access. Remote access is managed by the IT Department and all enquiries and applications must be directed to the IT helpdesk.

Requests for remote access must be authorised by the employees direct manager and recorded on the Computer Systems Agreement form (F001).

Additionally,

1. It is the responsibility of employees with remote access privileges to ensure that unauthorised users are not allowed access to Racing Queensland Limited's internal network.
2. It is the responsibility of employees to ensure usernames and passwords that are used to connect to remote access are not located near the laptops or desktop computers.
3. If an employee suspects that unauthorised access to the Racing Queensland Limited network has been gained, they must notify the IT Department immediately.
4. Remote access use is to be controlled by using the appropriate authentication, which includes a Citrix client.
5. Remote access users will be automatically disconnected from the Racing Queensland Limited's network after 20 minutes of inactivity. The user must then logon again to reconnect to the network. Pings or other artificial network processes are not to be used to keep the connection open.
6. By using remote access technology, users must understand that their computers are a de facto extension of the Racing Queensland Limited's network, and as such are subject to the same rules and regulations.
7. Any abuse of this policy or Racing Queensland Limited's computer use and email and internet policies will result in immediate suspension of remote access privileges and other appropriate actions including disciplinary and or termination.

References:

- Computer Systems Account Request Form (F001)
- Computer Systems Agreement Form (F002)
- Email and Internet Policy (P001)

RELEASE NOTICE		
Version Number	Date of Issue	Amendment Details
1	15/03/02	Initial release
1.1	05/05/06	Update for CSG and QR and add Release Notice
1.2	01/07/2010	Update for Racing Queensland Limited
Author:	David Rowan	Date: 01/07/2010
Title:	IT&C Manager	
Authorised By:		Date: 01/07/2010
Name:	David Rowan	
Title:	IT&C Manager	

Racing Queensland Limited

WEBSITE POLICY

DATE THE POLICY WAS MADE

This policy was made on 1 July 2010.

COMMENCEMENT DATE

This policy comes into effect on 1 July 2010.

PURPOSE

The *Racing Act 2002* (Act) authorises Racing Queensland Limited (Racing Queensland) to make policies for the sound management of the Queensland racing industry. Section 81(g) of the Act requires Racing Queensland to make a policy on its website and the information available through it.

The Act requires Racing Queensland to publish the following:

- the racing calendar
- Racing Queensland's policies
- information on consultation on policy development
- the rules of racing
- notices about the declaration of a sporting contingency.

It is in the public interest and the interest of Queensland racing industry participants that information about Racing Queensland and the Queensland racing industry is available and disseminated freely and cost-effectively. A website is an ideal way to publish information freely and cheaply.

Balanced against this is the need to protect security and privacy by preventing hacking and restricting access to confidential or personal information.

The purpose of this policy is to help ensure Racing Queensland manages the Queensland racing industry soundly by providing Queensland racing industry participants and the general public with accurate and appropriate information about the Queensland racing industry in a cost-effective manner.

POLICY STATEMENT

Racing Queensland will maintain a website that provides important, interesting, accurate and current information about Racing Queensland and the Queensland racing industry.

In accordance with section 38(3) of the Act, Racing Queensland will publish the Racing Calendar on its website. Publication will be at least seven days before the start of the calendar period and will continue for the period the calendar covers.

In accordance with sections 84(2) and 376(3) of the Act, Racing Queensland will publish its policies and information about consultation on these policies on its website. Draft policies will be published for at least 28 days to allow interested parties to make submissions. (In exceptional circumstances, a policy may have to be made without the normal consultation

period. In this case, a draft policy will not be published. However, the urgent policy will be reviewed within six months, at which time the normal consultation provisions will apply.)

In accordance with section 94(2) of the Act, Racing Queensland will publish the rules of racing on its website. Notifications of changes to rules will be made as soon as possible after the rules have been changed and before the rule change comes into effect, whenever possible.

In accordance with section 255(3) of the Act, Racing Queensland will publish any notice about the declaration of a sporting contingency on its website.

Racing Queensland will not publish confidential or personal information on its website except where this is agreed to by the parties concerned.

APPLICATION

This policy applies to Racing Queensland.

PROCEDURES

Roles and responsibilities

Racing Queensland will cause the website to publish all information required to be published under the Act is published, accurate and current.

Racing Queensland's department managers are responsible for ensuring information is posted to the website. Management will ensure information on the website is current by reviewing website content regularly.

Racing Queensland's department managers are responsible for authorising all website material originating from their departments.

Rules of Racing

Rules of Racing will not be made for this policy.

Racing Queensland Limited

MEDIA ACCREDITATION POLICY

DATE POLICY WAS MADE

This policy was made on 1 July 2010.

COMMENCEMENT DATE

This policy comes into effect on 1 July 2010.

PURPOSE

To define the framework and guidelines for the issuance of media accreditation by Racing Queensland Limited (Racing Queensland).

Racing Queensland issues media accreditation that allows varying degrees of access to licensed clubs and licensed venues. This accreditation is renewed yearly and expires on 30 June.

Media representatives have a requirement to access restricted areas of licensed clubs and licensed venues in order to perform their duties and this is desirable to Racing Queensland in order to promote the Queensland racing industry.

Racing Queensland has a responsibility and duty of care to protect the safety and integrity of licensed clubs and licensed venues of race goers and of racing participants.

POLICY STATEMENT

Racing Queensland has a responsibility to ensure control of individuals in restricted areas of licensed clubs and licensed venues to protect the safety and integrity of the club, venue, race goers, participants and the product and intellectual property of the racing industry by:

- Establishing an appropriate media accreditation process;
- Adhering to all legal and legislative requirements.

This policy addresses this responsibility and is based on the following principles:

Safety	Ensuring that racing participants and race goers are kept safe from harm;
Integrity	Safeguarding the value, quality, completeness and image of the racing product; and
Protection	Ensuring that the Queensland racing industry's intellectual property and assets are protected in order to achieve the best possible return.

The Queensland racing industry will protect its right to ownership of product and intellectual property and such product and property including but not limited to images, video and audio recordings may not be used by third parties for commercial gain without express permission.

Media accreditation is a privilege and media should respect their privileged status and access.

Racing Queensland recognises the role of the media in society and the value of its unfettered free speech.

APPLICATION

This policy applies to all persons applying for media accreditation by Racing Queensland.

DEFINITIONS

'Media' means any representative of an accepted media organisation or channel, or other individuals that significantly contribute to the promotion of the racing industry in Queensland.

'Racing animal' means thoroughbred and harness racing horses and greyhound dogs.

'SEQ' means South East Queensland.

PROCEDURES

MEDIA ACCREDITATION CONDITIONS

General

- Accreditation is non-transferable.
- Media accreditation passes must be displayed prominently at all times.
- The accredited individual is responsible for complying with the Workplace, Health & Safety rules.
- The accredited individual must not endanger themselves or others by engaging in reckless or prohibited behaviour.
- Photography and filming is prohibited at all times on the course proper.
- The accredited individual must reserve pre-booked workstations and telephone lines in the Press Room.
- Racing Queensland will have regard for the Australian Press Council Statement of Principles applicable to media (<http://www.presscouncil.org.au/pcsite/complaints/sop.html>) and Media should govern themselves accordingly.
- Accredited individuals must obey directions given to them by Racing Queensland officials, race club officials and security staff.

Betting Ring Areas

- Filming or photographing in the betting ring is limited to general atmosphere shooting only. No filming of individuals transacting wagers is allowed unless their expressed permission is obtained.

Photographers and camera operators

- Must be respectful of Members in Reserved Enclosures and seek permission to take photographs.
- Must be considerate of all racegoers when gaining the best photographic position.
- Must not obstruct the view of on course photographer or cameraman.
- Must not attempt to sell photographs in any form to the connections (owners, trainers, jockeys, drivers, strappers etc.) of any racing animal from Queensland race meetings.
- Must direct any enquiries from connections to the contracted course photographer at the particular race course.

Saddling Enclosure

- The Saddling Enclosure is an area designed specifically for trainers, horses, jockeys and connections, prior to and after races, and course officials. Media are privileged to have access to this area and should abide by the rules accordingly. For safety reasons numbers in the Saddling Enclosure are strictly limited and access may be restricted at times regardless of accreditation.
- Mobile telephones may not be turned on or used in the Saddling Enclosure or in Scales Area without the permission of the Chief Steward.

Dress Code

- The accredited individual must adhere to the dress codes for the Saddling Enclosure and Members' Enclosure, set out by the race club.

LEVELS OF MEDIA ACCREDITATION

The access privileges associated with the level of media accreditation provided by Racing Queensland are as follows:

Level 1:

Access is granted to the following areas of the venue with a Level 1 pass:

General admission including:

- Saddling enclosure
- Steward's room, at the Steward's discretion and/or invitation
- Scales area

Level 2:

Access is granted to the following areas of the venue with a Level 2 pass:

General admission only (Access to: Saddling enclosure, Steward's room, at the Steward's discretion and invitation, and Scales area prohibited)

Visiting media:

Access is granted to the following areas of the venue for the duration of a specified carnival/meeting:

General admission including

- Saddling enclosure
- Steward's room, at the Steward's discretion and invitation
- Scales area

Media are not permitted in the Jockey's room unless permission from the Chief Steward is obtained.

Media accreditation levels will be set at the sole discretion of Racing Queensland.

BREACH OF MEDIA ACCREDITATION

Failure to abide by the accreditation conditions may result in cancellation of accreditation.

TERMINATION OF MEDIA ACCREDITATION

Racing Queensland may terminate accreditation at any time at its sole discretion.

Racing Queensland may, at its sole discretion, deny access to accredited individuals to the course or parts thereof.

MANDATORY MINIMUM STANDARD FOR MEDIA ACCREDITATION

Applicants for media accreditation must meet the following mandatory minimum standards:

- They are employed by, subcontracted by, or a contributor to, a recognised media outlet or communications channel. Acceptable outlets / channels include but are not limited to:
 - Print media
 - Television
 - Radio
 - Websites
 - Media distributors
- They suitably contribute to the promotion of the Queensland racing industry, its product or its venues by virtue of the activities undertaken with their media accreditation.
- For applications by new individuals, companies, websites or channels, they provide a suitable business plan detailing their intentions.

ACCREDITATION PROCESS

The following process ensures adherence to this policy:

1. A media accreditation form must be completed and submitted to Racing Queensland using the printed or electronic form available on Racing Queensland's website.
2. Request for accreditation must be accompanied by a passport style photograph and a signed copy of the accreditation rules and regulations.
3. Racing Queensland staff review the application for suitability according to the minimum standards.
4. Applications where legitimacy can not be established will require the applicant to complete and submit the Media Accreditation Reference form. The Senior Communications Officer in conjunction with the Information and Communication Manager will review the submission and decide on its suitability.
5. New applications by individuals associated with new businesses, companies, websites or channels asked to submit a suitable business plan detailing their intentions. The Senior Communications Officer in conjunction with the Information and Communication Manager will review the submission and decide on its suitability.
6. Successful applicants receive a media pass with access level according to their position and duties.
7. Unsuccessful applicants are notified and no further correspondence is entered into.

GROUNDINGS FOR DENIAL OF MEDIA ACCREDITATION

Media accreditation may be denied to individuals where:

- They have previously breached the accreditation conditions;
- Their references are not satisfactory or can not be verified;
- They do not meet the mandatory minimum standard for accreditation;
- They are in competition with another entity that has an exclusive or non-exclusive contractual arrangement with Racing Queensland or a licensed club or licensed venue;
- They have used, or intend to use, racing product or intellectual property for commercial gain without express permission, or;
- They are deemed to be a person of unsuitable character by Racing Queensland.

Racing Queensland reserves the right to accept or reject any application for media accreditation at its absolute discretion.

ENFORCEMENT

Race clubs will take responsibility for venue security to enforce both accreditation conditions and to prevent unauthorised individuals, or those with expired media accreditation, from entering restricted areas or those areas that they are not accredited to access.

RULES OF RACING

Racing Queensland may make Rules in respect of any matter contained or referred to in this policy.

REVIEW

The review date will be July 2012.

REVISION HISTORY

Version	Date	Description
1.01	July 2010	Board adopted under exceptional circumstances
1.02	September 2010	Board confirmed this policy continued to have effect



MEDIA ACCREDITATION POLICY

Owner

Communications Department

Stakeholders

Industry Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	May 2009	First draft (David Rowan)
1.02	May 2009	Integrate feedback (David Rowan)
1.03	June 2009	RQL Board changes (Tony Hanmer)
1.04	October 2009	Add Rules section (David Rowan)
1.05	March 2011	Add requirement for insurance and update to Racing Queensland and include all 3 codes (David Rowan)

RACING QUEENSLAND LIMITED
POLICY ON MEDIA ACCREDITATION

COMMENCEMENT DATE

This policy comes into effect on 31 July 2009.

PURPOSE

To define the framework and guidelines for the issuance of media accreditation by Racing Queensland Limited (RQL).

BACKGROUND

RQL issues media accreditation that allows varying degrees of access to licensed race club's premises (racing venues). This accreditation is renewed yearly and expires on 31 July.

Media representatives have a requirement to access restricted areas of racing venues in order to perform their duties and this is desirable to RQL in order to promote the racing industry.

RQL has a responsibility and duty of care to protect the safety and integrity of racing venues, of race goers and of racing participants.

POLICY STATEMENT

RQL has a responsibility to ensure control of individuals in restricted areas of licensed race clubs to protect the safety and integrity of the venue, race goers, participants and the product and intellectual property of the racing industry by:

- Establishing an appropriate media accreditation process;
- Adhering to all legal and legislative requirements.

This policy addresses this responsibility and is based on the following principles:

Safety	Ensuring that racing participants and race goers are kept safe from harm;
Integrity	Safeguarding the value, quality, completeness and image of the racing product; and
Protection	Ensuring that the industry's intellectual property and assets are protected in order to achieve the best possible return.

The racing industry will protect its right to ownership of product and intellectual property and such product and property including but not limited to images, video and audio recordings may not be used by third parties for commercial gain without express permission.

Media accreditation is a privilege and media should respect their privileged status and access.

RQL recognises the role of the media in society and the value of its unfettered free speech.

DEFINITIONS

Racing Queensland and **RQL** means Racing Queensland Limited.

Race clubs, Jockey Clubs, racing venues or **clubs** means licensed Queensland race or jockey clubs.

Media means any representative of an accepted media organisation or channel, or other individuals that significantly contribute to the promotion of the racing industry in Queensland.

SEQ means South East Queensland.

APPLICATION

This policy applies to all persons applying for media accreditation by RQL.

FRAMEWORK

MEDIA ACCREDITATION CONDITIONS

General

- Accreditation is non-transferable.
- Media accreditation passes must be displayed prominently at all times.
- The accredited individual is responsible for complying with the Workplace, Health & Safety rules.
- The accredited individual must not endanger themselves or others by engaging in reckless or prohibited behaviour.
- Photography and filming is prohibited at all times on the course proper.
- The accredited individual must observe pre-booked workstations and telephone lines in the Press Room.
- RQL will have regard for the Australian Press Council Statement of Principles applicable to media (<http://www.presscouncil.org.au/statements-of-principles/>) and Media should govern themselves accordingly.
- Accredited individuals must obey directions given to them by RQL officials, race club officials and security staff.
- Accredited individuals must hold public liability insurance and are required to provide evidence of currency of such during the accreditation process.

Betting Ring Areas

- Filming or photographing in the betting ring is limited to general atmosphere shooting only. No filming of individuals transacting wagers is allowed unless their expressed permission is obtained.

Photographers and camera operators

- Must be respectful of Members in Reserved Enclosures and seek permission to take photographs.
- Must be considerate of all racegoers when gaining the best photographic position.
- Must not obstruct the view of on course photographer or cameraman.
- Must not attempt to sell photographs in any form to the connections (owners, trainers, jockeys, strappers etc.) of any horse from Queensland race meetings and must not advertise to supply photos to connections.
- Must direct any enquiries from connections to the contracted course photographer at the particular race course.

Thoroughbred saddling enclosure, Harness stabling area, and Greyhound parade and presentation areas

- The Thoroughbred saddling enclosure, Harness stabling area, and Greyhound parade and presentation are areas designed specifically for trainers, horses, greyhounds, jockeys, drivers and connections, prior to and after races, and course officials. Media are privileged to have access to these areas and should abide by the rules accordingly. For safety reasons numbers in these areas are strictly limited and access may be restricted at times regardless of accreditation level.
- Mobile telephones may not be turned on or used in the Saddling Enclosure or in Scales Area without the permission of the Chief Steward.

Dress Code

- The accredited individual must adhere to the dress codes for the Thoroughbred saddling enclosure, Harness stabling area, and Greyhound parade and presentation areas and Members' Enclosure, as set out by the race club.

LEVELS OF MEDIA ACCREDITATION

The access privileges associated with the level of media accreditation provided by RQL are as follows:

Level 1:

Access is granted to the following areas of the venue with a Level 1 pass:

- General admission including
 - Thoroughbred saddling enclosure
 - Harness stabling area
 - Greyhound parade and presentation areas
 - Steward's room
 - Scales area

Level 2:

Access is granted to the following areas of the venue with a Level 2 pass:

- General admission only
- Access to: Thoroughbred saddling enclosure, Harness stabling area, Greyhound parade and presentation areas, Steward's room, and Scales area is prohibited

Visiting media:

Access is granted to the following areas of the venue for the duration of a specified carnival/meeting:

- General admission including
 - Thoroughbred saddling enclosure
 - Harness stabling area
 - Greyhound parade and presentation areas
 - Steward's room
 - Scales area

Media are not permitted in the Jockey's room unless permission from the Chief Steward is obtained on each occasion.

Media accreditation levels will be set at the sole discretion of RQL.

BREACH OF MEDIA ACCREDITATION

Failure to abide by the accreditation conditions may result in cancellation of accreditation.

TERMINATION OF MEDIA ACCREDITATION

RQL may terminate accreditation at any time at its sole discretion.

RQL may, at its sole discretion, deny access to accredited individuals to the course or parts thereof.

MANDATORY MINIMUM STANDARD FOR MEDIA ACCREDITATION

Applicants for media accreditation must meet the following mandatory minimum standards:

- They are employed by, subcontracted by, or a contributor to, a recognised media outlet or communications channel.
Acceptable outlets / channels include but are not limited to:
 - Print media
 - Television
 - Radio
 - Websites
 - Media distributors
- They suitably contribute to the promotion of the racing industry, its product or its venues by virtue of the activities under taken with their media accreditation.
- For applications by new individuals, companies, websites or channels, they provide a suitable business plan detailing their intentions.

ACCREDITATION PROCESS

The following process ensures adherence to this policy:

1. A media accreditation form must be completed and submitted to RQL using the printed or electronic form available on RQL's website.
2. Request for accreditation must be accompanied by; a passport style photograph, a signed copy of the accreditation rules and regulations, and a certificate of currency of public liability insurance.
3. RQL staff review the application for suitability according to the minimum standards.
4. Applications where legitimacy can not be established will require the applicant to complete and submit the Media Accreditation Reference form. The Senior Communications Officer in conjunction with the Information and Communication Manager will review the submission and decide on its suitability.
5. New applications by individuals associated with new businesses, companies, websites or channels asked to submit a suitable business plan detailing their intentions. The Senior Communications Officer in conjunction with the Information and Communication Manager will review the submission and decide on its suitability.
6. Successful applicants receive a media pass with access level according to their position and duties.
7. Unsuccessful applicants are notified and no further correspondence is entered into.

GROUNDINGS FOR DENIAL OF MEDIA ACCREDITATION

Media accreditation may be denied to individuals where:

- They have previously breached the accreditation conditions;
- Their references are not satisfactory or can not be verified;
- They do not meet the mandatory minimum standard for accreditation;
- They are in competition with another entity that has an exclusive or non-exclusive contractual arrangement with RQL or a race club;
- They have used, or intend to use, racing product or intellectual property for commercial gain without express permission,;
- They are deemed to be a person of unsuitable character by RQL, or;
- They do not hold current public liability insurance.

Racing Queensland Limited reserves the right to accept or reject any application for media accreditation at its absolute discretion.

ENFORCEMENT

Race clubs will take responsibility for venue security to enforce both accreditation conditions and to prevent unauthorised individuals, or those with expired media accreditation, from entering restricted areas or those areas that they are not accredited to access.

APPROPRIATE RULES

Racing Queensland Limited may make Rules in respect of any matter contained or referred to in this policy.

DEPENDENCIES

Media accreditation form

Accreditation levels

Media accreditation rules and regulations

REVIEW OF THE POLICY

This policy will be reviewed after one years' operation.

RELEASE NOTICE

Author:	David Rowan	Date:	04/03/2011
Title:	Information and Communication Manager		

Authorised By:		Date:	04/03/2011
Name:	Malcolm Tuttle		
Title:	Chief Operations Manager		

The management of Racing Queensland approved the release of this policy on 26 June 2009. For further information contact David Rowan, Information and Communication Manager, by telephoning (07) 3869 9710 or by emailing: drowan@racingqueensland.com.au



MEDIA COMMUNICATION PROTOCOLS

Owner

Racing Queensland Limited

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	March 2005	First draft
1.02	June 2005	Approved by QR Board
1.03	January 2006	Minor Amendments to titles
1.04	June 2006	Update logo
1.05	December 2006	Revision
1.06	May 2012	Update logo

MEDIA COMMUNICATION PROTOCOLS

1. Interaction with the Media, and comments made publicly play an important part in the setting of the image of, and confidence in Racing Queensland Ltd. As such it is important that a consistent and appropriate message is delivered to media outlets.
2. Recognising the importance of this area, only the Chairman and the Chief Executive Officer are authorised to make comment on behalf of Racing Queensland Ltd.
3. Wherever possible, authorisation for media communication for a particular issue is to be designated by the Chairman to the Chief Executive Officer or, if appropriate, to the Management of the functional area directly involved in the issue. This is to ensure as far as possible that a consistent message is being given.
4. It is the responsibility of the Senior Communications Officer to inform the Chairman and the Chief Executive Officer of all requests by the media for comment or interview on any particular matter, or of any proposed media releases.
5. Media releases may be drafted within line areas, but consultation is required with the Senior Communications Officer and Chief Executive Officer before they are finalised.
6. A register of all media releases is to be maintained by the Senior Communication Officer.
7. It is the responsibility of all managers to notify the Senior Communications Officer of any media interviews prior to the interview taking place.
8. Managers who make comments to the media either officially or 'off the record' must immediately communicate the substance of the comment to the Senior Communications Officer. This includes comments made verbally or electronically, and whether to traditional media or new media such as internet websites, forums and social media outlets.
9. A register of all media interviews and communications is to be maintained by the Senior Communication Officer.
10. Operational staff and supervisors must not comment to the media (including both traditional and new media) under any circumstances and staff are to comply with their obligations under the Racing Queensland code of conduct and individual employment contracts.



MOBILE PHONE Policy

Authorised By:	Remuneration and Nomination Sub-Committee	Date of Authorisation:	31 May 2013
Last Amendment Date:	31 May 2013		
Review Due Date:	31 May 2013		
Policy Owner:	CIO		
Related Documents:	<ul style="list-style-type: none">▪ Code of Conduct▪ Internet and email policy		

Any person who requires assistance in understanding this document should contact their manager.

PURPOSE

This policy outlines the procurement and use of personal mobile phones and those provided by Racing Queensland (RQ).

SCOPE

This policy applies to all Racing Queensland Board members, officials, other employees, workers and agents, including consultants, contractors, work experience students and other volunteers.

POLICY PRINCIPLES

1.1. APPROVAL FOR THE PROVISION OF A MOBILE PHONE

Employees may be issued with an RQ funded mobile phone for use on RQ related business. Provision of a mobile phone requires the approval of the employee's supervisor/manager.

1.2. PURCHASING OF MOBILE PHONES

The IT Department manages the purchase of RQ mobile phones through a preferred supplier on behalf of RQ and will maintain a list of currently approved handsets and accessories and a list of charge rates. The type of mobile phone handsets supplied is at the discretion of the CIO. The phones will remain the property of RQ at all times.

1.3. REGISTRATION

Mobile phone details including, phone type, plan type, contract expiry date, date of last handset issue, user name and service number will be recorded in a register maintained by the IT Department.

1.4. USAGE

RQ provides mobile telephones to nominated staff to facilitate business communications. This is done at the discretion of the relevant manager, and within the capacity of that manager to resource. Employees are allowed for a small proportion of calls made, to be for reasonable private use and RQ reserves the right to recover the costs that are deemed to be excessive. This includes costs associated with data transmission and internet usage. Sound judgement is expected to be exercised at all times.

The use of mobile phones (either personal or provided by RQ) for personal use should be kept to a minimum during work hours.

Under no circumstances are employees to access Premium SMS or content services (for example Internet TV, ring tones, competitions etc.) using RQ mobile phones. Any charges as a result of such access may be recovered from the employee.

Employees remain bound by the code of conduct and Internet and email policy when using RQ mobile phones and particular attention is drawn to the inappropriate access and transmission of offensive or abusive material such as pornography which is a serious breach.

Any penalties for infringements for using an RQ mobile device whilst driving an RQ or private vehicle shall be the responsibility of the employee and not RQ.

1.5. RESPONSIBILITY

It is the responsibility of the CIO or nominated representative to monitor telephone expenses to ensure that these are within acceptable limits.

The nominated employee must accept full responsibility for the proper use, care, maintenance and safe keeping of corporate mobile phones.

If a mobile phone is faulty then the employee should report this to the IT Department and to their manager/supervisor as soon as possible to organise repair or replacement. In the case of damage through failure to exercise due care, a replacement will be at the discretion of the CIO having consideration for budgetary constraints and other factors and may not be the same as the damaged handset.

Employees must report the loss or theft of a mobile phone as soon as possible to their Manager and the IT Department. In circumstances where it has been shown that the employee's carelessness contributed to the loss of the phone then the employee may be required to contribute to the replacement cost.

1.6. RESTRICTED NUMBERS

By default, the following services are disabled: data including internet access and email, 1900 numbers, International access, pocket news, MMS, and video calls. From time to time the RQ may further restrict access to certain entertainment and other telephone services.

To have a restricted service enabled (example International roaming) employees must gain their manager/supervisor's permission before contacting the IT Department.

Access to the internet and email via mobile phone must be approved by the responsible manager with appropriate business justification.

1.7. PERSONAL MOBILE PHONES

Supervisors/Managers with authority to commit RQ funds may authorize an employee to use a personal mobile for RQ business for a limited time. RQ will reimburse staff for all costs that are directly incurred during the transaction of RQ business if that use has been previously authorised.

1.8. END OF EMPLOYMENT

Before terminating their employment with RQ any employee in possession of an RQ mobile phone is required to return the mobile phone to their Manager/Supervisor or nominated representative who will arrange for it to be reissued to another staff member or have the service cancelled. On request, arrangements can be made for the departing employee to retain the number with permission from the CIO and all associated costs of transfer will be borne by the departing employee. It is not practical to allow the transfer of some mobile phone services and employees should not assume that they can retain their mobile phone number. The IT Department must be advised of all changes of custodianship or changes of cost centre responsibilities and the associated approvals for change of custodianship.

CONSEQUENCES OF BREACH

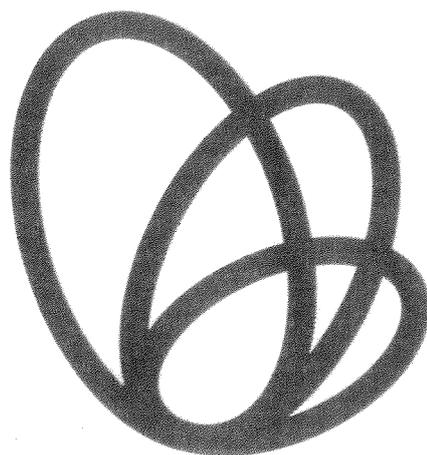
Any employee found to be in breach of this policy may be subject to disciplinary action which may include dismissal from their employment, depending upon the nature of the breach.

The action Racing Queensland takes will depend on the circumstances but may include measures such as:

- Removal of mobile phone
- Performance Counselling
- Official warning
- A performance improvement plan
- Training
- Attending mediation
- Demotion
- Dismissal.

REVISION HISTORY

Revision	Date	Description of Changes	Author
01.00	28/03/2012	New Policy	HRBS
01.01	30/03/2012	Reviewed and amended	IT and Communications Manager – David Rowan
01.02	16/04/2012	Board approved	RQ Board
01.03	31/05/2013	Update for QACRIB and minor changes	David Rowan - CIO



RACING QUEENSLAND

EMPLOYEE HANDBOOK

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WELCOME TO RACING QUEENSLAND LIMITED

It is with pleasure that we welcome you to the Racing Queensland Limited (RQL) team.

Racing occupies a vital place in Queensland's cultural and sporting life. It also makes an important contribution to the state's economy; generating jobs, fostering tourism and creating wealth throughout Queensland. As a RQL employee, you will be part of the ongoing development of an increasingly professional racing industry.

RQL aims to offer its employees interesting, fulfilling and rewarding work in an exciting and dynamic industry. In return, RQL expects the highest standards of professionalism, diligence and integrity.

This handbook has been designed to help you better understand the organisation and to provide a summary of the principles for which RQL stands, information about our values, how we behave and how we work with other people; the benefits to which you are entitled; the policies and procedures affecting your employment; and the undertakings and commitments of RQL and its employees.

This handbook should be read in conjunction with our policies, including human resource policies and procedure manual and your employment agreement or letter of offer.

You should read, understand, and comply with all provisions of the employee handbook. If you do not understand any information contained in the handbook, or if you have any questions concerning the policies or benefits outlined in the handbook, it is important that you speak with your manager.

I look forward to a long and happy association with you as a member of the RQL team.

Yours sincerely

Malcolm Tuttle
Chief Executive Officer

INTRODUCTION TO RQL

Who We Are...

RQL is the control body for racing in Queensland. We coordinate, manage and regulate the industry by:

- Administering the Rules of Racing.
- Implementing sound policies.
- Enforcing standards of safety and integrity.
- Licensing industry participants.
- Licensing race clubs and monitoring their activities and performance.
- Monitoring the condition of racecourses and working with race clubs to ensure courses are developed to a suitable standard.
- Commissioning and undertaking research and promotional activities.
- Administering industry funding and commercial agreements.
- Representing the Queensland racing industry on national bodies.

What We Stand For...

Our Mission

To further enhance the quality and integrity of racing in Queensland.

Our Values

RQL recognises that our people make the difference and that we need to attract, develop and retain good people. Five values underpin our work:

- **Professional and Ethical** – at all times we are professional and ethical in our dealings with stakeholders and colleagues.
- **Results-Orientated** – we ensure that our day-to-day activities are consistent with and contribute to achieving our goals.
- **Teamwork** – we work as a team to deliver the best solutions for our stakeholders, recognising and rewarding both team and individual contributions.
- **Customer Service Excellence** – we strive to serve our customers with excellence.
- **Balance Between Professional and Personal Life** – we recognise that people are our main asset so achieving a balance between professional and personal time is in the best interest of individuals and the organisation.

Where We Come From; The History of Racing...

Thoroughbred racing has a rich and colourful history in Australia that can be traced back to the earliest days of colonisation by Europeans. Seven horses arrived with the first fleet in 1788, when horses played a vital role in everyday life as a mode of transport, beasts of burden and as a form of recreation.

With horses so important in the colony, it did not take long for the competitive spirit to test the speed of horses and the skill of riders and Australia's first organised horse race is recorded as taking place at Batmans Hill in New South Wales in 1838. Four years later, Australia's first race club, the Australian Jockey Club, was established.

The following year, 1843, saw Queensland's first organised racing meeting held at Coorparoo. However, it was not until 1863 that the Queensland Turf Club was formed and 1865 until the club hosted Queensland's first official race meeting.

Before this, the first trotting race was held in Australia with a sports meeting conducted at Parramatta on 30 April, 1810. Reports suggest that Miss Kitty prevailed on the day in good style. At the time, good carriage horses were able to cover the 15 mile journey from Parramatta to Sydney in less than 60 minutes.

In 1891 the Australian greyhound industry was on the move with the National Coursing Association of NSW established. Two years later the first greyhound meeting was held in Queensland at Allora on the Darling Downs.

With the growth of racing, and the federation of the colonies into the Australian nation, came the need to introduce standardised rules for conducting thoroughbred racing. By 1912 the principal clubs that controlled racing in each state had agreed on the Australian Rules of Racing.

Racing is all about champions and Queensland has produced some truly great horses and the Queensland racing public has witnessed history being made at the track. In 1946, Bernborough, arguably Queensland's greatest horse, won 15 successive events, including the Doomben Double. In 1961, a record crowd farewelled the great Tulloch at the Brisbane Cup; and in 1973, Gunsynd, the Goondiwindi Grey immortalised by Slim Dusty, was farewelled at Doomben.

From a harness racing standpoint, it is doubtful there has been one better than Queensland's Blakes A Fake the winner of a record four (4) Inter Dominion Pacing Championships and \$4.2 million in stakes.

Racing in Queensland has a record of innovation, often placing it at the cutting edge of the development of the sport and industry of racing. In 1878, the world's first totalisator was unveiled at Ipswich, west of Brisbane. In 1901, the year of federation, "electric light racing" commenced at the Gabba in Brisbane's east. In 1962 following Victoria's lead, off-course betting was legalised through the Queensland TAB. Apart from providing a legal form of off-course betting, the TAB provided a source of income for race clubs and revenue for government.

TAB Queensland has grown from humble beginnings to become a billion-dollar operation. Today computers are such a part of mainstream life that it seems incredible that it was not until 1977 that the TAB took its first automated telephone bet and 1980 that it introduced computerised betting. In 1999, the Queensland Government approved privatisation of the TAB. Today the organisation is at the forefront of information technology.

In October 1983, the redeveloped Albion Park was opened with a 'state of the art' 5/8th of a mile left handed circuit and a purpose built grandstand that housed the renown 'Silks Restaurant' most famous for its seafood smorgasbord.

The formation of the TAB began a process of liberating racing from the confines of racecourses and taking it to the public wherever they were. In 1986, Sky Channel began broadcasting races live to Queensland hotels and clubs. By 1991, racing had its own radio station, 4TAB, to serve the Queensland public with live race coverage and racing information. Three years later, telephone betting with bookmakers was legalised.

After racing at the Gabba since 1972, the Brisbane Greyhound Club opened its doors at Albion Park in 1993.

For much of its history, women were marginalised or excluded from the racing industry but by the late 1970s this had begun to change. Pam O'Neill successfully lobbied the Queensland Turf Club to license women as strappers and jockeys and in 1979 she won her licence, making her the first woman jockey in Australia. On her first day riding, Pam created a world record for any jockey, male or female, when she rode a treble at Southport. Today women are successful jockeys, stable hands, trainers and veterinarians and occupy key positions in racing industry administration and marketing.

Along with its proud record of leading industry development and producing champions, Queensland also shares the dubious distinction of being the venue for one of racing's most notorious incidents. On 18 August 1984, an open-class sprinter, Bold Personality, was substituted for an ordinary country horse. The Fine Cotton ring-in was uncovered by stewards at the Queensland Turf Club and became another chapter in racing's rich and colourful history.

With the growth of the sport and industry of racing came the need for more professionalism and the highest standards of industry integrity assurance.

The Racing Science Centre was created in 1989 in response to the "caffeine crisis", when errors in drug testing caused a spate of false positive tests to be reported. The Racing Science Centre oversees testing of racing animals for illicit drugs, as well as working with racing administrators and trainers on animal welfare issues.

The Racing Development Fund (RDF), established in 1981, heralded an era of industry expansion. Money for the RDF came from a percentage of TAB turnover, fractions and unclaimed dividends and was used to upgrade racing facilities, fund race series and help the industry develop professionally across all three (3) codes.

By 1990, the Queensland Government believed the State's five thoroughbred principal clubs were no longer able to provide the leadership and management the racing industry needed for it to meet the challenges of an increasingly complex and competitive environment. The Government released its "Green Paper" for restructuring racing administration and, after lengthy industry consultation, the Queensland Principal Club, the forerunner to Queensland Thoroughbred Racing Board, was created in 1992 to unify racing administration in the State.

The industry of racing had grown to become a major part of the Queensland and Australian economy but its actual contribution remained a mystery and a major study of racing's economic impact was commissioned. The landmark 1992 ACIL report found Australian racing generated \$2.4 billion in GDP and the contribution to Queensland's Gross State Product exceeded \$400 million.

The Queensland Principal Club initiated the industry's first strategic plan, Form Guide to the Future, in 1998. Studies conducted by KPMG found Queensland racing (including the thoroughbred, harness and greyhound codes) contributed \$700 million to the State economy and generated full-time, part-time and casual jobs for almost 24,000 Queenslanders. The State Government received almost \$100 million in revenue from the industry.

These contributions were further reviewed by IER in 2009 and it was found that the three (3) racing codes in Queensland were responsible for the employment of 30,000 Queenslanders and contributed \$1.4 billion to the Queensland economy.

With privatisation of the TAB, now known as UNiTAB, in 1999, the racing industry became master of its destiny. The new arrangements meant the industry's revenue was directly tied to its ability to generate betting turnover. The industry would succeed or fail on its merits.

To address the new commercial realities, a skills-based thoroughbred board was appointed to head Queensland Racing in 2002. The board focussed on rationalising Queensland's racing calendar to maximise betting turnover on Queensland races.

In 2003, Queensland Racing relocated to a modern, purpose-built facility at its Deagon training centre. The industry also began reaping the benefits of reform, with increased revenue and lower costs translating into big prize money increases. 2004 saw the first full year of reform, with the financial gains consolidated, record betting turnover and record attendance at Queensland's feature race carnivals.

On 1 July 2010, RQL will commence as the new control body for thoroughbred, harness and greyhound racing:

1. QRL will cease as the control body for thoroughbred racing
2. Queensland Harness Racing Limited will cease as the control body for harness racing, and
3. Greyhounds Queensland Limited will cease as the control body for greyhound racing.

The establishment of one control body for the thoroughbred, harness and greyhound codes of racing is expected to provide a unified commercial focus that will facilitate effective decision making and the development of the Queensland racing industry as a whole.

It is an exciting time for racing in Queensland and we will continue to build on the strong history that precedes us in each of the racing codes.

ROLE OF RQL AND INDUSTRY STRUCTURE

Overview

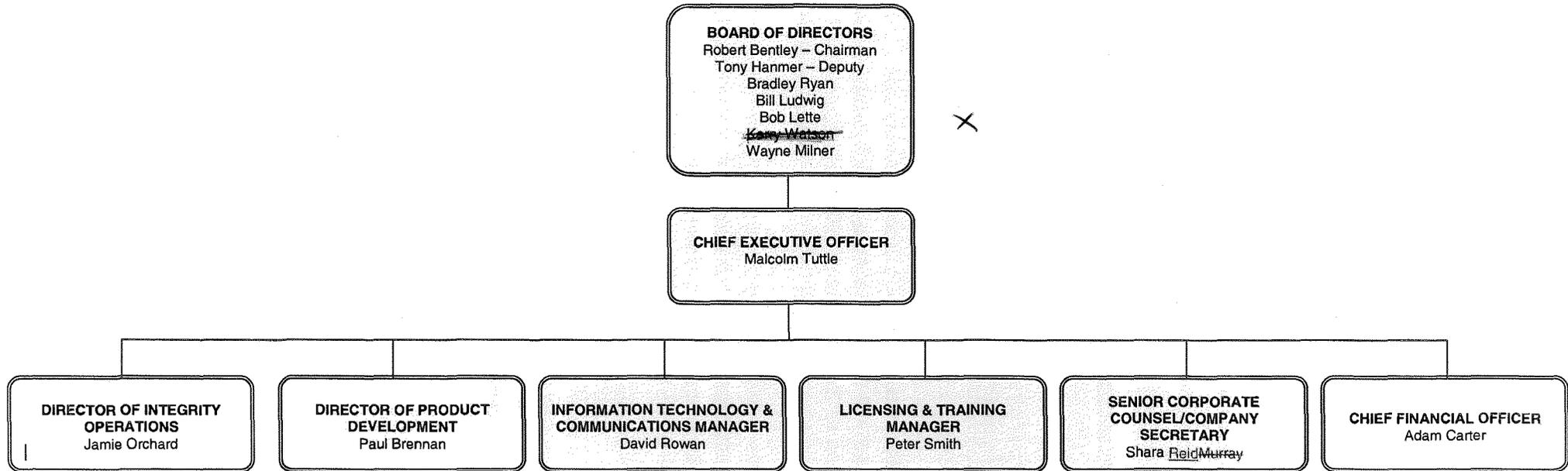
RQL and the Queensland racing industry operate within a complex industry structure that poses its own challenges and requirements. The key elements of the structure are as follows:

RQL is the licensed control body for the Queensland industry, responsible for establishing and maintaining the policies, funding and licensing arrangements, the product and program and safety and integrity of the industry. RQL is established under the *Racing Act 2002* and is a company limited by guarantee.

- Ⓐ RQL interacts with the other Principal Racing Authorities (PRA's) through the National bodies that set the rules of racing and seek to coordinate national initiatives.
- Ⓑ Racing Information Services Australia (RISA) which provides a wide range of services to the racing industry and also commercialises the racing product, is owned jointly by the PRA's.
- Ⓒ Funding for the industry comes principally through a product and program agreement entered into by the three racing codes with UNiTAB. In addition, revenues are also generated for the Queensland racing industry through charges that are levied against wagering operators for the use of racing information for the purpose of race wagering.

The constitution of RQL is based on best corporate governance principles and has been tailored to suit the Queensland racing industry. The constitution complies with the requirements of the *Racing Act 2002* and *Corporations Act 2001*.

Our Organisational Structure



Our Departments

Chief Executive Officer

The Chief Executive Officer (CEO) is responsible for the operations of RQL within established policy and in accordance with the delegated authority of the Board of Directors. In addition to leading the Executive team, the CEO is required to provide strategic advice to the RQL Board in relation to the business of racing.

Integrity Operations

The Integrity section ensures the effective delivery of integrity services and operational stewarding throughout the state and is responsible for policy, strategy and performance under these areas, management of the complaints system and investigations as required, and maintaining the interaction with various levels of government. Other responsibilities include the effective delivery of betting analysis and monitoring of all TAB Queensland races. Operational stewarding provides effective delivery of stewarding throughout the state, including management of the regional offices at Toowoomba, Rockhampton and Townsville. It monitors and ensures compliance with the Local and Australian Rules of Racing. This section deals with race day issues requiring resolution as well as issues arising as a result of a proactive investigations section.

Product Development

The Product Development section works with Clubs, the other codes of racing and UNITAB to develop the most effective allocation of race dates, as well as scheduling prizemoney and developing state-wide racing programs and black type races.

Other responsibilities include; asset development planning, the management of breeding schemes, the management of Queensland's Black Type allocation, the interface with the Trainer's Service Centre, the provision of handicapping services to the State, the management of the Deagon complex, and provides support to the Industry on Workplace Health and Safety issues.

Finance

The Finance section provides financial services to the Queensland racing industry and financial, business development and other corporate services to RQL. It administers the centralised prizemoney system and provides accounting and business analyst services to RQL.

Information Technology & Communications

The Information section provides information technology and telecommunications services internally to RQL. While the Communications section provides information to stakeholders in the racing industry and the general public through the monthly magazines, RQL's website and media releases. The Communications section also organises events such as the annual Racing Queensland Industry Awards and works to promote the industry at all levels.

Corporate Counsel / Company Secretary

The Corporate Counsel of RQL ensures compliance with Acts of Parliament and government regulations, and provides company secretary services to the Board. Racing appeals are also managed by this section, as well as providing legal services to the company.

Licensing and Training Manager

The Licensing and Training section provides licensing and training services to licensees and other Queensland racing industry participants, as well as training and development support to RQL. This section administers all license renewals and manages the licensing committee.

WORKPLACE CONDITIONS AND BENEFITS

Training and Development

RQL is committed to providing employees with training and development opportunities to ensure that you keep continue to learn and develop within your job and our business. We employ a variety of strategies to create an organisational climate that attracts and retains employees of the highest calibre and optimises their opportunities to contribute to the achievement of our mission and objectives. It is essential to continually maintain and develop our skills to ensure that we provide our stakeholders with the highest standard of service and products, and to ensure that you develop to your full potential.

RQL encourages career development through continuing professional development, formal training, and opportunities for on-the-job experience. An additional component of our employee development strategy is our Study Assistance Scheme which provides assistance to employees participating in authorised education. Everyone is encouraged to, wherever possible, gain well-rounded experience and development within the company.

Career Opportunities

We value our employees and your career development and believe in promotion from within RQL; before we search outside the company, except where special circumstances exist, we will always look for talented people already working for us. All company vacancies will be advertised internally if the skills required for the position exist within RQL and preference will be given to internal applicants when other aspects are equal.

Performance Reviews

RQL is committed to creating an environment that encourages high levels of performance. The performance management system is an ongoing communication system between employees and their manager; providing an opportunity to plan, manage, review, recognise and improve performance. It involves establishing clear expectations and understanding about:

- ⌘ The essential function the employee is expected to perform and the desired workplace behaviours.
- ⌘ How job performance will be measured and assessed.
- ⌘ How the employee and manager will work together to sustain, improve or build on existing performance
- ⌘ How the employees' skills and knowledge will be developed to enable the employee to be more effective and efficient
- ⌘ How the successful completion of the function will contribute to the goals of RQL.

Your first performance review will be during your qualifying period. Thereafter, RQL conducts performance reviews on an annual basis with progress reviews conducted every six (6) months to assess performance to date and address any issues that may prevent you from achieving your objectives.

RQL is fully committed to the process including the provision of adequate support and training to equip employees with the skills and experience to grow and develop in the business.

Remuneration Reviews

RQL's remuneration standards are based on a "pay for performance" philosophy, according to your experience and your position. We will review remuneration levels on an annual basis during July.

RQL will remunerate employee's on the basis of competitive market rates, ensuring equity at all times. Salary packaging is also available for motor vehicles, superannuation, business related equipment and private health insurance.

If you have been with us for less than six (6) months at remuneration review time, you may not be eligible for a salary review due to your short length of time with us.

Communication

At RQL, effective communication is vital to foster a people focussed work environment defined by recognition, opportunity, respect, courtesy, cooperation, consideration and ongoing feedback. To ensure effective communication we need to consider the best method of communication for each situation. We have established some communication guidelines, which if followed will assist us in being effective communicators both internally and externally.

- ☒ All communication should comply with our values.
- ☒ Seek first to understand and then to be understood.
- ☒ Always respect confidentiality.
- ☒ As a minimum reply to communication in the method that it was received. To improve communication, go up the communication hierarchy (see below).
- ☒ Communicate with the receiver in mind, in a method and at a level appropriate to them.

The Hierarchy of Communication

Face to Face Communication	<p>When to Use</p> <ul style="list-style-type: none"> ☒ In conflict or potential conflict situations ☒ In sensitive situations or when involving sensitive information ☒ If delivering bad news ☒ If there is a significant issue or occasion ☒ To conduct performance reviews 	<p>How to Use</p> <ul style="list-style-type: none"> ☒ Be in an appropriate environment ☒ Be in the moment; no interruptions ☒ Be prepared; have all the facts ☒ Use active listening ☒ Use body language; eye contact, shake hands, mirror the other person
Phone Communication	<p>When to Use</p> <ul style="list-style-type: none"> ☒ If you cannot meet face to face ☒ If it isn't necessary to meet face to face ☒ To book external appointments ☒ When making a call would improve customer service and relationships 	<p>How to Use</p> <ul style="list-style-type: none"> ☒ Reception, extensions and mobiles should be answered professionally ☒ Urgent calls should be returned immediately ☒ Return all calls by close of business the following day
Written Communication	<p>When to Use</p> <ul style="list-style-type: none"> ☒ If it is important to document the facts or when a permanent record is required ☒ If it is beneficial to the recipient for it to be in writing ☒ To confirm conversations in conflict or potential conflict situations 	<p>How to Use</p> <ul style="list-style-type: none"> ☒ Personalise every letter ☒ Sign every letter personally ☒ Respond within seven days of receiving correspondence
Email Communication	<p>When to Use</p> <ul style="list-style-type: none"> ☒ To ask simple, non-confrontational questions ☒ To transfer information ☒ To set internal or external appointments ☒ If there is no chance for an error in interpretation ☒ If there is no conflict between the parties 	<p>How to Use</p> <ul style="list-style-type: none"> ☒ Be clear, make emails easy to understand ☒ All external emails should have a signature block ☒ If an email received is marked urgent it should be answered immediately ☒ Return all emails received by close of business the following day

Text Communication	When to Use	How to Use
	<ul style="list-style-type: none"> ⌘ If the communication is with someone internally ⌘ When it is the only means of contact 	<ul style="list-style-type: none"> ⌘ Check the recipient before sending ⌘ Be clear; avoid 'text talk'

The door is always open at RQL; do not be afraid to approach your manager with your ideas, concerns and feedback. Team meetings are held regularly to discuss any concerns and provide you with the opportunity to suggest improvements. Your feedback is crucial to our success.

Company Mobile Phones

RQL may provide you with a mobile phone for the purpose of improving business efficiency. If we provide you with a mobile phone please remember its primary purpose is business, not personal, use. Personal calls within reason will be accepted, and form part of your remuneration package. All calls are itemised on monthly statements and any abuse of this entitlement may result in disciplinary action, including the return of your mobile phone.

Please look after your mobile phone, RQL reserves the right to seek reimbursement from you for any damage, loss, theft, or other expenses incurred that are caused by an employee's wilful or negligent act or omission.

Company Motor Vehicles

RQL employees may elect to have an eligible motor vehicle included in their salary package, subject to approval, by way of Tool of Trade or Novated Lease (see motor vehicle policy for details on Novation).

If you elect to do so please note the following conditions:

- ⌘ Tool of Trade/Company vehicles shall be made available for the authorised use of other employees during working hours and returned to RQL, at our discretion, or if you are absent from work for an extended period.
- ⌘ Excluding the event of an emergency, no person other than an appropriately trained/licensed employee shall operate Tool of Trade/Company vehicles.
- ⌘ RQL shall not accept responsibility for any penalty or fine that may be imposed in relation to the use of the vehicle unless required by law, in which case you shall reimburse RQL for the penalty or fine.
- ⌘ You must ensure that Tool of Trade/Company vehicles are properly maintained and RQL reserves the right to inspect the vehicle upon demand.
- ⌘ RQL reserves the right to seek payment from you for any maintenance, repairs or replacement of the vehicle caused through the wilful or negligent misuse of the vehicle by you.
- ⌘ Any maintenance and/or repairs to the vehicle shall be carried out by a service provider approved by RQL and, subject to the provisions above, at the expense of RQL.
- ⌘ Should the vehicle be involved in an accident or otherwise damaged you must notify your department manager immediately.

During the course of employment, licensed employees may also use a company pool car. In addition to the conditions outlined above, use of pool cars is subject to the employee completing the log book to a satisfactory standard (see motor vehicle policy for details on use of pool cars).

Company Equipment and Property

All documents, records, papers, manuals, materials of any nature and other property of, or relating to, the business of RQL, whether prepared by you or not, are the property of RQL.

All equipment and company property should be safeguarded and remain on RQL's premises unless permission has been granted for the item to be removed.

Social Activities

RQL encourages social activities to reward employees for their efforts. Occasionally we may hold social functions or request you to attend stakeholder or social functions, where alcohol is available.

RQL promotes the responsible consumption of alcohol and we expect employees to drink responsibly. All work related social activities are not compulsory and that in the event you choose to consume alcohol at any work related function you should do so in moderation and respect those who do not wish to partake. Please be aware that RQL social functions and events are part of work and the requirements of the RQL Code of Conduct and other policies will apply to your behaviour.

WorkLife NAB

RQL currently provides all full time permanent employees' membership to WorkLife NAB. This membership is a comprehensive employee benefits program which provides access to significant savings incorporating both lifestyle and financial benefits. Details of the lifestyle and banking benefits are provided on the RQL intranet.

If you are eligible to receive a membership card you can access further detailed information on what is available on the website <http://worklife.nab.com.au/site/index.asp> and we urge you to subscribe to the monthly e-newsletter so you are aware of the latest deals and benefits.

Gym Facilities

Fitness and conditioning centres for jockeys, apprentices and trainees are situated at RQL's Deagon, Caloundra and Rockhampton locations. As an added benefit for RQL employees, the use of these facilities is made available to staff outside allocated training times.

Cardiac, conditioning and strengthening equipment is available which is of the latest design and is durable and easy to use for all fitness levels.

For access and use of the gym and equipment all users must complete a user agreement, questionnaire and obtain a key. Forms are available from the Training Department. Gym facilities are co-ordinated by RQL's Licensing & Training Manager.

Employee Records

It is important that up-to-date records are accurately and rigorously maintained regarding your personal details and career history. Please ensure that you update any changes to your personal details such as your address, telephone number or emergency contacts, as well as any additional experience or qualifications gained through the employee service portal of ConnX.

Reimbursement of Expenses

If you use your own money for work related expenses we will reimburse you, as long as the expense is necessary to your job and:

- ⓧ Your manager gives you the approval beforehand.
- ⓧ You have documentary evidence of the expense satisfactory to your manager.

- You make a claim for reimbursement within a reasonable time of incurring the expense.

On occasions, you may be required to entertain stakeholders and business associates. This entertainment is dependent upon the existence of a business relationship and that the relationship would benefit RQL. When more than one employee is present at a business meal or entertainment event, the most senior employee must pay and claim the expense. All expense claims need to be approved by the appropriate manager prior to reimbursement.

Provided that we are satisfied the expenses incurred are legitimate business expenses, reimbursement will be made within fourteen days.

All expenditures must be reported accurately and in a timely way and an accurate and auditable record of all financial transactions relating to RQL must be maintained in accordance with generally accepted accounting principles. No entry should be made in the company records that distorts or disguises the true nature of any transaction.

Please note that submission of a fraudulent expense report will be regarded as serious misconduct and disciplinary action up to and including summary dismissal may apply.

POLICIES AND PROCEDURES

The following information is important extracts from our Human Resource Policies and Procedure Manual. As part of your induction you are expected to familiarise yourself with our policies and your responsibilities and obligations. The Human Resource Policies and Procedure Manual can be found on the RQL intranet.

Code of Conduct

RQL is committed to delivering the highest standards of corporate practice and business conduct. We aim to be a model corporate citizen; conducting business in an ethical and responsible manner, complying with all applicable legal requirements, promoting a positive and ethical work environment for employees, and making a positive contribution to the community. The Code applies to all RQL employees.

Corporate Governance

- ⌘ RQL is responsible for the control, supervision and regulation of racing in Queensland.
- ⌘ The Board is responsible for determining the strategic direction of RQL and ensuring compliance with the statutory obligations.
- ⌘ The Chair of the Board plays an important leadership role in ensuring RQL works effectively.
- ⌘ The Deputy Chair of the Board acts as the Chair of the Board during all periods when the Chair is absent from duty or, for another reason, cannot perform the functions of the office.
- ⌘ Management is responsible for ensuring all RQL officials within their organisational area comply with the Code.

Principles of the Public Sector Ethics Act 1994

- ⌘ All officials must support the implementation of government policy effectively and impartially, and carry out official duties lawfully, observing statutory obligations.
- ⌘ All officials must treat all stakeholders and employees with courtesy, honesty and fairness and with proper regard for their rights and obligations.
- ⌘ All officials must perform their duties with the highest standards of personal integrity and honesty.
- ⌘ All officials must comply with all reasonable and lawful instructions, comply with and implement RQL policies faithfully and impartially, and exercise all reasonable care, skill and diligence in giving information or advice.
- ⌘ All officials must ensure RQL resources are safeguarded and not wasted abused or used improperly or extravagantly.

Code Breaches

- ⌘ If you are aware of, or have genuine suspicions of, any breaches to our code of conduct, policies and procedures manual or any legal violation you must report these issues to your manager.
- ⌘ If you, in good faith, make a complaint or disclosure about an alleged breach of the code you will not be disadvantaged or prejudiced for making a complaint or disclosure.

Workplace Health and Safety

The health, safety and welfare of our employees, customers and community is very important to RQL. We recognise our responsibility to provide a safe and healthy workplace for all employees, stakeholders, visitors and contractors. To ensure the wellbeing of others, we are committed to:

- ⌘ Identifying and controlling factors within the workplace that may cause injury or health issues.
- ⌘ Providing safe equipment and systems of work.
- ⌘ Ensuring compliance with legislative requirements and industry standards.
- ⌘ Providing information, training and supervision to ensure safety.
- ⌘ Providing a trained Workplace Health and Safety Officer

To assist RQL in providing a healthy and safe workplace you must report any incidents, injuries, or identified hazards to your manager immediately. Workplace health and safety is not a “one-way street”, everyone is responsible for ensuring the highest possible care in all work related activities.

Workplace Rehabilitation

RQL recognises that there are substantial benefits to be gained from rehabilitation principles and practices and is committed to implementing them in the workplace. RQL is committed to:

- ⌘ Fostering a culture of acceptance for workplace rehabilitation.
- ⌘ Providing a process to support an early safe return to work and maximise independent functioning.
- ⌘ Ensuring that the position of rehabilitation coordinator is adequately resourced.
- ⌘ Ensuring that adequate storage is provided to maintain the confidentiality of rehabilitation files.

Emergency and Evacuation Procedures

In the interests of both employee and stakeholder safety, you must make sure you are familiar with the procedures for evacuating the workplace and your responsibilities in emergency situations. It is important to know where the first aid kits, hose reels, fire extinguishers and emergency exits are located. Each new employee will be given information on these procedures.

Please ensure that you are familiar with all workplace health and safety policies and procedures applicable to your role and as detailed in our Workplace Health and Safety and Workplace Rehabilitation Policy.

Smoking, Drugs and Alcohol

RQL is committed to providing a smoke free work environment that is also free from the risks of hazards and injury associated with the abuse of alcohol or other drugs.

In accordance with the legislation, smoking is not permitted in any work area including company vehicles. Those employees who do smoke cigarettes should be conscious of the company's corporate image and be discreet when selecting a smoking location outside of the work area. Smoking is allowed only in prescribed rest or meal breaks.

Alcohol and drug use can affect your work performance, posing health and safety risks to employees, stakeholders, and members of the public. As a general rule, for safety and social reasons, you should never arrive at work or be at work while intoxicated or under the influence of illicit drugs or other drugs that impair your ability to perform your duties. Consumption of alcohol at RQL and stakeholder functions may be acceptable provided that alcohol is not consumed in excess.

If we suspect you are intoxicated or under the influence of illegal or non-prescription drugs you may be required to undergo alcohol or drug tests. If the tests indicate intoxication above the legal or acceptable limit and/or you refuse to take a test, you may be subject to disciplinary action.

Repeated poor work performance caused by alcohol or drug use, or significant impairment that makes you unable to perform the duties of your role, create a serious safety risk and is regarded as serious misconduct. In addition, we prohibit the possession, transfer, or use of illegal substances on our premises, if you are found in possession of or under the influence of illegal drugs during working hours you may be subject to disciplinary action, up to and including summary dismissal.

See the Workplace Smoking, Drugs and Alcohol Policy for a detailed explanation of RQL's approach to these issues.

Personal Presentation

The image that RQL projects to the community and its stakeholders is paramount to how we are perceived. RQL employees are required to dress in a manner appropriate to their position, work location and duties while at work or any time they are representing the company, to ensure that RQL is represented positively and that our image is maintained. A high level of personal hygiene and appearance should be maintained at all times.

RQL has a corporate uniform and available to all employees. Each full-time employee will receive an initial issue of uniform clothing to the value of \$500, at RQL's expense and additional items of clothing may be purchased at the employee's expense. The uniform is not compulsory, except for the full time RQL receptionist; however employees are required to comply with the minimum dress standards as stipulated in the RQL code of conduct.

More detail on personal presentation is available in the Personal Presentation Policy.

Working Hours

Your working hours are set out in your Employment Agreement. Given the nature of our business you need to be flexible and available to work additional hours as required to complete your duties and meet our business and stakeholder needs.

Flexible Working Arrangements

The *Fair Work Act 2009* has introduced a flexible working arrangement for permanent employees who are responsible for the care of a child under school age to request a change to their working arrangements in order to care for the child. RQL will consider all requests. Eligibility rules apply.

Leave Entitlements

Annual Leave

Who is entitled to annual leave?

All full-time and part-time employees are entitled to paid annual leave.

What is my annual leave entitlement?

Full-time employees, other than stewards, are entitled to 20 days of annual leave for each completed year of employment, pro-rata for part-time employees.

Full-time employees, engaged as stewards, are entitled to 25 days of annual leave for each completed year of employment, pro-rata for part-time employees.

Unused annual leave carries forward from year to year, and is paid out at the end of your employment with RQL.

When can I take annual leave?

We encourage employees to take annual leave on a regular basis to ensure that employees have the opportunity to balance their work, social and family life. Annual leave may be taken at a time which is agreed upon with RQL, subject to the operational requirements of the company. Requests for annual leave should be made through the leave application of ConnX. We will not unreasonably

refuse the taking of annual leave, however there are certain times during the year when annual leave will not usually be granted and these times differ in various parts of the business.

To ensure you maintain a healthy work and life balance, we encourage you to take leave each year. We may direct you to take annual leave in accordance with applicable legislation, which currently requires the giving of notice and says that we cannot direct you to take all of your accrued leave.

Personal/Carer's Leave

Personal/Carer's leave includes leave taken because you are ill or injured (personal leave); and leave taken to provide care to a member of your immediate family or household, who needs support because of an illness, injury or an unexpected emergency (carer's leave).

Who is entitled to paid personal/carers leave?

All full-time and part-time employees are entitled to paid personal/carers leave.

What is my paid sick/carers leave entitlement?

Full-time employees are entitled to 10 days of paid personal/carers leave for each year of employment, pro rata for part-time employees.

Unused personal/carers leave carries forward from year to year, but any unused personal leave is not paid out at the end of your employment with RQL.

Are there any conditions before I am entitled to personal leave?

Yes, there are conditions relating to notifying RQL of your absence and providing documentary evidence to the company regarding your absence if requested to do so.

If you are unable to attend work you must advise your manager by telephoning them as soon as possible on the day of your absence, stating the reason for your absence and as far as is practicable the estimated duration of your absence. If your manager is not available, speak to the next most appropriate manager or employee to ensure that your manager is aware of your absence.

Requests for personal/carers leave should be made through the leave application of ConnX.

We may ask you to provide reasonable proof of the reason for your absence if you take personal or carers leave. This will usually be in the form of a medical certificate or statutory declaration, evidencing the illness, injury or unexpected emergency, as soon as reasonably practicable.

Are there any restrictions on taking paid personal leave?

Yes, unless RQL agrees otherwise in writing, you cannot take more than 13 weeks of personal leave per year (pro-rata for part-time employees). These restrictions apply even if you have accumulated more than the necessary leave required to be taken.

You are also not entitled to paid personal/carers leave for any period during which you are entitled to workers compensation payments.

Unpaid Carer's Leave

Who is entitled to unpaid carer's leave?

All employees are entitled to unpaid carer's leave.

What is my unpaid carer's leave entitlement?

You are entitled to a maximum of two (2) days of unpaid carer's leave for each occasion that you are required to care for a member of your immediate family or household because they are ill, injured or there is an unexpected emergency affecting that family or household member.

Are there any restrictions on taking unpaid carer's leave?

Yes, you are only entitled to take unpaid carer's leave if you have exhausted your paid sick/carers leave entitlements.

Requests for unpaid carer's leave should be made through the leave application of ConnX.

We may ask you to provide reasonable proof of the reason for your absence if you take unpaid carer's leave. This will usually be in the form of a medical certificate or statutory declaration, evidencing the illness, injury or unexpected emergency as soon as reasonably practicable.

Compassionate Leave

Who is entitled to compassionate leave?

All full-time and part-time employees are entitled to compassionate leave.

What is my compassionate leave entitlement?

You are entitled to two (2) days of paid compassionate leave on each occasion that a member of your immediate family or household dies or suffers an illness or injury that poses a serious threat to their life.

Additional leave may be granted at RQL's discretion should extended travel be required to attend the funeral or visit the family member.

For the purpose of this entitlement, a member of your immediate family includes: a spouse or de facto partner; or a child, parent, grandparent, grandchild, or sibling of either yourself or your spouse or de facto partner.

Are there any conditions before I am entitled to compassionate leave?

Yes, we may ask you to provide documentary evidence of the illness, injury or death as soon as practicable.

Requests for compassionate leave should be made through the leave application of ConnX.

Long Service Leave

Who is entitled to long service leave?

Long service leave is available to full-time and part-time employees who have completed 10 years of continuous employment with RQL, and to casual employees in certain circumstances.

What is my long service leave entitlement?

You will be entitled to paid long service leave in accordance with the relevant legislation.

Are there any conditions before I am entitled to long service leave?

Eligibility for taking long service leave and all conditions will be in accordance with the relevant legislation.

Long service leave may be taken at a time which is agreed upon with RQL, subject to the operational requirements of the company. A minimum of four weeks' notice should be provided to allow for any arrangements necessary to provide adequate cover during your absence. We will not unreasonably refuse the taking of long service leave.

Requests for long service leave should be made through the leave application of ConnX.

Community Service Leave

Community service leave includes leave taken to attend to community based requirements such as jury service or the defence forces.

Who is entitled to community service leave?

Community service leave is available to full-time and part-time employees who are called to attend jury service or attend ADF Reserve service, on a day that they would normally work.

What is my community service leave entitlement?

Jury service is a paid service and RQL will make up any difference should the payment be less than an employee's usual salary.

You will be entitled to unpaid defence force leave in accordance with the relevant legislation.

Are there any conditions before I am entitled to community service leave?

Yes, we may ask you to provide your jury service orders and all documentation associated with your payment for jury service; or we may ask you to provide reasonable evidence of the necessity for you to attend ADF Reserve service.

Requests for community leave should be made through the leave application of ConnX.

More detail on leave entitlements is available in the Leave Policy.

Parental Leave

Who is entitled to parental leave?

Parental leave is available to full-time and part-time employees with at least 12 months continuous employment with RQL, and to casual employees who have been engaged with the company on a regular and systematic basis for at least twelve months.

What is my parental leave entitlement?

You are entitled to 52 weeks of unpaid parental leave upon the birth or adoption of your child.

You may also request an additional period of parental leave of up to 52 weeks. RQL will only refuse requests on reasonable business grounds.

Where can you find more information on parental leave?

We will grant parental leave in accordance with the legislation or industrial instrument applicable to your employment. There are various rules about the time for taking leave and notifying RQL of your intention to take leave.

For more detailed information on parental leave please refer to the Parental Leave Policy.

Extended Unpaid Leave

There is no standard entitlement to extended unpaid leave however; RQL may at its discretion approve extended unpaid leave considering the prevailing work requirements. Generally extended unpaid leave will not be granted if you intend to undertake other employment. You must disclose in writing to RQL any other work you plan to do while on extended unpaid leave.

Requests for unpaid leave should be made through the leave application of ConnX.

Unpaid leave of longer than three (3) months, whilst not breaking your period of continuous service, will not count as service for the purpose of calculating leave entitlements.

For more detailed information on parental leave please refer to the Leave Policy.

Payroll

You will be paid on a monthly basis (unless otherwise agreed with the payroll department) to the bank account of your choice.

Your pay will be calculated in accordance with your Employment Agreement and/or applicable industrial instrument. After each pay day you will receive a payslip providing details of your pay for that period. Payroll deductions will be made for a range of purposes, including income tax, all deductions will be clearly shown on your payslip.

Payroll should be advised of any changes to your bank account or personal details via a Personal Details Form.

Overpayments

In the event of an overpayment of monies the company may recover the amount of overpayment provided that you are given notification of:

- The intention to recover the monies.

- ⓐ The amount to be recovered.
- ⓑ A full explanation of the reasons for the overpayment.

If on separation of employment you have not paid any amount due to RQL, we may deduct these amounts from your final pay, at RQL's discretion.

More detail on our payroll practices is available in the Payroll Policy.

Privacy

RQL will only collect personal information ethically and lawfully. We seek to collect information in a fair manner, and in a way which is not unreasonably intrusive.

Collecting Personal Information

If you are collecting personal information on the company's behalf, you must inform the person of the purpose for which the information is collected and that, subject to some limitations, they will be able to gain access to the information collected. You must collect information from the individual concerned whenever reasonable or practical to do so. If you collect information about an individual from someone else then you must take reasonable steps to ensure the individual is, or has been, made aware of all of the items listed above.

Data Security, Access and Accuracy

RQL will take reasonable steps to protect personal information; to ensure that data is appropriately accurate, complete and current; and stored no longer than necessary.

You must ensure that the confidentiality of personal information contained in our records is strictly maintained. Personal information relating to individuals, including individual employees, should not be provided to other employees unless it is required to perform their jobs.

Information relating to employment records, salaries and addresses cannot be released to external organisations unless required by law, or upon informed consent from the relevant employee.

See the Privacy Policy for a detailed explanation of our privacy practices.

Information Technology

RQL's information systems and the data on them are important components of our business. While employed by RQL you may be provided with an email address, access to our networks and the internet. You are requested to use these facilities in an appropriate, ethical and lawful manner. User names and passwords must be kept secret at all times and are not to be disclosed to any person at any time.

RQL's computer equipment, software and the information on our systems, as well as any company information you may have on personal information systems, are RQL property and may only be used for authorised purposes. You may use our systems for limited personal use however; such use must not constitute unacceptable work practices and should be conducted at times so as not to impact on your work commitments.

Things You Need to Know about your Email Use

- ⓐ Email is not private; it belongs to RQL and may be read at any time by our management team.
- ⓑ Email uses our name and therefore suggests that you are communicating with the authority of RQL.
- ⓒ Email may be inspected by parties outside of RQL, such as in the event of litigation.

Guidelines to Ensure the Proper Use of Email

All users are to adopt the following guidelines in ensuring the proper use of electronic resources:

- ⓐ Don't put anything in email that you would not want repeated to someone else.

- ⓧ Don't put anything in email that you would not put in a hard copy memo.
- ⓧ Tell your manager if inappropriate mail is forwarded to your address; you are responsible for the content of emails received and forwarded from your email address.

What Internet and Email Activities are Unacceptable Work Practices?

- ⓧ Violating the intellectual property rights of others such as, breaching copyright by copying their graphics or text material, or using other license software without proper authorisation.
- ⓧ Introducing malicious programs, (such as viruses, worms, trojan horses) to RQL systems.
- ⓧ Revealing account passwords to others or allowing use of accounts by others.
- ⓧ Using RQL's internet resources for unauthorised commercial or personal advertisements, solicitations, promotions, political material or any other similar use.
- ⓧ Circumventing user authentication or security of any host, network or account or accessing the internet other than through the RQL's security system.
- ⓧ Affecting security breaches or disruptions of network communication, such as accessing data of which the employee is not an intended recipient or logging into a server or account that the employee is not expressly authorised to access.
- ⓧ Without proper authorisation, invading the privacy of individuals or entities that are creators, authors, users, or subjects of information resources; this includes publishing any information, which violates or infringes upon the rights of any person.
- ⓧ Downloading or installing any executable files, this includes movie files, sound files and games.
- ⓧ Sending, receiving, accessing, displaying, printing or otherwise disseminating material that is fraudulent, illegal, discriminatory, embarrassing, sexually explicit, obscene, intimidating, defamatory, or would amount to harassment.
- ⓧ Subscribing to mailing lists, sending unsolicited emails or participating in chain letters.
- ⓧ Accessing any chat sessions (other than for work purposes) or 'blog' sites such as Face Book or My Space.
- ⓧ Sending e-mail using somebody else's email address.
- ⓧ Misrepresenting RQL or transmitting material that might bring RQL into disrepute.
- ⓧ Wasting finite resources or obstructing other employees' work by consuming large amounts of system resources, especially the sending of broadcast messages or any other types of use which would cause congestion of the networks or otherwise interfere with the work of others.
- ⓧ Without proper authorisation, transmitting or making available via the internet RQL information.
- ⓧ Using an account to send anonymous messages, or attempting to obscure the origin of any message or download material under an assumed internet address or otherwise disguise their user identity.

RQL may monitor electronic transmissions at any time, to ensure that they are used appropriately. Inappropriate use of the internet or email may result in disciplinary action, as well as any action taken by an external party. Breaches of the law will be referred to the relevant law enforcement authority and suspected official misconduct will be reported to the Crime and Misconduct Commission.

See the Information Technology Policy for a detailed explanation of our information technology practices.

Discrimination and Workplace Harassment

RQL is an equality opportunity employer. We value the diversity of our workforce and respect the differences between employees, recognising that each employee has individual skills and attributes to bring to their job. RQL is committed to treating all employees fairly based on ability,

skills and culture fit and creating an atmosphere that encourages good working relationships and respect between employees.

What is Discrimination?

Discrimination means treating someone less favourably than another in the workplace because of one of the following characteristics. Discrimination can be direct or indirect, intended or unintended.

- ⌘ Gender.
- ⌘ Relationships Status.
- ⌘ Parental Status.
- ⌘ Breastfeeding.
- ⌘ Age.
- ⌘ Race.
- ⌘ Impairment or Disability.
- ⌘ Lawful Sexual Activity.
- ⌘ Carer Status.
- ⌘ Political Beliefs or Activities.
- ⌘ Trade Union Activity.
- ⌘ Pregnancy or Potential Pregnancy.
- ⌘ Gender Identification.
- ⌘ Sexual Orientation.
- ⌘ Family Responsibilities or Status.
- ⌘ Religious Beliefs or Activities.
- ⌘ Irrelevant Criminal Background.
- ⌘ Association with anyone identified on the basis of these attributes.

What is Sexual Harassment?

Sexual harassment is unwelcome behaviour of a sexual nature, which is offensive, humiliating or intimidating; it can be a single incident depending on the circumstances. Humour, friendships and relationships based on mutual consent are not sexual harassment.

What is Workplace Harassment?

Workplace harassment is non-sexual behaviour that is unwelcome, offensive, intimidating, humiliating or threatening; it may be verbal, non-verbal or physical in nature. Workplace harassment does not include management action taken in a reasonable way by RQL in connection with your employment.

What is Victimisation?

Victimisation is conduct that threatens or harms people who have made a complaint about discrimination or harassment; agreement to be a witness in a complaint process about discrimination or harassment; or have had a complaint or discrimination or harassment made against them.

What is Vilification?

Vilification is behaviour that happens in a public place and incites other to hate, to have serious contempt for, or to severely ridicule individuals or groups because of their race, religion, sexuality or gender identity.

Your Rights and Obligations

You have a right to work in an environment free of discrimination and workplace harassment and, if it does occur, you have a right to complain, to be taken seriously and not be disadvantaged from lodging or bearing witness to a complaint. You also have a responsibility to understand discrimination and workplace harassment and to ensure that you do not participate in or condone such activities.

If you have concerns regarding discriminated or workplace harassment please refer to our *Discrimination and Workplace Harassment Policy* and *Grievance Handling Policy* for details on how to manage the situation or lodge a complaint.

Discrimination and workplace harassment will not be tolerated and disciplinary action will be taken against anyone who engages in discriminatory or harassing behaviour, or who victimises or retaliates against a person who reports discrimination.

See the Discrimination and Workplace Harassment Policy for more detail on our approach to discrimination and workplace harassment.

Grievance Procedure

RQL aims to create a healthy, safe and enjoyable work environment for employees. If you have a work related problem, a grievance, you should raise it with your manager or an appropriate person to ensure the grievance is resolved as quickly as possible.

Grievances in the workplace are important and may have serious consequences for everyone involved. Anyone involved in a grievance should display good faith at all times and genuinely participate and cooperate in attempts to resolve the matter. If you are involved in a grievance you must maintain complete confidentiality to protect everyone concerned.

RQL will treat any grievance raised seriously and investigate it confidentially and objectively.

More detail on our grievance practices is available in the Grievance Handling Policy.

Confidentiality and Intellectual Property

Confidential Information

Confidential information is an asset to RQL. We have some fairly strict policies relating to confidentiality and you are expected to comply with the obligations below.

What Kind of Information is Confidential?

Confidential information means information regarding RQL's business such as that relating to finance, pricing, stakeholders, suppliers and service, marketing, strategies, employees, technology or software, intellectual property, designs, company systems and procedures, general business, and any other information that should be treated as confidential.

Information that the public is able to access, other than because of your disclosure, is not confidential.

What if I am Uncertain about Whether Information is Confidential?

If you are not sure if information is confidential you should treat it as if it is confidential unless RQL agrees in writing that it is not confidential.

Your Confidentiality Obligations

Any information that is not generally available to the public concerning RQL's activities, results or plans must only be used for authorised purposes. During your employment and after your employment ends, you agree that you will keep confidential all confidential information, and not discuss, communicate or transmit confidential information to unauthorised persons or make any copies of confidential information. Serious disciplinary action, which may include termination of employment, may result if you are found to have breached our confidentiality requirements. Your obligations relating to confidential information continue after your employment ends.

Confidentiality provisions don't apply if you are required to disclose the information by law, you obtain your manager's approval, or you are disclosing the information for a proper purpose relating to RQL.

Intellectual Property

Intellectual property belongs to RQL and is an asset to the company. You must protect and treat intellectual property information as confidential.

What is Intellectual Property?

Intellectual property means ownership of, and rights relating to, confidential information; inventions; trademarks; patents; designs; company databases; business ideas, processes, proposals or strategies; discoveries and copyright material.

Your Intellectual Property Obligations

Any intellectual property that you create or develop relating to RQL, including any work you do for our stakeholders, belongs to RQL. If required, you must do everything necessary to transfer the intellectual property rights to RQL. Your obligations relating to intellectual property continue after your employment ends.

See our Confidentiality and Intellectual Property Policy for more detail on confidentiality and intellectual property at RQL.

Performance Counselling

RQL is committed to creating a high performance culture and endeavours to provide an effective, prompt, equitable and consistent approach to managing unacceptable performance or behaviour.

What is the Performance Counselling Process?

Performance counselling may involve, but is not limited to, action such as counselling discussions, training and education, written warnings, demotion or dismissal. All disciplinary processes should be confidential, prompt and procedurally fair.

More information on RQL's performance counselling practices is available in our Performance Counselling Policy.

Termination of Employment

Your employment with RQL can be terminated by either you or RQL by providing notice as specified in your employment agreement or the industrial instrument under which you are employed.

What if my Employment with RQL is Terminated by the Company?

If you find yourself in a situation where your employment is terminated by RQL you will be entitled to notice, or payment in lieu of notice, as per your employment agreement or applicable industrial instrument.

Can my Employment be Terminated without Notice?

Yes, despite our performance counselling processes, there are a number of actions that are regarded as so serious that immediate termination without notice may result. Such acts of misconduct may include (depending on the severity), but are not limited to:

- ⊗ Fraud.
- ⊗ Theft from RQL, another employee, contractor or stakeholder.
- ⊗ Violence or fighting.
- ⊗ Workplace harassment.
- ⊗ Sexual harassment.
- ⊗ Wilful disobedience.
- ⊗ Wilful destruction or property belonging to RQL, another employee, contractor or stakeholder.
- ⊗ Insubordination.
- ⊗ Drunkenness or under the influence of illegal drugs.
- ⊗ Use, sale or possession of illegal non-prescription drugs whilst on RQL premises.
- ⊗ Sleeping on the job.
- ⊗ Insulting words/ abusive language/ obscenity.
- ⊗ Failure to observe safety rules.
- ⊗ Insolence.
- ⊗ Concealment of a material fact on engagement.
- ⊗ Dishonesty in the course of the employment.
- ⊗ Conviction or an offence which makes you completely unfit for work.
- ⊗ Harassing or discriminating against an employee, contractor or stakeholder.

Return of RQL Property

On or before your employment ends, you must return to RQL all records of confidential information and intellectual property and any other company property that is in your possession or control.

See the Termination of Employment Policy for a detailed explanation of RQL's termination of employment practices.

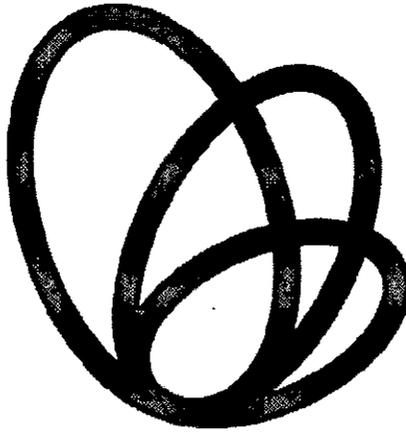
I trust that having read the Employee handbook you have a better understanding about the organisation and what it stands for. Enjoy your time with RQL and give the organisation what you expect in return.

EMPLOYEE DECLARATION

1. I have read and understand the provisions of RQL's Employee Handbook.
2. I agree to observe and comply with the policies and procedures included in this Employee Handbook. I acknowledge that they do not form terms and conditions of my employment contract with RQL unless expressly referred to in my Employment Agreement. If there is any inconsistency between the terms of this Employment Agreement and this Employee Handbook, I acknowledge that the terms of this Employment Agreement will prevail.
3. I shall return this original declaration to RQL and retain the Employee Handbook for my future reference and use.

Employee Signature: _____ Date: _____

Employee Name: _____



RACING QUEENSLAND

CODE OF CONDUCT A Guide to Behaviour Expectations

Authorised By: Remuneration and Nomination Sub-Committee **Date of Authorisation:** 1 July 2010
Last Amendment Date: 1 July 2010
Review Due Date: 30 June 2011
Policy Owner: Chief Financial Officer

Related Documents:

- Harassment, Discrimination and Bullying Policy
- Workplace Health and Safety Policy
- Grievance Handling Policy
- Performance Counselling Policy
- Workplace Health and Safety Act 1995
- Racing Act 2002
- Fair Work Act 2009
-

Any person who requires assistance in understanding this document should contact their manager.

MESSAGE FROM THE CHAIRMAN

Racing Queensland Limited (Racing Queensland) plays a crucial role in the racing industry in Queensland. Racing Queensland is committed to the efficient administration of the industry and acknowledges that its decision making impacts on all participants in the industry.

Public confidence in the racing industry depends upon Racing Queensland managing the industry in a fair and transparent manner according to the highest standards of probity and integrity.

This Code of Conduct applies to all Racing Queensland officials, including Board members, in the performance of their functions and duties. Racing Queensland officials are expected to maintain the highest standards in professional and business ethics and, through their work, performance and behaviour, ensure that confidence in the integrity of Racing Queensland is justified and maintained. Racing Queensland is committed to fostering a working environment that relies on personal integrity, quality management and a high level of service. To this end, Racing Queensland has produced this Code of Conduct which details the expected levels of behaviour required of all Racing Queensland officials. The Board of Racing Queensland is committed to ensuring compliance with the provisions of this Code at all times.

RG Bentley
Chairman
Racing Queensland Limited

Racing Queensland Limited (Racing Queensland) is committed to delivering the highest standards of corporate practice and business conduct. We aim to be a model corporate citizen; conducting business in an ethical and responsible manner, complying with all applicable legal requirements, promoting a positive and ethical work environment for employees, and making a positive contribution to the community. Racing Queensland:

- ⌘ Will work to inspire the utmost faith, confidence and support of all participants and stakeholders in racing in Queensland.
- ⌘ Is committed to fairness, impartiality and transparency in its decision making.
- ⌘ Will act in the best interests of racing in Queensland.
- ⌘ Will comply with this Code of Conduct (Code) to ensure integrity in its operations.

PART 1 INTRODUCTION

To help Racing Queensland meet its objectives, the Code summarises Racing Queensland's standards for conduct, defining the expectations of employees to support behaviour consistent with company values. Every Racing Queensland employee must:

- ⌘ Act in accordance with the Code, their employment contract, Racing Queensland policies and statutory obligations imposed on Racing Queensland and on Racing Queensland employees.
- ⌘ Act with the highest standards of professionalism, honest, diligence and integrity.

1.1 TO WHOM DOES THE CODE OF CONDUCT APPLY

The Code applies to all Racing Queensland employees.

Former Racing Queensland employees must also continue to respect the provisions of the Code, particularly in relation to the confidentiality of information and ownership of intellectual property to which the former Racing Queensland employee had access in the course of work with Racing Queensland.

1.2 WHY HAVE A CODE OF CONDUCT?

All employees of Racing Queensland are "public officials" within the meaning of the *Public Sector Ethics Act 1994* and are required to comply with its provisions. Under this Act Racing Queensland is required to have a code of conduct to provide standards of conduct for all Racing Queensland employees.

All employees must ensure that they understand and follow the requirements of the Code and any additional standards, instructions and processes that apply. Failure to adhere to the requirements of the Code is taken very seriously and may result in disciplinary action up to and including summary dismissal.

The Code is a reference to important information however, it cannot address every situation, nor does it serve as a substitute for employees' individual responsibility to exercise good judgement and common sense to ensure that actions never damage Racing Queensland's reputation.

PART 2 DEFINITIONS

Conflict of Interest: a real or perceived conflict between a private interest and an official duty. A real conflict of interest exists when a reasonable person, in possession of the relevant facts, would conclude that the official's private interests interfere, or are likely to interfere, with the proper performance of the official's duties. A perceived conflict of interest exists when it appears that an



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official's private interests may interfere with the proper performance of the official's duties although, in reality, this may not be the case.

Corruption: criminal behaviour that may involve fraud, theft, the misuse of position or authority or other acts that are unacceptable to Racing Queensland and which may cause loss to Racing Queensland, its stakeholders or the general community. This may also include other elements such as breaches of trust and confidentiality.

Ethics Principles: principles identified in the Public Sector Ethics Act 1994 as: respect for the law and system of government, respect for persons, integrity, diligence, and economy and efficiency.

Fraud: the intentional use of false representations or deception to avoid an obligation and/or gain an unjust advantage.

Interest: used in relation to declaring personal interests or conflicts of interest, the term "interest" means direct or indirect personal interests of Racing Queensland Limited officials. Interests may be pecuniary (that is, financial or economic forms of advantage) or non-pecuniary (that is, non-financial forms of advantage).

Maladministration: administrative action that is unlawful, arbitrary, unjust, oppressive, improperly discriminatory or taken for an improper purpose.

Official Misconduct: as defined in the Crime and Misconduct Act 2002, means conduct that could, if proved, be a criminal offence or a disciplinary breach providing reasonable grounds for terminating the Racing Queensland official's employment or services.

Public Interest: for a Racing Queensland official, acting in the public interest means acting lawfully and/or in accordance with Racing Queensland policy. In the absence of legal or policy frameworks, it means acting for the common good of the community. Racing Queensland has developed a policy on safeguarding the public interest; Racing Queensland officials should refer to this policy for guidance on what constitutes the public interest and Racing Queensland's responsibilities to this end.

Public Interest Disclosure: as defined in the Whistleblowers Protection Act 1994, means a disclosure of information about official misconduct, maladministration, negligent or improper management affecting public funds, reprisal, or danger to public health or safety or environment.

Racing Queensland Limited Official: includes Board members of the Racing Queensland Board and all other persons employed or remunerated by Racing Queensland, whether full-time, part time, permanent, fixed-term, contract or casual and includes members of any Racing Queensland sub-committee.

Racing Queensland Limited's Policies: policies from time to time adopted by Racing Queensland.

Reprisal: as defined in the Whistleblowers Protection Act 1994, occurs when a person causes, attempts or conspires to cause, detriment to another person because, or in the belief that, anybody has made, or may make, a public interest disclosure.

Statutory Obligations: obligations imposed from time to time by legislation including, where relevant and without limitation, obligations imposed on Racing Queensland and/or Racing Queensland's officials by: *Anti-Discrimination Act 1991*, *Crime and Misconduct Act 2002*, *Corporations Act 2001*, *Public Records Act 2002*, *Public Sector Ethics Act 1994*, *Racing Act 2002*, *Whistleblowers Protection Act 1994* and *Workplace Health and Safety Act 1995* and any relevant regulations made pursuant to statute.

Whistle Blowing: when, in the public interest, as provided for in the Whistleblowers Protection Act 1994, a person discloses information about official misconduct, maladministration, negligent or improper management affecting public funds, reprisal, or danger to public health or safety or environment.

3.1 ROLE OF RACING QUEENSLAND LIMITED

Racing Queensland is responsible for the control, supervision and regulation of racing in Queensland. Racing Queensland is:

- ⌘ The approved control body for racing in Queensland under the *Racing Act 2002*.
- ⌘ The "principal racing authority" in Queensland under the Australian Rules of Racing.

3.2 ROLE OF THE BOARD OF RACING QUEENSLAND LIMITED

The Board of Racing Queensland is responsible for determining the strategic direction of Racing Queensland and ensuring compliance with the statutory obligations imposed on Racing Queensland.

A Board member shall act independently and not in the interests of any sectional interests. A Board member has an obligation to be impartial in judgement and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions to be taken by the Board.

The *Racing Act 2002* requires every Board member of Racing Queensland to disclose a personal interest, or a direct or indirect financial interest, in an issue being considered, or about to be considered, by the Board where the interest could conflict with the proper performance of the member's duties about the consideration of the issue. Unless the Board otherwise directs, the member must not be present when the Board considers the issue or take part in a decision of the Board about the issue.

A member of the Board of Racing Queensland shall attend Board meetings. When a member is unable to attend a Board meeting, the member must obtain a leave of absence.

A Board member must ensure the member is fully informed of the activities and affairs of Racing Queensland and racing generally, including statutory obligations imposed on Racing Queensland and on Racing Queensland officials.

3.2.1. *Role of the Chair of the Board*

The Chair of the Board of Racing Queensland plays an important leadership role in ensuring Racing Queensland works effectively. These responsibilities include ensuring:

- ⌘ The Board reviews the method by which the senior management team undertakes day to day management of Racing Queensland.
- ⌘ All relevant issues are included on the agenda for the Board's meetings and that Board members receive timely and relevant information on agenda items.
- ⌘ Members of the Board comply with their statutory obligations and with the provisions of the Code.

3.2.2. *Role of the Deputy Chair of the Board*

The Deputy Chair of the Board of Racing Queensland must act as the Chair of the Board during a vacancy in the office of the Chair and during all periods when the Chair is absent from duty or, for another reason, cannot perform the functions of the office.

3.3 ROLE OF THE CHIEF EXECUTIVE OFFICER AND DIRECTOR INTEGRITY OPERATIONS

The Chief Executive Officer and Director Integrity Operations:

- ⌘ Are responsible for ensuring all Racing Queensland officials within their organisational area comply with the Code.

- ⌘ Have a duty under the *Crime and Misconduct Act 2002* to report to the Crime and Misconduct Commission any allegation of "official misconduct".
- ⌘ Must comply with all statutory obligations imposed on them in their capacities as executive managers in Racing Queensland.

PART 4 PRINCIPLES OF THE PUBLIC SECTOR ETHICS ACT 1994

The *Public Sector Ethics Act 1994* imposes obligations on Racing Queensland officials as "public officials"; as such Racing Queensland officials must comply with the five Ethics Principles prescribed by the Act.

4.1 RESPECT FOR THE LAW AND SYSTEM OF GOVERNMENT

All Racing Queensland officials must support the implementation of government policy effectively and impartially, and carry out official duties lawfully, observing, where applicable, statutory obligations. The conduct of all Racing Queensland officials is subject to relevant statutory obligations, the requirements and sanctions specified in the Code, their employment contract and Racing Queensland policies.

4.2 RESPECT FOR PERSONS

All Racing Queensland officials must:

- ⌘ Treat all licensees and participants in the racing industry with courtesy, honesty and fairness and with proper regard for their rights and obligations.
- ⌘ Respond to reasonable demands of stakeholders and line managers in a timely manner.
- ⌘ Cooperate and assist co-employees in the performance of their duties when reasonably requested to do so.
- ⌘ Support their co-employees in a responsible and ethical manner.
- ⌘ Exercise powers fairly and equitably.

All Racing Queensland officials should deal with all matters in accordance with approved procedures, promptly and without discrimination. There is an obligation on all Racing Queensland officials to treat every issue reasonably and fairly and with a view to meeting the principles of natural justice.

4.2.1 Discrimination and Workplace Harassment

All Racing Queensland officials must provide a workplace free from unlawful discrimination, harassment, bullying and intimidation and hostile, offensive or distressing behaviour. They must ensure they understand their responsibilities under Racing Queensland's HR Policy on Harassment, Discrimination and Bullying. They have a duty to disclose breaches of this policy.

If managers become aware of inappropriate conduct, they do not have to wait for a complaint to be lodged before taking action. As with their other areas of responsibility, if managers become aware of a problem, they are expected to respond to that problem.

Racing Queensland's HR Policy on Harassment, Discrimination and Bullying applies to all Racing Queensland Board members, officials, other employees, workers and agents, including contractors, consultants, work experience students and other volunteers.

Racing Queensland officials who become aware that another person is being subjected to sexual harassment, bullying or unlawful discrimination should seek advice and assistance from the Harassment and Discrimination Referral Officer, or, if it is not appropriate to approach this officer, the matter should be reported in accordance with the HR Policy on Harassment, Discrimination and Bullying and the associated Grievance Handling Policy.



Any reports of discrimination, victimisation, sexual harassment, vilification and bullying will be treated seriously and dealt with promptly, confidentially and impartially. Disciplinary action will be taken against anyone who discriminates against, victimises, sexually harasses, vilifies or bullies a co-worker. Discipline may involve a warning, transfer, counselling, demotion or dismissal, depending on the circumstances.

4.2.2. Workplace Health and Safety

In the workplace, all Racing Queensland officials must take all reasonable practical steps to ensure the safety, health and welfare of themselves and others.

All Racing Queensland officials must comply with statutory obligations and Racing Queensland's policy on Workplace Health and Safety.

4.2.3. Whistleblowing

All Racing Queensland officials must report to their line manager or the CEO or Director Integrity Operations (as appropriate), any suspected or actual instances of official misconduct, maladministration, negligent or improper management affecting public funds, reprisal, or danger to public health, safety or the environment of which they are aware. In doing so, Racing Queensland officials should follow the guidelines in the policy adopted by Racing Queensland on Whistleblowers. The *Whistleblowers Protection Act 1994* protects those who make public interest disclosures.

Failure to report suspicious activities or circumstances may be seen as compounding or assisting official misconduct, maladministration, negligent or improper management affecting public funds, reprisal, or danger to public health or safety or environment and may constitute improper conduct requiring disciplinary action.

If a Racing Queensland official is found to have breached the *Whistleblowers Protection Act 1994*, the breach will be considered a serious breach of this Code and the Racing Queensland official may be subjected to disciplinary action, including, in appropriate cases, instant dismissal.

Under the *Crime and Misconduct Act 2001*, the CEO or Director Integrity Operations (as appropriate) must refer matters of actual or suspected official misconduct to the Crime and Misconduct Commission.

4.3 INTEGRITY

All Racing Queensland officials must:

- ⌘ Perform their duties with the highest standards of personal integrity and honesty so as to maintain and enhance public confidence in Racing Queensland and racing in Queensland.
- ⌘ Provide a timely and competent service to all members of the public and industry.
- ⌘ Not use or allow another person to use their official position of authority improperly.

4.3.1 Conflicts of Interest

Every Racing Queensland official must:

- ⌘ Carry out their duties impartially and regardless of personal preferences.
- ⌘ Avoid private, financial or other interests or undertakings that could directly or indirectly compromise or conflict with the performance of their duties.
- ⌘ Disclose any interest, which may impact or have the potential to impact on the performance of their duties.
- ⌘ Take action to resolve any conflict between personal interests and official duties in the favour of the public interest.

All full-time employees of Racing Queensland must disclose in writing to the CEO or Director Integrity Operations (as appropriate) any secondary paid employment they may have. Failure to



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disclose this information may result in a Racing Queensland official being disciplined or, in appropriate cases, instantly dismissed. Secondary employment within the racing industry represents a prima facie conflict of interest and is not permitted without specific authorisation.

All Racing Queensland officials resigning or retiring to take up business appointments should give consideration to possible conflicts of interest that may arise. Where an offer of appointment could give rise to an actual or apparent conflict of interest, a Racing Queensland official should apply to the CEO or Director Integrity Operations (as appropriate) for assent to take up the proposed employment. If a conflict of interest is identified, the CEO or Director Integrity Operations (as appropriate) may obtain an undertaking from the Racing Queensland official regarding the use of information gained in the Racing Queensland official's employment with Racing Queensland.

4.3.2 Gifts or Benefits

All Racing Queensland officials must comply with Racing Queensland's Gifts and Benefits Policy, which has been adopted by Racing Queensland.

4.3.3 Confidentiality

All Racing Queensland officials have access to confidential information. Appropriate safeguards and care must be taken to ensure that unauthorised access or distribution is not permitted.

No Racing Queensland official may take, or seek to take, improper advantage of confidential information gained in the course of employment or in their official capacity. No Racing Queensland official may disclose confidential information to any person unless it is required by law or is required by their duties and is consistent with this Code or specifically authorised. If a Racing Queensland official resigns or leaves Racing Queensland, the official must not disclose confidential information acquired when they acted as an official of Racing Queensland.

A member of the Board of Racing Queensland must not disclose confidential information discussed at Board meetings and/or acquired while acting as a Board member.

If a Board member resigns or leaves the Board the member shall have regard to the duty:

- ⌘ Not to disclose confidential information.
- ⌘ To act bona fide in the interests of Racing Queensland.

4.4 DILIGENCE

All Racing Queensland officials must:

- ⌘ Comply with and implement Racing Queensland policies faithfully and impartially.
- ⌘ Comply with all reasonable and lawful instructions.
- ⌘ Exercise all reasonable care, skill and diligence in giving information or advice.
- ⌘ Perform their duties and functions of office to a high standard and with proper diligence, care and attention.
- ⌘ Use their skills and experience to the best advantage of Racing Queensland.
- ⌘ Refrain from frequently using, or using to excess, alcohol, drugs or other substances where that use may have an adverse affect on their work performance or behaviour, or on the integrity of Racing Queensland.

4.4.1 Performing Duties

All Racing Queensland officials must perform all duties associated with their positions diligently, impartially, conscientiously, with proper care and attention, in a civil manner and to the best of their ability. This includes:

- ⌘ Performing their duties in such a way that Racing Queensland will be held in high regard by the community and the industry;

- ⌘ Following any professional standards of conduct relevant to their office;
- ⌘ Maintaining adequate documentation to support decisions; and
- ⌘ Helping Racing Queensland adhere to its statutory obligations.

4.4.2 Monitoring Performance

All Racing Queensland officials who manage or supervise others must ensure that:

- ⌘ Their work and that of their staff helps Racing Queensland adhere to its statutory obligations;
- ⌘ Where their staff breach this Code, the official takes appropriate action.

4.4.4 Use of Alcohol and Drugs

It is a criminal offence to possess or use illegal drugs at any time. All Racing Queensland officials must comply with Racing Queensland's *Workplace Smoking, Drugs and Alcohol Policy*. If a Racing Queensland official is found guilty of possessing or using illegal drugs, it will be considered a serious breach of this Code and the official may be subjected to disciplinary action, including instant dismissal.

4.5 ECONOMY AND EFFICIENCY

All Racing Queensland officials must:

- ⌘ Strive to obtain value for Racing Queensland money spent.
- ⌘ Ensure Racing Queensland resources are safeguarded and not wasted abused or used improperly or extravagantly.
- ⌘ Not misuse the electronic communication systems of Racing Queensland to access, create, store, copy, retrieve or distribute offensive material.

4.5.1 Using Resources for Official Purposes

All Racing Queensland officials must ensure Racing Queensland resources are:

- ⌘ Used economically.
- ⌘ Used for the purposes for which they were provided.
- ⌘ Treated and maintained with appropriate care.
- ⌘ Secured against theft or misuse.

In serious cases, a Racing Queensland official who misuses resources may be found guilty of misconduct or maladministration.

All Racing Queensland officials who manage or supervise others must ensure that their employees use Racing Queensland resources appropriately.

4.5.2 Private Use

Limited personal use of Racing Queensland resources for non-official purposes may be acceptable.

In general terms, limited personal use involves:

- ⌘ Minimal additional expense to Racing Queensland.
- ⌘ An expectation that it will be performed during the employee's non work hours.
- ⌘ Does not interfere with the operation of Racing Queensland.
- ⌘ Does not violate this Code, statutory obligations or Racing Queensland policies.

If a Racing Queensland official is unsure as to whether their proposed personal use of Racing Queensland resources is acceptable, the official should seek advice from their line manager.



Where a Racing Queensland official uses Racing Queensland internet, intranet and electronic mail system, the official must comply with the policy on internet and email adopted by Racing Queensland.

4.5.3 Motor Vehicles

All Racing Queensland officials who use a motor vehicle owned by Racing Queensland must use it only for official purposes, unless the terms of their employment contract otherwise provide or the CEO or Director Integrity Operations (as appropriate) has authorised in writing private use of the motor vehicle by the official.

4.5.4 Expense reimbursement

All Racing Queensland officials must comply with Racing Queensland's Expense Reimbursement Policy. This policy sets out the requirements of Racing Queensland regarding expenditure while on official duty.

PART 5 BREACHES TO THE CODE OF CONDUCT

Board members who breach statutory obligations or the provisions of this Code or their employment contract will be dealt with by the Chairperson in a manner determined by a majority of the Board. Any action taken against a Board Member shall be consistent with the provisions of the *Racing Act 2002*.

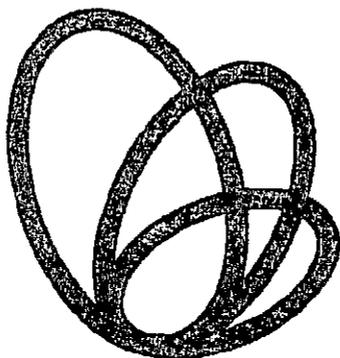
All Racing Queensland officials who breach statutory obligations or the provisions of this Code or their employment contract may be subject to disciplinary action, including, where appropriate, instant dismissal.

The CEO or Director Integrity Operations or their delegated managers will deal with breaches by an employee of Racing Queensland. Where it is not considered harsh, unjust or unreasonable to do so, the CEO or Director Integrity Operations or their delegated managers may suspend a Racing Queensland official from work, either with or without pay, while an alleged breach is being investigated. Disciplinary action may constitute, but is not restricted to, counselling, warnings or reprimands or suspension or dismissal, as the case requires.

Serious breaches, such as official misconduct, may need to be referred to the Crime and Misconduct Commission. Any action taken will accord with the principles of procedural fairness. In the case of suspected or actual official misconduct or maladministration, procedural fairness does not mean that the person under investigation is to be presented with the allegations prior to an investigation. The relevant investigating authority will determine the appropriate time for advising the person of the allegations and affording the person the opportunity to respond.

REVISION HISTORY

Revision	Date	Description of Changes	Author
01.00	1/7/2010	New Policy	HRBS



RACING QUEENSLAND

OFFER OF EMPLOYMENT

CONFIDENTIAL

Made by:

Racing Queensland Limited; ACN 142 786 874

To:

David Rowan

1. OFFER OF EMPLOYMENT

- 1.1. Racing Queensland Limited ACN 142 786 874 (referred to in this document as "RQL") wishes to offer David Rowan (referred to in this document as "you" or "your") employment in the position of IT and Communications Manager.
- 1.2. This document sets out the complete terms of the contract of employment that is being offered to you and it supercedes and replaces entirely any prior agreed terms regarding your employment with RQL. If you think that there are any other agreed terms not included in this document, please advise the Chairman of the Board, Mr Bob Bentley, before you sign this document.
- 1.3. Once this document has been signed by you it will become a binding contract of employment between you and RQL.

2. ENGAGEMENT

- 2.1. You shall be employed by RQL as IT and Communications Manager and in such other offices or capacities, as may from time to time be assigned to you, in accordance with the terms of this Agreement. You will report to the Chief Executive Officer.
- 2.2. The duties that you perform will be in line with your position description and may vary from time to time in accordance with the terms of this Agreement and business requirements. If your duties do vary, the terms and conditions set out in this Agreement will continue to apply unless otherwise agreed in writing.
- 2.3. You agree that RQL may alter your position from time to time, including changing your title, your duties and your workplace, provided that the altered position is reasonably comparable or an adequate alternative position to your position prior to the change. You agree that changes of that nature will not give rise to any termination, separation or redundancy entitlements.
- 2.4. This contract is for a term commencing 1 July 2010 and expiring 30 June 2013.
- 2.5. RQL will, before 1 July 2012, negotiate with you any extension of time of this contract beyond 30 June 2013.

3. PLACE OF WORK

- 3.1. You will be employed at RQL's Deagon head office, but you may be required to perform your duties at other locations as reasonably requested. RQL may move your position to another location due to business requirements. If this is required RQL will provide you with notice of at least four weeks of the intention to move your position, and will discuss any such change with you as soon as possible.
- 3.2. The responsibilities of your position mean that you may be required to travel and work for extended periods throughout Australia and overseas.

4. COMMENCEMENT AND HOURS OF WORK

- 4.1. Your employment with RQL will commence on 1 July 2010 or the date when RQL commences operation as an approved Control Body, whichever is the later date.
- 4.2. You will be employed on a full-time basis. Your TRV has been set taking into account that you are being appointed to a senior executive role. You are expected to devote your time, attention and skills as need to ensure that you effectively carry out the responsibilities of your role. You agree that this may regularly involve work outside of standard business hours, including work on weekends and public holidays if required, and that your TRV includes payment for all such hours worked.
- 4.3. Hours worked outside of RQL's standard office hours will not attract additional pay as you acknowledge that your TRV reasonably compensates you for all hours worked.

- 4.4. Punctuality is important in providing a proper service to clients. If you are unable to attend work on any day, or will be late for work, you must personally advise RQL of any absence as soon as possible.
- 4.5. You agree that RQL may direct you at any time to not attend work or carry out your duties and that, if RQL does issue you with such a direction, that this will not amount to termination of your employment or breach of your employment contract.

5. REMUNERATION AND SUPERANNUATION

- 5.1. Your remuneration is calculated on a total remuneration value (TRV) basis, which is inclusive of all remuneration entitlements and compulsory superannuation contributions. You will receive a gross TRV of \$125,000 per annum, including compulsory superannuation. If you choose to take up the option of RQL providing you with a vehicle, as outlined below at clause 5.4, then your TRV will also include your agreed contribution towards the vehicle's cost as set out in clause 5.4.
- 5.2. That part of your TRV remaining after deduction of superannuation, including any deemed or notional contributions), any salary sacrifice arrangements implemented by you and any other entitlements we are obliged to provide will be your gross Salary. You authorise RQL to deduct the following, where applicable, from your TRV in order to calculate your actual net salary payments:
- Taxes required by law, including PAYG and FBT;
 - Compulsory superannuation contributions;
 - The cost of any salary sacrifice arrangements implemented by you;
 - Any other deductions which you have authorised RQL to make;
 - An amount equal to your TRV for the period of any unauthorised absences, any unpaid leave or periods when you have failed to provide the required notice of termination of your employment. You agree that your signing of this Offer of Employment amounts to express written consent to deduct an amount in accordance with the *Fair Work Act 2009*;
 - Your contribution to the cost of the motor vehicle provided to you by RQL, as set out in clause 5.4.
- 5.3. Your Salary will be paid fortnightly, in arrears, direct to your nominated bank account.
- 5.4. RQL will provide you with a 4 cylinder vehicle, provided that you agree to salary sacrifice an amount equivalent to 75% of the nominal annual value of the vehicle agreed with RQL. You agree that, effective from 1 July 2010, a 4 cylinder vehicle is to be valued at \$12,000 per annum. If at any time you cease salary sacrificing this agreed amount you will no longer be entitled to the use of the vehicle. You may choose not to accept the offer of use of a vehicle but if you do so, RQL's provision of a vehicle cannot be cashed out and does not form part of your TRV.
- 5.5. RQL will pay superannuation contributions in accordance with statutory requirements into a nominated complying superannuation fund of your choice. You may elect to contribute additional amounts of your TRV, as agreed, into your superannuation fund.
- 5.6. In addition to your TRV, RQL will cover the following costs:
- Mobile telephone costs, including calls;
 - Home internet connectivity;
- provided that all such costs will be determined in accordance with any relevant RQL policies in place from time to time.
- 5.7. Your remuneration arrangements will be reviewed annually. There is no guarantee that your TRV will be increased each year. Any review will take into account market movement, your performance and RQL's financial situation.

- 5.8. RQL takes a flexible approach to the structuring of TRV and allows its employees to determine how they will receive their remuneration. You will be permitted to structure your TRV in accordance with the RQL Remuneration Policy and Procedures that are in place from time to time.
- 5.9. All costs associated with salary sacrificing will be deducted from your TRV before your Salary is calculated and paid. Any salary sacrifice is subject to Australian Tax Office rulings and, should there be any change to the current treatment of salary sacrificing, the salary sacrifice arrangement will be reviewed to ensure that there are no additional costs to RQL.
- 5.10. You agree that in the event of an overpayment of salary, RQL may recover the amount of the overpayment by way of deduction from your future earnings. If this occurs, RQL will provide you with written notification of the intention to recover the overpayment and the amount to be recovered.
- 5.11. You agree that any monies owed by you to RQL as at the date of termination of employment may be deducted by RQL from your final termination pay.
- 5.12. You agree that your Salary has been set to include all allowances, penalties and loadings that may be payable to you, regardless of how that entitlement arises. You also agree that, if at any time during your employment, you are entitled to payment for overtime, penalties, loadings and allowances under an award or agreement, your Salary is being paid as a composite payment in satisfaction of both your contractual entitlements and all such award or agreement entitlements. You agree that if your Salary exceeds the amount that you would be entitled to for ordinary hours of work under an award or agreement, then the excess paid to you may be set off against any award or agreement entitlements and does not increase the rates payable to you under any applicable award or agreement.
- 6. EXPENSES**
- 6.1. RQL will reimburse you in accordance with RQL's Expense Reimbursement Policy, as amended from time to time, for reasonable work-related expenses incurred by you in the performance of your duties.
- 7. LEAVE**
- 7.1. You are entitled to 4 weeks' paid annual leave per 12 months of continuous employment, accrued in accordance with the *Fair Work Act 2009*. Annual leave entitlements accrue throughout the year and accumulate from year to year when accrued leave is not taken. All annual leave will be approved in line with organisational requirements and must be approved prior to you taking annual leave. The RQL Leave Policy contains more details about the taking of annual leave and management of annual leave balances. You agree that it is reasonable for RQL to apply that Leave Policy.
- 7.2. To ensure you maintain a healthy work and life balance, you will be encouraged to take leave each year. We may direct you to take annual leave in accordance with applicable legislation, which currently requires the giving of notice and says that we cannot direct you to take all of your accrued leave. There are certain times during the year when annual leave will not usually be granted. Those times differ in various parts of the business. For example, employees working in the finance area will not generally be granted leave from May to September.
- 7.3. There is no separate leave loading payable to you as your TRV has been set taking this into account. On termination of employment, any accrued annual leave will be paid at your then current ordinary rate of pay.
- 7.4. You are entitled to paid personal leave of ten days per year in accordance with the *Fair Work Act 2009*. Personal leave includes sick leave and carer's leave.
- 7.5. Personal leave entitlements will accumulate from year to year but are not paid out upon termination;
- 7.6. The *Fair Work Act 2009* provides for carer's leave to be taken to care for a member of your immediate family or household who requires care or support due to an illness or injury or

unexpected emergency affecting them. Your entitlement to take carer's leave is governed by the provisions of the *Fair Work Act 2009*. You may take unpaid carer's leave of up to two days per occasion if you have exhausted your paid personal leave entitlements.

- 7.7. If you are absent due to sick or carer's leave you are required to notify RQL at the commencement of your normal working time or as soon as reasonably practicable and, as far as practicable, state the estimated duration of the absence. You may be required to produce a medical certificate or other proof that RQL considers reasonable proof of the reason for your absence if you take sick or carer's leave. The RQL Leave Policy contains more information about these requirements.
- 7.8. You are entitled to paid compassionate leave in accordance with the *Fair Work Act 2009*. That Act currently provides for a maximum of two days for each occasion when a member of your immediate family or a member of your household contracts or develops an illness that poses a serious threat to their life, or sustains an injury that poses a serious threat to their life, or dies. You may be asked to provide reasonable evidence of the illness, injury or death before you are entitled to take this paid compassionate leave
- 7.9. You may be entitled to parental leave (maternity, paternity and adoption leave) if applicable in accordance with the *Fair Work Act 2009*.
- 7.10. You are entitled to thirteen weeks long service leave after ten years continuous service subject to and in accordance with the RQL Long Service Leave policy.

8. EMPLOYEE OBLIGATIONS

8.1. You agree that you will:

- a. Perform to the best of your ability and knowledge the duties assigned to you, in a manner consistent with your position, as determined by RQL.
- b. Exhibit professional behaviour and attitude in dealings with managers, employees, clients, and suppliers of RQL, and all others.
- c. Take all reasonable steps to meet performance criteria that RQL establishes from time to time.
- d. Abide by all safety, quality and security procedures applying to RQL's operations and premises.
- e. Refrain from all behaviour that could be perceived as discrimination, harassment or bullying in the workplace under applicable legislation.
- f. Observe and comply with all policies, procedures, and operational manuals, as amended by RQL from time to time and all reasonable directions given by RQL.
- g. Not engage in remunerated work or other activities outside of RQL that may be a conflict of interest or lead to a reasonably perceived conflict of interest, without RQL's prior written consent.
- h. Not claim or accept any fee, gratuity, commission or other benefit from any source other than RQL in payment for any services concerned with RQL's business.
- i. Devote the whole of your time and abilities during normal working hours, and at such other times as may be reasonably necessary, to the performance of your duties.
- j. Use your best endeavours to promote, develop and extend RQL's business interests and reputation and not do anything to the detriment of those business interests or reputation.
- k. Comply with, implement and enforce any legislation that applies to the duties or responsibilities of your position.

1. Immediately notify RQL if you become aware or have reason to believe that another employee of RQL has failed to comply with any legislation applying to their duties or responsibilities.

9. CONFLICT OF INTEREST

- 9.1. You are being appointed as a senior executive. This means that you are required to always act in good faith in RQL's best interests and to ensure that you are not placed in a situation where your duties to RQL are in conflict with your personal interests. This extends to ensuring that you are not in a situation where there could be a reasonably perceived conflict between your duties to RQL and your personal interests. RQL's Conflict of Interest Policy contains more information about circumstances when conflicts can arise. If you are in doubt you must seek clarification from RQL.
- 9.2. You must not accept any payment or other benefit from any person as an inducement or reward for any act or forbearance with any matter or operation transacted by RQL or on its behalf. You must report any actual or potential conflict of interest to RQL immediately.
- 9.3. You warrant that, from 1 July 2010, there will be no circumstances which would create a perceived or actual conflict of interest between your personal interests and your obligations to RQL. You will be required to complete and sign the Conflict of Interest and Racing Interest Declaration Form prior to commencing with RQL. This form will be required to be completed annually or where there is any change to your circumstances.
- 9.4. You agree that you will immediately notify the Chief Executive Officer in writing if a conflict or risk of conflict arises which will impact on your actual or perceived ability to carry out your obligations under this agreement. After assessing the conflict or risk of conflict, RQL may give you written notice requiring you to remedy the conflict or risk of conflict within a specified time.
- 9.5. You agree that you will not enter into or be involved in any other employment or business activity that could conflict with, be detrimental to or interfere with RQL's interests or the performance of the responsibilities of your position with RQL.

10. INFORMATION, POLICIES AND PROCEDURES

- 10.1. It is a term of your employment contract that you must comply with all lawful orders, instructions, standards, policies and procedures in existence at RQL. While you must observe and comply with these policies and procedures, the contents of those policies and procedures do not form terms and conditions of your employment contract with RQL unless expressly referred to in this Agreement. If there is any inconsistency between the terms of this Agreement and RQL's policies and procedures, the terms of this Agreement will prevail.
- 10.2. To the extent that RQL's policies and procedures refer to obligations on RQL, you agree that they are guides only and not contractual terms, conditions or representations on which you rely.
- 10.3. You will not knowingly withhold any information or material within your possession that may affect RQL's performance or reputation.
- 10.4. It is a term of your employment contract that you comply with the RQL Code of Conduct, as amended from time to time.

11. CONFIDENTIAL INFORMATION

- 11.1. You must not at any time during your employment with RQL, or at any time after your employment terminates, disclose to any other person or use or attempt to use any Confidential Information of RQL except:
 - a. With RQL's prior written permission;
 - b. In the proper performance of your duties;
 - c. As expressly allowed under this Agreement; or

- d. For the purposes of disclosure only where you are legally obliged to disclose by a Court, Commission or Tribunal.
- 11.2. During your employment with RQL, you must use your best endeavours to prevent the unauthorised disclosure of any Confidential Information or trade secrets by a third party. When Confidential Information is disclosed as permitted by clause 11.1 you must ensure that the person to whom the information is disclosed is made aware of its confidential nature and use your best endeavours to ensure that person does not use or disclose that information.
- 11.3. The obligations of this clause shall survive the termination of this Agreement. You must not, after termination of employment use Confidential Information for a purpose other than for the benefit of RQL.

12. INTELLECTUAL PROPERTY

12.1. You acknowledge and agree that all existing and future Intellectual Property Rights in any Confidential Information or in respect of any intellectual property developed, in development, created or conceived wholly or partly by you, alone or together with any other person or body, whether during or outside working hours:

- a. On RQL's premises or using RQL's facilities or resources, facilities or resources which were in the care and control of RQL, or any of RQL's employees, officers, agents, subcontractors or representatives;
- b. Directly or indirectly as a result of the employee or anybody else's access to confidential information;
- c. In the course of, as a consequence of or in relation to the performance of the employees duties;
- d. Relating to RQL's general methods of operation; or
- e. In respect of or associated with any of RQL's products or services, and any alterations or additions or methods of making, using, marketing, selling or providing those products or services;

vest in and belong to RQL, and to the extent necessary to vest ownership in RQL, the intellectual property is deemed to be assigned to RQL as its exclusive property.

12.2. You agree to execute all documents, including any assignments, and do all acts and things, required by RQL for the purpose of effecting and perfecting the title of RQL or its nominee to the intellectual property rights described in the clause above, in Australia or such other countries as RQL requires. You consent to RQL infringing any Moral Rights that you may have or become entitled to, in any work created, developed, modified or enhanced in the course of their employment.

12.3. You must immediately disclose to RQL in writing, any invention or improvement you make or think of during the course of your employment.

12.4. You consent to RQL infringing any Moral Rights that you may have or become entitled to in any Work created, developed, modified or enhanced in the course of your employment.

12.5. Your obligations under this clause will survive the termination of this Agreement.

13. PRIVACY

13.1. You must not remove or copy any information, including client or employee information, from RQL's premises without RQL's consent.

13.2. During the course of your employment, RQL may collect, use, handle and/or disclose your personal information in the proper course of business, such as to facilitate the provision of salary and benefits, and supply required information to external superannuation and

insurance providers. This may include your address, date of birth, health information and professional associations.

14. RQL PROPERTY AND SECURITY

- 14.1. All documents, records, papers, manuals, materials of any nature and other property of, or relating to, the business of RQL, whether prepared by you or not, are and remain the property of RQL.
- 14.2. You agree to take all reasonable steps to ensure the security of and protect all Confidential Information and Intellectual Property Rights of RQL in your possession, power or control. You agree to comply with, and to the best of your endeavours ensure that other employees or contractors engaged by RQL comply with, all of RQL's security guidelines, procedures, rules and regulations (whether formal or informal).
- 14.3. Upon termination of this Agreement, you shall immediately deliver to RQL all documents, records, papers, materials of any nature whatsoever and other property of, or relating to, RQL's affairs or any of RQL's related business entities, which may be in your possession or under your control.
- 14.4. If you are provided with a security access device of any kind, such as a key or computer coded access card, you will:
 - a. immediately return the device to RQL on termination of your employment or earlier request;
 - b. not copy nor permit the copying of the device or any aspect of it which is integral to its function of security;
 - c. not give the device to anybody else or permit anybody else to use the device; and
 - d. use the device strictly in accordance with any conditions advised by RQL in respect of it.

15. TERMINATION OF EMPLOYMENT

- 15.1. If by reason of health or other personal issues you are unable to continue the fulfilment of your duties under this contract, you may resign from your employment at any time by giving six weeks' notice in writing. If you do not give that notice, you authorise RQL to deduct from any payment owing to you a sum equivalent to the TRV you would have been entitled to for the period by which your actual notice fell short of the required six week notice period. RQL may, at its discretion, decide to accept a shorter period of notice from you. Otherwise you are bound by the period of this contract.
- 15.2. RQL may terminate your employment by giving you six weeks' notice in writing if your employment is being terminated for any one or more of the following reasons:
 - a. Unsatisfactory performance other than a termination for Misconduct as provided for by clause 15.7;
 - b. Failure to comply with the terms and conditions of your employment contract;
 - c. You suffer from an incapacity that renders you unable to carry out the inherent requirements of your position;If you are over 45 years of age at that time and have more than 2 years continuous service with RQL, that notice will be increased to seven weeks notice. AT RQL's discretion, RQL may pay you in lieu of part or all of that notice period.

- 15.3. Should RQL cease to be the approved Control Body, RQL will provide you the opportunity to take redundancy. The redundancy will be at least equivalent to the TRV you would have been entitled to receive had you remained employed for the period of the term of the contract.

- 15.4. If RQL terminates your employment for any reason other than those referred to in clauses 15.2, 15.3 and 15.7, then you will be given six weeks' written notice of termination and will be paid on termination a payment equivalent to the TRV you would have been entitled to receive had you remained employed for the period of the contract.
- 15.5. During any period of notice, RQL may require you:
- To perform duties that are different from those that you were required to perform during the rest of your employment with RQL, provided that you have the necessary skills, training, education and experience to undertake them; or
 - To not present yourself for work, do any work or contact any of RQL's clients or personnel for any period up to the date of termination of employment.
- 15.6. During any period of notice you will continue to be employed by RQL and you must not engage or prepare to engage in any business activity that is the same or similar to the duties you were performing for RQL. Up to the termination of your employment you and RQL shall remain bound by the mutual obligations of trust and confidence.
- 15.7. RQL may terminate your employment summarily without notice or payment in lieu of notice if RQL reasonably concludes that you have committed Misconduct. If your employment is summarily terminated by RQL you will not be entitled to any notice payment, or other benefit on termination other than the statutory entitlements accrued up to and including the termination date. Such payment will be in full satisfaction and discharge of all claims and demands by you against RQL in respect of your employment.
- 15.8. Following the termination of your employment, upon RQL's request, you agree to provide RQL with reasonable assistance regarding any matter relating directly or indirectly to your employment, or which arises out of events which occurred during the period of your employment, including providing statements or affidavits, attending meetings and attending hearings or inquiries.
- 15.9. If RQL terminates your contract without cause, including if RQL ceases to be the Control Body under the Racing Act 2002 (QLD), you will be entitled to a payment equivalent to the TRV you would have been entitled to receive had you remained employed until the term of the contract expired, 30 June 2013. For clarity, if by 1 July 2012 your contract has been extended, but after 1 July 2012 RQL ceases to be the Control Body or terminates you without cause, your entitlement to redundancy does not extend beyond the original term (expiring 30 June 2013) unless otherwise negotiated in a new contract.

16. ENTIRE AGREEMENT

- 16.1. This Agreement forms the entire agreement between you and RQL and shall operate to the exclusion of, and wholly replace, all other contracts or agreements that would otherwise apply to your employment. This Agreement supersedes all prior agreements, understandings and negotiations.
- 16.2. This Agreement represents a full record of the contractual terms and conditions with respect to your employment with RQL and supersedes any prior oral or written contract or understanding between you and RQL.
- 16.3. You agree that you will, if requested by RQL in the future, sign additional documents which include words to the effect that this Agreement forms the entire agreement between you and RQL regarding your terms and conditions of employment.
- 16.4. Any award or legislation applicable to your employment does not form a term of your employment contract.

17. VARIATION

- 17.1. Subject to RQL's right to amend any policies and to change your title, duties or position in accordance with clause 2.3 of this Agreement, the terms and conditions of this Agreement may only be amended by agreement in writing signed by you and RQL.

18. SEVERABILITY

18.1. If any provision in this Agreement is unenforceable, illegal or void, then it is deemed to be severable and independent and will not affect the validity or enforceability of any other provisions of this Agreement which will remain in force.

19. WORK ELIGIBILITY

19.1. Your employment is conditional upon you providing if requested by RQL, prior to your commencement, evidence of your eligibility to work in Australia.

20. WARRANTIES

- 20.1. You warrant that you have the expertise, qualifications, licenses and registration necessary to perform your duties and will perform them in a manner appropriate to a person having such expertise, qualifications, licenses or registration. You must maintain that expertise, qualifications, licenses and registration throughout your employment.
- 20.2. You acknowledge that RQL has relied upon the accuracy and truthfulness of any representations, whether written or verbal, made by you in relation to your professional qualifications, skills and experience during the pre-employment process. This offer of employment has been made in reliance upon these representations.

21. CONFIDENTIALITY OF AGREEMENT

21.1. This Agreement and its contents are confidential and should not be communicated to any other party.

22. DEFINITIONS AND INTERPRETATION

22.1. Misconduct includes but is not limited to:

- a. Drunkenness or intoxication;
- b. Dishonesty;
- c. Neglect of duty or incompetence;
- d. Any form of misrepresentation, whether to RQL or others in the performance of your duties;
- e. Being charged with a criminal offence which, in RQL's opinion, affects your suitability for your position;
- f. Conduct which may injure RQL's reputation or operations;
- g. Refusal or failure to comply with RQL's lawful directions;
- h. Breach of your obligations under clause 11 of this Agreement; and
- i. You being prohibited from taking part in the management of RQL pursuant to the *Corporations Act 2001*.

22.2. Confidential Information means the trade secrets and all other information regarding RQL's affairs which become known to you in circumstances where you know, or should know, that the information is to be treated as confidential. This Confidential Information includes without limitation any information that:

- a. Would be of commercial value to a competitor of RQL.
- b. Relates to RQL's financial affairs; including financial information, accounts work, financing information, management reports and performance or profitability reports and margins.
- c. Relates to RQL's operational requirements.
- d. Relates to any arrangements or transactions between RQL and stakeholders in the racing industry.

- e. Relates to RQL's customers; including customer details, customer lists, details of customer requirements, details of customer prospects, the identity of any customer, their requirements and their financial affairs.
- f. Relates to any functions you perform in relation to the regulation, licensing, administering or policing of racing and its integrity
- g. Relates to or is contained in any of RQL's computer data bases or software.
- h. Relates to any arrangements or transactions between RQL and its respective suppliers or contractors; including their identity and the price or charges in respect of the supplies or services RQL acquires from them.
- i. Relates to or is contained in any manuals or handbooks produced by RQL.
- j. Relates to RQL fees, quotations, prices or charges in respect of services or products.
- k. Relates to the marketing and selling techniques used by RQL; including marketing plans, sales plans, research and data surveys.
- l. Relates to trade secrets, technical specifications, know how, plans, design concepts, ideas, design specifications, manufacturing or development processes, research, formulae, processes, applications, unique features or techniques in respect of any of RQL's products, services or operations, whether existing or in development.
- m. Relates to or is associated with any of RQL's technology or software, or any related products or services, including any source code, programming, plans, concepts, specifications, alterations or additions, content, features, operation opportunities, benefits or market appeal, whether produced by you or otherwise.
- n. Is prepared by RQL or anybody else based on or incorporating information referred to in paragraphs (a) to (m) above, including all notes and other records, whether written or otherwise, and any copies of the information, notes and other records referred to in paragraphs (a) to (m) above.

But does not include information that:

- o. Was rightfully in your possession and not subject to an obligation of confidentiality before the negotiations leading to the commencement of your employment with RQL, whether pursuant to this Agreement or otherwise.
- p. Is or, after the commencement of your employment becomes, available in the public domain other than as a result of a breach of this Agreement

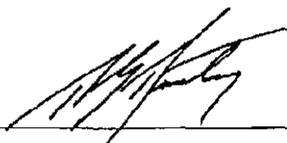
22.3. Intellectual Property Rights means any and all beneficial and legal ownership and intellectual and industrial protection rights throughout the world, both present and future, including rights in respect of or in connection with any confidential information, copyright, including future copyright and rights in the nature of or analogous to copyright), moral rights, inventions (including patents), trade marks, service marks, designs, circuit layout and performance protection (whether or not now existing and whether or not registered or registrable) and includes any right to apply for the registration of such right and all renewals and extensions.

22.4. Moral Rights has the meaning given to that term in the *Copyright Act 1968* (C'th)

22.5. Control Body has the same meaning given by the *Racing Act 2002* (Qld).

22.6. References to legislation are references to legislation as in force at the relevant time.

Signed on behalf of RQL.



Bob Bentley
Chairman

28 June 2010

Date

I acknowledge that I have read the contents of this Offer of Employment and accept that offer on the terms and conditions set out in this Agreement.


● _____
Signature

David Rowan

1 July 2010



RACING QUEENSLAND

SOCIAL MEDIA Policy

Authorised By:	Remuneration and Nomination Sub-Committee	Date of Authorisation:
Last Amendment Date:		
Review Due Date:		
Policy Owner:	IT and Communications Manager	
Related Documents:	<ul style="list-style-type: none">▪ Code of Conduct▪ Harassment Discrimination and Bullying Policy▪ Grievance Handling Policy▪ Performance Counselling Policy▪ Confidentiality and Intellectual Property	<ul style="list-style-type: none">▪ Fair Work Act 2009

Any person who requires assistance in understanding this document should contact their manager.

PURPOSE

Racing Queensland Limited (Racing Queensland) is committed to ensuring that employees are aware of their obligations with respect to the use of social media in connection with their employment. Racing Queensland recognises that it is important to acknowledge an employee's right to use social media sites, whilst protecting the interests of Racing Queensland and of its employees. This policy encourages good working relationships and respect between employees. The policy is not intended to limit the legitimate personal use and privacy of employees in relation to the use of these sites.

This policy outlines the position and practice of Racing Queensland's employees with regard to the use of social media sites.

SCOPE

This policy applies to all Racing Queensland Board members, officials, other employees, workers and agents, including consultants, contractors, work experience students and other volunteers.

USE OF SOCIAL MEDIA

WHAT IS SOCIAL MEDIA?

Social media is the use of on-line or internet based technologies to communicate interactively with other people. There are several well-known internet sites which are used for social media, including Facebook, Twitter, MySpace, LinkedIn, foursquare, and website forums.

SOCIAL MEDIA AND THE WORKPLACE

Employees may be required to use and access social media as part of their role, especially in marketing related roles. All other employees are denied access to social media sites whilst on the company network. However, personal use of any social media sites during work time, either on company owned equipment on the network where the employee is specifically allowed access as part of their role, or personal equipment, or mobile phones, must be limited to authorised breaks only.

INFORMATION PUBLISHED ON SOCIAL MEDIA SITES BY EMPLOYEES

Employees have a duty to behave in a manner which promotes and protects the interests of their employer. This means that employees cannot publish information which:

- In any way disparages or harms Racing Queensland's business or reputation;
- Disparages or personally criticises their work colleagues;
- Includes any information which may offend or embarrass the employee's colleagues;
- Contains defamatory statements in relation to Racing Queensland or its employees or any person connected with Racing Queensland (including licensees) or its employees;
- Breaches an employee's obligations to keep information of a sensitive nature confidential;
- Could be perceived as representing the viewpoint or official position of Racing Queensland on any issue.
- published either during work time or outside of work time and either on company owned equipment or personal equipment or mobile phones

CONFIDENTIAL INFORMATION

Confidential information means the trade secrets and all other information regarding the Racing Queensland's affairs, which become known to the employee in circumstances where they know, or should know, that the information is to be treated as confidential. (Refer also to the Confidentiality and Intellectual Property Policy). Examples of confidential information include but are not limited to information which:

- a. Relates to the Racing Queensland's financial affairs; including financial information, accounts work, financing information, management reports and performance or profitability reports and margins.
- b. Relates to or is contained in any manuals or handbooks produced by Racing Queensland.
- c. Relates to sensitive operational issues.

AN EMPLOYEE'S OBLIGATION WITH RESPECT TO DISCRIMINATION AND HARASSMENT

Employees must keep in mind that their obligations in relation to discrimination, sexual harassment, workplace bullying and intimidation apply to their use of social media sites. That means that they cannot use social media sites to publish material in relation to their colleagues which may be construed as being embarrassing, defamatory, offensive, discriminatory or harassing. This requirement will apply even where the information is published using the employee's own equipment and/ or outside of working hours. This requirement will apply even where the material is published to a restricted group of people.

MONITORING SOCIAL MEDIA USE BY EMPLOYEES

Racing Queensland reserves the right to monitor the use of social media sites by its employees in relation to any information which relates to or has a connection with their employment.

There is no intention to restrict or interfere with the privacy or personal use of social media sites by employees outside the terms of this policy.

CONSEQUENCES OF BREACH

Breaches of this policy will not be tolerated and will be treated very seriously. Any employee found to be in breach of this policy will be subject to disciplinary action which may include dismissal from their employment.

The action Racing Queensland takes will depend on the circumstances but may include measures such as:

- Performance Counselling
- Official warning
- A performance improvement plan
- Training
- Attending mediation
- Demotion
- Dismissal.

WHAT SHOULD YOU DO IF YOU SEE MATERIAL WHICH MAY BE IN BREACH OF THIS POLICY?

If you become aware any material which you think may be in breach of this policy, please notify your manager as soon as possible.

REVISION HISTORY

Revision	Date	Description of Changes	Author
01.00	/5/2011	New Policy	HRBS
01.01	9/5/11	Reviewed by RQL with amendments	David Rowan/Ali Wade
01.02	22/06/2011	Reviewed by RQL with amendments	David Rowan



PURCHASING POLICY

Owner

Chief Financial Officer

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	May 2010	First draft (Murray Dyke)/Reviewed Adam Carter
1.02	12 May 2010	Provided to Tracey Harris and Abhendra Kumar for Feedback
1.03	22 June 2010	Reviewed AC
1.04	1 July 2010	RQL Board Changes (FINAL)



PURCHASING POLICY:

RACING QUEENSLAND LIMITED

Introduction

This policy has been prepared to provide guidelines and procedures to be followed by officers of Racing Queensland Limited when undertaking and managing purchasing activities to meet the organisation's operational requirements and also meet the objectives of the policy.

Racing Queensland Limited is the Control Body established by, and obtaining its objects and functions from, the *Racing Act 2002* and its Constitution. Racing Queensland Limited is required to conduct its financial activities with probity and accountability, in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC.

Key Principles

In conducting its purchasing activities it is the policy of Racing Queensland Limited to adhere, at all times, to the key principles of:

1. Value for money;
2. Quality of product, service, and support;
3. Open and fair competition;
4. Accountability of outcomes;
5. Use of Queensland product where price competitive, and where quality standards are met; and
6. Suppliers are compliant with all taxation requirements.

Policy

These principles have been applied in developing policy for the following key purchasing activities:

- Capital works projects;
- Consulting services;
- Sponsorship contracts;
- Information technology;
- Other capital expenditure; and
- Day to day purchasing of services and supplies.
- Credit Facilities

There is also a focus on using preferred suppliers as explained in this report in further detail. The procurement system should result in the following benefits:

- Reduce operating costs;
- Reduce risk;
- Increase control; and
- Improve cash flow visibility

Capital Works Projects

Racing Queensland Limited plays a major role in the implementation of industry capital works projects each year. Racing Queensland Limited establishes an annual program of capital works, within a specified budget, following consideration of proposals from race clubs and advice from relevant officers within the organisation.

The policy of Racing Queensland Limited, in relation to the implementation of approved projects, is briefly addressed below:

- Once projects are given preliminary approval through the annual capital budgeting process, race clubs will be required to provide detailed design and costing information, and a project plan, prepared by a suitably qualified and experienced independent consultant. Racing Queensland Limited may, at its discretion, instigate an assessment of this documentation by its own consulting engineers. Any variation to the estimate used in applying for inclusion in the capital works program must be disclosed and explained. Variations of greater than 10% from the preliminary estimate are to be referred back to the Board of Racing Queensland Limited;
- Assuming the project cost following detailed design is contained within 10% of the preliminary estimate, and Racing Queensland Limited is satisfied with the standard of documentation provided, final approval will be given for the project to proceed (Chief Executive Officer or Chief Financial Officer);
- After final approval has been given, race clubs will be instructed that they can establish formal contractual arrangements for the construction works, in accordance with the approved budget. In establishing these contracts the club must pay regard to the key purchasing principles contained within this policy. Following establishment of the works contracts, Racing Queensland Limited will make payment of a grant to the club, equivalent to the agreed industry contribution. This grant will represent payment for a taxable supply, and will have GST added; and
- Following completion of the project, the club will provide Racing Queensland Limited with a report, which addresses the outcomes of the project, including cost to budget, quality of product, and timeliness.

Consulting Services

Racing Queensland Limited uses consulting services in a number of aspects of its operations including legal, information technology, human resource management, financial management, business development, and marketing.

These consultancies vary from short-term "one-off" contracts, to longer-term arrangements, which may encompass a series of different activities (e.g. marketing and promotional work).

For short-term "one-off" contracts the following policy guidelines are to apply:

- The six key purchasing principles outlined above are to be applied at all times;
- For contracts under \$10,000 in value, preferred supplier arrangements* can be used. That is, where a purchasing officer is satisfied that a consultant that has provided a high quality service in the past, has the necessary expertise to undertake the work, and is available in an appropriate timeframe, that consultant can be appointed without a formal competitive process being undertaken. If such a person is not available, three quotes from prospective consultants should be obtained and evaluated;

(* Please note that where preferred supplier arrangements are referred to later in this document for other categories of purchasing, similar procedures to those above will apply)

- For contracts between \$10,000 and \$100,000, tenders should be called from at least three “preferred” contractors. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles. The evaluation of the proposals should be undertaken by two accountable officers, and be approved by a delegated officer (Chief Executive Officer or Chief Financial Officer);
- For contracts over \$100,000, will be subject to Board discretion as to the waiver of an open tender, including appropriate advertising of the consultancy. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers, and be approved by a delegated officer.

For longer-term consultancy arrangements (e.g. the ongoing purchase of external legal services that cannot be delivered in-house), which may involve the use of a preferred supplier or suppliers for a range of individual tasks over an extended period of time, the following guidelines are to be followed:

- The purchasing officer may select a consultant for a range of tasks from a panel of preferred suppliers for the type of work involved;
- Prior to such a selection, a competitive process, adhering to the six key purchasing principles of Racing Queensland Limited, to appoint the panel of preferred suppliers must have been undertaken, be appropriately documented, and be signed-off by a delegated officer;
- In selecting the preferred supplier from the panel, the purchasing officer must clearly document the reasons for the selection, and be accountable for that selection. The selection must be approved by a delegated officer; and
- Individual consultancy contracts over \$100,000 in value are not to be entered into under these preferred supplier arrangements. For such consultancies, will be subject to Board discretion as to the waiver of an open tender, as described above, must be followed.

Sponsorship Contracts

Racing Queensland Limited may enter into sponsorship contracts of a cash and exchange-of-goods and/or services (“contra”) nature.

In establishing these contracts, officers must adhere to Racing Queensland Limited’s key purchasing principles, particularly those of “accountability of outcomes”, and “compliance with all taxation requirements”. With these principles in mind, a Sponsorship Agreement pro-forma (refer to Appendix A) is to be prepared for all sponsorship arrangements, regardless of whether they involve a cash payment, or are solely contra in nature.

The sponsorship agreement is to clearly specify the goods and/or services that are to be delivered by both Racing Queensland Limited and the sponsor, and identify the value of these supplies so that GST obligations, including Tax Invoicing, can be satisfied.

All sponsorship agreements are to be authorised by an officer of Racing Queensland Limited with appropriate delegation, and a copy is to be provided to the Finance Section so that Tax Invoices can be prepared, and GST liabilities and credits accounted for.

Information Technology

The acquisition of information technology hardware and software represents a substantial investment of capital by Racing Queensland Limited each year.

Given the advancing nature of IT and the need to upgrade hardware and systems applications on an ongoing basis, it is the policy of Racing Queensland Limited to acquire such items through leasing arrangements. In this regard the following is to apply:

- A tender process, through a preferred supplier arrangement, is to be undertaken for the establishment of a medium to long-term lease contract for the supply of computer equipment, and other general office equipment where appropriate;
- This contract is to be reviewed on an annual basis to ensure the key principles of “value for money” and “quality of service and support” are being satisfied;
- Where a requirement to add items to the schedule covered by the lease has been identified, the purchasing officer must ensure the purchasing principles are adhered to. For items under \$10,000, preferred supplier arrangements can be used. For items \$10,000 or over, three quotes must be obtained. Appropriate documentation to support the purchasing decisions must be maintained at all times; and

The IT Section is also required to develop and maintain an *IT asset replacement strategy*, incorporating a list of all hardware and software under lease (or purchased), and information on the condition and expected useful life of individual items.

Other Capital Expenditure

Motor Vehicles

Racing Queensland Limited maintains a fleet of vehicles provided for both work and private use. These vehicles are to be leased through the appropriate lease provider under the following arrangements:

- the leasing of a new vehicle must be approved by the Chief Executive Officer or Chief Financial Officer or Finance and Business Manager; and
- The type and model of the vehicle, and any optional extras, must be commensurate with the status and nature of the role performed by the officer for which the car is being acquired, and be in accordance with the entitlements the officer has under his/her contract of employment;
- All vehicles are to be replaced after three years, or having travelled 60,000 klms, whichever comes first, unless the Chief Executive Officer or Chief Financial Officer or Finance Business Manager agrees to an extension of the leasing term.

Vehicles are to be leased in line with the Racing Queensland Limited’s Motor Vehicle Policy, for further details email ap@racingqueensland.com.au

On disposal of company-owned vehicles, three trade-in quotes must be obtained, where possible, with the highest trade-in valuation the key consideration in selecting the successful dealer. Racing Queensland Limited staff may be given the option to purchase the vehicle that is being traded, at no less than \$1 more than the best trade-in valuation. The Chief Executive Officer or Chief Financial Officer or Finance and Business Manager will determine the successful staff bidder in the event of two or more staff bidding for the same vehicle being traded.

Other capital purchases

All other capital purchases (e.g. office machines) made by Racing Queensland Limited are to adhere to the following guidelines:

- The six key purchasing principles outlines above are to be applied at all times;
- For items under \$10,000 in value, preferred supplier arrangements can be used;
- For capital items between \$10,000 and \$100,000, quotes should be called from at least three “preferred” suppliers. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles;
- For capital items over \$100,000, will be subject to Board discretion as to the waiver of an open tender. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers; and
- For all capital purchases of \$10,000 or more, a lease versus buy analysis is to be undertaken.

Day to day Purchasing of Services and Supplies.

Policy in relation to the day to day purchasing of services and supplies is as follows:

- For items supplied on a continuous basis (e.g. stationery, consumables, printing) preferred supplier arrangements may be used. Purchasing officers must ensure that the key purchasing principles are adhered to, especially “value for money” and “quality of service”;
- In this regard, officers are required to conduct a competitive process for the selection of a panel of preferred suppliers, for continuous supplies, on an annual basis. Documentation must be prepared and maintained in respect of preferred supplier selection, and the subsequent selection of a supplier from the panel for particular purchases;
- However, for any individual supply or service, which would normally form part of a continuous supply by an individual, that is to cost the organisation \$100,000 or more, an open competitive process must be undertaken. That is, any individual supply which is to cost \$100,000 or more, cannot form part of a continuous purchasing contract made under preferred supplier arrangements;
- For non-continuous supplies and services (e.g. “one-off” printing jobs) preferred supplier arrangements can be used for purchases under \$10,000, on the basis that Racing Queensland Limited’s key principles are satisfied. At least three competitive quotes must be obtained for any purchase of \$10,000 or more.

Preferred Suppliers

As much as possible, Racing Queensland Limited should consolidate its suppliers and utilise preferred suppliers for either off-the-shelf goods/services where there are several sources of supply and the purchase is low risk or where there is an established relationship with a proven record of success. The advantages of using preferred suppliers are that it streamlines and simplifies purchasing, reduces administrative costs and promotes cost savings through volume discounts and exclusivity arrangements. Other benefits are that it minimises costs and risk for suppliers through not being required to regularly prepare and submit quotations.

1.1. Selection of Preferred Suppliers

The selection of preferred suppliers should be based on selection criteria that could include:

- Technical capability and experience
- Financial capacity and viability
- System and management responsibility incorporating product and service compliance with agreed industry standards
- People
- Business/organisation factors
- Favourable referee reports (a successful track record to deliver)
- Racing Queensland Limited's 6 key principles:
 1. Value for money;
 2. Quality of product, service, and support;
 3. Open and fair competition;
 4. Accountability of outcomes;
 5. Use of Queensland product where price competitive, and where quality standards are met; and
 6. Suppliers are compliant with all taxation requirements.

1.2 Preferred Suppliers Listing.

The current preferred suppliers list can be obtained from the Finance and Business Manager or accounts payable ap@racingqueensland.com.au or can be located at the following link:

<Insert Link to Preferred Supplier Listing which is currently under construction>

ITEM	POSITION						
	Regional Senior Stewards	Admin Authorities	Managers, Chief Steward	Company Secretary, Director of Integrity Operations, Finance and Business Manager, Accountant Corporate Services	Chief Financial Officer, Director Product Development	Chief Executive Officer	Board of Directors
Overall Delegation	<\$500	<\$2,000	<\$5,000	<\$20,000	<\$50,000	<\$150,000 in line with budget	Unlimited
Standard Purchase Orders	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS
Emergency Purchase Orders	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS
Requisition - Miscellaneous Purchases (Credit Cards) (<i>Refer to Expense reimbursement policy for conditions</i>)	x	x	x	<\$20,000 and to budget	To Budget	To Budget	Same as above
Petty Cash	<\$100	<\$100	<\$100	<\$100	<\$300	<\$300	<\$300
Capital Expenditure Purchase Orders and Request Forms	x	x	x	x	Forecast projects if <\$50,000 or if satisfied CEO has previously approved the project	Any single project <\$150,000 where included in approved annual budget	Any single project above \$150,000
Domestic (Interstate) travel	x	x	x	To budget	To budget	To budget	If outside of aggregate annual budget
International Travel	x	x	x	x	x	To Budget	If outside of aggregate annual budget
Official Hospitality	<\$100	<\$100	<\$100 <\$300 Senior Management Team	<\$300	<\$300 or other functions as approved by CEO	To Budget	Yes
Employment of new staff	x	x	x	Negotiation only if resignation and within same salary range and approval from CEO	Employment letters and contracts assuming CEO approval	Yes	Yes

Contractual Agreements (All contracts to be reviewed by Corporate Counsel/Company Secretary for updating of Contracts register and asses if any legal advice required)	x	x	x	<\$20,000 total value (not lease or licence) assuming that authorised to sign in ordinary operations	Yes with CEO assuming CEO previously approved and legally authorised to sign where <\$100,000	Yes where value <\$150,000	Yes – subject to Board Agreement
Execution of Contractual Agreements (All contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of Contracts register and asses if any legal advice required)	To be executed by 2 Directors of the Company or a Director and a Company Secretary of the Company (S127 (1) – Corporations Act 2001).						

The same delegations above apply to the payment of invoices with one exception:

- An invoice can be approved by a person with a lesser delegation provided the original purchase order was approved appropriately and the invoice does not exceed an amount that exceeds 10% of the original purchase order.

It should be noted that as a business rule, staff are not allowed to circumvent their delegation by raising multiple orders to purchase a good or service for an amount that exceeds their delegation limit.

Delegations

All expenditures for goods and services are to be authorised by a duly delegated officer and are to be in line with budget. These delegations are as follows:

Unlimited

- Board of Directors

Up to \$150,000

- Chief Executive Officer

Up to \$50,000

- Chief Financial Officer
- Director of Product Development

Up to \$20,000

- Director of Integrity Operations
- Finance and Business Manager
- Senior Corporate Counsel/Company Secretary
- Accountant – Corporate Services

Up to \$10,000

- Facility Maintenance and Development Manager
- Racing Managers – Dividing Races

Up to \$5,000

- Information Technology and Communications Manager
- Licensing and Training Manager
- Race Course Facility Managers
- Chief Steward

Up to \$2,000

- Administrative Authorities – Executive Assistants including Track Supervisors
- Racing Managers - Procurement
- Racecourse Supervisor

Up to \$500

- Regional Senior Stewards (Northern Region – Townsville, Senior Steward Capricornia Rockhampton and Steward in Charge Downs - Toowoomba)

Capitalisation of expenditure

Expenditure on discreetly identifiable plant and equipment items of **\$2,000** and above will be capitalised where the future benefit of that expenditure exceeds one year at the time of purchase. All land purchases must be capitalised.

The Chief Executive Officer or Chief Financial Officer or Finance and Business Manager may approve the capitalisation of services expenditures of \$2,000 and above where those services have a future benefit exceeding one year. All assets which are <\$2,000 must be expensed in the year of purchase and recorded in the portable and attractive items register. All other service expenditures shall be written off in the financial year the expenditure was incurred.

Compliance with Commonwealth Government GST & Australian Business Number legislation

The Commonwealth Government implementation of GST and Australian Business Number legislation, has given rise to some additional obligations in respect of purchasing. These are as follows:

- Organisations are required to withhold 46.5% of any payment to a supplier of goods or services that does not provide an ABN. In response to this, it is the policy of Racing Queensland Limited that no supplies be purchased from entities that are unable to quote an ABN;
- All suppliers to Racing Queensland Limited are to be advised that they must be able to provide a "Tax Invoice" in the form specified by the GST legislation, to enable Racing Queensland Limited to claim input credits. Under law, the supplier must supply Racing Queensland Limited with a Tax Invoice within 28 days of request. Racing Queensland Limited staff should not enter into contractual arrangements with suppliers unless satisfied that the supplier will be able to provide a suitable Tax Invoice; and
- When obtaining quotes or prices from potential suppliers, purchasing officers must satisfy themselves that the prices quoted are GST inclusive.

Documentation and the Role of the Finance Department

The Finance Department plays the lead role in ensuring Racing Queensland Limited meets its obligations under the *Corporations Act 2001*, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC through the development and implementation of appropriate accounting policies and controls.

While the Department will work to ensure operational areas within the organisation are meeting their obligations under the purchasing guidelines, senior managers also have a role to play in monitoring the purchasing activities of their staff.

With regard to documentation, all acquisitions need to be supported by evidence that appropriate purchasing principles and guidelines have been followed. In this regard:

- All purchases for non-continuous supplies that are not completed through petty cash or credit cards must be completed in IPOS. **Where IPOS is not available a manual purchase order must be raised and authorized with the pink and green copies sent to accounts payable.** Additionally, copies of sponsorship agreement pro-formas must be provided to the Finance and Business Manager on a timely basis; and
- The delegated officer must be satisfied that Racing Queensland Limited's purchasing policy has been adhered to, and that appropriate documentation that supports the six key principles (value for money, open and fair competition etc) has been gathered, and is available for audit scrutiny if required. The managers of organisational areas have responsibility for ensuring supporting documentation is maintained and is accessible.

Enquiries regarding these purchasing principles should be directed to the Chief Executive Officer or Chief Financial Officer or Finance and Business Manager.

IPOS

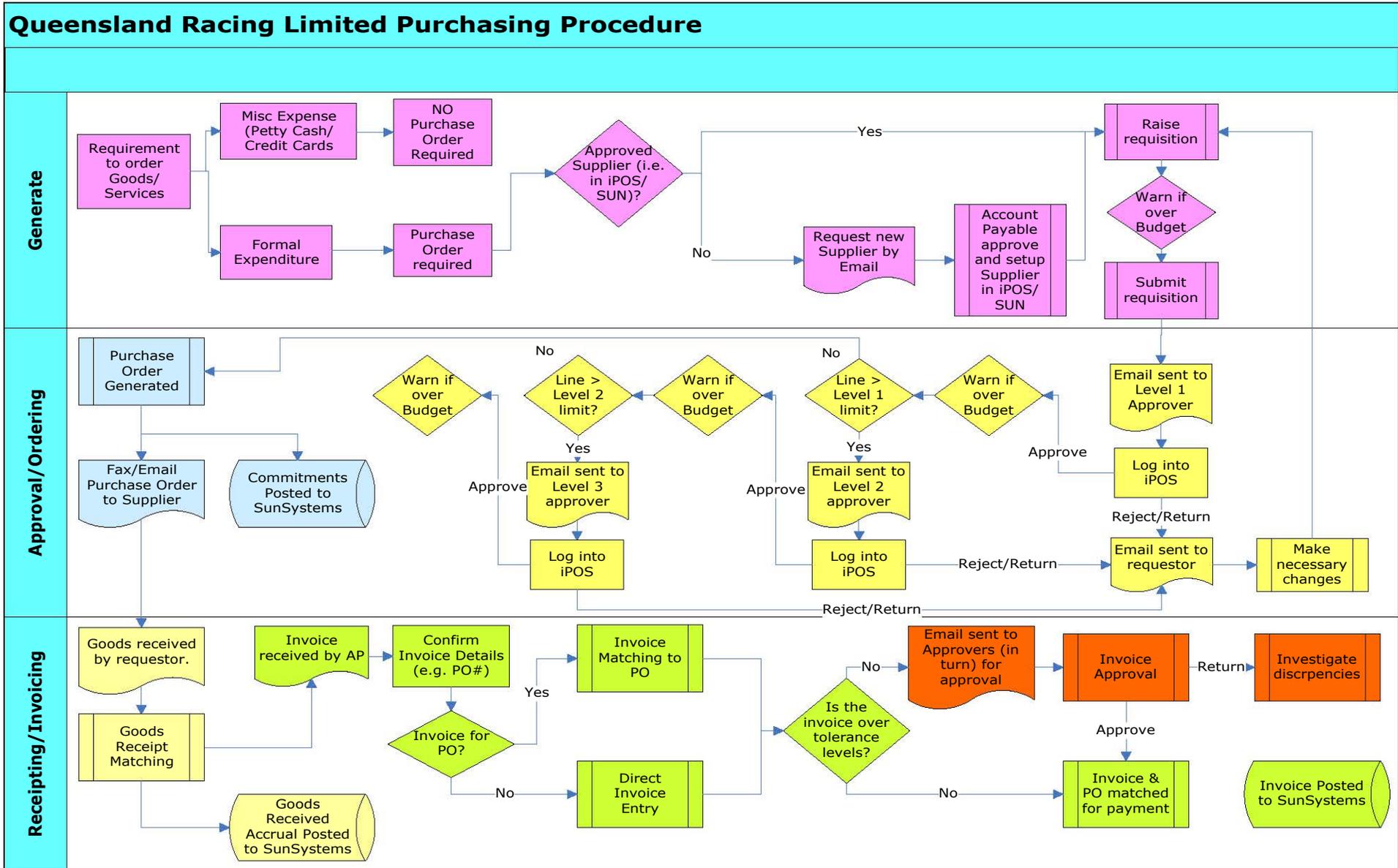
IPOS is an online web enable electronic procurement system. It has been custom built to meet Racing Queensland Limited and industry needs and greatly enhances Racing Queensland Limited's ability to operate in today's modern information driven environment.

Where IPOS is not available a manual purchase order must be raised and authorized with the pink and green copies sent to accounts payable.

The main objectives of IPOS are:

- To provide the underlying systems to enable the business to obtain tighter budgetary controls, including the recording of committed expenditure,
- To provide managers with the appropriate tools to focus on their individual budgets,
- Implementation of systemic controls over the procure to pay process,
- Improved reporting to the whole business,
- To bring Racing Queensland Limited in line with best practice procurement through taking advantage of e-commerce, electronic purchase ordering and scanning.
- Provide more real time reporting with less reliance on accounts payable,
- Introduction of process efficiencies for accounts payable, removing the many manual processes currently in use, such as manual purchase order generation and invoice approvals.
- Ability to interface with supplier ordering systems resulting in less manual entry.

The process map for Racing Queensland Limited's procurement process is featured below.



The major advantage of IPOS is that it enforces Racing Queensland Limited's purchasing policy in an electronic procurement system. All management delegations are enforced at requisition and invoice stage. Separation of duties ensures that only requisitioners can create purchase orders and only management can authorise.

From 1 July 2010 where applicable all invoices will only be paid if an IPOS purchase order number is quoted on the invoice. Instances where invoices do not require IPOS purchase orders are Energy, phones, rates and other standard monthly charges.

IPOS Procedures are linked below:

<http://starcraft:8080/finance/Shared%20Documents/Forms/AllItems.aspx>

Payment Methods

1. Direct Debit

1.1 Business Condition

Purchases that occur at set times throughout the year for set dollar amounts.

1.2 Business Rule

Invoices for goods or services that fall under this category include:

1. Rentals
2. Leases
3. Superannuation

Payments will be made via direct debit at the time dictated by the invoice.

1.3 Dependencies

Payments must be fixed frequency and price.

2. Cheque

2.1 Business Condition

One-off purchases that can not be paid through any other alternative option.

3. Electronic Funds Transfer (EFT)

All other purchases will be paid by Electronic Funds Transfer (EFT) unless previously authorised by Finance and Business Manager

Payment Summary

A summary of the different methods for paying invoices is provided below:

Payment Types	Business Condition
EFT	Used for standard purchasing from preferred suppliers Used for emergency purchases from preferred supplier in response to an emergency situation
Direct Debit	Used for purchases that occur at set times throughout the year for set dollar amounts
Cheque	Used for miscellaneous purchases on a "case-by-case" basis only. To be used only in exceptional circumstances.
Credit Cards	Used for purchases made with non-preferred suppliers for dollar amounts up to delegated authority.
Petty Cash	Used for miscellaneous purchasing of items with a value of less than \$100 unless authorised by Finance and Business Manager

Summary of Key Controls

As a high level summary, the key controls associated with the procurement system are:

- Only deal with suppliers who have a valid ABN
- Three quotes required for amounts >\$10,000 where a preferred supplier is not used
- Tax invoices to be obtained at all times
- Required signatures for goods received
- Vendor creation, deletion or addition must be performed by the Accounts Payable Officer and the bank account details are required in accordance to the Sun Security matrix to be entered by an Accounts Receivable Officer who does not have the ability to raise purchase orders or make payments in SUN. The change of details form is located G:\Finance\FORMS\Accounts Payable\Change of Details form.xls
- Invoices are only paid after the prior approval of a purchase order (excluding credit card statement payments and direct debits) and after goods have been received
- Established delegation limits with a 10% tolerance level up to a limit of \$100
- Credit card holders can make transactions greater than their delegation limit provided a purchase requisition with appropriate approval has been obtained first.

In addition to the above, Racing Queensland Limited should perform an annual supplier analysis to review expenditure to determine that value for money is being achieved.

Credit Facilities

A credit facility is any system of credit established to allow purchase of goods or services without the use of an official purchase order or the exchange of cash between the purchaser and supplier at the time of the transaction.

The credit facilities generally used by the Company are:

- Corporate credit cards
- Fuel cards
- Taxi vouchers
- Toll cards.

The establishment of any credit facility requires the recommendation of the Chief Financial Officer and approval from the Company. The Chief Financial Officer is responsible for the establishment, implementation, management and control of credit facilities used by the Company.

All credit facilities must be subject to the agreed terms and conditions between the credit provider and the Company.

Users of credit facilities must comply with the agreed terms and conditions, and properly discharge responsibilities regarding the use and reconciliation of credit accounts. Users are responsible for utilising the facilities in a proper and appropriate manner, and are accountable for all transactions associated with their use.

Users are also responsible for the security of the card/vouchers. Misuse of credit facilities will, at the discretion of the Board, result in the user's access to the facility being revoked and appropriate disciplinary action being taken.

Corporate Credit Cards

Principles. The policies and procedures pertaining to corporate credit cards are contained in the following policy: RQL_Expense Reimbursement Policy.doc

Issue. Corporate credit cards will be issued to relevant officers on the basis of the card providing a necessary and convenient facility for meeting commitments incurred in the course of official business. The issue of corporate credit cards is to be recorded in a register that is maintained by an appropriate officer, e.g. Accounts Payable Officer. Corporate card use should be restricted to a specific transaction limit in any one month.

Documentation.

The following conditions governing the use of credit cards prevail:

A register of cards must be established and maintained to exercise control over the issue and use of cards.

- Only authorised charges may be made against the credit organisation;
- Cards must be secured at all times against unauthorised use;
- Internal control measures must be sufficient to ensure cards are used for official purposes only and that any misuse is detected promptly and reported to the Chief Financial Officer.
- Officers using a credit card must obtain particulars of transactions including supporting invoices and dockets duly signed. A Credit Card Usage Form must be completed with the invoices attached. Supporting documentation can include the vendor's invoice/account, copy of prior approval to travel/entertain (where applicable), and purchase order. Where supporting invoices or dockets are not available, a signed certificate stating that the transactions are valid and were for official purposes must be attached. Details of all hospitality/entertainment expenses must be fully documented with the purpose of the expense, guest name(s), date, refreshments, time and the like.

Reconciliation.

- The documentation must be forwarded promptly to an accounting officer for attachment to the credit card transaction record for the purposes of sustaining the official use of the card and settlement of the amount within the required period;
- An accounting officer must match the dockets to the statements received from the credit card organisation;
- The dockets and the summary of these dockets showing the charges incurred by the use of credit cards must be properly authorised by a duly authorised officer; and
- The use of credit cards for the purchase of goods and services must be in strict accordance with the expense reimbursement policy of Racing Queensland Limited.
- Failure to provide receipts and the reconciliation in a timely manner will result in the card being cancelled and the employee will have to be reimbursed expenditure through the expense reimbursement policy

Fuel Cards

Issue. The issue of fuel cards is to be recorded in a register maintained by the Finance area.

Responsibilities. Users of the fuel card credit facility are responsible for utilising the facility in a proper and appropriate manner. Users are also responsible for the security of the card while it is in their possession, and are accountable for all transactions associated with its use during that period.

Use. Fuel cards are to be used only in accordance with the agreement between the credit provider and the Company. This includes locations where the card may be used, vehicle for which the card may be used and the types of purchases that are permitted (e.g. fuel only, fuel and oil).

Documentation. Fuel card transactions are to be supported by documentary evidence of the purchase (e.g. the fuel card docket provided by the fuel supplier). This documentation is to be forwarded to the Finance Area and will be used when reconciling the credit provider's account and making payment.

Taxi Vouchers

Issue. Bulk stocks and the issue of taxi vouchers are to be maintained by the Finance area. The Accounts Payable Officer is responsible for the issue of taxi vouchers within their area of responsibility. This officer should ensure that taxi vouchers are issued for appropriate use.

Use. The use of taxi vouchers is strictly limited to taxi travel for the purpose of conducting official business within or outside business hours when neither an official vehicle is available, nor is public transport an acceptable option.

E Tolls

Issue. The Finance and Business Manager is responsible for approving the issue of E toll within their area of responsibility. Officers may purchase pre-paid tolls only by credit card.

Use. The use of tolls is limited to conditions as specified under the motor vehicle policy.

SPONSORSHIP AGREEMENT

BETWEEN:

(The Sponsor)

AND RACING QUEENSLAND LIMITED, a control body established under the *Racing Act 2002* and *Corporations Act 2001*

(The Sponsored)

WHEREAS The Sponsor has agreed to provide sponsorship in accordance with this agreement.

AND The Sponsored has agreed to provide services in return for the sponsorship.

This Agreement provides:

1. The Sponsor will provide the following sponsorship to the Sponsored:
 Details of Sponsorship [If insufficient space annex details]
 - Money (here detail the sum of any monies to be paid to the Sponsored)
 - Support (here detail all support services including the value thereof to be supplied to the Sponsored)
2. The Sponsored will provide the following services to the Sponsor: [If insufficient space annex details]
 - Services (here detail all services including their value to be supplied by the Sponsored in return for the sponsorship)
3. It is hereby acknowledged that:
 - (a) The Sponsored will issue a recipient created tax invoice to the Sponsor to meet Goods and Services Tax obligations in relation to the supply of money and for support;
 - (b) The Sponsor will issue a recipient created tax invoice to the Sponsored to meet Good and Services Tax obligations in relation to the supply of services.

DATED this _____ day of _____ 20__

SIGNED AS AN AGREEMENT

SPONSOR

Full name of authorised officer

Signature of authorised officer

Signed in the presence of

SPONSORED

RACING QUEENSLAND LIMITED

Full name of authorised officer

Signature of authorised officer

Signed in the presence of



PURCHASING POLICY

Owner

Chief Financial Officer

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	May 2010	First draft (Murray Dyke)/Reviewed Adam Carter
1.02	12 May 2010	Provided to Tracey Harris and Abhendra Kumar for Feedback
1.03	22 June 2010	Reviewed AC
1.04	1 July 2010	RQL Board Changes (FINAL)
1.05	9 June 2011	Reviewed Adam Carter and Sharon Drew
1.06	1 July 2011	Approved by RQL Board – Capital Expenditure and Repairs and Maintenance



PURCHASING POLICY:

RACING QUEENSLAND LIMITED

Introduction

This policy has been prepared to provide guidelines and procedures to be followed by officers of Racing Queensland Limited when undertaking and managing purchasing activities to meet the organisation's operational requirements and also meet the objectives of the policy.

Racing Queensland Limited is the Control Body established by, and obtaining its objects and functions from, the *Racing Act 2002* and its Constitution. Racing Queensland Limited is required to conduct its financial activities with probity and accountability, in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC.

Key Principles

In conducting its purchasing activities it is the policy of Racing Queensland Limited to adhere, at all times, to the key principles of:

1. Value for money;
2. Quality of product, service, and support;
3. Open and fair competition;
4. Accountability of outcomes;
5. Use of Queensland product where price competitive, and where quality standards are met; and
6. Suppliers are compliant with all taxation requirements.

Policy

These principles have been applied in developing policy for the following key purchasing activities:

- Capital works projects;
- Consulting services;
- Sponsorship contracts;
- Information technology;
- Other capital expenditure;

- Major repairs and maintenance;
- Day to day purchasing of services and supplies; and
- Credit Facilities

There is also a focus on using preferred suppliers as explained in this report in further detail. The procurement system should result in the following benefits:

- Reduce operating costs;
- Reduce risk;
- Increase control; and
- Improve cash flow visibility

Capital Works Projects

Racing Queensland Limited plays a major role in the implementation of industry capital works projects each year. Racing Queensland Limited establishes an annual program of capital works, within a specified budget, following consideration of proposals from race clubs and advice from relevant officers within the organisation.

The policy of Racing Queensland Limited, in relation to the implementation of approved projects, is briefly addressed below:

- Once projects are given preliminary approval through the annual capital budgeting process, race clubs will be required to provide detailed design and costing information, and a project plan, prepared by a suitably qualified and experienced independent consultant. Racing Queensland Limited may, at its discretion, instigate an assessment of this documentation by its own consulting engineers. Any variation to the estimate used in applying for inclusion in the capital works program must be disclosed and explained. Variations of greater than 10% from the preliminary estimate are to be referred back to the Board of Racing Queensland Limited;
- Assuming the project cost following detailed design is contained within 10% of the preliminary estimate, and Racing Queensland Limited is satisfied with the standard of documentation provided, final approval will be given for the project to proceed (Chief Executive Officer or Chief Financial Officer);
- After final approval has been given, race clubs will be instructed that they can establish formal contractual arrangements for the construction works, in accordance with the approved budget. In establishing these contracts the club must pay regard to the key purchasing principles contained within this policy. Following establishment of the works contracts, Racing Queensland Limited will make payment of a grant to the club, equivalent to the agreed industry contribution. This grant will represent payment for a taxable supply, and will have GST added; and
- Following completion of the project, the club will provide Racing Queensland Limited with a report, which addresses the outcomes of the project, including cost to budget, quality of product, and timeliness.

Consulting Services

Racing Queensland Limited uses consulting services in a number of aspects of its operations including legal, information technology, human resource management, financial management, business development, and marketing.

These consultancies vary from short-term "one-off" contracts, to longer-term arrangements, which may encompass a series of different activities (e.g. marketing and promotional work).

For short-term "one-off" contracts the following policy guidelines are to apply:

- The six key purchasing principles outlined above are to be applied at all times;
- For contracts under \$10,000 in value, preferred supplier arrangements* can be used. That is, where a purchasing officer is satisfied that a consultant that has provided a high quality service in the past, has

the necessary expertise to undertake the work, and is available in an appropriate timeframe, that consultant can be appointed without a formal competitive process being undertaken. If such a person is not available, three quotes from prospective consultants should be obtained and evaluated;

(* Please note that where preferred supplier arrangements are referred to later in this document for other categories of purchasing, similar procedures to those above will apply)

- For contracts between \$10,000 and \$100,000, tenders should be called from at least three “preferred” contractors. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles. The evaluation of the proposals should be undertaken by two accountable officers, and be approved by a delegated officer (Chief Executive Officer or Chief Financial Officer);
- For contracts over \$100,000, will be subject to Board discretion as to the waiver of an open tender, including appropriate advertising of the consultancy. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers, and be approved by a delegated officer.

For longer-term consultancy arrangements (e.g. the ongoing purchase of external legal services that cannot be delivered in-house), which may involve the use of a preferred supplier or suppliers for a range of individual tasks over an extended period of time, the following guidelines are to be followed:

- The purchasing officer may select a consultant for a range of tasks from a panel of preferred suppliers for the type of work involved;
- Prior to such a selection, a competitive process, adhering to the six key purchasing principles of Racing Queensland Limited, to appoint the panel of preferred suppliers must have been undertaken, be appropriately documented, and be signed-off by a delegated officer;
- In selecting the preferred supplier from the panel, the purchasing officer must clearly document the reasons for the selection, and be accountable for that selection. The selection must be approved by a delegated officer; and
- Individual consultancy contracts over \$100,000 in value are not to be entered into under these preferred supplier arrangements. For such consultancies, will be subject to Board discretion as to the waiver of an open tender, as described above, must be followed.

Sponsorship Contracts

Racing Queensland Limited may enter into sponsorship contracts of a cash and exchange-of-goods and/or services (“contra”) nature.

In establishing these contracts, officers must adhere to Racing Queensland Limited’s key purchasing principles, particularly those of “accountability of outcomes”, and “compliance with all taxation requirements”. With these principles in mind, a Sponsorship Agreement pro-forma (refer to Appendix A) is to be prepared for all sponsorship arrangements, regardless of whether they involve a cash payment, or are solely contra in nature.

The sponsorship agreement is to clearly specify the goods and/or services that are to be delivered by both Racing Queensland Limited and the sponsor, and identify the value of these supplies so that GST obligations, including Tax Invoicing, can be satisfied.

All sponsorship agreements are to be authorised by an officer of Racing Queensland Limited with appropriate delegation, and a copy is to be provided to the Finance Section so that Tax Invoices can be prepared, and GST liabilities and credits accounted for.

Information Technology

The acquisition of information technology hardware and software represents a substantial investment of capital by Racing Queensland Limited each year.

Given the advancing nature of IT and the need to upgrade hardware and systems applications on an ongoing basis, it is the policy of Racing Queensland Limited to acquire such items through leasing arrangements. In this regard the following is to apply:

- A tender process, through a preferred supplier arrangement, is to be undertaken for the establishment of a medium to long-term lease contract for the supply of computer equipment, and other general office equipment where appropriate;
- This contract is to be reviewed on an annual basis to ensure the key principles of “value for money” and “quality of service and support” are being satisfied;
- Where a requirement to add items to the schedule covered by the lease has been identified, the purchasing officer must ensure the purchasing principles are adhered to. For items under \$10,000, preferred supplier arrangements can be used. For items \$10,000 or over, three quotes must be obtained. Appropriate documentation to support the purchasing decisions must be maintained at all times; and

The IT Section is also required to develop and maintain an *IT asset replacement strategy*, incorporating a list of all hardware and software under lease (or purchased), and information on the condition and expected useful life of individual items.

Other Capital Expenditure

Motor Vehicles

Racing Queensland Limited maintains a fleet of vehicles provided for both work and private use. These vehicles are to be leased through the appropriate lease provider under the following arrangements:

- the leasing of a new vehicle must be approved by the Chief Executive Officer or Chief Financial Officer; and
- The type and model of the vehicle, and any optional extras, must be commensurate with the status and nature of the role performed by the officer for which the car is being acquired, and be in accordance with the entitlements the officer has under his/her contract of employment;
- All vehicles are to be replaced after three years, or having travelled 90,000 kms, whichever comes first, unless the Chief Executive Officer or Chief Financial Officer agrees to an extension of the leasing term.

Vehicles are to be leased in line with the Racing Queensland Limited’s Motor Vehicle Policy, for further details email ap@racingqueensland.com.au

On disposal of company-owned vehicles, three trade-in quotes must be obtained, where possible, with the highest trade-in valuation the key consideration in selecting the successful dealer. Racing Queensland Limited staff may be given the option to purchase the vehicle that is being traded, at no less than \$1 more than the best trade-in valuation. The Chief Executive Officer or Chief Financial Officer will determine the successful staff bidder in the event of two or more staff bidding for the same vehicle being traded.

Other Capital Purchases

All other capital purchases (e.g. office machines) made by Racing Queensland Limited are to adhere to the following guidelines:

A request for capital expenditure form is to be completed for all capital purchases and is to be authorised by both the Chief Executive Officer and Chief Financial Officer [<insert link to form when on intranet >](#).

- The six key purchasing principles outlines above are to be applied at all times;
- For items under \$10,000 in value, preferred supplier arrangements can be used;
- For capital items between \$10,000 and \$100,000, quotes should be called from at least three “preferred” suppliers. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles;

- For capital items over \$100,000, will be subject to Board discretion as to the waiver of an open tender. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers; and
- For all capital purchases of \$10,000 or more, a lease versus buy analysis is to be undertaken.

Major Repairs and Maintenance

Major Repairs and Maintenance purchases of \$20,000 or more made by Racing Queensland Limited are to adhere to the following guidelines:

A request for major repairs and maintenance expenditure form is to be completed for purchases of \$20,000 or more and is to be authorised by both the Director of Product Development and Chief Financial Officer to the value of \$50,000). Purchases of \$50,000 or more will require an additional approval by the Chief Executive Officer.

. <insert link to form when on intranet >

Day to day Purchasing of Services and Supplies.

Policy in relation to the day to day purchasing of services and supplies is as follows:

- For items supplied on a continuous basis (e.g. stationery, consumables, printing) preferred supplier arrangements may be used. Purchasing officers must ensure that the key purchasing principles are adhered to, especially “value for money” and “quality of service”;
- In this regard, officers are required to conduct a competitive process for the selection of a panel of preferred suppliers, for continuous supplies, on an annual basis. Documentation must be prepared and maintained in respect of preferred supplier selection, and the subsequent selection of a supplier from the panel for particular purchases;
- However, for any individual supply or service, which would normally form part of a continuous supply by an individual, that is to cost the organisation \$100,000 or more, an open competitive process must be undertaken. That is, any individual supply which is to cost \$100,000 or more, cannot form part of a continuous purchasing contract made under preferred supplier arrangements;
- For non-continuous supplies and services (e.g. “one-off” printing jobs) preferred supplier arrangements can be used for purchases under \$10,000, on the basis that Racing Queensland Limited’s key principles are satisfied. At least three competitive quotes must be obtained for any purchase of \$10,000 or more.

Preferred Suppliers

As much as possible, Racing Queensland Limited should consolidate its suppliers and utilise preferred suppliers for either off-the-shelf goods/services where there are several sources of supply and the purchase is low risk or where there is an established relationship with a proven record of success. The advantages of using preferred suppliers are that it streamlines and simplifies purchasing, reduces administrative costs and promotes cost savings through volume discounts and exclusivity arrangements. Other benefits are that it minimises costs and risk for suppliers through not being required to regularly prepare and submit quotations.

1.1. Selection of Preferred Suppliers

The selection of preferred suppliers should be based on selection criteria that could include:

- Technical capability and experience
- Financial capacity and viability
- System and management responsibility incorporating product and service compliance with agreed industry standards
- People
- Business/organisation factors
- Favourable referee reports (a successful track record to deliver)
- Racing Queensland Limited's 6 key principles:
 1. Value for money;
 2. Quality of product, service, and support;
 3. Open and fair competition;
 4. Accountability of outcomes;
 5. Use of Queensland product where price competitive, and where quality standards are met; and
 6. Suppliers are compliant with all taxation requirements.

1.2 Preferred Suppliers Listing.

The current preferred suppliers list can be obtained from [accounts payable ap@racingqueensland.com.au](mailto:accounts_payable_ap@racingqueensland.com.au) or can be located at the following link:

<Insert Link to Preferred Supplier Listing which is currently under construction>

RACING QUEENSLAND LIMITED

Item	Regional Senior Stewards	Admin Authorities, Racecourse Supervisor, racing Manager – Procurement Track Supervisor	Managers, Chief Steward, Racing and Facilities Supervisor, Track Supervisor	Information Technology and Communications Manager, Licensing and Training Manager, Racing Managers – Dividing Races, Management Accountant, Revenue & Services Accountant	Director of Integrity Operations, Facility & Development Manager, Senior Corporate Counsel/Company Secretary	Chief Financial Officer, Director of Product Development	Chief Executive Officer	Board of Directors
Overall Delegation	<\$500	<\$1,000	<\$2,000	<\$5,000	<\$20,000	<\$50,000	<\$150,000 In line with Budget	Unlimited

Standard Purchase Orders	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS
Emergency Purchase Orders	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS
Requisition – Miscellaneous Purchases (Credit Cards) (Refer to Expense Reimbursement policy for conditions)	X	X	X	X	<\$20,000 and to Budget	To Budget	To Budget	Same as above
Petty Cash	<\$100	<\$100	<\$100	<\$100	<\$100	<\$300	<\$300	<\$300
Capital Expenditure Purchase Orders and Request Forms	X	X	X	X	X	Forecast projects if <\$50,000 or if satisfied CEO has previously approved the project	Any single project <\$150,000 where included in approved annual budget	Any single project above \$150,000
Domestic (Interstate) travel	X	X	X	To Budget	To Budget	To Budget	To Budget	If outside aggregate annual budget
International Travel	X	X	X	X	X	X	To Budget	If outside aggregate annual budget
Official Hospitality	<\$100	<\$100	<\$100 <\$300 Senior Management Team	<\$100 <\$300 Senior Management Team	<\$300	<\$300 or other functions as approved by CEO	To Budget	Yes
Sponsorship	X	X	X	Authorities restricted to IT&Comms Manager or Marketing Manager and Senior Corporate Counsel/Company Secretary	To Budget	To Budget	To Budget	Yes, subject to Board agreement

RACING QUEENSLAND LIMITED

Item	Regional Senior Stewards	Admin Authorities, Racecourse Supervisor, racing Manager – Procurement Track Supervisor	Managers, Chief Steward, Racing and Facilities Supervisor, Track Supervisor	Information Technology and Communications Manager, Licensing and Training Manager, Racing Managers – Dividing Races, Management Accountant, Revenue & Services Accountant	Director of Integrity Operations, Facility & Development Manager, Senior Corporate Counsel/Company Secretary	Chief Financial Officer, Director of Product Development	Chief Executive Officer	Board of Directors
Overall Delegation	<\$500	<\$1,000	<\$2,000	<\$5,000	<\$20,000	<\$50,000	<\$150,000 In line with Budget	Unlimited

Contractual Agreements (all contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of Contracts register and assess if any legal advice is required)	x	x	x	x	<\$20,000 total value (not lease or license) assuming that authorised to sign in ordinary operations	Yes with CEO assuming CEO previously approved and legally authorised to sign where <\$100,000	Yes where value <\$150,000	Yes, subject to Board agreement
Execution of Contractual agreements (All contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of contracts register and assess if any legal advice is required)		To be executed by 2 Directors of the Company or a Director and a Company Secretary of the Company (S127 (1) – Corporations Act 2001).						

The same delegations above apply to the payment of invoices with one exception:

- An invoice can be approved by a person with a lesser delegation provided the original purchase order was approved appropriately and the invoice does not exceed an amount that exceeds 10% of the original purchase order.

It should be noted that as a business rule, staff are not allowed to circumvent their delegation by raising multiple orders to purchase a good or service for an amount that exceeds their delegation limit.

Delegations

All expenditures for goods and services are to be authorised by a duly delegated officer and are to be in line with budget. These delegations are as follows:

Unlimited

- Board of Directors

Up to \$150,000

- Chief Executive Officer

Up to \$50,000

- Chief Financial Officer
- Director of Product Development

Up to \$20,000

- Director of Integrity Operations
- Facility Maintenance and Development Manager
- Senior Corporate Counsel/Company Secretary

Up to \$5,000

- Information Technology and Communications Manager
- Racing Managers – Dividing Races
- Licensing and Training Manager
- Race Course Facility Managers
- Chief Steward
- Accountant – Corporate Services
- Management Accountant

Up to \$1,000

- Administrative Authorities – Executive Assistants including Track Supervisors
- Racing Managers - Procurement
- Racecourse Supervisor

Up to \$500

- Regional Senior Stewards (Northern Region – Townsville, Senior Steward Capricornia Rockhampton and Steward in Charge Downs - Toowoomba)

Capitalisation of expenditure

Expenditure on discreetly identifiable plant and equipment items of **\$2,000** and above will be capitalised where the future benefit of that expenditure exceeds one year at the time of purchase. All land purchases must be capitalised.

The Chief Executive Officer or Chief Financial Officer may approve the capitalisation of services expenditures of \$2,000 and above where those services have a future benefit exceeding one year. All assets which are under \$2,000 must be expensed in the year of purchase and recorded in the portable and attractive items register. All other service expenditures shall be written off in the financial year the expenditure was incurred.

Compliance with Commonwealth Government GST & Australian Business Number legislation

The Commonwealth Government implementation of GST and Australian Business Number legislation, has given rise to some additional obligations in respect of purchasing. These are as follows:

- Organisations are required to withhold 46.5% of any payment to a supplier of goods or services that does not provide an ABN. In response to this, it is the policy of Racing Queensland Limited that no supplies be purchased from entities that are unable to quote an ABN;

- All suppliers to Racing Queensland Limited are to be advised that they must be able to provide a "Tax Invoice" in the form specified by the GST legislation, to enable Racing Queensland Limited to claim input credits. Under law, the supplier must supply Racing Queensland Limited with a Tax Invoice within 28 days of request. Racing Queensland Limited staff should not enter into contractual arrangements with suppliers unless satisfied that the supplier will be able to provide a suitable Tax Invoice; and
- When obtaining quotes or prices from potential suppliers, purchasing officers must satisfy themselves that the prices quoted are GST inclusive.

Documentation and the Role of the Finance Department

The Finance Department plays the lead role in ensuring Racing Queensland Limited meets its obligations under the *Corporations Act 2001*, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC through the development and implementation of appropriate accounting policies and controls.

While the Department will work to ensure operational areas within the organisation are meeting their obligations under the purchasing guidelines, senior managers also have a role to play in monitoring the purchasing activities of their staff.

With regard to documentation, all acquisitions need to be supported by evidence that appropriate purchasing principles and guidelines have been followed. In this regard:

- All purchases for non-continuous supplies that are not completed through petty cash or credit cards must be completed in IPOS. **Where IPOS is not available a manual purchase order must be raised and authorised with the pink and green copies sent to accounts payable.** Additionally, copies of sponsorship agreement pro-formas must be provided to the Chief Financial Officer on a timely basis; and
- The delegated officer must be satisfied that Racing Queensland Limited's purchasing policy has been adhered to, and that appropriate documentation that supports the six key principles (value for money, open and fair competition etc) has been gathered, and is available for audit scrutiny if required. The managers of organisational areas have responsibility for ensuring supporting documentation is maintained and is accessible.

Enquiries regarding these purchasing principles should be directed to the Chief Executive Officer or Chief Financial Officer.

IPOS

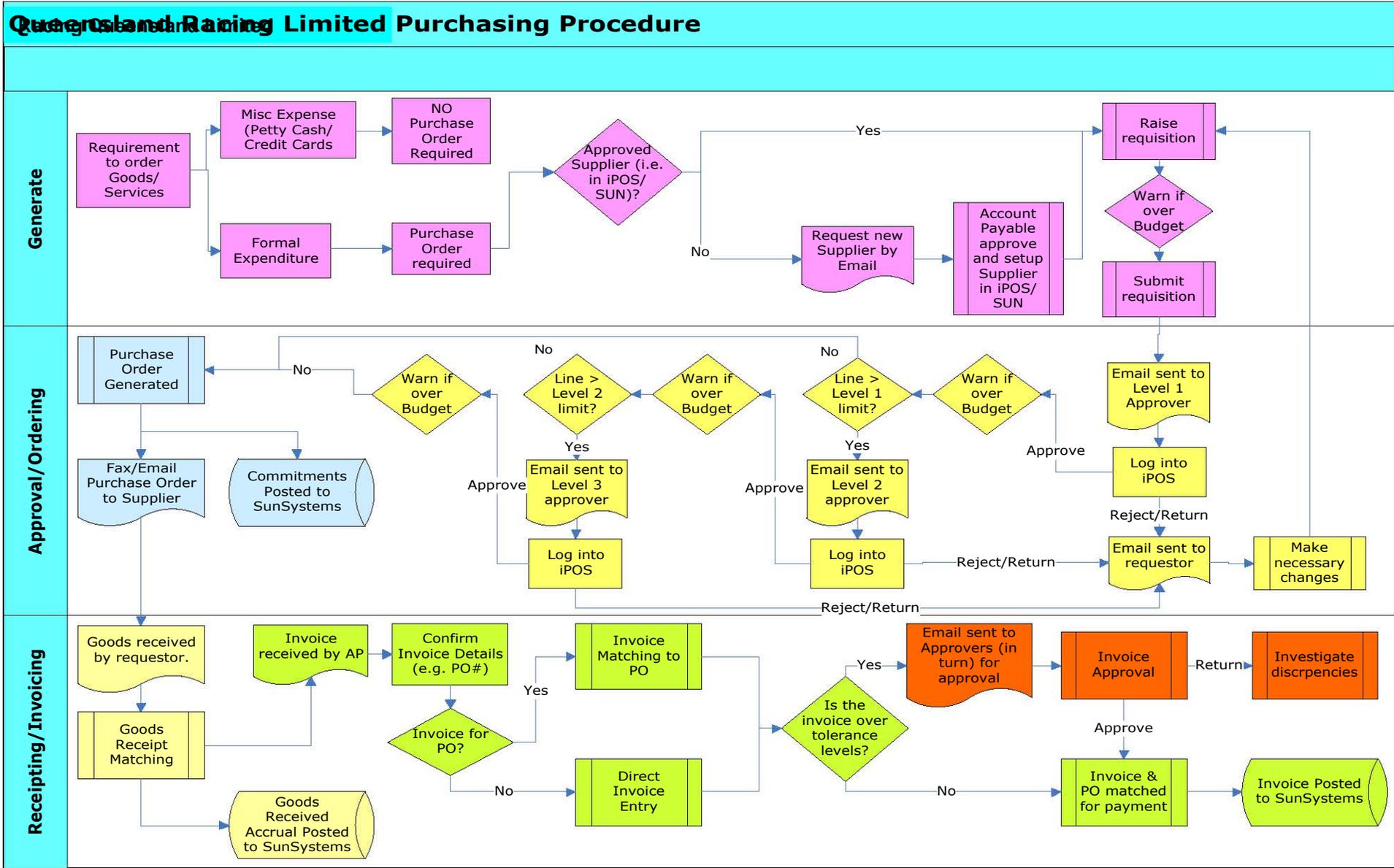
IPOS is an online web enable electronic procurement system. It has been custom built to meet Racing Queensland Limited and industry needs and greatly enhances Racing Queensland Limited's ability to operate in today's modern information driven environment.

Where IPOS is not available a manual purchase order must be raised and authorized with the pink and green copies sent to accounts payable.

The main objectives of IPOS are:

- To provide the underlying systems to enable the business to obtain tighter budgetary controls, including the recording of committed expenditure,
- To provide managers with the appropriate tools to focus on their individual budgets,
- Implementation of systemic controls over the procure to pay process,
- Improved reporting to the whole business,
- To bring Racing Queensland Limited in line with best practice procurement through taking advantage of e-commerce, electronic purchase ordering and scanning.
- Provide more real time reporting with less reliance on accounts payable,
- Introduction of process efficiencies for accounts payable, removing the many manual processes currently in use, such as manual purchase order generation and invoice approvals.
- Ability to interface with supplier ordering systems resulting in less manual entry.

The process map for Racing Queensland Limited's procurement process is featured below.



The major advantage of IPOS is that it enforces Racing Queensland Limited's purchasing policy in an electronic procurement system. All management delegations are enforced at requisition and invoice stage. Separation of duties ensures that only requisitioners can create purchase orders and only management can authorise.

From 1 July 2010 where applicable all invoices will only be paid if an IPOS purchase order number is quoted on the invoice. Instances where invoices do not require IPOS purchase orders are Energy, phones, rates and other standard monthly charges.

IPOS Procedures are linked below:

<http://starcraft:8080/finance/Shared%20Documents/Forms/AllItems.aspx>
<link to be updated>

Payment Methods

1. Direct Debit

1.1 Business Condition

Purchases that occur at set times throughout the year for set dollar amounts.

1.2 Business Rule

Invoices for goods or services that fall under this category include:

1. Rentals
2. Leases
3. Superannuation

Payments will be made via direct debit at the time dictated by the invoice.

1.3 Dependencies

Payments must be fixed frequency and price.

2. Cheque

2.1 Business Condition

One-off purchases that can not be paid through any other alternative option. RQL will only pay by cheque under exceptional circumstances otherwise all payments are to be made by electronic funds transfer.

3. Electronic Funds Transfer (EFT)

All other purchases will be paid by Electronic Funds Transfer (EFT) unless previously authorised by the Chief Financial Officer

Payment Summary

A summary of the different methods for paying invoices is provided below:

Payment Types	Business Condition
EFT	Used for standard purchasing from preferred suppliers Used for emergency purchases from preferred supplier in response to an emergency situation
Direct Debit	Used for purchases that occur at set times throughout the year for set dollar amounts
Cheque	Used for miscellaneous purchases on a "case-by-case" basis only. To be used only in exceptional circumstances.
Credit Cards	Used for purchases made with non-preferred suppliers for dollar amounts up to delegated authority.
Petty Cash	Used for miscellaneous purchasing of items with a value of less than \$100 unless authorised by the Chief Financial Officer

Summary of Key Controls

As a high level summary, the key controls associated with the procurement system are:

- Only deal with suppliers who have a valid ABN.
- Three quotes required for amounts of \$10,000 or more where a preferred supplier is not used.
- Tax invoices to be obtained at all times.
- Required signatures for goods received.
- Vendor creation, deletion or addition must be performed by the Accounts Payable Officer and the bank account details are required in accordance to the Sun Security matrix to be entered by an Accounts Receivable Officer who does not have the ability to raise purchase orders or make payments in SUN. The change of details form is located G:\Finance\FORMS\Accounts Payable\Change of Details form.xls.
- Invoices are only paid after the prior approval of a purchase order (excluding credit card statement payments and direct debits) and after goods have been received.
- Established delegation limits with a 10% tolerance level up to a limit of \$100
- Credit card holders can make transactions greater than their delegation limit provided a purchase requisition with appropriate approval has been obtained first.
- All Capital purchases require a Capital Expenditure request form.
- Major Repairs and Maintenance of \$20,000 or more require a Major Repairs and Maintenance form.

In addition to the above, Racing Queensland Limited should perform an annual supplier analysis to review expenditure to determine that value for money is being achieved.

Credit Facilities

A credit facility is any system of credit established to allow purchase of goods or services without the use of an official purchase order or the exchange of cash between the purchaser and supplier at the time of the transaction.

The credit facilities generally used by the Company are:

- Corporate credit cards
- Fuel cards
- Taxi vouchers
- Toll cards.

The establishment of any credit facility requires the recommendation of the Chief Financial Officer and approval from the Company. The Chief Financial Officer is responsible for the establishment, implementation, management and control of credit facilities used by the Company.

All credit facilities must be subject to the agreed terms and conditions between the credit provider and the Company.

Users of credit facilities must comply with the agreed terms and conditions, and properly discharge responsibilities regarding the use and reconciliation of credit accounts. Users are responsible for utilising the facilities in a proper and appropriate manner, and are accountable for all transactions associated with their use.

Users are also responsible for the security of the card/vouchers. Misuse of credit facilities will, at the discretion of the Board, result in the user's access to the facility being revoked and appropriate disciplinary action being taken.

Corporate Credit Cards

Principles. The policies and procedures pertaining to corporate credit cards are contained in the following policy: RQL_Expense Reimbursement Policy.doc

<Update link when on Intranet>

Issue. Corporate credit cards will be issued to relevant officers on the basis of the card providing a necessary and convenient facility for meeting commitments incurred in the course of official business.

The issue of corporate credit cards is to be recorded in a register that is maintained by an appropriate officer, e.g. Accounts Payable Officer. Corporate card use should be restricted to a specific transaction limit in any one month.

Documentation.

The following conditions governing the use of credit cards prevail:

A register of cards must be established and maintained to exercise control over the issue and use of cards.

- Only authorised charges may be made against the credit organisation;
- Cards must be secured at all times against unauthorised use;
- Internal control measures must be sufficient to ensure cards are used for official purposes only and that any misuse is detected promptly and reported to the Chief Financial Officer.
- Officers using a credit card must obtain particulars of transactions including supporting invoices and dockets duly signed. A Credit Card Usage Form must be completed with the invoices attached. Supporting documentation can include the vendor's invoice/account, copy of prior approval to travel/entertain (where applicable), and purchase order. Where supporting invoices or dockets are not available, a signed certificate stating that the transactions are valid and were for official purposes must be attached. Details of all hospitality/entertainment expenses must be fully documented with the purpose of the expense, guest name(s), date, refreshments, time and the like.

Reconciliation.

- The documentation must be forwarded promptly to an accounting officer for attachment to the credit card transaction record for the purposes of sustaining the official use of the card and settlement of the amount within the required period;
- An accounting officer must match the dockets to the statements received from the credit card organisation;
- The dockets and the summary of these dockets showing the charges incurred by the use of credit cards must be properly authorised by a duly authorised officer; and
- The use of credit cards for the purchase of goods and services must be in strict accordance with the expense reimbursement policy of Racing Queensland Limited.
- Failure to provide receipts and the reconciliation in a timely manner will result in the card being cancelled and the employee will have to be reimbursed expenditure through the expense reimbursement policy

Fuel Cards

Issue. The issue of fuel cards is to be recorded in a register maintained by the Finance area.

Responsibilities. Users of the fuel card credit facility are responsible for utilising the facility in a proper and appropriate manner. Users are also responsible for the security of the card while it is in their possession, and are accountable for all transactions associated with its use during that period.

Use. Fuel cards are to be used only in accordance with the agreement between the credit provider and the Company. This includes locations where the card may be used, vehicle for which the card may be used and the types of purchases that are permitted (e.g. fuel only, fuel and oil).

Documentation. Fuel card transactions are to be supported by documentary evidence of the purchase (e.g. the fuel card docket provided by the fuel supplier). This documentation is to be forwarded to the Finance Area and will be used when reconciling the credit provider's account and making payment.

Taxi Vouchers

Issue. Bulk stocks and the issue of taxi vouchers are to be maintained by the Finance area. The Accounts Payable Officer is responsible for the issue of taxi vouchers within their area of responsibility. This officer should ensure that taxi vouchers are issued for appropriate use.

Use. The use of taxi vouchers is strictly limited to taxi travel for the purpose of conducting official business within or outside business hours when neither an official vehicle is available, nor is public transport an acceptable option.

E Tolls

Issue. The Chief Financial Officer is responsible for approving the issue of E toll within their area of responsibility.

Officers may purchase pre-paid tolls only by credit card.

Use. The use of tolls is limited to conditions as specified under the motor vehicle policy.

SPONSORSHIP AGREEMENT

BETWEEN:

(The Sponsor)

AND RACING QUEENSLAND LIMITED, a control body established under the *Racing Act 2002* and *Corporations Act 2001*

(The Sponsored)

WHEREAS The Sponsor has agreed to provide sponsorship in accordance with this agreement.

AND The Sponsored has agreed to provide services in return for the sponsorship.

This Agreement provides:

1. The Sponsor will provide the following sponsorship to the Sponsored:
 Details of Sponsorship [If insufficient space annex details]
 - Money (here detail the sum of any monies to be paid to the Sponsored)
 - Support (here detail all support services including the value thereof to be supplied to the Sponsored)
2. The Sponsored will provide the following services to the Sponsor: [If insufficient space annex details]
 - Services (here detail all services including their value to be supplied by the Sponsored in return for the sponsorship)
3. It is hereby acknowledged that:
 - (a) The Sponsored will issue a recipient created tax invoice to the Sponsor to meet Goods and Services Tax obligations in relation to the supply of money and for support;
 - (b) The Sponsor will issue a recipient created tax invoice to the Sponsored to meet Good and Services Tax obligations in relation to the supply of services.

DATED this _____ day of _____ 20__

SIGNED AS AN AGREEMENT

SPONSOR

Full name of authorised officer

Signature of authorised officer

Signed in the presence of

SPONSORED

RACING QUEENSLAND LIMITED

Full name of authorised officer

Signature of authorised officer

Signed in the presence of



PURCHASING POLICY

Owner

General Manager of Corporate Services

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	May 2010	First draft (Murray Dyke)/Reviewed Adam Carter
1.02	12 May 2010	Provided to Tracey Harris and Abhendra Kumar for Feedback
1.03	22 June 2010	Reviewed AC
1.04	1 July 2010	RQL Board Changes (FINAL)
1.05	9 June 2011	Reviewed Adam Carter and Sharon Drew
1.06	1 July 2011	Approved by RQL Board – Capital Expenditure and Repairs and Maintenance
1.07	25 October 2011	Added: 1. Delegation authority of \$50K for the Project Director. 2. Industry Infrastructure Plan Section. Made minor changes to the Capital Expenditure and Repairs and Maintenance forms.
1.08	4 November 2011	Approved by RQL Board – changes made as per version 1.07
1.09	19 March 2012	Approved by RQL Board – changes to authorisation to include online procurement system
1.10	16 July 2012	Authority levels to reflect recent organisational structure change effective 1 July 2012
1.11	16 November 2012	Increase Authority level of the Facility Manager Albion Park and amend section “Compliance with Commonwealth Government & Australian Business Number Legislation” in relation to PAYG Withholding.



PURCHASING POLICY:

RACING QUEENSLAND LIMITED

Introduction

This policy has been prepared to provide guidelines and procedures to be followed by officers of Racing Queensland Limited when undertaking and managing purchasing activities to meet the organisation's operational requirements and also meet the objectives of the policy.

Racing Queensland Limited is the Control Body established by, and obtaining its objects and functions from, the *Racing Act 2002* and its Constitution. Racing Queensland Limited is required to conduct its financial activities with probity and accountability, in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC.

Key Principles

In conducting its purchasing activities it is the policy of Racing Queensland Limited to adhere, at all times, to the key principles of:

1. Value for money;
2. Quality of product, service, and support;
3. Open and fair competition;
4. Accountability of outcomes;
5. Use of Queensland product where price competitive, and where quality standards are met; and
6. Suppliers are compliant with all taxation requirements.

Policy

These principles have been applied in developing policy for the following key purchasing activities:

- Capital works projects;
- Consulting services;

-
- Sponsorship contracts;
 - Information technology;
 - Other capital expenditure;
 - Major repairs and maintenance;
 - Day to day purchasing of services and supplies;
 - Industry Infrastructure Plan; and
 - Credit Facilities

There is also a focus on using preferred suppliers as explained in this report in further detail. The procurement system should result in the following benefits:

- Reduce operating costs;
- Reduce risk;
- Increase control; and
- Improve cash flow visibility

Capital Works Projects

Racing Queensland Limited plays a major role in the implementation of industry capital works projects each year. Racing Queensland Limited establishes an annual program of capital works, within a specified budget, following consideration of proposals from race clubs and advice from relevant officers within the organisation.

The policy of Racing Queensland Limited, in relation to the implementation of approved projects, is briefly addressed below:

- Once projects are given preliminary approval through the annual capital budgeting process, race clubs will be required to provide detailed design and costing information, and a project plan, prepared by a suitably qualified and experienced independent consultant. Racing Queensland Limited may, at its discretion, instigate an assessment of this documentation by its own consulting engineers. Any variation to the estimate used in applying for inclusion in the capital works program must be disclosed and explained. Variations of greater than 10% from the preliminary estimate are to be referred back to the Board of Racing Queensland Limited;
- Assuming the project cost following detailed design is contained within 10% of the preliminary estimate, and Racing Queensland Limited is satisfied with the standard of documentation provided, final approval will be given for the project to proceed (Chief Executive Officer or General Manager of Corporate Services);
- After final approval has been given, race clubs will be instructed that they can establish formal contractual arrangements for the construction works, in accordance with the approved budget. In establishing these contracts the club must pay regard to the key purchasing principles contained within this policy. Following establishment of the works contracts, Racing Queensland Limited will make payment of a grant to the club, equivalent to the agreed industry contribution. This grant will represent payment for a taxable supply, and will have GST added; and
- Following completion of the project, the club will provide Racing Queensland Limited with a report, which addresses the outcomes of the project, including cost to budget, quality of product, and timeliness.

Consulting Services

Racing Queensland Limited uses consulting services in a number of aspects of its operations including legal, information technology, human resource management, financial management, business development, and marketing.

These consultancies vary from short-term “one-off” contracts, to longer-term arrangements, which may encompass a series of different activities (e.g. marketing and promotional work).

For short-term “one-off” contracts the following policy guidelines are to apply:

- The six key purchasing principles outlined above are to be applied at all times;
- For contracts under \$10,000 in value, preferred supplier arrangements* can be used. That is, where a purchasing officer is satisfied that a consultant that has provided a high quality service in the past, has the necessary expertise to undertake the work, and is available in an appropriate timeframe, that consultant can be appointed without a formal competitive process being undertaken. If such a person is not available, three quotes from prospective consultants should be obtained and evaluated;

(* Please note that where preferred supplier arrangements are referred to later in this document for other categories of purchasing, similar procedures to those above will apply)

- For contracts between \$10,000 and \$100,000, tenders should be called from at least three “preferred” contractors. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles. The evaluation of the proposals should be undertaken by two accountable officers, and be approved by a delegated officer (Chief Executive Officer or General Manager of Corporate Services);
- For contracts over \$100,000, will be subject to Board discretion as to the waiver of an open tender, including appropriate advertising of the consultancy. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers, and be approved by a delegated officer.

For longer-term consultancy arrangements (e.g. the ongoing purchase of external legal services that cannot be delivered in-house), which may involve the use of a preferred supplier or suppliers for a range of individual tasks over an extended period of time, the following guidelines are to be followed:

- The purchasing officer may select a consultant for a range of tasks from a panel of preferred suppliers for the type of work involved;
- Prior to such a selection, a competitive process, adhering to the six key purchasing principles of Racing Queensland Limited, to appoint the panel of preferred suppliers must have been undertaken, be appropriately documented, and be signed-off by a delegated officer;
- In selecting the preferred supplier from the panel, the purchasing officer must clearly document the reasons for the selection, and be accountable for that selection. The selection must be approved by a delegated officer; and
- Individual consultancy contracts over \$100,000 in value are not to be entered into under these preferred supplier arrangements. For such consultancies, will be subject to Board discretion as to the waiver of an open tender, as described above, must be followed.

Sponsorship Contracts

Racing Queensland Limited may enter into sponsorship contracts of a cash and exchange-of-goods and/or services (“contra”) nature.

In establishing these contracts, officers must adhere to Racing Queensland Limited’s key purchasing principles, particularly those of “accountability of outcomes”, and “compliance with all taxation requirements”. With these principles in mind, a Sponsorship Agreement pro-forma (refer to Appendix A) is to be prepared for all sponsorship arrangements, regardless of whether they involve a cash payment, or are solely contra in nature.

The sponsorship agreement is to clearly specify the goods and/or services that are to be delivered by both Racing Queensland Limited and the sponsor, and identify the value of these supplies so that GST obligations, including Tax Invoicing, can be satisfied.

All sponsorship agreements are to be authorised by an officer of Racing Queensland Limited with appropriate delegation, and a copy is to be provided to the Finance Section so that Tax Invoices can be prepared, and GST liabilities and credits accounted for.

Information Technology

The acquisition of information technology hardware and software represents a substantial investment of capital by Racing Queensland Limited each year.

Given the advancing nature of IT and the need to upgrade hardware and systems applications on an ongoing basis, it is the policy of Racing Queensland Limited to acquire such items through leasing arrangements. In this regard the following is to apply:

- A tender process, through a preferred supplier arrangement, is to be undertaken for the establishment of a medium to long-term lease contract for the supply of computer equipment, and other general office equipment where appropriate;
- This contract is to be reviewed on an annual basis to ensure the key principles of “value for money” and “quality of service and support” are being satisfied;
- Where a requirement to add items to the schedule covered by the lease has been identified, the purchasing officer must ensure the purchasing principles are adhered to. For items under \$10,000, preferred supplier arrangements can be used. For items \$10,000 or over, three quotes must be obtained. Appropriate documentation to support the purchasing decisions must be maintained at all times; and

The IT Section is also required to develop and maintain an *IT asset replacement strategy*, incorporating a list of all hardware and software under lease (or purchased), and information on the condition and expected useful life of individual items.

Other Capital Expenditure

Motor Vehicles

Racing Queensland Limited maintains a fleet of vehicles provided for both work and private use. These vehicles are to be leased through the appropriate lease provider under the following arrangements:

- the leasing of a new vehicle must be approved by the Chief Executive Officer or General Manager of Corporate Services; and
- The type and model of the vehicle, and any optional extras, must be commensurate with the status and nature of the role performed by the officer for which the car is being acquired, and be in accordance with the entitlements the officer has under his/her contract of employment;
- All vehicles are to be replaced after three years, or having travelled 90,000 klms, whichever comes first, unless the Chief Executive Officer or General Manager of Corporate Services agrees to an extension of the leasing term.

Vehicles are to be leased in line with the Racing Queensland Limited’s Motor Vehicle Policy, for further details email ap@racingqueensland.com.au

On disposal of company-owned vehicles, three trade-in quotes must be obtained, where possible, with the highest trade-in valuation the key consideration in selecting the successful dealer. Racing Queensland Limited staff may be given the option to purchase the vehicle that is being traded, at no less than \$1 more than the best trade-in valuation. The Chief Executive Officer or General Manager of Corporate Services will determine the successful staff bidder in the event of two or more staff bidding for the same vehicle being traded.

Other Capital Purchases

All other capital purchases (e.g. office machines) made by Racing Queensland Limited are to adhere to the following guidelines:

A request for capital expenditure form is to be completed for all capital purchases and is to be authorised by both the Chief Executive Officer and General Manager of Corporate Services.

- The six key purchasing principles outlined above are to be applied at all times;
- For items under \$10,000 in value, preferred supplier arrangements can be used;
- For capital items between \$10,000 and \$100,000, quotes should be called from at least three “preferred” suppliers. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles;
- For capital items over \$100,000, will be subject to Board discretion as to the waiver of an open tender. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers; and
- For all capital purchases of \$10,000 or more, a lease versus buy analysis is to be undertaken.

Major Repairs and Maintenance

Major Repairs and Maintenance purchases of \$20,000 or more made by Racing Queensland Limited are to adhere to the following guidelines:

A request for major repairs and maintenance expenditure form is to be completed for purchases of \$20,000 or more and is to be authorised by both the General Manager of Operations and the General Manager of Corporate Service to the value of \$50,000. Purchases of \$50,000 or more will require an additional approval by the Chief Executive Officer.

Day to day Purchasing of Services and Supplies.

Policy in relation to the day to day purchasing of services and supplies is as follows:

- For items supplied on a continuous basis (e.g. stationery, consumables, printing) preferred supplier arrangements may be used. Purchasing officers must ensure that the key purchasing principles are adhered to, especially “value for money” and “quality of service”;
- In this regard, officers are required to conduct a competitive process for the selection of a panel of preferred suppliers, for continuous supplies, on an annual basis. Documentation must be prepared and maintained in respect of preferred supplier selection, and the subsequent selection of a supplier from the panel for particular purchases;
- However, for any individual supply or service, which would normally form part of a continuous supply by an individual, that is to cost the organisation \$100,000 or more, an open competitive process must be undertaken. That is, any individual supply which is to cost \$100,000 or more, cannot form part of a continuous purchasing contract made under preferred supplier arrangements;
- For non-continuous supplies and services (e.g. “one-off” printing jobs) preferred supplier arrangements can be used for purchases under \$10,000, on the basis that Racing Queensland Limited’s key principles are satisfied. At least three competitive quotes must be obtained for any purchase of \$10,000 or more.

Industry Infrastructure Plan;

Policy in relation to the approval of supplier payments specifically related to the Industry Infrastructure Plan is as follows;

- Once the Business Case and Project Funding Deeds have been approved and the budget has been approved by the RQL Board
- All invoices must be checked and signed by the General Manager of Operations even if outside of delegation limit. The General Manager of Operations is to obtain the approval of the CEO if over his delegation limit.

- All delegations are to be in line with the RQL purchasing policy.
- The CEO can sign and approve all items within the project budget and this includes amounts above \$150,000.
- All items outside of the approved budget with a tolerance level of greater than either 1% or \$200K of the project value will require Board approval.

Strict adherence to the project funding deeds between the State of Queensland and Racing Queensland Limited must be maintained at all times.

Preferred Suppliers

As much as possible, Racing Queensland Limited should consolidate its suppliers and utilise preferred suppliers for either off-the-shelf goods/services where there are several sources of supply and the purchase is low risk or where there is an established relationship with a proven record of success. The advantages of using preferred suppliers are that it streamlines and simplifies purchasing, reduces administrative costs and promotes cost savings through volume discounts and exclusivity arrangements. Other benefits are that it minimises costs and risk for suppliers through not being required to regularly prepare and submit quotations.

1.1. Selection of Preferred Suppliers

The selection of preferred suppliers should be based on selection criteria that could include:

- Technical capability and experience
- Financial capacity and viability
- System and management responsibility incorporating product and service compliance with agreed industry standards
- People
- Business/organisation factors
- Favourable referee reports (a successful track record to deliver)
- Racing Queensland Limited's 6 key principles:
 1. Value for money;
 2. Quality of product, service, and support;
 3. Open and fair competition;
 4. Accountability of outcomes;
 5. Use of Queensland product where price competitive, and where quality standards are met; and
 6. Suppliers are compliant with all taxation requirements.

1.2 Preferred Suppliers Listing.

The current preferred suppliers list can be obtained from [accounts payable ap@racingqueensland.com.au](mailto:accounts_payable_ap@racingqueensland.com.au) or can be located at the following link:

RACING QUEENSLAND LIMITED

Item	Regional Senior Stewards	Non TAB THB Racing Mgr, Senior Business Analyst, Business Services Mgr, Chief Stewards, Greyhound Facility Supervisor, GAP Mgr	Industry Training & Workforce Development Mgr, Harness Racing Mgr, Greyhound Racing Mgr, TAB THB Racing Mgr	Commercial & Racing Development Mgr, Chief Information Officer, Chief Stipendary Steward, Director of Development, Facility Services Mgr Albion Park	Finance Mgr, Legal Council	General Manager of Operations, General Manager of Corporate Services	Chief Executive Officer	Board of Directors
Overall Delegation	<\$500	<\$2,000	<\$5,000	<\$10,000	<\$20,000	<\$50,000	<\$150,000 &/Or In line with Budget	Unlimited

Standard Purchase Orders	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS
Emergency Purchase Orders	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS
Requisition – Miscellaneous Purchases (Credit Cards) (Refer to Expense Reimbursement policy for conditions)	X	X	X	X	<\$20,000 and to Budget	To Budget	To Budget	Same as above
Petty Cash	<\$100	<\$100	<\$100	<\$100	<\$100	<\$300	<\$300	<\$300
Capital Expenditure Purchase Orders and Request Forms	X	X	X	X	X	Forecast projects if <\$50,000 or if satisfied CEO has previously approved the project	Any single project where included in approved operational annual/infrastructure budget	Any single project above \$150,000
Domestic (Interstate) travel	X	X	X	To Budget	To Budget	To Budget	To Budget	If outside aggregate annual budget
International Travel	X	X	X	X	X	X	To Budget	If outside aggregate annual budget
Official Hospitality	<\$100	<\$100	<\$100 <\$300 Senior Management Team	<\$100 <\$300 Senior Management Team	<\$300	<\$300 or other functions as approved by CEO	To Budget	Yes
Sponsorship	X	X	X	Authorities restricted to IT&Comms Manager or Marketing Manager and Senior Corporate Counsel/Company	To Budget	To Budget	To Budget	Yes, subject to Board agreement

RACING QUEENSLAND LIMITED

Item	Regional Senior Stewards	Non TAB THB Racing Mgr, Senior Business Analyst, Business Services Mgr, Chief Stewards, Greyhound Facility Supervisor, GAP Mgr	Industry Training & Workforce Development Mgr, Harness Racing Mgr, Greyhound Racing Mgr, TAB THB Racing Mgr	Commercial & Racing Development Mgr, Chief Information Officer, Chief Stipendary Steward, Director of Steward Development, Facility Services Mgr Albion Park	Finance Mgr, Legal Council	General Manager of Operations, General Manager of Corporate Services	Chief Executive Officer	Board of Directors
Overall Delegation	<\$500	<\$2,000	<\$5,000	<\$10,000	<\$20,000	<\$50,000	<\$150,000 &/Or In line with Budget	Unlimited

				Secretary				
Contractual Agreements (all contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of Contracts register and assess if any legal advice is required)	X	X	X	X	<\$20,000 total value (not lease or license) assuming that authorised to sign in ordinary operations	Yes with CEO assuming CEO previously approved and legally authorised to sign where <\$100,000	Yes where value <\$150,000	Yes, subject to Board agreement
Execution of Contractual agreements (All contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of contracts register and assess if any legal advice is required)		To be executed by 2 Directors of the Company or a Director and a Company Secretary of the Company (S127 (1) – Corporations Act 2001).						

The same delegations above apply to the payment of invoices with one exception:

- An invoice can be approved by a person with a lesser delegation provided the original purchase order was approved appropriately and the invoice does not exceed an amount that exceeds 10% of the original purchase order.

It should be noted that as a business rule, staff are not allowed to circumvent their delegation by raising multiple orders to purchase a good or service for an amount that exceeds their delegation limit.

Delegations

All expenditures for goods and services are to be authorised by a duly delegated officer and are to be in line with operational and industry infrastructure budget. These delegations are as follows:

Unlimited

- Board of Directors
- In line with Budget Chief Executive Officer

Up to \$50,000

- General Manager of Corporate Services
- General Manager of Operations

Up to \$20,000

- Finance Manager
- Legal Council

Up to \$10,000

- Commercial & Racing Development Manager
- Chief Information Officer
- Chief Stipendiary Steward
- Director of Steward Development
- Facility Services Manager Albion Park

Up to \$5,000

- Industry Training & Workforce Development Manager
- Harness Racing Manager
- Greyhound Racing Manager
- TAB Thoroughbred Racing Manager

Up to \$2,000

- Non TAB Thoroughbred Racing Manager
- Senior Business Analyst
- Business Services Manager
- Chief Stewards
- Greyhound Facility Supervisor
- GAP Manager

Up to \$500

- Regional Senior Stewards (Northern Region – Townsville, Senior Steward Capricornia Rockhampton and Steward in Charge Downs - Toowoomba)

Capitalisation of expenditure

Expenditure on discreetly identifiable plant and equipment items of **\$2,000** and above will be capitalised where the future benefit of that expenditure exceeds one year at the time of purchase. All land purchases must be capitalised.

The Chief Executive Officer or General Manager of Corporate Services may approve the capitalisation of services expenditures of \$2,000 and above where those services have a future benefit exceeding one year. All assets which are under \$2,000 must be expensed in the year of purchase and recorded in the portable and attractive items register. All other service expenditures shall be written off in the financial year the expenditure was incurred.

Compliance with Commonwealth Government GST & Australian Business Number legislation

The Commonwealth Government implementation of GST and Australian Business Number legislation, has given rise to some additional obligations in respect of purchasing. These are as follows:

- Organisations are required to withhold 46.5% of any payment to a supplier of goods or services that does not provide an ABN. In response to this, it is the policy of Racing Queensland Limited that no supplies be purchased from entities that are unable to quote an ABN, unless pre approval is granted by the Finance Manager and the accompanying ATO forms are complete;
- All suppliers to Racing Queensland Limited are to be advised that they must be able to provide a "Tax Invoice" in the form specified by the GST legislation, to enable Racing Queensland Limited to claim input credits. Under law, the supplier must supply Racing Queensland Limited with a Tax Invoice within 28 days of request. Racing Queensland Limited staff should not enter into contractual arrangements with suppliers unless satisfied that the supplier will be able to provide a suitable Tax Invoice; and
- When obtaining quotes or prices from potential suppliers, purchasing officers must satisfy themselves that the prices quoted are GST inclusive.

Documentation and the Role of the Finance Department

The Finance Department plays the lead role in ensuring Racing Queensland Limited meets its obligations under the *Corporations Act 2001*, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC through the development and implementation of appropriate accounting policies and controls.

While the Department will work to ensure operational areas within the organisation are meeting their obligations under the purchasing guidelines, senior managers also have a role to play in monitoring the purchasing activities of their staff.

With regard to documentation, all acquisitions need to be supported by evidence that appropriate purchasing principles and guidelines have been followed. In this regard:

- All purchases for non-continuous supplies that are not completed through petty cash or credit cards must be completed in IPOS. **Where IPOS is not available a manual purchase order must be raised and authorised with the pink and green copies sent to accounts payable.** Additionally, copies of sponsorship agreement pro-formas must be provided to the General Manager of Corporate Services on a timely basis; and
- The delegated officer must be satisfied that Racing Queensland Limited's purchasing policy has been adhered to, and that appropriate documentation that supports the six key principles (value for money, open and fair competition etc.) has been gathered, and is available for audit scrutiny if required. The managers of organisational areas have responsibility for ensuring supporting documentation is maintained and is accessible.

Enquiries regarding these purchasing principles should be directed to the Chief Executive Officer or General Manager of Corporate Services.

IPOS

IPOS is an online web enable electronic procurement system. It has been custom built to meet Racing Queensland Limited and industry needs and greatly enhances Racing Queensland Limited's ability to operate in today's modern information driven environment.

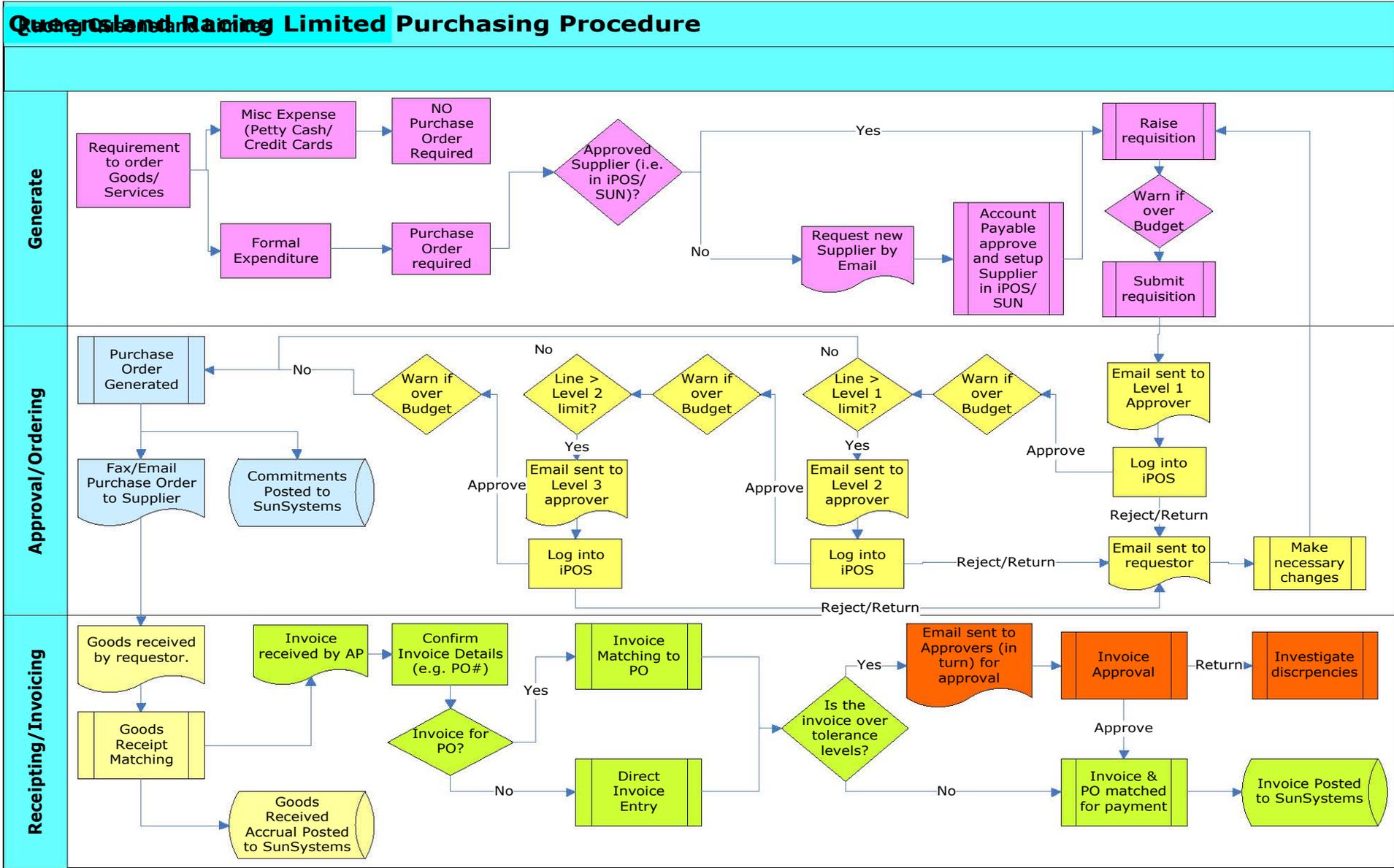
Where IPOS is not available a manual purchase order must be raised and authorized with the pink and green copies sent to accounts payable.

The main objectives of IPOS are:

- To provide the underlying systems to enable the business to obtain tighter budgetary controls, including the recording of committed expenditure,
- To provide managers with the appropriate tools to focus on their individual budgets,
- Implementation of systemic controls over the procure to pay process,
- Improved reporting to the whole business,
- To bring Racing Queensland Limited in line with best practice procurement through taking advantage of e-commerce, electronic purchase ordering and scanning.
- Provide more real time reporting with less reliance on accounts payable,

- Introduction of process efficiencies for accounts payable, removing the many manual processes currently in use, such as manual purchase order generation and invoice approvals.
- Ability to interface with supplier ordering systems resulting in less manual entry.

The process map for Racing Queensland Limited's procurement process is featured below.



The major advantage of IPOS is that it enforces Racing Queensland Limited's purchasing policy in an electronic procurement system. All management delegations are enforced at requisition and invoice stage. Separation of duties ensures that only requisitioners can create purchase orders and only management can authorise.

From 1 May 2012 where applicable all invoices will only be paid if an IPOS purchase order number is quoted on the invoice. Instances where invoices do not require IPOS purchase orders are Energy, phones, rates and other standard monthly charges.

IPOS Procedures are linked below:

<http://sharepoint/Forms/Forms/AllItems.aspx>

Payment Methods

1. Direct Debit

1.1 Business Condition

Purchases that occur at set times throughout the year for set dollar amounts.

1.2 Business Rule

Invoices for goods or services that fall under this category include:

1. Rentals
2. Leases
3. Superannuation

Payments will be made via direct debit at the time dictated by the invoice.

1.3 Dependencies

Payments must be fixed frequency and price.

2. Cheque

2.1 Business Condition

One-off purchases that cannot be paid through any other alternative option. RQL will only pay by cheque under exceptional circumstances otherwise all payments are to be made by electronic funds transfer.

3. Electronic Funds Transfer (EFT)

All other purchases will be paid by Electronic Funds Transfer (EFT) unless previously authorised by the Finance Manager

Payment Summary

A summary of the different methods for paying invoices is provided below:

Payment Types	Business Condition
EFT	Used for standard purchasing from preferred suppliers Used for emergency purchases from preferred supplier in response to an emergency situation
Direct Debit	Used for purchases that occur at set times throughout the year for set dollar amounts
Cheque	Used for miscellaneous purchases on a "case-by-case" basis only. To be used only in exceptional circumstances.
Credit Cards	Used for purchases made with non-preferred suppliers for dollar amounts up to delegated authority.
Petty Cash	Used for miscellaneous purchasing of items with a value of less than \$100 unless authorised by the Finance Manager

Summary of Key Controls

As a high level summary, the key controls associated with the procurement system are:

- Only deal with suppliers who have a valid ABN.
- Three quotes required for amounts of \$10,000 or more where a preferred supplier is not used.
- Tax invoices to be obtained at all times.
- Required signatures for goods received.
- Vendor creation, deletion or addition must be performed by the Accounts Payable Officer and the bank account details are required in accordance to the Sun Security matrix to be entered by an Accounts Receivable Officer who does not have the ability to raise purchase orders or make payments in SUN. The change of details form is located G:\Finance\FORMS\Accounts Payable\Change of Details form.xls.
- Invoices are only paid after the prior approval of a purchase order (excluding credit card statement payments and direct debits) and after goods have been received.
- Established delegation limits with a 10% tolerance level up to a limit of \$100
- Credit card holders can make transactions greater than their delegation limit provided a purchase requisition with appropriate approval has been obtained first.
- All Capital purchases require a Capital Expenditure request form.
- Major Repairs and Maintenance of \$20,000 or more require a Major Repairs and Maintenance form.

In addition to the above, Racing Queensland Limited should perform an annual supplier analysis to review expenditure to determine that value for money is being achieved.

Credit Facilities

A credit facility is any system of credit established to allow purchase of goods or services without the use of an official purchase order or the exchange of cash between the purchaser and supplier at the time of the transaction.

The credit facilities generally used by the Company are:

- Corporate credit cards
- Fuel cards
- Taxi vouchers
- Toll cards.

The establishment of any credit facility requires the recommendation of the General Manager of Corporate Services and approval from the Company. The General Manager of Corporate Services is responsible for the establishment, implementation, management and control of credit facilities used by the Company.

All credit facilities must be subject to the agreed terms and conditions between the credit provider and the Company.

Users of credit facilities must comply with the agreed terms and conditions, and properly discharge responsibilities regarding the use and reconciliation of credit accounts. Users are responsible for utilising the facilities in a proper and appropriate manner, and are accountable for all transactions associated with their use.

Users are also responsible for the security of the card/vouchers. Misuse of credit facilities will, at the discretion of the Board, result in the user's access to the facility being revoked and appropriate disciplinary action being taken.

Corporate Credit Cards

Principles. The policies and procedures pertaining to corporate credit cards are contained in the following policy: RQL_Expense Reimbursement Policy.doc

<Update link when on Intranet>

Issue. Corporate credit cards will be issued to relevant officers on the basis of the card providing a necessary and convenient facility for meeting commitments incurred in the course of official business.

The issue of corporate credit cards is to be recorded in a register that is maintained by an appropriate officer, e.g. Accounts Payable Officer. Corporate card use should be restricted to a specific transaction limit in any one month.

Documentation.

The following conditions governing the use of credit cards prevail:

A register of cards must be established and maintained to exercise control over the issue and use of cards.

- Only authorised charges may be made against the credit organisation;
- Cards must be secured at all times against unauthorised use;
- Internal control measures must be sufficient to ensure cards are used for official purposes only and that any misuse is detected promptly and reported to the Finance Manager.
- Officers using a credit card must obtain particulars of transactions including supporting invoices and dockets duly signed. A Credit Card Usage Form must be completed with the invoices attached. Supporting documentation can include the vendor's invoice/account, copy of prior approval to travel/entertain (where applicable), and purchase order. Where supporting invoices or dockets are not available, a signed certificate stating that the transactions are valid and were for official purposes must be attached. Details of all hospitality/entertainment expenses must be fully documented with the purpose of the expense, guest name(s), date, refreshments, time and the like.

Reconciliation.

- The documentation must be forwarded promptly to an accounting officer for attachment to the credit card transaction record for the purposes of sustaining the official use of the card and settlement of the amount within the required period;
- An accounting officer must match the dockets to the statements received from the credit card organisation;
- The dockets and the summary of these dockets showing the charges incurred by the use of credit cards must be properly authorised by a duly authorised officer; and
- The use of credit cards for the purchase of goods and services must be in strict accordance with the expense reimbursement policy of Racing Queensland Limited.
- Failure to provide receipts and the reconciliation in a timely manner will result in the card being cancelled and the employee will have to be reimbursed expenditure through the expense reimbursement policy

Fuel Cards

Issue. The issue of fuel cards is to be recorded in a register maintained by the Finance area.

Responsibilities. Users of the fuel card credit facility are responsible for utilising the facility in a proper and appropriate manner. Users are also responsible for the security of the card while it is in their possession, and are accountable for all transactions associated with its use during that period.

Use. Fuel cards are to be used only in accordance with the agreement between the credit provider and the Company. This includes locations where the card may be used, vehicle for which the card may be used and the types of purchases that are permitted (e.g. fuel only, fuel and oil).

Documentation. Fuel card transactions are to be supported by documentary evidence of the purchase (e.g. the fuel card docket provided by the fuel supplier). This documentation is to be forwarded to the Finance Area and will be used when reconciling the credit provider's account and making payment.

Taxi Vouchers

Issue. Bulk stocks and the issue of taxi vouchers are to be maintained by the Finance area. The Accounts Payable Officer is responsible for the issue of taxi vouchers within their area of responsibility. This officer should ensure that taxi vouchers are issued for appropriate use.

Use. The use of taxi vouchers is strictly limited to taxi travel for the purpose of conducting official business within or outside business hours when neither an official vehicle is available, nor is public transport an acceptable option.

E Tolls

Issue. The General Manager of Corporate Services is responsible for approving the issue of E toll within their area of responsibility.

Officers may purchase pre-paid tolls only by credit card.

Use. The use of tolls is limited to conditions as specified under the motor vehicle policy.

SPONSORSHIP AGREEMENT

BETWEEN:

(The Sponsor)

AND RACING QUEENSLAND LIMITED, a control body established under the *Racing Act 2002* and *Corporations Act 2001*

(The Sponsored)

WHEREAS The Sponsor has agreed to provide sponsorship in accordance with this agreement.

AND The Sponsored has agreed to provide services in return for the sponsorship.

This Agreement provides:

1. The Sponsor will provide the following sponsorship to the Sponsored:
 Details of Sponsorship [If insufficient space annex details]
 - Money (here detail the sum of any monies to be paid to the Sponsored)
 - Support (here detail all support services including the value thereof to be supplied to the Sponsored)
2. The Sponsored will provide the following services to the Sponsor: [If insufficient space annex details]
 - Services (here detail all services including their value to be supplied by the Sponsored in return for the sponsorship)
3. It is hereby acknowledged that:
 - (a) The Sponsored will issue a recipient created tax invoice to the Sponsor to meet Goods and Services Tax obligations in relation to the supply of money and for support;
 - (b) The Sponsor will issue a recipient created tax invoice to the Sponsored to meet Good and Services Tax obligations in relation to the supply of services.

DATED this _____ day of _____ 20__

SIGNED AS AN AGREEMENT

SPONSOR

Full name of authorised officer

Signature of authorised officer

Signed in the presence of

SPONSORED

RACING QUEENSLAND LIMITED

Full name of authorised officer

Signature of authorised officer

Signed in the presence of



PURCHASING POLICY

Owner

Chief Financial Officer

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	May 2010	First draft (Murray Dyke)/Reviewed Adam Carter
1.02	12 May 2010	Provided to Tracey Harris and Abhendra Kumar for Feedback
1.03	22 June 2010	Reviewed AC
1.04	1 July 2010	RQL Board Changes (FINAL)
1.05	9 June 2011	Reviewed Adam Carter and Sharon Drew
1.06	1 July 2011	Approved by RQL Board – Capital Expenditure and Repairs and Maintenance
1.07	25 October 2011	Added: 1. Delegation authority of \$50K for the Project Director. 2. Industry Infrastructure Plan Section. Made minor changes to the Capital Expenditure and Repairs and Maintenance forms.
1.08	4 November 2011	Approved by RQL Board – changes made as per version 1.07
1.09	19 March 2012	Approved by RQL Board – changes to authorisation to include online procurement system



PURCHASING POLICY:

RACING QUEENSLAND LIMITED

Introduction

This policy has been prepared to provide guidelines and procedures to be followed by officers of Racing Queensland Limited when undertaking and managing purchasing activities to meet the organisation's operational requirements and also meet the objectives of the policy.

Racing Queensland Limited is the Control Body established by, and obtaining its objects and functions from, the *Racing Act 2002* and its Constitution. Racing Queensland Limited is required to conduct its financial activities with probity and accountability, in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC.

Key Principles

In conducting its purchasing activities it is the policy of Racing Queensland Limited to adhere, at all times, to the key principles of:

1. Value for money;
2. Quality of product, service, and support;
3. Open and fair competition;
4. Accountability of outcomes;
5. Use of Queensland product where price competitive, and where quality standards are met; and
6. Suppliers are compliant with all taxation requirements.

Policy

These principles have been applied in developing policy for the following key purchasing activities:

- Capital works projects;
- Consulting services;
- Sponsorship contracts;
- Information technology;
- Other capital expenditure;
- Major repairs and maintenance;

- Day to day purchasing of services and supplies;
- Industry Infrastructure Plan; and
- Credit Facilities

There is also a focus on using preferred suppliers as explained in this report in further detail. The procurement system should result in the following benefits:

- Reduce operating costs;
- Reduce risk;
- Increase control; and
- Improve cash flow visibility

Capital Works Projects

Racing Queensland Limited plays a major role in the implementation of industry capital works projects each year. Racing Queensland Limited establishes an annual program of capital works, within a specified budget, following consideration of proposals from race clubs and advice from relevant officers within the organisation.

The policy of Racing Queensland Limited, in relation to the implementation of approved projects, is briefly addressed below:

- Once projects are given preliminary approval through the annual capital budgeting process, race clubs will be required to provide detailed design and costing information, and a project plan, prepared by a suitably qualified and experienced independent consultant. Racing Queensland Limited may, at its discretion, instigate an assessment of this documentation by its own consulting engineers. Any variation to the estimate used in applying for inclusion in the capital works program must be disclosed and explained. Variations of greater than 10% from the preliminary estimate are to be referred back to the Board of Racing Queensland Limited;
- Assuming the project cost following detailed design is contained within 10% of the preliminary estimate, and Racing Queensland Limited is satisfied with the standard of documentation provided, final approval will be given for the project to proceed (Chief Executive Officer or Chief Financial Officer);
- After final approval has been given, race clubs will be instructed that they can establish formal contractual arrangements for the construction works, in accordance with the approved budget. In establishing these contracts the club must pay regard to the key purchasing principles contained within this policy. Following establishment of the works contracts, Racing Queensland Limited will make payment of a grant to the club, equivalent to the agreed industry contribution. This grant will represent payment for a taxable supply, and will have GST added; and
- Following completion of the project, the club will provide Racing Queensland Limited with a report, which addresses the outcomes of the project, including cost to budget, quality of product, and timeliness.

Consulting Services

Racing Queensland Limited uses consulting services in a number of aspects of its operations including legal, information technology, human resource management, financial management, business development, and marketing.

These consultancies vary from short-term "one-off" contracts, to longer-term arrangements, which may encompass a series of different activities (e.g. marketing and promotional work).

For short-term "one-off" contracts the following policy guidelines are to apply:

- The six key purchasing principles outlined above are to be applied at all times;

- For contracts under \$10,000 in value, preferred supplier arrangements* can be used. That is, where a purchasing officer is satisfied that a consultant that has provided a high quality service in the past, has the necessary expertise to undertake the work, and is available in an appropriate timeframe, that consultant can be appointed without a formal competitive process being undertaken. If such a person is not available, three quotes from prospective consultants should be obtained and evaluated;

(* Please note that where preferred supplier arrangements are referred to later in this document for other categories of purchasing, similar procedures to those above will apply)

- For contracts between \$10,000 and \$100,000, tenders should be called from at least three “preferred” contractors. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles. The evaluation of the proposals should be undertaken by two accountable officers, and be approved by a delegated officer (Chief Executive Officer or Chief Financial Officer);
- For contracts over \$100,000, will be subject to Board discretion as to the waiver of an open tender, including appropriate advertising of the consultancy. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers, and be approved by a delegated officer.

For longer-term consultancy arrangements (e.g. the ongoing purchase of external legal services that cannot be delivered in-house), which may involve the use of a preferred supplier or suppliers for a range of individual tasks over an extended period of time, the following guidelines are to be followed:

- The purchasing officer may select a consultant for a range of tasks from a panel of preferred suppliers for the type of work involved;
- Prior to such a selection, a competitive process, adhering to the six key purchasing principles of Racing Queensland Limited, to appoint the panel of preferred suppliers must have been undertaken, be appropriately documented, and be signed-off by a delegated officer;
- In selecting the preferred supplier from the panel, the purchasing officer must clearly document the reasons for the selection, and be accountable for that selection. The selection must be approved by a delegated officer; and
- Individual consultancy contracts over \$100,000 in value are not to be entered into under these preferred supplier arrangements. For such consultancies, will be subject to Board discretion as to the waiver of an open tender, as described above, must be followed.

Sponsorship Contracts

Racing Queensland Limited may enter into sponsorship contracts of a cash and exchange-of-goods and/or services (“contra”) nature.

In establishing these contracts, officers must adhere to Racing Queensland Limited’s key purchasing principles, particularly those of “accountability of outcomes”, and “compliance with all taxation requirements”. With these principles in mind, a Sponsorship Agreement pro-forma (refer to Appendix A) is to be prepared for all sponsorship arrangements, regardless of whether they involve a cash payment, or are solely contra in nature.

The sponsorship agreement is to clearly specify the goods and/or services that are to be delivered by both Racing Queensland Limited and the sponsor, and identify the value of these supplies so that GST obligations, including Tax Invoicing, can be satisfied.

All sponsorship agreements are to be authorised by an officer of Racing Queensland Limited with appropriate delegation, and a copy is to be provided to the Finance Section so that Tax Invoices can be prepared, and GST liabilities and credits accounted for.

Information Technology

The acquisition of information technology hardware and software represents a substantial investment of capital by Racing Queensland Limited each year.

Given the advancing nature of IT and the need to upgrade hardware and systems applications on an ongoing basis, it is the policy of Racing Queensland Limited to acquire such items through leasing arrangements. In this regard the following is to apply:

- A tender process, through a preferred supplier arrangement, is to be undertaken for the establishment of a medium to long-term lease contract for the supply of computer equipment, and other general office equipment where appropriate;
- This contract is to be reviewed on an annual basis to ensure the key principles of “value for money” and “quality of service and support” are being satisfied;
- Where a requirement to add items to the schedule covered by the lease has been identified, the purchasing officer must ensure the purchasing principles are adhered to. For items under \$10,000, preferred supplier arrangements can be used. For items \$10,000 or over, three quotes must be obtained. Appropriate documentation to support the purchasing decisions must be maintained at all times; and

The IT Section is also required to develop and maintain an *IT asset replacement strategy*, incorporating a list of all hardware and software under lease (or purchased), and information on the condition and expected useful life of individual items.

Other Capital Expenditure

Motor Vehicles

Racing Queensland Limited maintains a fleet of vehicles provided for both work and private use. These vehicles are to be leased through the appropriate lease provider under the following arrangements:

- the leasing of a new vehicle must be approved by the Chief Executive Officer or Chief Financial Officer; and
- The type and model of the vehicle, and any optional extras, must be commensurate with the status and nature of the role performed by the officer for which the car is being acquired, and be in accordance with the entitlements the officer has under his/her contract of employment;
- All vehicles are to be replaced after three years, or having travelled 90,000 klms, whichever comes first, unless the Chief Executive Officer or Chief Financial Officer agrees to an extension of the leasing term.

Vehicles are to be leased in line with the Racing Queensland Limited’s Motor Vehicle Policy, for further details email ap@racingqueensland.com.au

On disposal of company-owned vehicles, three trade-in quotes must be obtained, where possible, with the highest trade-in valuation the key consideration in selecting the successful dealer. Racing Queensland Limited staff may be given the option to purchase the vehicle that is being traded, at no less than \$1 more than the best trade-in valuation. The Chief Executive Officer or Chief Financial Officer will determine the successful staff bidder in the event of two or more staff bidding for the same vehicle being traded.

Other Capital Purchases

All other capital purchases (e.g. office machines) made by Racing Queensland Limited are to adhere to the following guidelines:

A request for capital expenditure form is to be completed for all capital purchases and is to be authorised by both the Chief Executive Officer and Chief Financial Officer..

- The six key purchasing principles outlines above are to be applied at all times;
- For items under \$10,000 in value, preferred supplier arrangements can be used;
- For capital items between \$10,000 and \$100,000, quotes should be called from at least three “preferred” suppliers. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles;

- For capital items over \$100,000, will be subject to Board discretion as to the waiver of an open tender. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers; and
- For all capital purchases of \$10,000 or more, a lease versus buy analysis is to be undertaken.

Major Repairs and Maintenance

Major Repairs and Maintenance purchases of \$20,000 or more made by Racing Queensland Limited are to adhere to the following guidelines:

A request for major repairs and maintenance expenditure form is to be completed for purchases of \$20,000 or more and is to be authorised by both the Director of Product Development and Chief Financial Officer to the value of \$50,000). Purchases of \$50,000 or more will require an additional approval by the Chief Executive Officer.

Day to day Purchasing of Services and Supplies.

Policy in relation to the day to day purchasing of services and supplies is as follows:

- For items supplied on a continuous basis (e.g. stationery, consumables, printing) preferred supplier arrangements may be used. Purchasing officers must ensure that the key purchasing principles are adhered to, especially “value for money” and “quality of service”;
- In this regard, officers are required to conduct a competitive process for the selection of a panel of preferred suppliers, for continuous supplies, on an annual basis. Documentation must be prepared and maintained in respect of preferred supplier selection, and the subsequent selection of a supplier from the panel for particular purchases;
- However, for any individual supply or service, which would normally form part of a continuous supply by an individual, that is to cost the organisation \$100,000 or more, an open competitive process must be undertaken. That is, any individual supply which is to cost \$100,000 or more, cannot form part of a continuous purchasing contract made under preferred supplier arrangements;
- For non-continuous supplies and services (e.g. “one-off” printing jobs) preferred supplier arrangements can be used for purchases under \$10,000, on the basis that Racing Queensland Limited’s key principles are satisfied. At least three competitive quotes must be obtained for any purchase of \$10,000 or more.

Industry Infrastructure Plan;

Policy in relation to the approval of supplier payments specifically related to the Industry Infrastructure Plan is as follows;

- Once the Business Case and Project Funding Deeds have been approved and the budget has been approved by the RQL Board
- All invoices must be checked and signed by the Project Director even if outside of delegation limit. The Project Director is to obtain the approval of the CEO if over his delegation limit.
- All delegations are to be in line with the RQL purchasing policy.
- The CEO can sign and approve all items within the project budget and this includes amounts above \$150,000.
- All items outside of the approved budget with a tolerance level of greater than either 1% or \$200K of the project value will require Board approval.

Strict adherence to the project funding deeds between the State of Queensland and Racing Queensland Limited must be maintained at all times.

Preferred Suppliers

As much as possible, Racing Queensland Limited should consolidate its suppliers and utilise preferred suppliers for either off-the-shelf goods/services where there are several sources of supply and the purchase is low risk or where there is an established relationship with a proven record of success. The advantages of using preferred suppliers are that it streamlines and simplifies purchasing, reduces administrative costs and promotes cost savings through volume discounts and exclusivity arrangements. Other benefits are that it minimises costs and risk for suppliers through not being required to regularly prepare and submit quotations.

1.1. Selection of Preferred Suppliers

The selection of preferred suppliers should be based on selection criteria that could include:

- Technical capability and experience
- Financial capacity and viability
- System and management responsibility incorporating product and service compliance with agreed industry standards
- People
- Business/organisation factors
- Favourable referee reports (a successful track record to deliver)
- Racing Queensland Limited's 6 key principles:
 1. Value for money;
 2. Quality of product, service, and support;
 3. Open and fair competition;
 4. Accountability of outcomes;
 5. Use of Queensland product where price competitive, and where quality standards are met; and
 6. Suppliers are compliant with all taxation requirements.

1.2 Preferred Suppliers Listing.

The current preferred suppliers list can be obtained from [accounts payable ap@racingqueensland.com.au](mailto:accounts_payable_ap@racingqueensland.com.au) or can be located at the following link:

RACING QUEENSLAND LIMITED

Item	Regional Senior Stewards	Admin Authorities, Racecourse Supervisor, racing Manager – Procurement Track Supervisor	Managers, Chief Steward, Racing and Facilities Supervisor, Track Supervisor	Information Technology and Communications Manager, Licensing and Training Manager, Racing Managers – Dividing Races, Management Accountant, Revenue & Services Accountant	Director of Integrity Operations, Facility & Development Manager, Senior Corporate Counsel/Company Secretary	Chief Financial Officer, Director of Product Development, Project Director	Chief Executive Officer	Board of Directors
Overall Delegation	<\$500	<\$1,000	<\$2,000	<\$5,000	<\$20,000	<\$50,000	<\$150,000 &/Or In line with Budget	Unlimited

Standard Purchase Orders	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS
Emergency Purchase Orders	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS
Requisition – Miscellaneous Purchases (Credit Cards) (Refer to Expense Reimbursement policy for conditions)	X	X	X	X	<\$20,000 and to Budget	To Budget	To Budget	Same as above
Petty Cash	<\$100	<\$100	<\$100	<\$100	<\$100	<\$300	<\$300	<\$300
Capital Expenditure Purchase Orders and Request Forms	X	X	X	X	X	Forecast projects if <\$50,000 or if satisfied CEO has previously approved the project	Any single project where included in approved operational annual/infrastructure budget	Any single project above \$150,000
Domestic (Interstate) travel	X	X	X	To Budget	To Budget	To Budget	To Budget	If outside aggregate annual budget
International Travel	X	X	X	X	X	X	To Budget	If outside aggregate annual budget
Official Hospitality	<\$100	<\$100	<\$100 <\$300 Senior Management Team	<\$100 <\$300 Senior Management Team	<\$300	<\$300 or other functions as approved by CEO	To Budget	Yes
Sponsorship	X	X	X	Authorities restricted to IT&Comms Manager or Marketing Manager and Senior Corporate Counsel/Company	To Budget	To Budget	To Budget	Yes, subject to Board agreement

RACING QUEENSLAND LIMITED

Item	Regional Senior Stewards	Admin Authorities, Racecourse Supervisor, racing Manager – Procurement Track Supervisor	Managers, Chief Steward, Racing and Facilities Supervisor, Track Supervisor	Information Technology and Communications Manager, Licensing and Training Manager, Racing Managers – Dividing Races, Management Accountant, Revenue & Services Accountant	Director of Integrity Operations, Facility & Development Manager, Senior Corporate Counsel/Company Secretary	Chief Financial Officer, Director of Product Development, Project Director	Chief Executive Officer	Board of Directors
Overall Delegation	<\$500	<\$1,000	<\$2,000	<\$5,000	<\$20,000	<\$50,000	<\$150,000 &/Or In line with Budget	Unlimited

				Secretary				
Contractual Agreements (all contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of Contracts register and assess if any legal advice is required)	X	X	X	X	<\$20,000 total value (not lease or license) assuming that authorised to sign in ordinary operations	Yes with CEO assuming CEO previously approved and legally authorised to sign where <\$100,000	Yes where value <\$150,000	Yes, subject to Board agreement
Execution of Contractual agreements (All contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of contracts register and assess if any legal advice is required)		To be executed by 2 Directors of the Company or a Director and a Company Secretary of the Company (S127 (1) – Corporations Act 2001).						

The same delegations above apply to the payment of invoices with one exception:

- An invoice can be approved by a person with a lesser delegation provided the original purchase order was approved appropriately and the invoice does not exceed an amount that exceeds 10% of the original purchase order.

It should be noted that as a business rule, staff are not allowed to circumvent their delegation by raising multiple orders to purchase a good or service for an amount that exceeds their delegation limit.

Delegations

All expenditures for goods and services are to be authorised by a duly delegated officer and are to be in line with operational and industry infrastructure budget. These delegations are as follows:

Unlimited

- Board of Directors
- In line with Budget Chief Executive Officer

Up to \$50,000

- Chief Financial Officer
- Director of Product Development
- Project Director

Up to \$20,000

- Director of Integrity Operations
- Facility Maintenance and Development Manager
- Senior Corporate Counsel/Company Secretary

Up to \$5,000

- Information Technology and Communications Manager
- Racing Managers – Dividing Races
- Licensing and Training Manager
- Accountant – Corporate Services
- Management Accountant

Up to \$2,000

- Race Course Facility Managers
- Chief Steward
- Track supervisor

Up to \$1,000

- Administrative Authorities – Executive Assistants including Track Supervisors
- Racing Managers - Procurement
- Racecourse Supervisor

Up to \$500

- Regional Senior Stewards (Northern Region – Townsville, Senior Steward Capricornia Rockhampton and Steward in Charge Downs - Toowoomba)

Capitalisation of expenditure

Expenditure on discreetly identifiable plant and equipment items of **\$2,000** and above will be capitalised where the future benefit of that expenditure exceeds one year at the time of purchase. All land purchases must be capitalised.

The Chief Executive Officer or Chief Financial Officer may approve the capitalisation of services expenditures of \$2,000 and above where those services have a future benefit exceeding one year. All assets which are under \$2,000 must be expensed in the year of purchase and recorded in the portable and attractive items register. All other service expenditures shall be written off in the financial year the expenditure was incurred.

Compliance with Commonwealth Government GST & Australian Business Number legislation

The Commonwealth Government implementation of GST and Australian Business Number legislation, has given rise to some additional obligations in respect of purchasing. These are as follows:

- Organisations are required to withhold 46.5% of any payment to a supplier of goods or services that does not provide an ABN. In response to this, it is the policy of Racing Queensland Limited that no supplies be purchased from entities that are unable to quote an ABN;
- All suppliers to Racing Queensland Limited are to be advised that they must be able to provide a "Tax Invoice" in the form specified by the GST legislation, to enable Racing Queensland Limited to claim input credits. Under law, the supplier must supply Racing Queensland Limited with a Tax Invoice within 28 days of request. Racing Queensland Limited staff should not enter into contractual arrangements with suppliers unless satisfied that the supplier will be able to provide a suitable Tax Invoice; and
- When obtaining quotes or prices from potential suppliers, purchasing officers must satisfy themselves that the prices quoted are GST inclusive.

Documentation and the Role of the Finance Department

The Finance Department plays the lead role in ensuring Racing Queensland Limited meets its obligations under the *Corporations Act 2001*, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC through the development and implementation of appropriate accounting policies and controls.

While the Department will work to ensure operational areas within the organisation are meeting their obligations under the purchasing guidelines, senior managers also have a role to play in monitoring the purchasing activities of their staff.

With regard to documentation, all acquisitions need to be supported by evidence that appropriate purchasing principles and guidelines have been followed. In this regard:

- All purchases for non-continuous supplies that are not completed through petty cash or credit cards must be completed in IPOS. **Where IPOS is not available a manual purchase order must be raised and authorised with the pink and green copies sent to accounts payable.** Additionally, copies of sponsorship agreement pro-formas must be provided to the Chief Financial Officer on a timely basis; and
- The delegated officer must be satisfied that Racing Queensland Limited's purchasing policy has been adhered to, and that appropriate documentation that supports the six key principles (value for money, open and fair competition etc) has been gathered, and is available for audit scrutiny if required. The managers of organisational areas have responsibility for ensuring supporting documentation is maintained and is accessible.

Enquiries regarding these purchasing principles should be directed to the Chief Executive Officer or Chief Financial Officer.

IPOS

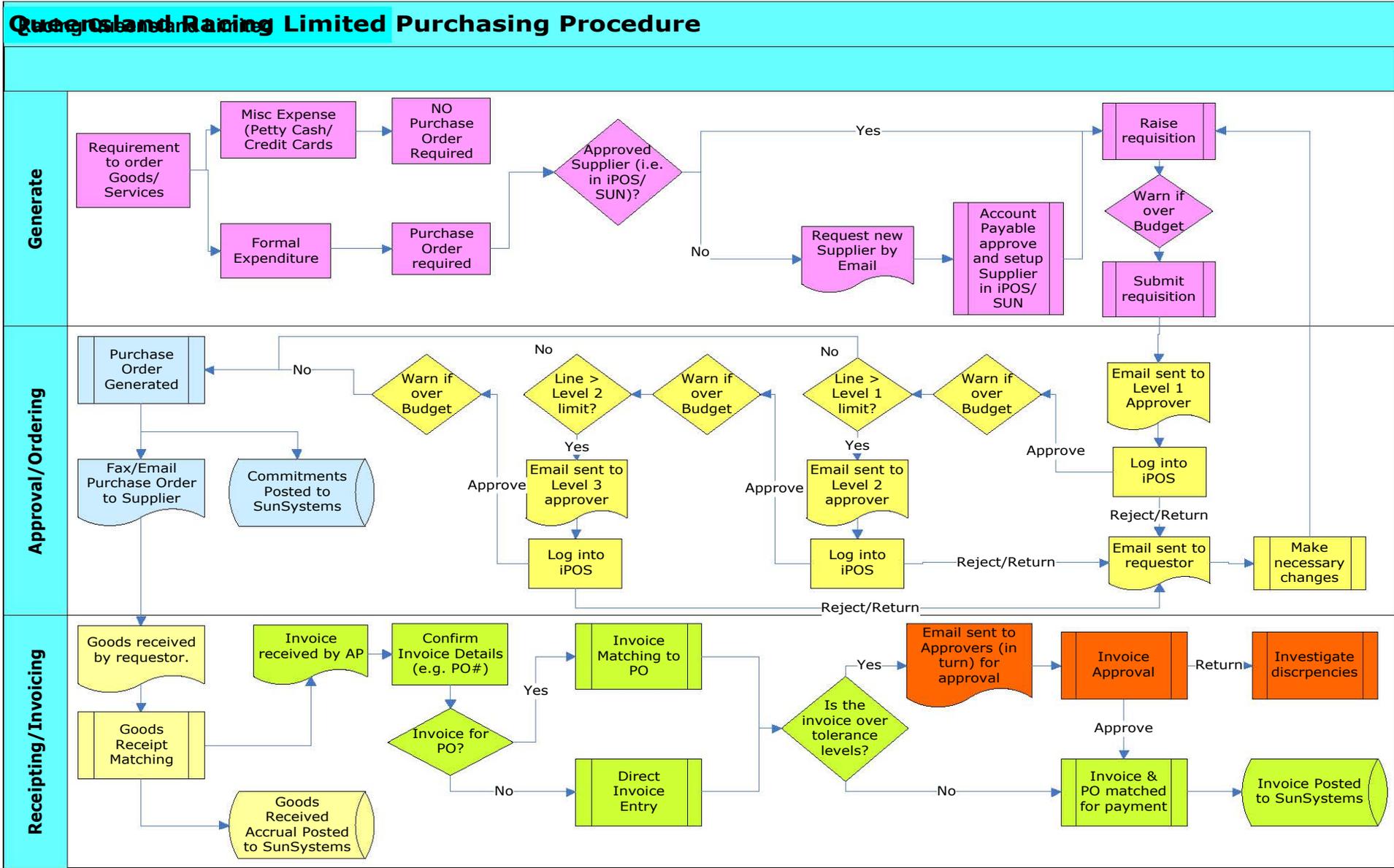
IPOS is an online web enable electronic procurement system. It has been custom built to meet Racing Queensland Limited and industry needs and greatly enhances Racing Queensland Limited's ability to operate in today's modern information driven environment.

Where IPOS is not available a manual purchase order must be raised and authorized with the pink and green copies sent to accounts payable.

The main objectives of IPOS are:

- To provide the underlying systems to enable the business to obtain tighter budgetary controls, including the recording of committed expenditure,
- To provide managers with the appropriate tools to focus on their individual budgets,
- Implementation of systemic controls over the procure to pay process,
- Improved reporting to the whole business,
- To bring Racing Queensland Limited in line with best practice procurement through taking advantage of e-commerce, electronic purchase ordering and scanning.
- Provide more real time reporting with less reliance on accounts payable,
- Introduction of process efficiencies for accounts payable, removing the many manual processes currently in use, such as manual purchase order generation and invoice approvals.
- Ability to interface with supplier ordering systems resulting in less manual entry.

The process map for Racing Queensland Limited's procurement process is featured below.



The major advantage of IPOS is that it enforces Racing Queensland Limited's purchasing policy in an electronic procurement system. All management delegations are enforced at requisition and invoice stage. Separation of duties ensures that only requisitioners can create purchase orders and only management can authorise.

From 1 May 2012 where applicable all invoices will only be paid if an IPOS purchase order number is quoted on the invoice. Instances where invoices do not require IPOS purchase orders are Energy, phones, rates and other standard monthly charges.

IPOS Procedures are linked below:

<http://sharepoint/Forms/Forms/AllItems.aspx>

Payment Methods

1. Direct Debit

1.1 Business Condition

Purchases that occur at set times throughout the year for set dollar amounts.

1.2 Business Rule

Invoices for goods or services that fall under this category include:

1. Rentals
2. Leases
3. Superannuation

Payments will be made via direct debit at the time dictated by the invoice.

1.3 Dependencies

Payments must be fixed frequency and price.

2. Cheque

2.1 Business Condition

One-off purchases that can not be paid through any other alternative option. RQL will only pay by cheque under exceptional circumstances otherwise all payments are to be made by electronic funds transfer.

3. Electronic Funds Transfer (EFT)

All other purchases will be paid by Electronic Funds Transfer (EFT) unless previously authorised by the Chief Financial Officer

Payment Summary

A summary of the different methods for paying invoices is provided below:

Payment Types	Business Condition
EFT	Used for standard purchasing from preferred suppliers Used for emergency purchases from preferred supplier in response to an emergency situation
Direct Debit	Used for purchases that occur at set times throughout the year for set dollar amounts
Cheque	Used for miscellaneous purchases on a "case-by-case" basis only. To be used only in exceptional circumstances.
Credit Cards	Used for purchases made with non-preferred suppliers for dollar amounts up to delegated authority.
Petty Cash	Used for miscellaneous purchasing of items with a value of less than \$100 unless authorised by the Chief Financial Officer

Summary of Key Controls

As a high level summary, the key controls associated with the procurement system are:

- Only deal with suppliers who have a valid ABN.
- Three quotes required for amounts of \$10,000 or more where a preferred supplier is not used.
- Tax invoices to be obtained at all times.
- Required signatures for goods received.
- Vendor creation, deletion or addition must be performed by the Accounts Payable Officer and the bank account details are required in accordance to the Sun Security matrix to be entered by an Accounts Receivable Officer who does not have the ability to raise purchase orders or make payments in SUN. The change of details form is located G:\Finance\FORMS\Accounts Payable\Change of Details form.xls.
- Invoices are only paid after the prior approval of a purchase order (excluding credit card statement payments and direct debits) and after goods have been received.
- Established delegation limits with a 10% tolerance level up to a limit of \$100
- Credit card holders can make transactions greater than their delegation limit provided a purchase requisition with appropriate approval has been obtained first.
- All Capital purchases require a Capital Expenditure request form.
- Major Repairs and Maintenance of \$20,000 or more require a Major Repairs and Maintenance form.

In addition to the above, Racing Queensland Limited should perform an annual supplier analysis to review expenditure to determine that value for money is being achieved.

Credit Facilities

A credit facility is any system of credit established to allow purchase of goods or services without the use of an official purchase order or the exchange of cash between the purchaser and supplier at the time of the transaction.

The credit facilities generally used by the Company are:

- Corporate credit cards
- Fuel cards
- Taxi vouchers
- Toll cards.

The establishment of any credit facility requires the recommendation of the Chief Financial Officer and approval from the Company. The Chief Financial Officer is responsible for the establishment, implementation, management and control of credit facilities used by the Company.

All credit facilities must be subject to the agreed terms and conditions between the credit provider and the Company.

Users of credit facilities must comply with the agreed terms and conditions, and properly discharge responsibilities regarding the use and reconciliation of credit accounts. Users are responsible for utilising the facilities in a proper and appropriate manner, and are accountable for all transactions associated with their use.

Users are also responsible for the security of the card/vouchers. Misuse of credit facilities will, at the discretion of the Board, result in the user's access to the facility being revoked and appropriate disciplinary action being taken.

Corporate Credit Cards

Principles. The policies and procedures pertaining to corporate credit cards are contained in the following policy: RQL_Expense Reimbursement Policy.doc

<Update link when on Intranet>

Issue. Corporate credit cards will be issued to relevant officers on the basis of the card providing a necessary and convenient facility for meeting commitments incurred in the course of official business.

The issue of corporate credit cards is to be recorded in a register that is maintained by an appropriate officer, e.g. Accounts Payable Officer. Corporate card use should be restricted to a specific transaction limit in any one month.

Documentation.

The following conditions governing the use of credit cards prevail:

A register of cards must be established and maintained to exercise control over the issue and use of cards.

- Only authorised charges may be made against the credit organisation;
- Cards must be secured at all times against unauthorised use;
- Internal control measures must be sufficient to ensure cards are used for official purposes only and that any misuse is detected promptly and reported to the Chief Financial Officer.
- Officers using a credit card must obtain particulars of transactions including supporting invoices and dockets duly signed. A Credit Card Usage Form must be completed with the invoices attached. Supporting documentation can include the vendor's invoice/account, copy of prior approval to travel/entertain (where applicable), and purchase order. Where supporting invoices or dockets are not available, a signed certificate stating that the transactions are valid and were for official purposes must be attached. Details of all hospitality/entertainment expenses must be fully documented with the purpose of the expense, guest name(s), date, refreshments, time and the like.

Reconciliation.

- The documentation must be forwarded promptly to an accounting officer for attachment to the credit card transaction record for the purposes of sustaining the official use of the card and settlement of the amount within the required period;
- An accounting officer must match the dockets to the statements received from the credit card organisation;
- The dockets and the summary of these dockets showing the charges incurred by the use of credit cards must be properly authorised by a duly authorised officer; and
- The use of credit cards for the purchase of goods and services must be in strict accordance with the expense reimbursement policy of Racing Queensland Limited.
- Failure to provide receipts and the reconciliation in a timely manner will result in the card being cancelled and the employee will have to be reimbursed expenditure through the expense reimbursement policy

Fuel Cards

Issue. The issue of fuel cards is to be recorded in a register maintained by the Finance area.

Responsibilities. Users of the fuel card credit facility are responsible for utilising the facility in a proper and appropriate manner. Users are also responsible for the security of the card while it is in their possession, and are accountable for all transactions associated with its use during that period.

Use. Fuel cards are to be used only in accordance with the agreement between the credit provider and the Company. This includes locations where the card may be used, vehicle for which the card may be used and the types of purchases that are permitted (e.g. fuel only, fuel and oil).

Documentation. Fuel card transactions are to be supported by documentary evidence of the purchase (e.g. the fuel card docket provided by the fuel supplier). This documentation is to be forwarded to the Finance Area and will be used when reconciling the credit provider's account and making payment.

Taxi Vouchers

Issue. Bulk stocks and the issue of taxi vouchers are to be maintained by the Finance area. The Accounts Payable Officer is responsible for the issue of taxi vouchers within their area of responsibility. This officer should ensure that taxi vouchers are issued for appropriate use.

Use. The use of taxi vouchers is strictly limited to taxi travel for the purpose of conducting official business within or outside business hours when neither an official vehicle is available, nor is public transport an acceptable option.

E Tolls

Issue. The Chief Financial Officer is responsible for approving the issue of E toll within their area of responsibility.

Officers may purchase pre-paid tolls only by credit card.

Use. The use of tolls is limited to conditions as specified under the motor vehicle policy.

SPONSORSHIP AGREEMENT

BETWEEN:

(The Sponsor)

AND RACING QUEENSLAND LIMITED, a control body established under the *Racing Act 2002* and *Corporations Act 2001*

(The Sponsored)

WHEREAS The Sponsor has agreed to provide sponsorship in accordance with this agreement.

AND The Sponsored has agreed to provide services in return for the sponsorship.

This Agreement provides:

1. The Sponsor will provide the following sponsorship to the Sponsored:
 Details of Sponsorship [If insufficient space annex details]
 - Money (here detail the sum of any monies to be paid to the Sponsored)
 - Support (here detail all support services including the value thereof to be supplied to the Sponsored)
2. The Sponsored will provide the following services to the Sponsor: [If insufficient space annex details]
 - Services (here detail all services including their value to be supplied by the Sponsored in return for the sponsorship)
3. It is hereby acknowledged that:
 - (a) The Sponsored will issue a recipient created tax invoice to the Sponsor to meet Goods and Services Tax obligations in relation to the supply of money and for support;
 - (b) The Sponsor will issue a recipient created tax invoice to the Sponsored to meet Good and Services Tax obligations in relation to the supply of services.

DATED this _____ day of _____ 20__

SIGNED AS AN AGREEMENT

SPONSOR

Full name of authorised officer

Signature of authorised officer

Signed in the presence of

SPONSORED

RACING QUEENSLAND LIMITED

Full name of authorised officer

Signature of authorised officer

Signed in the presence of



ADDENDUM TO PURCHASING POLICY

Owner

Chief Financial Officer

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	25 Nov 2011	Draft Addendum to RQL Purchasing Policy



What
days

PURCHASING POLICY: INFRASTRUCTURE PLAN RACING QUEENSLAND LIMITED

Introduction

This addendum has been prepared to expand on the RQL General Purchasing Policy which provides guidelines and procedures to be followed by officers of Racing Queensland Limited when undertaking and managing purchasing activities to meet the organisation's operational requirements and also meet the objectives of the policy.

The Racing Queensland Infrastructure Plan has been designed to improve and further develop racing industry infrastructure by way of a \$110 million redirection of wagering taxes from the QLD government. Projects have been identified and funds allocated to each project.

Given the size and scale of these projects this addendum to the Racing Queensland Purchasing Policy has been developed to ensure the necessary additional steps are taken to ensure all projects funded are completed in an accountable and transparent manner to the highest standards.

The purchasing policy, including this addendum form the basis upon which the Industry Infrastructure Plan Committee is guided in the procurements of goods and services relating to the projects that make up the Industry Infrastructure Plan. (See IIPC Charter)

Racing Queensland Limited is the Control Body established by, and obtaining its objects and functions from, the *Racing Act 2002* and its Constitution. Racing Queensland Limited is required to conduct its financial activities with probity and accountability, in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC.

Key Principles

In conducting all of its purchasing activities, including infrastructure plan projects, it is the policy of Racing Queensland Limited to adhere, at all times, to the key principles of:

1. Value for money;
2. Quality of product, service, and support;
3. Open and fair competition;
4. Probity and Accountability of outcomes;
5. Use of Queensland product where price competitive, and where quality standards are met; and
6. Suppliers are compliant with all taxation requirements.

Policy

There is also a focus on using preferred suppliers as explained in this report in further detail. The procurement system should result in the following benefits:

- Reduce operating costs;
- Reduce risk;
- Increase control; and
- Improve cash flow visibility

Industry Infrastructure Plan

Racing Queensland Limited's Infrastructure Plan procurement policy must adhere to the strictest guidelines of Probity, Accountability and Transparency as the funds for these projects come directly from the QLD Government and as such expenditure of these funds is expected to stand up to rigorous scrutiny.

Policy in relation to the approval of supplier payments specifically related to the Industry Infrastructure Plan is as follows;

- All invoices must be checked and signed by the Project Director even if outside of delegation limit.
- The Project Director is to obtain the approval of the CEO or Board if over his delegation limit.
- All delegations are to be in line with the RQL purchasing policy.
- All items outside of the approved budget with an aggregate tolerance level of greater than either 1% or \$200K of the project value will require Board approval.

how will this work?

Suppliers

As much as possible, Racing Queensland Limited should consolidate its suppliers and utilise preferred suppliers for either off-the-shelf goods/services where there are several sources of supply and the purchase is low risk or where there is an established relationship with a proven record of success. The advantages of using preferred suppliers are that it streamlines and simplifies purchasing, reduces administrative costs and promotes cost savings through volume discounts and exclusivity arrangements. Other benefits are that it minimises costs and risk for suppliers through not being required to regularly prepare and submit quotations.

1.1. Selection of Preferred Suppliers

The selection of preferred suppliers should be based on selection criteria that could include:

- Technical capability and experience
- Financial capacity and viability
- System and management responsibility incorporating product and service compliance with agreed industry standards
- People
- Business/organisation factors
- Favourable referee reports (a successful track record to deliver)

Racing Queensland Limited's 6 key principles:

1. Value for money;
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5. Use of Queensland product where price competitive, and where quality standards are met; and
6. Suppliers are compliant with all taxation requirements.

1.2. Preferred Suppliers Listing

Preferred Supplier listings for Infrastructure Plan projects are to be developed by inviting suppliers with experience and expertise in the key areas that make up the projects identified in the RQL Infrastructure Plan to tender for projects thereby forming supplier panels.

These supplier panels could be further refined by way of prequalifying of suppliers lists.

1.3. Prequalification of Suppliers

Prequalification is where suppliers of particular goods or services are assessed against pre-determined criteria and then only those suppliers who satisfy the prequalification criteria are invited to tender for projects.

Prequalification provides added confidence that suppliers being invited to offer have the capability to supply the goods and services. Prequalification does not eliminate the risk of contract failure, but, if well managed, is a method of reducing the risk and administrative burden created by repeated approaches to the market.

Suppliers that are successful in meeting the prequalification criteria are generally included on a database maintained by the purchaser. Prequalification of suppliers is a strategy best used when the buyer procures a particular type of good/service on a regular basis and the procurement tends to be complex and/or costly and/or there is a high degree of risk involved in the procurement.

Some goods and services required for the development of racing tracks and facilities would fall under this category. As a general guide only they have been categorised into five broad groups:

1. Technical capability and experience
2. Financial capability
3. Systems and managerial capability
4. People
5. Business/organisation factors

Potential suppliers are assessed against specific criteria established by the purchaser and if successful are placed on a prequalification database. When a specific need by the purchaser arises, the prequalified suppliers are invited to offer. The offers are evaluated by the purchaser according to the specific offer evaluation criteria and the successful offeror is awarded the contract. Performance reporting about suppliers is an integral part of any prequalification system and should be incorporated into the system.

1.4. Outsourcing of Supplier Panel Selection

The use of organisations specialising in procurement processes such as preferred supplier lists, prequalifying suppliers and other supplier related contractual arrangements may be an alternative or addition to in-house procurement processes.

Local Buy is one such organisation with experience in procurement processes for local government. Local Buy is the Local Government Association of Queensland (LGAQ) procurement services company. Local Buy develops contractual arrangements for councils and government entities, eliminating the need for government authorities to establish their own supply contracts. <http://www.localbuy.net.au/>

The use of this type of organisation may be beneficial for tendering and contracting arrangements relating to the infrastructure plan projects, as the suppliers are effectively pre-screened for compliance with government procurement suitability

1.5. Applications for Sole Supplier

In some special circumstances the normal practices as outlined above may need to be set aside. For these instances an exemption from normal policy practice may be applied for.

Reasons for such Exemptions include but are not confined to;

- (a) Accessing existing standing offer and/or preferred supplier arrangements
- (b) Pursuing subsequent stages of multi-staged procurement processes
- (c) A sole supply situation exists whereby a high degree of technical expertise is required
- (d) A genuine urgency exists. If this is the case there must at all times be adequate supporting documentation to prove urgency is genuine and not the result of inadequate planning

Unless the above stated exemption criteria is met, or other compelling reason is able to be supported, the current RQL Purchasing Policy with addendum will apply to the procurement of goods and services.

Consulting Services

Racing Queensland Limited uses consulting services in a number of aspects of its operations including legal, information technology, human resource management, financial management, business development, and marketing.

These consultancies vary from short-term "one-off" contracts, to longer-term arrangements, which may encompass a series of different activities (e.g. marketing and promotional work).

For short-term "one-off" contracts the following policy guidelines are to apply:

- The six key purchasing principles outlined above are to be applied at all times;
- For contracts under \$10,000 in value, preferred supplier arrangements* can be used. That is, where a purchasing officer is satisfied that a consultant that has provided a high quality service in the past, has the necessary expertise to undertake the work, and is available in an appropriate timeframe, that consultant can be appointed without a formal competitive process being undertaken. If such a person is not available, three quotes from prospective consultants should be obtained and evaluated;

(* Please note that where preferred supplier arrangements are referred to later in this document for other categories of purchasing, similar procedures to those above will apply)

- For contracts between \$10,000 and \$100,000, tenders should be called from at least three "preferred" contractors. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles. The evaluation of the proposals should be undertaken by two accountable officers, and be approved by a delegated officer (Chief Executive Officer or Chief Financial Officer);
- For contracts over \$100,000, will be subject to an open tender process unless the RQL Board waive the requirement of an open tender, including appropriate advertising of the consultancy. Advertising may take the form of website notices and/or Courier Mail advertisement. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers, and be approved by a delegated officer.

For longer-term consultancy arrangements (e.g. the ongoing provision of external services that cannot be delivered in-house), which may involve the use of a preferred supplier or suppliers for a range of individual tasks over an extended period of time, the following guidelines are to be followed:

- Individual consultancy contracts over \$100,000 in value are not to be entered into under these preferred supplier arrangements. Such consultancies, will be subject to Board discretion as to the waiver of an open tender, as described above, must be followed.

- The purchasing officer may select a consultant for a range of tasks from a panel of preferred suppliers for the type of work involved;
- A competitive process, adhering to the six key purchasing principles of Racing Queensland Limited, to appoint the panel of preferred suppliers must have been undertaken, be appropriately documented, and be signed-off by a delegated officer;
- In selecting the preferred supplier from the panel, the purchasing officer must clearly document the reasons for the selection, and be accountable for that selection. The selection must be approved by a delegated officer; and

Intellectual Property Rights

Intellectual property rights relating to plans, designs and concepts for Industry Infrastructure Plan projects are to reside with RQL. For this to be clearly articulated in any contractual arrangements there would need to be included in the document a clause to this effect.

Below is an example of such a clause;

'The physical ownership of, and ownership of intellectual property in, all plans, drawings, specifications, programs, computer data, samples, models, manuals, documents and all other information relating to the project remains vested at all times in the Company. The invited supplier may use and keep copies of such materials only for the purpose of providing services to the Company.'

Confidentiality and Security of information

The integrity of competitive procurement hinges on maintaining appropriate confidentiality that will protect information and give offerors the confidence to do business with Government. Confidentiality has many dimensions and confidentiality of submissions is particularly important prior to the awarding of the contract with information shared only on a 'need to know' basis.

Confidential information may include designated or defined (and as agreed) elements of the supplier's proposal, specific intellectual property and offerors pricing structures. Importantly, much of the information relating to the offer needs to be kept confidential up to the point where a contract is signed with the successful offeror.

A Confidentiality Agreements may include the following elements;

- The Contractor must not, and must ensure that its officers, employees, agents and sub-contractors do not use or disclose any Confidential information without RQL's consent
- The Contractor may disclose Confidential information to its officers, employees, agents and sub-contractors to the extent necessary for the performance of the arrangement, provided that the Contractor:
 - (a) Makes such persons aware that the information is confidential; and
 - (b) If directed by RQL during the contract term, obtains from such persons a confidentiality undertaking in a form acceptable to RQL
- RQL and Contractor must keep all Confidential information in a secure location so that no unauthorised person is able to gain access to it
- Upon receipt of a written request by RQL, either during the arrangement term or upon termination or expiration the arrangement, the Contractor must deliver to RQL any records in the Contractor's power, possession or control

Conflict of Interest

Conflicts of interest represent one of the potential threats to independence. A conflict of interest means having an interest (whether personal, financial or otherwise) which conflicts with, or may reasonably be perceived as conflicting with, the ability of the probity auditor or advisor to perform his/her obligations fairly and objectively. Perceived or potential conflicts of interest can be as damaging as actual conflicts of interest.

Recommended practice

The issue of independence should be specifically considered and addressed prior to engaging contractors, suppliers or consultants. At this stage, potential threats to independence should be considered as well as any safeguards that might eliminate or reduce the threats to independence. Independence is essential. A third party to the procurement should be able to rely on the fact that any and all potential conflicts of interest have been identified and recorded.

Potential goods and service providers should be required to divulge all potential threats to independence, including conflicts of interest, at the time of offer or as soon as any conflict becomes apparent during the service engagement. The service provider should be required to provide written assurance that he/she has no conflict of interest in the procurement, is able to remain objective and impartial throughout the engagement, and will provide notification of any conflict of interest, or compromise to independence, that arises during the engagement.

A Conflict of Interests document may contain the following elements;

- Contractor warrants that, to the best of its knowledge, as at commencement date neither contractor or any of its officers, employees or sub-contractors have, or are likely to have, a Conflict of Interest in the performance of its obligations under current or subsequent contracts
- If a conflict of Interest, or risk of such, arises during the term of the contract the contractor must immediately give notice of the Conflict of Interest, or risk of such, to RQL
- The Contractor must:
 - (a) Take all reasonable measures to ensure that its officers, employees and sub-contractors do not engage in any activity or obtain any interest which is in conflict with the Contractor's ability to fulfil its obligations to RQL in good faith and objectively, and
 - (b) Immediately give notice to RQL of any Conflict of interest relating to the activities or interests of any of its officers, employees or sub-contractors

Similarly all employees and agents of Racing Queensland Limited involved in any of the projects undertaken as part of the Infrastructure Plan are governed by the Employee Conflict of Interest policy of the company, and as such must immediately, in the event of a potential Conflict of Interest arising, notify their immediate manager of the issue.

Delegations

All expenditures for goods and services are to be authorised by a duly delegated officer and are to be in line with budget. These delegations are as follows:

Unlimited

- Board of Directors

Up to \$150,000

- Chief Executive Officer

Up to \$50,000

- Chief Financial Officer

- Director of Product Development

- Project Director

Capitalisation of expenditure

Expenditure on discreetly identifiable plant and equipment items of \$2,000 and above will be capitalised where the future benefit of that expenditure exceeds one year at the time of purchase. All land purchases must be capitalised.

The Chief Executive Officer or Chief Financial Officer may approve the capitalisation of services expenditures of \$2,000 and above where those services have a future benefit exceeding one year. All assets which are under \$2,000 must be expensed in the year of purchase and recorded in the portable and attractive items register. All other service expenditures shall be written off in the financial year the expenditure was incurred.

Compliance with Commonwealth Government GST & Australian Business Number legislation

The Commonwealth Government implementation of GST and Australian Business Number legislation, has given rise to some additional obligations in respect of purchasing. These are as follows:

- Organisations are required to withhold 46.5% of any payment to a supplier of goods or services that does not provide an ABN. In response to this, it is the policy of Racing Queensland Limited that no supplies be purchased from entities that are unable to quote an ABN;
- All suppliers to Racing Queensland Limited are to be advised that they must be able to provide a "Tax Invoice" in the form specified by the GST legislation, to enable Racing Queensland Limited to claim input credits. Under law, the supplier must supply Racing Queensland Limited with a Tax Invoice within 28 days of request. Racing Queensland Limited staff should not enter into contractual arrangements with suppliers unless satisfied that the supplier will be able to provide a suitable Tax Invoice; and
- When obtaining quotes or prices from potential suppliers, purchasing officers must satisfy themselves that the prices quoted are GST inclusive.

The same delegations on the following page (8) apply to the payment of invoices with one exception:

- An invoice can be approved by a person with a lesser delegation provided the original purchase order was approved appropriately and the invoice does not exceed an amount that exceeds 10% of the original purchase order.

It should be noted that as a business rule, staff are not permitted to circumvent their delegation by raising multiple orders to purchase a good or service for an amount that exceeds their delegation limit.

Documentation and the Role of the Finance Department

See Purchasing Policy and Racing Queensland limited Infrastructure Plan Internal Financial Process document

Item	Regional Senior Stewards	Admin Authorities, Racecourse Supervisor, racing Manager – Procurement Track Supervisor	Managers, Chief Steward, Racing and Facilities Supervisor, Track Supervisor	Information Technology and Communications Manager, Licensing and Training Manager, Racing Managers – Dividing Races, Management Accountant, Revenue & Services Accountant	Director of Integrity Operations, Facility & Development Manager, Senior Corporate Counsel/Company Secretary	Chief Financial Officer, Director of Product Development, Project Director	Chief Executive Officer	Board of Directors
Overall Delegation	<\$500	<\$1,000	<\$2,000	<\$5,000	<\$20,000	<\$50,000	<\$150,000 In line with Budget	Unlimited

Contractual Agreements (all contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of Contracts register and assess if any legal advice is required)	X	X	X	X	<\$20,000 total value (not lease or license) assuming that authorised to sign in ordinary operations	Yes with CEO assuming CEO previously approved and legally authorised to sign where <\$100,000	Yes where value <\$150,000	Yes, subject to Board agreement
Execution of Contractual agreements (All contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of contracts register and assess if any legal advice is required)		To be executed by 2 Directors of the Company or a Director and a Company Secretary of the Company (S127 (1) – Corporations Act 2001).						

Summary of Key Controls

As a high level summary, the key controls associated with the procurement system are:

- Only deal with suppliers who have a valid ABN.
- Three quotes required for amounts of \$10,000 or more where a preferred supplier is not used.
- Ensure appropriate delegation authorities applied
- Ensure probity and accountability in supplier selection process
- Confirm expenditure falls within approved budgets
- Ensure correct invoice coding to assist with budget review process
- Tax invoices to be obtained at all times.
- Required signatures for goods received.
- To ensure appropriate separation of duties; vendor creation, deletion or addition must be performed by the Accounts Payable Officer and the bank account details are required in accordance to the Sun Security matrix to be entered by an Accounts Receivable Officer who does not have the ability to raise purchase orders or make payments in SUN. The change of details form is located G:\Finance\FORMS\Accounts Payable\Change of Details form.xls.
- Invoices are only paid after the prior approval of a purchase order (excluding credit card statement payments and direct debits) and after goods have been received.

In addition to the above, Racing Queensland Limited should perform a routine supplier analysis to review expenditure to determine that value for money is being achieved, and all probity issues are addressed.

Reference material (available on QLD Govt website)

QLD State Procurement Policy

QLD Purchasing – Ethics, Probity and Accountability in Procurement

QLD Purchasing – Prequalifying Suppliers

QLD Purchasing – Engaging and Managing Consultants

QLD Govt – Capital Works Management Framework – Procurement Strategy and Contract Selection



ADDENDUM TO PURCHASING POLICY

Owner

Chief Financial Officer

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	25 Nov 2011	Draft Addendum to RQL Purchasing Policy
1.02	19 Dec 2011	Board Approved
1.03	19 Mar 2012	Adjustment to CEO Delegation



PURCHASING POLICY: INFRASTRUCTURE PLAN RACING QUEENSLAND LIMITED

Introduction

This addendum has been prepared to expand on the RQL General Purchasing Policy which provides guidelines and procedures to be followed by officers of Racing Queensland Limited when undertaking and managing purchasing activities to meet the organisation's operational requirements and also meet the objectives of the policy.

The Racing Queensland Infrastructure Plan has been designed to improve and further develop racing industry infrastructure by way of a \$110 million redirection of wagering taxes from the QLD government. Projects have been identified and funds allocated to each project.

Given the size and scale of these projects this addendum to the Racing Queensland Purchasing Policy has been developed to ensure the necessary additional steps are taken to ensure all projects funded are completed in an accountable and transparent manner to the highest standards.

The purchasing policy, including this addendum form the basis upon which the Industry Infrastructure Plan Committee is guided in the procurements of goods and services relating to the projects that make up the Industry Infrastructure Plan. (See IIPCG Charter)

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There is also a focus on using preferred suppliers as explained in this report in further detail. The procurement system should result in the following benefits:

- Reduce operating costs;
- Reduce risk;
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- Improve cash flow visibility

Industry Infrastructure Plan

Racing Queensland Limited's Infrastructure Plan procurement policy must adhere to the strictest guidelines of Probity, Accountability and Transparency as the funds for these projects come directly from the QLD Government and as such are expenditure of these funds is expected to stand up to rigorous scrutiny.

Strict adherence to the project funding deeds between the State of Queensland and Racing Queensland Limited must be maintained at all times.

Policy in relation to the approval of supplier payments specifically related to the Industry Infrastructure Plan is as follows;

- Once the Business Case and Project Funding Deeds have been approved and the budget has been approved by the RQL Board
- All invoices must be checked and signed by the Project Director even if outside of delegation limit. The Project Director is to obtain the approval of the CEO if over his delegation limit.
- All delegations are to be in line with the RQL purchasing policy.
- The CEO can sign and approve all items within the project budget and this includes amounts above \$150,000.
- All items outside of the approved budget with a tolerance level of greater than either 1% or \$200K of the project value will require Board approval.

Suppliers

As much as possible, Racing Queensland Limited should consolidate its suppliers and utilise preferred suppliers for either off-the-shelf goods/services where there are several sources of supply and the purchase is low risk or where there is an established relationship with a proven record of success. The advantages of using preferred suppliers are that it streamlines and simplifies purchasing, reduces administrative costs and promotes cost savings through volume discounts and exclusivity arrangements. Other benefits are that it minimises costs and risk for suppliers through not being required to regularly prepare and submit quotations.

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The selection of preferred suppliers should be based on selection criteria that could include:

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These supplier panels could be further refined by way of prequalifying of suppliers lists.

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The use of organisations specialising in procurement processes such as preferred supplier lists, prequalifying suppliers and other supplier related contractual arrangements may be an alternative or addition to in-house procurement processes.

Local Buy is one such organisation with experience in procurement processes for local government. Local Buy is the Local Government Association of Queensland (LGAQ) procurement services company. Local Buy develops contractual arrangements for councils and government entities, eliminating the need for government authorities to establish their own supply contracts. <http://www.localbuy.net.au/>

The use of this type of organisation may be beneficial for tendering and contracting arrangements relating to

the infrastructure plan projects, as the suppliers are effectively pre-screened for compliance with government procurement suitability

1.5. Applications for Sole Supplier

In some special circumstances the normal practices as outlined above may need to be set aside. For these instances an exemption from normal policy practice may be applied for.

Reasons for such Exemptions include but are not confined to;

- (a) Accessing existing standing offer and/or preferred supplier arrangements
- (b) Pursuing subsequent stages of multi-staged procurement processes
- (c) A sole supply situation exists whereby a high degree of technical expertise is required
- (d) A genuine urgency exists. If this is the case there must at all times be adequate supporting documentation to prove urgency is genuine and not the result of inadequate planning

Unless the above stated exemption criteria is met, or other compelling reason is able to be supported, the current RQL Purchasing Policy with addendum will apply to the procurement of goods and services.

Consulting Services

Racing Queensland Limited uses consulting services in a number of aspects of its operations including legal, information technology, human resource management, financial management, business development, and marketing.

These consultancies vary from short-term "one-off" contracts, to longer-term arrangements, which may encompass a series of different activities (e.g. marketing and promotional work).

For short-term "one-off" contracts the following policy guidelines are to apply:

- The six key purchasing principles outlined above are to be applied at all times;
- For contracts under \$10,000 in value, preferred supplier arrangements* can be used. That is, where a purchasing officer is satisfied that a consultant that has provided a high quality service in the past, has the necessary expertise to undertake the work, and is available in an appropriate timeframe, that consultant can be appointed without a formal competitive process being undertaken. If such a person is not available, three quotes from prospective consultants should be obtained and evaluated;

(* Please note that where preferred supplier arrangements are referred to later in this document for other categories of purchasing, similar procedures to those above will apply)

- For contracts between \$10,000 and \$100,000, tenders should be called from at least three "preferred" contractors. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles. The evaluation of the proposals should be undertaken by two accountable officers, and be approved by a delegated officer (Chief Executive Officer or Chief Financial Officer);
- For contracts over \$100,000, will be subject to an open tender process unless the RQL Board waive the requirement of an open tender, including appropriate advertising of the consultancy. Advertising may take the form of website notices and/or Courier Mail advertisement. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers, and be approved by a delegated officer.

For longer-term consultancy arrangements (e.g. the ongoing provision of external services that cannot be delivered in-house), which may involve the use of a preferred supplier or suppliers for a range of individual tasks over an extended period of time, the following guidelines are to be followed:

- Individual consultancy contracts over \$100,000 in value are not to be entered into under these preferred supplier arrangements. Such consultancies, will be subject to Board discretion as to the waiver of an open tender, as described above, must be followed.
- The purchasing officer may select a consultant for a range of tasks from a panel of preferred suppliers for the type of work involved;
- A competitive process, adhering to the six key purchasing principles of Racing Queensland Limited, to appoint the panel of preferred suppliers must have been undertaken, be appropriately documented, and be signed-off by a delegated officer;
- In selecting the preferred supplier from the panel, the purchasing officer must clearly document the reasons for the selection, and be accountable for that selection. The selection must be approved by a delegated officer; and

Intellectual Property Rights

Intellectual property rights relating to plans, designs and concepts for Industry Infrastructure Plan projects are to reside with RQL. For this to be clearly articulated in any contractual arrangements there would need to be included in the document a clause to this effect.

Below is an example of such a clause;

'The physical ownership of, and ownership of intellectual property in, all plans, drawings, specifications, programs, computer data, samples, models, manuals, documents and all other information relating to the project remains vested at all times in the Company. The invited supplier may use and keep copies of such materials only for the purpose of providing services to the Company.'

Confidentiality and Security of information

The integrity of competitive procurement hinges on maintaining appropriate confidentiality that will protect information and give offerors the confidence to do business with Government. Confidentiality has many dimensions and confidentiality of submissions is particularly important prior to the awarding of the contract with information shared only on a 'need to know' basis.

Confidential information may include designated or defined (and as agreed) elements of the supplier's proposal, specific intellectual property and offerors pricing structures. Importantly, much of the information relating to the offer needs to be kept confidential up to the point where a contract is signed with the successful offeror.

A Confidentiality Agreements may include the following elements;

- The Contractor must not, and must ensure that its officers, employees, agents and sub-contractors do not use or disclose any Confidential information without RQL's consent
- The Contractor may disclose Confidential information to its officers, employees, agents and sub-contractors to the extent necessary for the performance of the arrangement, provided that the Contractor:
 - (a) Makes such persons aware that the information is confidential; and
 - (b) If directed by RQL during the contract term, obtains from such persons a confidentiality undertaking in a form acceptable to RQL
- RQL and Contractor must keep all Confidential information in a secure location so that no unauthorised person is able to gain access to it
- Upon receipt of a written request by RQL, either during the arrangement term or upon termination or expiration the arrangement, the Contractor must deliver to RQL any records in the Contractor's power, possession or control

Conflict of Interest

Conflicts of interest represent one of the potential threats to independence. A conflict of interest means having an interest (whether personal, financial or otherwise) which conflicts with, or may reasonably be perceived as conflicting with, the ability of the probity auditor or advisor to perform his/her obligations fairly and objectively. Perceived or potential conflicts of interest can be as damaging as actual conflicts of interest.

Recommended practice

The issue of independence should be specifically considered and addressed prior to engaging contractors, suppliers or consultants. At this stage, potential threats to independence should be considered as well as any safeguards that might eliminate or reduce the threats to independence. Independence is essential. A third party to the procurement should be able to rely on the fact that any and all potential conflicts of interest have been identified and recorded.

Potential goods and service providers should be required to divulge all potential threats to independence, including conflicts of interest, at the time of offer or as soon as any conflict becomes apparent during the service engagement. The service provider should be required to provide written assurance that he/she has no conflict of interest in the procurement, is able to remain objective and impartial throughout the engagement, and will provide notification of any conflict of interest, or compromise to independence, that arises during the engagement.

A Conflict of Interests document may contain the following elements;

- Contractor warrants that, to the best of its knowledge, as at commencement date neither contractor or any of its officers, employees or sub-contractors have, or are likely to have, a Conflict of Interest in the performance of its obligations under current or subsequent contracts
- If a conflict of Interest, or risk of such, arises during the term of the contract the contractor must immediately give notice of the Conflict of Interest, or risk of such, to RQL
- The Contractor must:
 - (a) Take all reasonable measures to ensure that its officers, employees and sub-contractors do not engage in any activity or obtain any interest which is in conflict with the Contractor's ability to fulfil its obligations to RQL in good faith and objectively, and
 - (b) Immediately give notice to RQL of any Conflict of interest relating to the activities or interests of any of its officers, employees or sub-contractors

Similarly all employees and agents of Racing Queensland Limited involved in any of the projects undertaken as part of the Infrastructure Plan are governed by the Employee Conflict of Interest policy of the company, and as such must immediately, in the event of a potential Conflict of Interest arising, notify their immediate manager of the issue.

Delegations

All expenditures for goods and services are to be authorised by a duly delegated officer and are to be in line with operational and industry infrastructure budget. These delegations are as follows:

Unlimited

- Board of Directors

In line with Budget

- Chief Executive Officer

Up to \$50,000

- Chief Financial Officer
- Director of Product Development
- Project Director

Capitalisation of expenditure

Expenditure on discreetly identifiable plant and equipment items of **\$2,000** and above will be capitalised where the future benefit of that expenditure exceeds one year at the time of purchase. All land purchases must be capitalised.

The Chief Executive Officer or Chief Financial Officer may approve the capitalisation of services expenditures of \$2,000 and above where those services have a future benefit exceeding one year. All assets

which are under \$2,000 must be expensed in the year of purchase and recorded in the portable and attractive items register. All other service expenditures shall be written off in the financial year the expenditure was incurred.

Compliance with Commonwealth Government GST & Australian Business Number legislation

The Commonwealth Government implementation of GST and Australian Business Number legislation, has given rise to some additional obligations in respect of purchasing. These are as follows:

- Organisations are required to withhold 46.5% of any payment to a supplier of goods or services that does not provide an ABN. In response to this, it is the policy of Racing Queensland Limited that no supplies be purchased from entities that are unable to quote an ABN;
- All suppliers to Racing Queensland Limited are to be advised that they must be able to provide a "Tax Invoice" in the form specified by the GST legislation, to enable Racing Queensland Limited to claim input credits. Under law, the supplier must supply Racing Queensland Limited with a Tax Invoice within 28 days of request. Racing Queensland Limited staff should not enter into contractual arrangements with suppliers unless satisfied that the supplier will be able to provide a suitable Tax Invoice; and
- When obtaining quotes or prices from potential suppliers, purchasing officers must satisfy themselves that the prices quoted are GST inclusive.

The same delegations on the following page (8) apply to the payment of invoices with one exception:

- An invoice can be approved by a person with a lesser delegation provided the original purchase order was approved appropriately and the invoice does not exceed an amount that exceeds 10% of the original purchase order.

It should be noted that as a business rule, staff are not permitted to circumvent their delegation by raising multiple orders to purchase a good or service for an amount that exceeds their delegation limit.

Documentation and the Role of the Finance Department

See Purchasing Policy and Racing Queensland limited Infrastructure Plan Internal Financial Process document

RACING QUEENSLAND LIMITED

Item	Regional Senior Stewards	Admin Authorities, Racecourse Supervisor, racing Manager – Procurement Track Supervisor	Managers, Chief Steward, Racing and Facilities Supervisor, Track Supervisor	Information Technology and Communications Manager, Licensing and Training Manager, Racing Managers – Dividing Races, Management Accountant, Revenue & Services Accountant	Director of Integrity Operations, Facility & Development Manager, Senior Corporate Counsel/Company Secretary	Chief Financial Officer, Director of Product Development, Project Director	Chief Executive Officer	Board of Directors
Overall Delegation	<\$500	<\$1,000	<\$2,000	<\$5,000	<\$20,000	<\$50,000	<\$150,000 &/Or In line with Budget	Unlimited

Contractual Agreements (all contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of Contracts register and assess if any legal advice is required)	x	x	x	x	<\$20,000 total value (not lease or license) assuming that authorised to sign in ordinary operations	Yes with CEO assuming CEO previously approved and legally authorised to sign where <\$100,000	Yes any single project where included in approved annual/infrastructure budget	Yes, subject to Board agreement
Execution of Contractual agreements (All contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of contracts register and assess if any legal advice is required)	To be executed by 2 Directors of the Company or a Director and a Company Secretary of the Company (S127 (1) – Corporations Act 2001).							

Summary of Key Controls

As a high level summary, the key controls associated with the procurement system are:

- Only deal with suppliers who have a valid ABN.
- Three quotes required for amounts of \$10,000 or more where a preferred supplier is not used.
- Ensure appropriate delegation authorities applied
- Ensure probity and accountability in supplier selection process
- Confirm expenditure falls within approved budgets
- Ensure correct invoice coding to assist with budget review process
- Tax invoices to be obtained at all times.
- Required signatures for goods received.
- To ensure appropriate separation of duties; vendor creation, deletion or addition must be performed by the Accounts Payable Officer and the bank account details are required in accordance to the Sun Security matrix to be entered by an Accounts Receivable Officer who does not have the ability to raise purchase orders or make payments in SUN. The change of details form is located G:\Finance\FORMS\Accounts Payable\Change of Details form.xls.
- Invoices are only paid after the prior approval of a purchase order (excluding credit card statement payments and direct debits) and after goods have been received.

In addition to the above, Racing Queensland Limited should perform a routine supplier analysis to review expenditure to determine that value for money is being achieved, and all probity issues are addressed.

Reference material (available on QLD Govt website)**QLD State Procurement Policy****QLD Purchasing – Ethics, Probity and Accountability in Procurement****QLD Purchasing – Prequalifying Suppliers****QLD Purchasing – Engaging and Managing Consultants****QLD Govt – Capital Works Management Framework – Procurement Strategy and Contract Selection**



ADDENDUM TO PURCHASING POLICY

Owner

Chief Financial Officer

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	25 Nov 2011	Draft Addendum to RQL Purchasing Policy
1.02	19 Dec 2011	Board Approved
1.03	19 Mar 2012	Adjustment to CEO Delegation



PURCHASING POLICY: INFRASTRUCTURE PLAN RACING QUEENSLAND LIMITED

Introduction

This addendum has been prepared to expand on the RQL General Purchasing Policy which provides guidelines and procedures to be followed by officers of Racing Queensland Limited when undertaking and managing purchasing activities to meet the organisation's operational requirements and also meet the objectives of the policy.

The Racing Queensland Infrastructure Plan has been designed to improve and further develop racing industry infrastructure by way of a \$110 million redirection of wagering taxes from the QLD government. Projects have been identified and funds allocated to each project.

Given the size and scale of these projects this addendum to the Racing Queensland Purchasing Policy has been developed to ensure the necessary additional steps are taken to ensure all projects funded are completed in an accountable and transparent manner to the highest standards.

The purchasing policy, including this addendum form the basis upon which the Industry Infrastructure Plan Committee is guided in the procurements of goods and services relating to the projects that make up the Industry Infrastructure Plan. (See IIPCG Charter)

Racing Queensland Limited is the Control Body established by, and obtaining its objects and functions from, the *Racing Act 2002* and its Constitution. Racing Queensland Limited is required to conduct its financial activities with probity and accountability, in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC.

Key Principles

In conducting all of its purchasing activities, including infrastructure plan projects, it is the policy of Racing Queensland Limited to adhere, at all times, to the key principles of:

1. Value for money;
2. Quality of product, service, and support;
3. Open and fair competition;
4. Probity and Accountability of outcomes;
5. Use of Queensland product where price competitive, and where quality standards are met; and
6. Suppliers are compliant with all taxation requirements.

Policy

There is also a focus on using preferred suppliers as explained in this report in further detail. The procurement system should result in the following benefits:

- Reduce operating costs;
- Reduce risk;
- Increase control; and
- Improve cash flow visibility

Industry Infrastructure Plan

Racing Queensland Limited's Infrastructure Plan procurement policy must adhere to the strictest guidelines of Probity, Accountability and Transparency as the funds for these projects come directly from the QLD Government and as such are expenditure of these funds is expected to stand up to rigorous scrutiny.

Strict adherence to the project funding deeds between the State of Queensland and Racing Queensland Limited must be maintained at all times.

Policy in relation to the approval of supplier payments specifically related to the Industry Infrastructure Plan is as follows;

- Once the Business Case and Project Funding Deeds have been approved and the budget has been approved by the RQL Board
- All invoices must be checked and signed by the Project Director even if outside of delegation limit. The Project Director is to obtain the approval of the CEO if over his delegation limit.
- All delegations are to be in line with the RQL purchasing policy.
- The CEO can sign and approve all items within the project budget and this includes amounts above \$150,000.
- All items outside of the approved budget with a tolerance level of greater than either 1% or \$200K of the project value will require Board approval.

Suppliers

As much as possible, Racing Queensland Limited should consolidate its suppliers and utilise preferred suppliers for either off-the-shelf goods/services where there are several sources of supply and the purchase is low risk or where there is an established relationship with a proven record of success. The advantages of using preferred suppliers are that it streamlines and simplifies purchasing, reduces administrative costs and promotes cost savings through volume discounts and exclusivity arrangements. Other benefits are that it minimises costs and risk for suppliers through not being required to regularly prepare and submit quotations.

1.1. Selection of Preferred Suppliers

The selection of preferred suppliers should be based on selection criteria that could include:

- Technical capability and experience
- Financial capacity and viability
- System and management responsibility incorporating product and service compliance with agreed industry standards
- People
- Business/organisation factors
- Favourable referee reports (a successful track record to deliver)

Racing Queensland Limited's 6 key principles:

1. Value for money;
2. Quality of product, service, and support;
3. Open and fair competition;
4. Probity and Accountability of outcomes;
5. Use of Queensland product where price competitive, and where quality standards are met; and
6. Suppliers are compliant with all taxation requirements.

1.2. Preferred Suppliers Listing

Preferred Supplier listings for Infrastructure Plan projects are to be developed by inviting suppliers with experience and expertise in the key areas that make up the projects identified in the RQL Infrastructure Plan to tender for projects thereby forming supplier panels.

These supplier panels could be further refined by way of prequalifying of suppliers lists.

1.3. Prequalification of Suppliers

Prequalification is where suppliers of particular goods or services are assessed against pre-determined criteria and then only those suppliers who satisfy the prequalification criteria are invited to tender for projects.

Prequalification provides added confidence that suppliers being invited to offer have the capability to supply the goods and services. Prequalification does not eliminate the risk of contract failure, but, if well managed, is a method of reducing the risk and administrative burden created by repeated approaches to the market.

Suppliers that are successful in meeting the prequalification criteria are generally included on a database maintained by the purchaser. Prequalification of suppliers is a strategy best used when the buyer procures a particular type of good/service on a regular basis and the procurement tends to be complex and/or costly and/or there is a high degree of risk involved in the procurement.

Some goods and services required for the development of racing tracks and facilities would fall under this category. As a general guide only they have been categorised into five broad groups:

1. Technical capability and experience
2. Financial capability
3. Systems and managerial capability
4. People
5. Business/organisation factors

Potential suppliers are assessed against specific criteria established by the purchaser and if successful are placed on a prequalification database. When a specific need by the purchaser arises, the prequalified suppliers are invited to offer. The offers are evaluated by the purchaser according to the specific offer evaluation criteria and the successful offeror is awarded the contract. Performance reporting about suppliers is an integral part of any prequalification system and should be incorporated into the system.

1.4. Outsourcing of Supplier Panel Selection

The use of organisations specialising in procurement processes such as preferred supplier lists, prequalifying suppliers and other supplier related contractual arrangements may be an alternative or addition to in-house procurement processes.

Local Buy is one such organisation with experience in procurement processes for local government. Local Buy is the Local Government Association of Queensland (LGAQ) procurement services company. Local Buy develops contractual arrangements for councils and government entities, eliminating the need for government authorities to establish their own supply contracts. <http://www.localbuy.net.au/>

The use of this type of organisation may be beneficial for tendering and contracting arrangements relating to

the infrastructure plan projects, as the suppliers are effectively pre-screened for compliance with government procurement suitability

1.5. Applications for Sole Supplier

In some special circumstances the normal practices as outlined above may need to be set aside. For these instances an exemption from normal policy practice may be applied for.

Reasons for such Exemptions include but are not confined to;

- (a) Accessing existing standing offer and/or preferred supplier arrangements
- (b) Pursuing subsequent stages of multi-staged procurement processes
- (c) A sole supply situation exists whereby a high degree of technical expertise is required
- (d) A genuine urgency exists. If this is the case there must at all times be adequate supporting documentation to prove urgency is genuine and not the result of inadequate planning

Unless the above stated exemption criteria is met, or other compelling reason is able to be supported, the current RQL Purchasing Policy with addendum will apply to the procurement of goods and services.

Consulting Services

Racing Queensland Limited uses consulting services in a number of aspects of its operations including legal, information technology, human resource management, financial management, business development, and marketing.

These consultancies vary from short-term "one-off" contracts, to longer-term arrangements, which may encompass a series of different activities (e.g. marketing and promotional work).

For short-term "one-off" contracts the following policy guidelines are to apply:

- The six key purchasing principles outlined above are to be applied at all times;
- For contracts under \$10,000 in value, preferred supplier arrangements* can be used. That is, where a purchasing officer is satisfied that a consultant that has provided a high quality service in the past, has the necessary expertise to undertake the work, and is available in an appropriate timeframe, that consultant can be appointed without a formal competitive process being undertaken. If such a person is not available, three quotes from prospective consultants should be obtained and evaluated;

(* Please note that where preferred supplier arrangements are referred to later in this document for other categories of purchasing, similar procedures to those above will apply)

- For contracts between \$10,000 and \$100,000, tenders should be called from at least three "preferred" contractors. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles. The evaluation of the proposals should be undertaken by two accountable officers, and be approved by a delegated officer (Chief Executive Officer or Chief Financial Officer);
- For contracts over \$100,000, will be subject to an open tender process unless the RQL Board waive the requirement of an open tender, including appropriate advertising of the consultancy. Advertising may take the form of website notices and/or Courier Mail advertisement. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers, and be approved by a delegated officer.

For longer-term consultancy arrangements (e.g. the ongoing provision of external services that cannot be delivered in-house), which may involve the use of a preferred supplier or suppliers for a range of individual tasks over an extended period of time, the following guidelines are to be followed:

- Individual consultancy contracts over \$100,000 in value are not to be entered into under these preferred supplier arrangements. Such consultancies, will be subject to Board discretion as to the waiver of an open tender, as described above, must be followed.
- The purchasing officer may select a consultant for a range of tasks from a panel of preferred suppliers for the type of work involved;
- A competitive process, adhering to the six key purchasing principles of Racing Queensland Limited, to appoint the panel of preferred suppliers must have been undertaken, be appropriately documented, and be signed-off by a delegated officer;
- In selecting the preferred supplier from the panel, the purchasing officer must clearly document the reasons for the selection, and be accountable for that selection. The selection must be approved by a delegated officer; and

Intellectual Property Rights

Intellectual property rights relating to plans, designs and concepts for Industry Infrastructure Plan projects are to reside with RQL. For this to be clearly articulated in any contractual arrangements there would need to be included in the document a clause to this effect.

Below is an example of such a clause;

'The physical ownership of, and ownership of intellectual property in, all plans, drawings, specifications, programs, computer data, samples, models, manuals, documents and all other information relating to the project remains vested at all times in the Company. The invited supplier may use and keep copies of such materials only for the purpose of providing services to the Company.'

Confidentiality and Security of information

The integrity of competitive procurement hinges on maintaining appropriate confidentiality that will protect information and give offerors the confidence to do business with Government. Confidentiality has many dimensions and confidentiality of submissions is particularly important prior to the awarding of the contract with information shared only on a 'need to know' basis.

Confidential information may include designated or defined (and as agreed) elements of the supplier's proposal, specific intellectual property and offerors pricing structures. Importantly, much of the information relating to the offer needs to be kept confidential up to the point where a contract is signed with the successful offeror.

A Confidentiality Agreements may include the following elements;

- The Contractor must not, and must ensure that its officers, employees, agents and sub-contractors do not use or disclose any Confidential information without RQL's consent
- The Contractor may disclose Confidential information to its officers, employees, agents and sub-contractors to the extent necessary for the performance of the arrangement, provided that the Contractor:
 - (a) Makes such persons aware that the information is confidential; and
 - (b) If directed by RQL during the contract term, obtains from such persons a confidentiality undertaking in a form acceptable to RQL
- RQL and Contractor must keep all Confidential information in a secure location so that no unauthorised person is able to gain access to it
- Upon receipt of a written request by RQL, either during the arrangement term or upon termination or expiration the arrangement, the Contractor must deliver to RQL any records in the Contractor's power, possession or control

Conflict of Interest

Conflicts of interest represent one of the potential threats to independence. A conflict of interest means having an interest (whether personal, financial or otherwise) which conflicts with, or may reasonably be perceived as conflicting with, the ability of the probity auditor or advisor to perform his/her obligations fairly and objectively. Perceived or potential conflicts of interest can be as damaging as actual conflicts of interest.

Recommended practice

The issue of independence should be specifically considered and addressed prior to engaging contractors, suppliers or consultants. At this stage, potential threats to independence should be considered as well as any safeguards that might eliminate or reduce the threats to independence. Independence is essential. A third party to the procurement should be able to rely on the fact that any and all potential conflicts of interest have been identified and recorded.

Potential goods and service providers should be required to divulge all potential threats to independence, including conflicts of interest, at the time of offer or as soon as any conflict becomes apparent during the service engagement. The service provider should be required to provide written assurance that he/she has no conflict of interest in the procurement, is able to remain objective and impartial throughout the engagement, and will provide notification of any conflict of interest, or compromise to independence, that arises during the engagement.

A Conflict of Interests document may contain the following elements;

- Contractor warrants that, to the best of its knowledge, as at commencement date neither contractor or any of its officers, employees or sub-contractors have, or are likely to have, a Conflict of Interest in the performance of its obligations under current or subsequent contracts
- If a conflict of Interest, or risk of such, arises during the term of the contract the contractor must immediately give notice of the Conflict of Interest, or risk of such, to RQL
- The Contractor must:
 - (a) Take all reasonable measures to ensure that its officers, employees and sub-contractors do not engage in any activity or obtain any interest which is in conflict with the Contractor's ability to fulfil its obligations to RQL in good faith and objectively, and
 - (b) Immediately give notice to RQL of any Conflict of interest relating to the activities or interests of any of its officers, employees or sub-contractors

Similarly all employees and agents of Racing Queensland Limited involved in any of the projects undertaken as part of the Infrastructure Plan are governed by the Employee Conflict of Interest policy of the company, and as such must immediately, in the event of a potential Conflict of Interest arising, notify their immediate manager of the issue.

Delegations

All expenditures for goods and services are to be authorised by a duly delegated officer and are to be in line with operational and industry infrastructure budget. These delegations are as follows:

Unlimited

- Board of Directors

In line with Budget

- Chief Executive Officer

Up to \$50,000

- Chief Financial Officer
- Director of Product Development
- Project Director

Capitalisation of expenditure

Expenditure on discreetly identifiable plant and equipment items of **\$2,000** and above will be capitalised where the future benefit of that expenditure exceeds one year at the time of purchase. All land purchases must be capitalised.

The Chief Executive Officer or Chief Financial Officer may approve the capitalisation of services expenditures of \$2,000 and above where those services have a future benefit exceeding one year. All assets

which are under \$2,000 must be expensed in the year of purchase and recorded in the portable and attractive items register. All other service expenditures shall be written off in the financial year the expenditure was incurred.

Compliance with Commonwealth Government GST & Australian Business Number legislation

The Commonwealth Government implementation of GST and Australian Business Number legislation, has given rise to some additional obligations in respect of purchasing. These are as follows:

- Organisations are required to withhold 46.5% of any payment to a supplier of goods or services that does not provide an ABN. In response to this, it is the policy of Racing Queensland Limited that no supplies be purchased from entities that are unable to quote an ABN;
- All suppliers to Racing Queensland Limited are to be advised that they must be able to provide a "Tax Invoice" in the form specified by the GST legislation, to enable Racing Queensland Limited to claim input credits. Under law, the supplier must supply Racing Queensland Limited with a Tax Invoice within 28 days of request. Racing Queensland Limited staff should not enter into contractual arrangements with suppliers unless satisfied that the supplier will be able to provide a suitable Tax Invoice; and
- When obtaining quotes or prices from potential suppliers, purchasing officers must satisfy themselves that the prices quoted are GST inclusive.

The same delegations on the following page (8) apply to the payment of invoices with one exception:

- An invoice can be approved by a person with a lesser delegation provided the original purchase order was approved appropriately and the invoice does not exceed an amount that exceeds 10% of the original purchase order.

It should be noted that as a business rule, staff are not permitted to circumvent their delegation by raising multiple orders to purchase a good or service for an amount that exceeds their delegation limit.

Documentation and the Role of the Finance Department

See Purchasing Policy and Racing Queensland limited Infrastructure Plan Internal Financial Process document

RACING QUEENSLAND LIMITED

Item	Regional Senior Stewards	Admin Authorities, Racecourse Supervisor, racing Manager – Procurement Track Supervisor	Managers, Chief Steward, Racing and Facilities Supervisor, Track Supervisor	Information Technology and Communications Manager, Licensing and Training Manager, Racing Managers – Dividing Races, Management Accountant, Revenue & Services Accountant	Director of Integrity Operations, Facility & Development Manager, Senior Corporate Counsel/Company Secretary	Chief Financial Officer, Director of Product Development, Project Director	Chief Executive Officer	Board of Directors
Overall Delegation	<\$500	<\$1,000	<\$2,000	<\$5,000	<\$20,000	<\$50,000	<\$150,000 &/Or In line with Budget	Unlimited

Contractual Agreements (all contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of Contracts register and assess if any legal advice is required)	x	x	x	x	<\$20,000 total value (not lease or license) assuming that authorised to sign in ordinary operations	Yes with CEO assuming CEO previously approved and legally authorised to sign where <\$100,000	Yes any single project where included in approved annual/infrastructure budget	Yes, subject to Board agreement
Execution of Contractual agreements (All contracts to be reviewed by Senior Corporate Counsel/Company Secretary for updating of contracts register and assess if any legal advice is required)	To be executed by 2 Directors of the Company or a Director and a Company Secretary of the Company (S127 (1) – Corporations Act 2001).							

Summary of Key Controls

As a high level summary, the key controls associated with the procurement system are:

- Only deal with suppliers who have a valid ABN.
- Three quotes required for amounts of \$10,000 or more where a preferred supplier is not used.
- Ensure appropriate delegation authorities applied
- Ensure probity and accountability in supplier selection process
- Confirm expenditure falls within approved budgets
- Ensure correct invoice coding to assist with budget review process
- Tax invoices to be obtained at all times.
- Required signatures for goods received.
- To ensure appropriate separation of duties; vendor creation, deletion or addition must be performed by the Accounts Payable Officer and the bank account details are required in accordance to the Sun Security matrix to be entered by an Accounts Receivable Officer who does not have the ability to raise purchase orders or make payments in SUN. The change of details form is located G:\Finance\FORMS\Accounts Payable\Change of Details form.xls.
- Invoices are only paid after the prior approval of a purchase order (excluding credit card statement payments and direct debits) and after goods have been received.

In addition to the above, Racing Queensland Limited should perform a routine supplier analysis to review expenditure to determine that value for money is being achieved, and all probity issues are addressed.

Reference material (available on QLD Govt website)**QLD State Procurement Policy****QLD Purchasing – Ethics, Probity and Accountability in Procurement****QLD Purchasing – Prequalifying Suppliers****QLD Purchasing – Engaging and Managing Consultants****QLD Govt – Capital Works Management Framework – Procurement Strategy and Contract Selection**

INTERNET AND EMAIL POLICY

P001

PURPOSE

To state Queensland Racing Limited's policy relating to e-mail and Internet access and usage and provide the IT Department with the opportunity to provide more effective services.

INTERNET USAGE POLICY

1. PURPOSE

1.1 Use of the Internet by Queensland Racing Limited employees is permitted and encouraged where such use is suitable for business purposes and supports the goals and objectives of the company. The Internet is to be used in a manner that is consistent with the Queensland Racing Limited's standards of business conduct and as part of the normal execution of an employee's job responsibilities.

1.2 This policy is designed to:

- Protect the capacity of Queensland Racing Limited's connection to the Internet to deal with legitimate traffic
- Protect Queensland Racing Limited and individuals from the consequences of illegal or inappropriate use
- Protect Queensland Racing Limited's systems from the introduction of viruses or from unauthorized entry
- Ensure that the costs incurred by Queensland Racing Limited are as a result of legitimate use.

2. SCOPE

2.1 This policy sets out Queensland Racing Limited's approach to providing sufficient and appropriate Internet access for more efficient departmental operation and reduced risks in using these technologies within the department.

2.2 Internet access is provided for officially approved purposes only.

3. RESPONSIBLE OFFICERS

All QUEENSLAND RACING LIMITED management and staff (including contractors).

4. DEFINITIONS, TERMS AND ACRONYMS

- 4.1 Hypertext:** a hypertext document is one that lets you jump from place to place in the document using links of some kind (normally highlighted words).
- 4.2 Internet:** the Internet is a worldwide network of computers that offer access to people and information.
- 4.3 Internet Access via the World Wide Web (WWW):** Enabling staff to access the home pages of client organisations for information purposes to assist with QUEENSLAND RACING LIMITED operations.
- 4.4 Intranet:** the application of Internet-type technologies internally within an organisation
- 4.5 IT:** Information Technology
- 4.6 Vandalism:** Any malicious attempt to harm or destroy data of another user, or data of any agencies or other networks linked to Queensland Racing Limited via the Internet. This includes the uploading or creation of a computer virus.
- 4.7 WWW:** the World Wide Web is a hypertext system on the Internet that helps you look for information on a worldwide system.

5. ACTIONS

ALL STAFF USAGE OF THE INTERNET MUST BE CONSISTENT WITH QUEENSLAND RACING LIMITED PURPOSES.

- 5.1 The use of the Internet in Queensland Racing Limited for unacceptable purposes as outlined in Section 5.9, or in support of such activities, is forbidden
- 5.2 Management must approve in writing access to the Internet for an individual via the User account request form
- 5.3 All Queensland Racing Limited employees must comply with all applicable laws and regulations, including respect for the rights of the owners of material published on the Internet
- 5.4 All staff using the Internet must refrain from unacceptable work practices, doing otherwise is considered just cause for disciplinary action that may include written warnings, revocation of access privileges and in extreme cases termination
- 5.5 Employees communicating on the Internet must be aware that they represent Queensland Racing Limited and must adhere to a professional code of conduct and ethics
- 5.6 Confidential or sensitive data must not be forwarded on the Internet without encryption
- 5.7 The use of the Internet is monitored and is traceable to individuals. Any potential breaches of policy will be investigated. Sites deemed as unacceptable under this policy will be restricted and have access denied via monitoring software
- 5.8 Employees may be called upon to explain their usage of the Internet

5.9 Unacceptable work practices include:

- Misrepresenting Queensland Racing Limited
- Using an account to send anonymous messages, or attempting to obscure the origin of any message or download material under an assumed Internet address or otherwise disguise their user identity
- Accessing, browsing, viewing, acquiring or publishing any information of an abusive, pornographic or profane nature or material likely to be offensive in relation to current community standards on the basis of gender, race, religion or other
- Transmitting or causing to be transmitted communications that may be construed as harassment or disparagement of others based on the criteria of the anti-discrimination legislation and departmental policy
- Wasting finite resources or obstructing other officers' work by consuming large amounts of system resources, especially the sending of broadcast messages or any other types of use which would cause congestion of the networks or otherwise interfere with the work of others

- Using the facilities and capabilities of the Internet to conduct any business or activity for commercial purposes or financial gain, including publishing material that contains advertising or solicitation of other network users to use goods or services
- Without proper authorisation, transmitting or making available via the Internet Queensland Racing Limited information
- Downloading programs.

5.10 Personal Internet use

Use of the Internet for personal reasons is allowed however such use may not contravene the above unacceptable work practices and should be conducted at times so as not to impact on work commitments.

5.11 Penalties

Inappropriate use of the Internet may result in internal disciplinary procedures. Breaches of the law will be referred to the relevant law enforcement authority and suspected official misconduct reported to the Crime and Misconduct Commission.

5.12 Access

Access to WWW services enables staff to access the web pages of client organisations for information purposes.

Sufficient access will be established for each business unit with individual access points implemented where the need is clearly established and authorised.

Personal use of the World Wide Web is permitted provided this usage is acceptable.

5.13 Staff Training and Awareness

Training on basic Internet usage skills is available for staff. Staff should contact the IT Helpdesk for information.

5.14 Responsibilities

Queensland Racing Limited managers and department heads are responsible for ensuring their staff are aware of this policy.

- 5.15 Queensland Racing Limited employees (including contractors) are accountable to their employing agency for appropriate use of these technologies and for abiding by the directives of this document. Internet users have the responsibility to ensure their use of Internet facilities is consistent with the departmental purposes and to abide by the guidelines set out in this procedure.

-
- 5.16 Queensland Racing Limited IT Department staff will maintain the operational links to the Internet, establish access to WWW facilities for new users, undertake appropriate monitoring of Internet usage and assist with the provision of staff training.
- 5.17 Business units that are responsible for modules of the Queensland Racing Limited Internet home site pages are to commit resources to ensure the ongoing data integrity of the information contained in modules.
- 5.18 No software new to Queensland Racing Limited is to be downloaded from the Internet. Requests for software are to be via the IT Help Desk. Any software that does not comply with policy will be denied.
- 5.19 Staff are to be aware of the high risk from viruses associated with opening e-mails with attachments.

6. REFERENCES

- Queensland Racing Limited Computer Systems Agreement Form (F002).
- Queensland Racing Limited Computer Systems Account Request Form (F001).

EMAIL USAGE POLICY

1. PURPOSE

- 1.1 Email is a service provided to facilitate efficient communication within Queensland Racing Limited and out to customers and business partners.

Staff using this service must be aware that email transmitted or received on the Queensland Racing Limited network is the property of Queensland Racing Limited

- 1.2 This policy is designed to:

- Protect Queensland Racing Limited and individuals from the consequences of illegal or inappropriate use of the email system
- Protect Queensland Racing Limited's systems from the introduction of viruses or from unauthorized entry
- Ensure that the costs incurred by Queensland Racing Limited are as a result of legitimate use.

2. SCOPE

- 2.1 This policy sets out Queensland Racing Limited's approach to providing sufficient and appropriate email access for more efficient departmental operation and reduced risks in using these technologies within the department.

- 2.2 Email access is provided for officially approved purposes only.

3. RESPONSIBLE OFFICERS

All QUEENSLAND RACING LIMITED management and staff (including contractors).

4. DEFINITIONS, TERMS AND ACRONYMS

4.1 Anonymous messages: either those messages which do not contain details of an officer's name and affiliation, or messages sent through an anonymous re-mailing service.

4.2 E-mail: comes from the term electronic mail and simply means a way of sending messages across a computer network.

4.3 E-mail Disclaimer:

*****E-Mail Disclaimer*****

This email, together with any attachments, is intended for the named recipient only.

This email may contain information which is confidential, of a private nature or which is subject to legal professional privilege or copyright. Accordingly, any form of disclosure, modification, distribution and/or publication of this email message is prohibited unless expressly authorised by the sender acting with the Authority of or on behalf of Queensland Racing Limited.

If you have received this email by mistake, please inform the sender as soon as possible and delete the message and any copies of this message from your computer system network. The confidentiality, privacy or legal professional privilege attached to this email is not waived or destroyed by that mistake.

It is your responsibility to ensure that this email does not contain and is not affected by computer viruses, defect or interference by third parties or replication problems (including incompatibility with your computer system).

Unless expressly attributed, the views expressed in this email do not necessarily represent the views of Queensland Racing Limited.

4.4 E-mail services: Enabling staff to send and receive e-mail messages with external clients and Internet users worldwide.

4.5 IT: Information Technology

5. ACTIONS

ALL STAFF USAGE OF EMAIL MUST BE CONSISTENT WITH QUEENSLAND RACING LIMITED PURPOSES.

- 5.1 The use of e-mail in Queensland Racing Limited for unacceptable purposes as outlined in Section 5.9, or in support of such activities, is forbidden
- 5.2 Email transmitted or received on the Queensland Racing Limited network is the property of Queensland Racing Limited and a copy of all email sent and received by the system is kept
- 5.3 All Queensland Racing Limited employees must comply with all applicable laws and regulations, including respect for the rights of the owners of material published in or attached to e-mail
- 5.4 All e-mail content may be treated as a record and as such, all e-mail usage must be able to survive public scrutiny and/or disclosure. By nature of the sender or recipient address, all messages are traceable to and legally associated with Queensland Racing Limited
- 5.5 Any officer in receipt of e-mail which may be considered unacceptable (refer to section 5.9 for guidance) are to notify their manager, or the IT Department immediately
- 5.6 Employees' use of e-mail will be monitored by the IT Department. Email deemed to be in breach of this policy will be identified and quarantined by monitoring software and may be reported
- 5.7 Employees may be called upon to explain their usage of e-mail
- 5.8 Electronic messages and electronic files may be subject to record keeping, archiving, and freedom of information and audit requirements.

5.9 Unacceptable work practices include:

- Swearing
- Misrepresenting Queensland Racing Limited or department
- Using an account to send anonymous messages, or attempting to obscure the origin of any message or otherwise disguise their user identity
- Sending any information of an abusive, pornographic or profane nature or material likely to be offensive in relation to current community standards on the basis of gender, race, religion or other
- Transmitting or causing to be transmitted communications that may be construed as harassment or disparagement of others based on the criteria of the anti-discrimination legislation and departmental policy
- Wasting finite resources or obstructing other officer's work by consuming large amounts of system resources, especially the sending of broadcast messages or any other types of use which would cause congestion of the networks or otherwise interfere with the work of others

- Without proper authorisation transmitting material that might bring Queensland Racing Limited into disrepute
- Without proper authorisation transmitting via e-mail Queensland Racing Limited information
- Without proper authorisation, invading the privacy of individuals or entities that are creators, authors, users, or subjects of the information resources. This includes publishing any information, which violates or infringes upon the rights of any person.
- 'Junk' mail (eg. chain letters etc) is not permitted
- Indiscriminate mailing of general information to large groups

5.10 Acceptable usage

Personal use of e-mail is permitted provided this usage is acceptable and does not contravene the unacceptable work practices listed above.

5.11 Penalties

Inappropriate use of e-mail facilities may result in internal disciplinary procedures including written warnings, suspension of email privileges or in extreme cases termination. Breaches of the law will be referred to the relevant law enforcement authority and suspected official misconduct reported to the Criminal Justice Commission.

5.12 Access

Email capability is available for all staff unless specifically withheld (as mentioned above). This will occur as part of the procedure of registering new staff on the departmental networks. No separate request is required for e-mail capability.

5.12 Staff Training and Awareness

Appropriate training on basic e-mail skills is available for staff. Staff should contact the IT Helpdesk for information.

5.13 Email productivity

5.14 Email Etiquette

Staff should be aware of email etiquette. For example, uppercase writing represents shouting. Correct language and business process should be used at all times.

5.15 Filing Requirements

Staff should ensure that a printed copy of appropriate documentation is placed on a departmental Records file. Appropriate electronic information refers to instances where the information is used as the basis of a decision or is related to a legal or workplace health and safety issue.

5.16 Responsibilities

Queensland Racing Limited managers and department heads are responsible for ensuring their staff are aware of policies and know where to find information on the departmental e-mail policy and practices.

Queensland Racing Limited employees (including contractors) are accountable to their employing agency for appropriate use of these technologies and for abiding by the directives of this document.

5.17 E-mail is a significant user of network capacity and may affect the response time of other systems using the network

5.18 Any information sent or received electronically is the property of Queensland Racing Limited and must therefore be treated with due care.

5.19 Reading and sending spurious messages can consume significant time

5.20 Large attachments to e-mail must be compressed in the correct manner before sending – a limit of 5MB has been placed on the system

5.21 Staff are to be aware of the high risk from viruses associated with opening e-mails with Attachments.

6. REFERENCES

- Queensland Racing Limited Computer Systems Agreement Form (F002).
- Queensland Racing Limited Computer Systems Account Request Form (F001).

RELEASE NOTICE			
Version Number	Date of Issue	Amendment Details	Amended By
1.3	22/02/05	Update references	D Rowan
1.2	08/02/05	Updated policies	D Rowan
1.1	23/10/02	Updated organisation name to Queensland Racing Limited	N Notomi
1	15/03/2001	Initial release	S Corney
Author:		David Rowan	Date: 22/02/05
Title:		IT&T Manager	
Approved By:			Date: 22/02/05
Name:		David Rowan	
Title:		IT&T Manager	

Remote Access Policy

Purpose

The purpose of this policy is to provide guidelines for remote access or CSG connections to QR's corporate network.

Scope

The policy applies to all QR employees, contractors, consultants, temporaries and other workers including all personnel affiliated with third parties utilizing VPNs to access the QR's network.

Policy

Approved QR employees and authorised third parties may utilise the benefits of remote access. Remote access is managed by the IT Department and all enquiries and applications must be directed to the helpdesk.

Requests for remote access must be authorised by the employees direct manager and recorded on the Computer Systems Agreement form (F001).

Additionally,

1. It is the responsibility of employees with remote access privileges to ensure that unauthorised users are not allowed access to QR's internal network.
2. It is the responsibility of employees to ensure usernames and passwords that are used to connect to remote access are not located near the laptops or desktop computers.
3. If an employee suspects that unauthorised access to the QR network has been gained, they must notify the IT Department immediately.
4. Remote access use is to be controlled by using the appropriate authentication, which includes a Citrix client.
5. Remote access users will be automatically disconnected from the QR's network after 20 minutes of inactivity. The user must then logon again to reconnect to the network. Pings or other artificial network processes are not to be used to keep the connection open.
6. By using remote access technology, users must understand that their computers are a de facto extension of the QR's network, and as such are subject to the same rules and regulations.
7. Any abuse of this policy or QR's computer use and email and internet policies will result in immediate suspension of remote access privileges and other appropriate actions including disciplinary and or termination.

References:

- Computer Systems Account Request Form (F001)
- Computer Systems Agreement Form (F002)
- Email and Internet Policy (P001)

RELEASE NOTICE

1	15/03/02	Initial release
1.1	05/05/06	Update for CSG and QR and add Release Notice
Version Number	Date of Issue	Amendment Details
Author:	David Rowan	Date: 05/05/2006
Title:	IT&T Manager	
Authorised By:		Date: 05/05/2006
Name:	David Rowan	
Title:	IT&T Manager	

Queensland Racing Limited

WEBSITE POLICY

COMMENCEMENT DATE

This policy comes into effect on 2 April 2004.

PURPOSE

The *Racing Act 2002* (the Act) authorises Queensland Racing Limited to make policies for the sound management of the industry. Section 81(g) of the Act requires Queensland Racing Limited to make a policy on its website and the information available through it.

The Act requires Queensland Racing Limited to publish the following:

- the racing calendar
- Queensland Racing Limited's policies
- information on consultation on policy development
- the rules of racing
- notices about the declaration of a sporting contingency.

It is in the public interest and the interest of racing industry participants that information about Queensland Racing Limited and the Queensland racing industry is available and disseminated freely and cost-effectively. A website is an ideal way to publish information freely and cheaply.

Balanced against this is the need to protect security and privacy by preventing hacking and restricting access to confidential or personal information.

The purpose of this policy is to help ensure Queensland Racing Limited manages the racing industry soundly by providing industry participants and the general public with accurate and appropriate information about the racing industry in a cost-effective manner.

POLICY STATEMENT

Queensland Racing Limited will maintain a website that provides important, interesting, accurate and current information about Queensland Racing Limited and the Queensland racing industry.

In accordance with section 38(3) of the *Racing Act 2002*, Queensland Racing Limited will publish the Racing Calendar on its website. Publication will be at least seven days before the start of the calendar period and will continue for the period the calendar covers.

In accordance with sections 84(2) and 376(3) of the Act, Queensland Racing Limited will publish its policies and information about consultation on these policies on its website. Draft policies will be published for at least 28 days to allow interested parties to make submissions. (In exceptional circumstances, a policy may have to be made without the normal consultation period. In this case, a draft policy will not be published. However, the urgent policy will be reviewed within six months, at which time the normal consultation provisions will apply.)

In accordance with section 94(2) of the Act, Queensland Racing Limited will publish the rules of racing on its website. Notifications of changes to rules will be made as soon as possible after the rules have been changed and before the rule change comes into effect, whenever possible.

In accordance with section 255(3) of the Act, Queensland Racing Limited will publish any notice about the declaration of a sporting contingency on its website.

Queensland Racing Limited will not publish confidential or personal information on its website except where this is agreed to by the parties concerned.

APPLICATION

This policy applies to Queensland Racing Limited.

PROCEDURES

Roles and responsibilities

Queensland Racing Limited will ensure all information required to be published under the *Racing Act 2002* is published, accurate and current.

Queensland Racing Limited's department managers are responsible for ensuring information is posted to the website. Management will ensure information on the website is current by reviewing website content every three months.

Queensland Racing Limited's department managers are responsible for authorising all website material originating from their departments.

Review

This policy was reviewed on February 2010.

Next review date is February 2012.

Rules of Racing

Rules of Racing will not be made for this policy.

This policy was made under by Queensland Racing Limited on 2 April 2004 under s.81(g) of the *Racing Act 2002*. For further information contact Malcolm Tuttle, Chief Operations Manager, by phoning (07) 3869 9730 or emailing mtuttle@queenslandracing.com.au.

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of change</i>
1.01	February 2010	David Rowan renewed policy with no changes.



MEDIA ACCREDITATION POLICY

Owner

Communications Department

Stakeholders

Industry Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	May 2009	First draft (David Rowan)
1.02	May 2009	Integrate feedback (David Rowan)
1.03	June 2009	QRL Board changes (Tony Hanmer)
1.04	October 2009	Add Rules section (David Rowan)

QUEENSLAND RACING LIMITED
POLICY ON MEDIA ACCREDITATION

COMMENCEMENT DATE

This policy comes into effect on 31 July 2009.

PURPOSE

To define the framework and guidelines for the issuance of media accreditation by Queensland Racing Limited (QRL).

BACKGROUND

QRL issues media accreditation that allows varying degrees of access to licensed race club's premises (racing venues). This accreditation is renewed yearly and expires on 30 June.

Media representatives have a requirement to access restricted areas of racing venues in order to perform their duties and this is desirable to QRL in order to promote the racing industry.

QRL has a responsibility and duty of care to protect the safety and integrity of racing venues, of race goers and of racing participants.

POLICY STATEMENT

QRL has a responsibility to ensure control of individuals in restricted areas of licensed race clubs to protect the safety and integrity of the venue, race goers, participants and the product and intellectual property of the racing industry by:

- Establishing an appropriate media accreditation process;
- Adhering to all legal and legislative requirements.

This policy addresses this responsibility and is based on the following principles:

Safety	Ensuring that racing participants and race goers are kept safe from harm;
Integrity	Safeguarding the value, quality, completeness and image of the racing product; and
Protection	Ensuring that the industry's intellectual property and assets are protected in order to achieve the best possible return.

The racing industry will protect its right to ownership of product and intellectual property and such product and property including but not limited to images, video and audio recordings may not be used by third parties for commercial gain without express permission.

Media accreditation is a privilege and media should respect their privileged status and access.

QRL recognises the role of the media in society and the value of its unfettered free speech.

DEFINITIONS

Queensland Racing and QRL means Queensland Racing Limited.

Race clubs, racing venues or clubs means licensed Queensland race clubs.

Media means any representative of an accepted media organisation or channel, or other individuals that significantly contribute to the promotion of the racing industry in Queensland.

SEQ means South East Queensland.

APPLICATION

This policy applies to all persons applying for media accreditation by QRL.

FRAMEWORK

MEDIA ACCREDITATION CONDITIONS

General

- Accreditation is non-transferable.
- Media accreditation passes must be displayed prominently at all times.
- The accredited individual is responsible for complying with the Workplace, Health & Safety rules.
- The accredited individual must not endanger themselves or others by engaging in reckless or prohibited behaviour.
- Photography and filming is prohibited at all times on the course proper.
- The accredited individual must observe pre-booked workstations and telephone lines in the Press Room.
- QRL will have regard for the Australian Press Council Statement of Principles applicable to media (<http://www.presscouncil.org.au/pcsite/complaints/sop.html>) and Media should govern themselves accordingly.
- Accredited individuals must obey directions given to them by QRL officials, race club officials and security staff.

Betting Ring Areas

- Filming or photographing in the betting ring is limited to general atmosphere shooting only. No filming of individuals transacting wagers is allowed unless their expressed permission is obtained.

Photographers and camera operators

- Must be respectful of Members in Reserved Enclosures and seek permission to take photographs.
- Must be considerate of all racegoers when gaining the best photographic position.
- Must not obstruct the view of on course photographer or cameraman.
- Must not attempt to sell photographs in any form to the connections (owners, trainers, jockeys, strappers etc.) of any horse from Queensland race meetings.
- Must direct any enquiries from connections to the contracted course photographer at the particular race course.

Saddling Enclosure

- The Saddling Enclosure is an area designed specifically for trainers, horses, jockeys and connections, prior to and after races, and

course officials. Media are privileged to have access to this area and should abide by the rules accordingly. For safety reasons numbers in the Saddling Enclosure are strictly limited and access may be restricted at times regardless of accreditation.

- Mobile telephones may not be turned on or used in the Saddling Enclosure or in Scales Area without the permission of the Chief Steward.

Dress Code

- The accredited individual must adhere to the dress codes for the Saddling Enclosure and Members' Enclosure, set out by the race club.

LEVELS OF MEDIA ACCREDITATION

The access privileges associated with the level of media accreditation provided by QRL are as follows:

Level 1:

Access is granted to the following areas of the venue with a Level 1 pass:

- General admission including
 - Saddling enclosure
 - Steward's room
 - Scales area

Level 2:

Access is granted to the following areas of the venue with a Level 2 pass:

- General admission only (Access to: Saddling enclosure, Steward's room, and Scales area prohibited)

Visiting media:

Access is granted to the following areas of the venue for the duration of a specified carnival/meeting:

- General admission including
 - Saddling enclosure
 - Steward's room
 - Scales area

Media are not permitted in the Jockey's room unless permission from the Chief Steward is obtained.

Media accreditation levels will be set at the sole discretion of QRL.

BREACH OF MEDIA ACCREDITATION

Failure to abide by the accreditation conditions may result in cancellation of accreditation.

TERMINATION OF MEDIA ACCREDITATION

QRL may terminate accreditation at any time at its sole discretion.

QRL may, at its sole discretion, deny access to accredited individuals to the course or parts thereof.

MANDATORY MINIMUM STANDARD FOR MEDIA ACCREDITATION

Applicants for media accreditation must meet the following mandatory minimum standards:

- They are employed by, subcontracted by, or a contributor to, a recognised media outlet or communications channel.
Acceptable outlets / channels include but are not limited to:
 - Print media
 - Television
 - Radio
 - Websites
 - Media distributors
- They suitably contribute to the promotion of the racing industry, its product or its venues by virtue of the activities undertaken with their media accreditation.
- For applications by new individuals, companies, websites or channels, they provide a suitable business plan detailing their intentions.

ACCREDITATION PROCESS

The following process ensures adherence to this policy:

1. A media accreditation form must be completed and submitted to QRL using the printed or electronic form available on QRL's website.
2. Request for accreditation must be accompanied by a passport style photograph and a signed copy of the accreditation rules and regulations.
3. QRL staff review the application for suitability according to the minimum standards.
4. Applications where legitimacy can not be established will require the applicant to complete and submit the Media Accreditation Reference form. The Senior Communications Officer in conjunction with the Information and Communication Manager will review the submission and decide on its suitability.
5. New applications by individuals associated with new businesses, companies, websites or channels asked to submit a suitable business plan detailing their intentions. The Senior Communications Officer in conjunction with the Information and Communication Manager will review the submission and decide on its suitability.
6. Successful applicants receive a media pass with access level according to their position and duties.
7. Unsuccessful applicants are notified and no further correspondence is entered into.

GROUNDINGS FOR DENIAL OF MEDIA ACCREDITATION

Media accreditation may be denied to individuals where:

- They have previously breached the accreditation conditions;
- Their references are not satisfactory or can not be verified;
- They do not meet the mandatory minimum standard for accreditation;
- They are in competition with another entity that has an exclusive or non-exclusive contractual arrangement with QRL or a race club;
- They have used, or intend to use, racing product or intellectual property for commercial gain without express permission, or;
- They are deemed to be a person of unsuitable character by QRL.

Queensland Racing Limited reserves the right to accept or reject any application for media accreditation at its absolute discretion.

ENFORCEMENT

Race clubs will take responsibility for venue security to enforce both accreditation conditions and to prevent unauthorised individuals, or those with expired media accreditation, from entering restricted areas or those areas that they are not accredited to access.

APPROPRIATE RULES

Queensland Racing Limited may make Rules in respect of any matter contained or referred to in this policy.

DEPENDENCIES

Media accreditation form

Accreditation levels

Media accreditation rules and regulations

REVIEW OF THE POLICY

This policy will be reviewed after one years' operation.

RELEASE NOTICE

Author:	David Rowan	Date:	07/10/2009
Title:	Information and Communication Manager		
Authorised By:		Date:	07/10/2009
Name:	Malcolm Tuttle		
Title:	Chief Operations Manager		

The management of Queensland Racing approved the release of this policy on 26 June 2009. For further information contact David Rowan, Information and Communication Manager, by telephoning (07) 3869 9710 or by emailing drowan@queenslandracing.com.au



MEDIA COMMUNICATION PROTOCOLS

Owner

HRRC

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	March 2005	First draft
1.02	June 2005	Approved by QR Board
1.03	January 2006	Minor Amendments to titles
1.04	June 2006	Update logo
1.05	December 2006	Revision

MEDIA COMMUNICATION PROTOCOLS

1. Wherever possible, responsibility for media communication for a particular issue is to be designated by the Chairman to the Chief Operations Manager or Director Integrity Operations. This is to ensure as far as possible that a consistent message is being given.
2. It is the responsibility of the Senior Communications Officer to inform the Chairman and the Chief Operations Manager or Director Integrity Operations of all requests by the media for comment or interview on any particular matter, or of any proposed media releases.
3. 3. Media releases may be drafted within line areas, but consultation is required with the Senior Communications Officer and Chairman before they are finalised.
4. A register of all media releases is to be maintained by the Senior Communication Officer.
5. It is the responsibility of all managers to notify the Senior Communications Officer of any media interviews prior to the interview taking place.
6. Managers who make comments to the media either officially or 'off the record' must immediately communicate the substance of the comment to the Senior Communications Officer.
7. A register of all media interviews and communications is to be maintained by the Senior Communication Officer.
8. Operational staff and supervisors must not comment to the media under any circumstances and staff are to comply with their obligations under the Queensland Racing code of conduct and individual employment contracts.



EMPLOYEE HANDBOOK

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WELCOME TO QUEENSLAND RACING LIMITED

It is with pleasure that we welcome you to the Queensland Racing Limited (QRL) team.

Racing occupies a vital place in Queensland's cultural and sporting life. It also makes an important contribution to the state's economy; generating jobs, fostering tourism and creating wealth throughout Queensland. As a QRL employee, you will be part of the ongoing development of a more professional racing industry.

Queensland Racing Limited aims to offer its employees interesting, fulfilling and rewarding work in an exciting and dynamic industry. In return, QRL expects the highest standards of professionalism, diligence and integrity.

This handbook has been designed to help you better understand the organisation and to provide a summary of the principles for which QRL stands, information about our values, how we behave and how we work with other people; the benefits to which you are entitled; the policies and procedures affecting your employment; and the undertakings and commitments of Queensland Racing Limited and its employees.

This handbook should be read in conjunction with the human resource policies and procedure manual and your employment agreement or letter of offer.

Because no handbook can anticipate every circumstance or question about policies or conditions, QRL may need to change and add to the handbook. Should this be required; any changes will be communicated to you as they happen.

You should read, understand, and comply with all provisions of the employee handbook. If you do not understand any information contained in the handbook, or if you have any questions concerning the policies or benefits outlined in the handbook, it is important that you speak with your manager.

I look forward to a long and happy association with you as a member of the QRL team.

Yours sincerely

Malcolm Tuttle
Chief Operations Manager

INTRODUCTION TO QRL

Who We Are...

Queensland Racing Limited is the control body for thoroughbred racing in Queensland. We coordinate, manage and regulate the industry by:

- ✦ Administering the rules of racing.
- ✦ Implementing sound policies.
- ✦ Enforcing standards of safety and integrity.
- ✦ Licensing industry participants.
- ✦ Licensing race clubs and monitoring their activities and performance.
- ✦ Monitoring the condition of racecourses and working with race clubs to ensure courses are developed to a suitable standard.
- ✦ Commissioning and undertaking research and promotional activities.
- ✦ Administering industry funding and commercial agreements.
- ✦ Representing the Queensland racing industry on the peak national body, the Australian Racing board, and its sub-committees.

What We Stand For...

Our Mission

To further enhance the quality and integrity of thoroughbred racing in Queensland.

Our Values

QRL recognises that our people make the difference and that we need to attract, develop and retain good people. Five values underpin our work:

- ✦ **Professional and Ethical** – at all times we are professional and ethical in our dealings with stakeholders and colleagues.
- ✦ **Results-Orientated** – we ensure that our day-to-day activities are consistent with and contribute to achieving our goals.
- ✦ **Teamwork** – we work as a team to deliver the best solutions for our stakeholders, recognising and rewarding both team and individual contributions.
- ✦ **Customer Service Excellence** – we strive to serve our customers with excellence.
- ✦ **Balance Between Professional and Personal Life** – we recognise that people are our main asset so achieving a balance between professional and personal time is in the best interest of individuals and the organisation.

Where We Come From; The History of Racing...

Racing has a rich and colourful history in Australia that can be traced back to the earliest days of colonisation by Europeans. Seven horses arrived with the first fleet in 1788, when horses played a vital role in everyday life as a mode of transport, beasts of burden and as a form of recreation.

With horses so important in the colony, it did not take long for the competitive spirit to test the speed of horses and the skill of riders and Australia's first organised horse race is recorded as taking place at Batmans Hill in New South Wales in 1838. Four years later, Australia's first race club, the Australian Jockey Club, was established.

The following year, 1843, saw Queensland's first organised racing meeting held at Coorparoo. However, it was not until 1863 that the Queensland Turf Club was formed and 1865 until the club

hosted Queensland's first official race meeting. The next year Forrester won the first Brisbane Cup and Queensland's love affair with horses and racing had begun.

With the growth of the sport, and the federation of the colonies into the Australian nation, came the need to introduce standardised rules for conducting racing. By 1912 the principal clubs that controlled racing in each state had agreed on the Australian Rules of Racing.

Racing is all about champions and Queensland has produced some truly great horses and the Queensland racing public has witnessed history being made at the track. In 1946, Bernborough, arguably Queensland's greatest horse, won 15 successive events, including the Doomben Double. In 1961, a record crowd farewelled the great Tulloch at the Brisbane Cup; and in 1973, Gunsynd, the Goondiwindi Grey immortalised by Slim Dusty, was farewelled at Doomben.

Racing in Queensland has a record of innovation, often placing it at the cutting edge of the development of the sport and industry of racing. In 1878, the world's first totalisator was unveiled at Ipswich, west of Brisbane. In 1901, the year of federation, "electric light racing" commenced at the Gabba in Brisbane's east. In 1962 following Victoria's lead off-course betting was legalised through the Queensland TAB. Apart from providing a legal form of off-course betting, the TAB provided a source of income for race clubs and revenue for government.

TAB Queensland has grown from humble beginnings to become a billion-dollar operation. Today computers are such a part of mainstream life that it seems incredible that it was not until 1977 that the TAB took its first automated telephone bet and 1980 that it introduced computerised betting. In 1999, the Queensland Government approved privatisation of the TAB. Today the organisation is at the forefront of information technology.

The formation of the TAB began a process of liberating racing from the confines of racecourses and taking it to the public wherever they were. In 1986, Sky Channel began broadcasting races live to Queensland hotels and clubs. By 1991, racing had its own radio station, 4TAB, to serve the Queensland public with live race coverage and racing information. Three years later, telephone betting with bookmakers was legalised.

For much of its history, women were marginalised or excluded from the racing industry but by the late 1970s this had begun to change. Pam O'Neill successfully lobbied the Queensland Turf Club to license women as strappers and jockeys and in 1979 she won her licence, making her the first woman jockey in Australia. On her first day riding, Pam created a world record for any jockey, male or female, when she rode a treble at Southport. Today women are successful jockeys, stable hands, trainers and veterinarians and occupy key positions in racing industry administration and marketing.

Along with its proud record of leading industry development and producing champions, Queensland also shares the dubious distinction of being the venue for one of racing's most notorious incidents. On 18 August 1984, an open-class sprinter, Bold Personality, was substituted for an ordinary country horse. The Fine Cotton ring-in was uncovered by stewards at the Queensland Turf Club and became another chapter in racing's rich and colourful history.

With the growth of the sport and industry of racing came the need for more professionalism and the highest standards of industry integrity assurance.

The Racing Science Centre was created in 1989 in response to the "caffeine crisis", when errors in drug testing caused a spate of false positive tests to be reported. The Racing Science Centre

oversees testing of racing animals for illicit drugs, as well as working with racing administrators and trainers on animal welfare issues.

The Racing Development Fund (RDF), established in 1981, heralded an era of industry expansion. Money for the RDF came from a percentage of TAB turnover, fractions and unclaimed dividends and was used to upgrade racing facilities, fund race series and help the industry develop professionally.

By 1990, the Queensland Government believed the State's five principal clubs were no longer able to provide the leadership and management the racing industry needed for it to meet the challenges of an increasingly complex and competitive environment. The Government released its "Green Paper" for restructuring racing administration and, after lengthy industry consultation, the Queensland Principal Club, the forerunner to Queensland Thoroughbred Racing Board, was created in 1992 to unify racing administration in the State.

The industry of racing had grown to become a major part of the Queensland and Australian economy but its actual contribution remained a mystery and a major study of racing's economic impact was commissioned. The landmark 1992 ACIL report found Australian racing generated \$2.4 billion in GDP and the contribution to Queensland's Gross State Product exceeded \$400 million.

The Queensland Principal Club initiated the industry's first strategic plan, Form Guide to the Future, in 1998. Studies conducted by KPMG found Queensland racing (including the thoroughbred, harness and greyhound codes) contributed \$700 million to the State economy and generated full-time, part-time and casual jobs for almost 24,000 Queenslanders. The State Government received almost \$100 million in revenue from the industry.

With privatisation of the TAB, now known as UNiTAB, in 1999, the racing industry became master of its destiny. The new arrangements meant the industry's revenue was directly tied to its ability to generate betting turnover. The industry would succeed or fail on its merits.

To address the new commercial realities, a skills-based board was appointed to head Queensland Racing in 2002. The board focussed on rationalising Queensland's racing calendar to maximise betting turnover on Queensland races.

In 2003, Queensland Racing relocated to a modern, purpose-built facility at its Deagon training centre. The industry also began reaping the benefits of reform, with increased revenue and lower costs translating into big prize money increases. 2004 saw the first full year of reform, with the financial gains consolidated, record betting turnover and record attendance at Queensland's feature race carnivals.

Racing is being marketed to a new generation of people through flagship events like the Queensland Winter Racing Carnival. Regional racing series like the Matilda Highway series and the Reef 'n' Rainforest series are stimulating interest in racing throughout the state and linking racing with tourism, one of Queensland's largest, fastest growing and most important industries.

Racing is building on its rich history to meet the challenges of the new millennium. Its dynamism means it will continue to be an integral part of Queensland social life and a significant contributor to the Queensland economy.

On the 21 April 2006 the Queensland Parliament passed the Racing Amendment Act whereby on the 1 July 2006 the existing thoroughbred control body, Queensland Thoroughbred Racing Board, ceased to be a statutory body and was established as Queensland Racing Limited. Queensland

Racing Limited is a company limited by guarantee and its constitution, will ensure the income and property of the company must be applied solely towards the promotion of the objects of the company. No portion of Queensland Racing Limited income or property can be paid, or transferred, directly or indirectly to members of the company.

ROLE OF QRL and INDUSTRY STRUCTURE

Overview

QRL and the Queensland thoroughbred racing industry operate within a complex industry structure that poses its own challenges and requirements. The key elements of the structure are as follows:

QRL is the licensed control body for the Queensland industry, responsible for establishing and maintaining the policies, funding and licensing arrangements, the product and program and safety and integrity of the industry. QRL is licensed under the *Racing Act 2002* and is a company limited by guarantee.

- ✦ QRL interacts with the other Principal Racing Authorities (PRA's) through the Australian Racing Board which sets the rules of racing and seeks to coordinate the national racing program.
- ✦ Racing Information Services Australia (RISA) which provides a wide range of services to the racing industry and also commercialises the racing product, is owned jointly by the PRA's.
- ✦ Funding for the industry comes principally through a product and program agreement entered into by the three racing codes with UNiTAB. The three codes operate together as members of Queensland Race Product Co Limited. Under race information legislation that has or will be implemented by all States and Territories, each PRA now charges wagering operators for the use of their information for the purpose of race wagering and this charge in most cases gets passed back to relevant PRA's. For example, QRL obtains revenue from UNiTAB under the product and program agreement for UNiTAB's use of racing materials in Australia for wagering purposes, charges each wagering operator for use of the Queensland product (with an exemption for UNiTAB given its product and program agreement) and gets charged by each PRA for UNiTAB use of the product of the other PRA's.

The constitution of QRL is based on best corporate governance principles and has been tailored to suit the Queensland thoroughbred racing industry. The constitution complies with the requirements of the *Racing Act 2002* and the *Corporations Act 2001*.

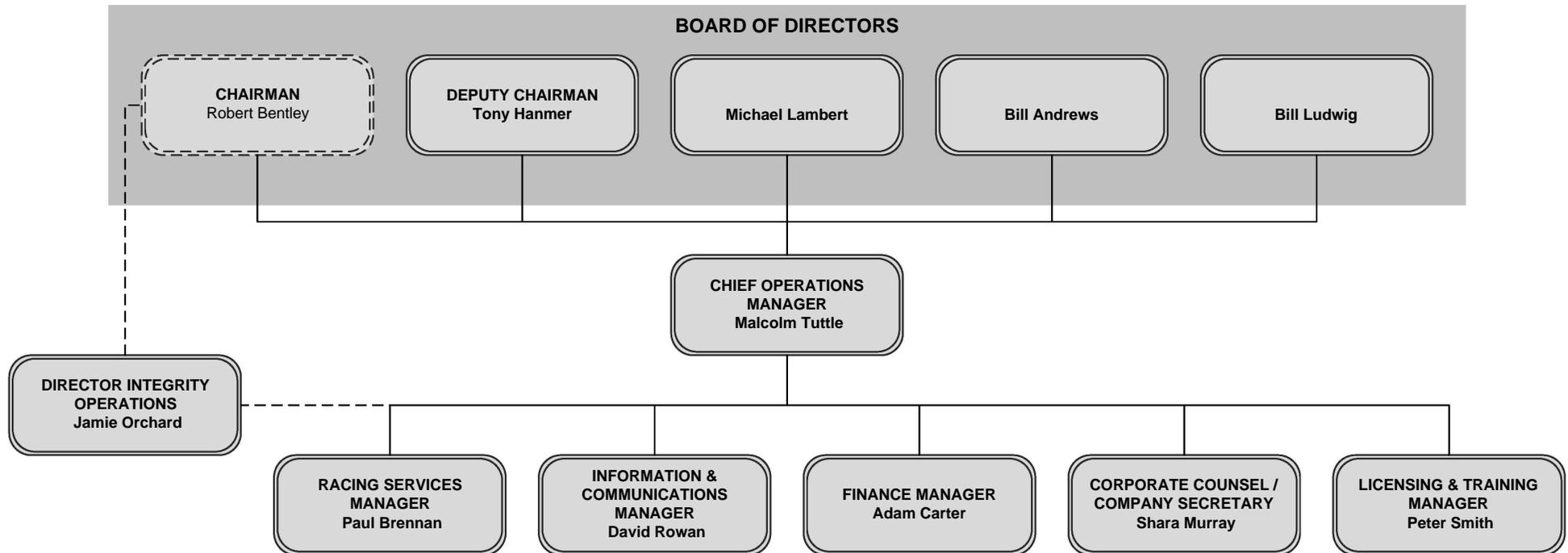
The constitution provides for 2 classes of Members, these being Class A members and Class B members.

Class A members consist of:

- ✦ Metropolitan TAB Clubs
- ✦ Other TAB Clubs
- ✦ The Queensland Country Racing Committee
- ✦ The Australian Trainers Association (Queensland Branch)
- ✦ The Thoroughbred Breeders Association of Queensland
- ✦ The Thoroughbred Racehorse Owners' Association of Queensland
- ✦ The Queensland Jockeys Association Inc
- ✦ The Queensland Bookmakers Association

Class B members consist of the board of QRL being 5 directors.

Our Organisational Structure



Our People

Chief Operations Manager – Malcolm Tuttle



The chief operations manager is responsible for the operations of Queensland Racing within established policy and in accordance with the delegated authority of the Board of Directors. In addition to leading the Executive team, the chief operations manager is required to provide strategic advice to the Queensland Racing Board in relation to the business of thoroughbred horse racing.

Director Integrity Operations – Jamie Orchard



The Integrity section ensures the effective delivery of integrity services and operational stewarding throughout the state and is responsible for policy, strategy and performance under these areas, management of the complaints system and investigations as required, and maintaining the interaction with various levels of government. Other responsibilities include the effective delivery of betting analysis and monitoring of all TAB Queensland races.

Racing Services Manager – Paul Brennan



The Racing section works with Clubs, the other codes of racing and UNiTAB to develop the most effective allocation of race dates, as well as scheduling prizemoney and developing state-wide racing programs and black type races.

Other responsibilities include; management of the Queensland Thoroughbred Investment Scheme (QTIS), the provision of secretariat support to the owners' and breeders' associations, the management of Queensland's Black Type allocation, the interface with the Trainer's Service Centre, the provision of handicapping services to the State, the management of the Deagon complex, and provides support to the Industry on Workplace Health and Safety issues.

Finance Manager – Adam Carter



The Finance section provides financial services to the Queensland racing industry and financial, business development and other corporate services to Queensland Racing. It administers the centralised prizemoney system and provides accounting and business analyst services to Queensland Racing.

Information and Communications Manager – David Rowan



The Information section provides information technology and telecommunications services internally to Queensland Racing. While the Communications section provides information to stakeholders in the racing industry and the general public through the monthly Queensland Racing Magazine, Queensland Racing's website and media releases. The Communications Department also organises events such as the annual Queensland Racing Industry Awards and works to promote the industry at all levels.

Corporate Counsel / Company Secretary – Shara Murray



The Corporate Counsel of Queensland Racing Limited complies with Acts of Parliament and government regulations, and that decisions of the board of directors are implemented. Racing appeals are also managed by this section as well as providing legal services to Queensland Racing.

Licensing and Training Manager – Peter Smith



The Training and Development section provides training services to licensees and other Queensland racing industry participants, as well as training, development and other human resource services to Queensland Racing. This section administers all license renewal and policy for Queensland and manages the licensing committee.

Chief Steward of Queensland – Wade Birch



Operational Stewarding provides effective delivery of stewarding throughout the state, including management of the regional offices at Toowoomba, Rockhampton and Townsville. It monitors and ensures compliance with relevant Queensland Racing policies and procedures as well as ensuring compliance with the Rules of Racing. This section is the driving force behind strategy development and implementation as well as formulating relevant policies and procedures. Other responsibilities include representing Queensland Racing at the National Chairman of Stewards Conference, Emergency Disease Management and other Stakeholder forums.

WORKPLACE CONDITIONS AND BENEFITS

Training and Development

QRL is committed to providing employees with training and development opportunities to ensure that you keep learning and developing within your job and our business. We employ a variety of strategies to create an organisational climate that attracts and retains employees of the highest calibre and optimises their opportunities to contribute to the achievement of our mission and objectives. It is essential to continually maintain and develop our skills to ensure that we provide our stakeholders with the highest standard of service and products, and to ensure that you develop to your full potential.

QRL encourages career development through continuing professional development, formal training, and opportunities for on-the-job experience. An additional component of our employee development strategy is our Study Assistance Scheme which provides assistance to employees participating in authorised education. Everyone is encouraged to, wherever possible, gain well-rounded experience and development within the company.

Career Opportunities

We value our employees and your career development and believe in promotion from within QRL; before we search outside the company, except where special circumstances exist, we will always look for talented people already working for us. All company vacancies will be advertised internally if the skills required for the position exist within QRL and preference will be given to internal applicants when other aspects are equal.

Performance Reviews

QRL is committed to creating an environment that encourages high levels of performance. The performance management system is an ongoing communication system between employees and their manager; providing an opportunity to plan, manage, review, recognise and improve performance. It involves establishing clear expectations and understanding about:

- The essential function the employee is expected to perform and the desired workplace behaviours.
- How job performance will be measured and assessed.
- How the employee and manager will work together to sustain, improve or build on existing performance
- How the employees' skills and knowledge will be developed to enable the employee to be more effective and efficient
- How the successful completion of the function will contribute to the goals of QRL.

Your first performance review will be during your qualifying period. Thereafter, QRL conducts performance reviews on an annual basis with progress reviews conducted every six (6) months to assess performance to date and address any issues that may prevent you from achieving your objectives.

Remuneration Reviews

QRL's remuneration standards are based on a "pay for performance" philosophy, according to your experience and your position. We will review remuneration levels on an annual basis.

If you have been with us for less than three (3) months you may not be eligible for a salary review due to your short length of time with us.

Communication

At QRL, effective communication is vital to foster a people focussed work environment defined by recognition, opportunity, respect, courtesy, cooperation, consideration and ongoing feedback. To ensure effective communication we need to consider the best method of communication for each situation. We have established some communication guidelines, which if followed will assist us in being effective communicators both internally and externally.

- ☒ All communication should comply with our values.
- ☒ Seek first to understand and then to be understood.
- ☒ Always respect confidentiality.
- ☒ As a minimum reply to communication in the method that it was received. To improve communication, go up the communication hierarchy (see below).
- ☒ Communicate with the receiver in mind, in a method and at a level appropriate to them.

The Hierarchy of Communication

Face to Face Communication	<p>When to Use</p> <ul style="list-style-type: none"> ☒ In conflict or potential conflict situations ☒ In sensitive situations or when involving sensitive information ☒ If delivering bad news ☒ If there is a significant issue or occasion ☒ To conduct performance reviews 	<p>How to Use</p> <ul style="list-style-type: none"> ☒ Be in an appropriate environment ☒ Be in the moment; no interruptions ☒ Be prepared; have all the facts ☒ Use active listening ☒ Use body language; eye contact, shake hands, mirror the other person
Phone Communication	<p>When to Use</p> <ul style="list-style-type: none"> ☒ If you cannot meet face to face ☒ If it isn't necessary to meet face to face ☒ To book external appointments ☒ When making a call would improve customer service and relationships 	<p>How to Use</p> <ul style="list-style-type: none"> ☒ Reception, extensions and mobiles should be answered professionally ☒ Urgent calls should be returned immediately ☒ Return all calls by close of business the following day
Written Communication	<p>When to Use</p> <ul style="list-style-type: none"> ☒ If it is important to document the facts or when a permanent record is required ☒ If it is beneficial to the recipient for it to be in writing ☒ To confirm conversations in conflict or potential conflict situations 	<p>How to Use</p> <ul style="list-style-type: none"> ☒ Personalise every letter ☒ Sign every letter personally ☒ Respond within seven days of receiving correspondence
Email Communication	<p>When to Use</p> <ul style="list-style-type: none"> ☒ To ask simple, non-confrontational questions ☒ To transfer information ☒ To set internal or external appointments ☒ If there is no chance for an error in interpretation ☒ If there is no conflict between the parties 	<p>How to Use</p> <ul style="list-style-type: none"> ☒ Be clear, make emails easy to understand ☒ All external emails should have a signature block ☒ If an email received is marked urgent it should be answered immediately ☒ Return all emails received by close of business the following day
Text Communication	<p>When to Use</p> <ul style="list-style-type: none"> ☒ If the communication is with someone internally ☒ When it is the only means of contact 	<p>How to Use</p> <ul style="list-style-type: none"> ☒ Check the recipient before sending ☒ Be clear; avoid 'text talk'

The door is always open at QRL; do not be afraid to approach your manager with your ideas, concerns and feedback. Team meetings are held regularly to discuss any concerns and provide you with the opportunity to suggest improvements. Your feedback is crucial to our success.

Company Mobile Phones

QRL may provide you with a mobile phone for the purpose of improving business efficiency. If we provide you with a mobile phone please remember its primary purpose is business, not personal, use. Personal calls within reason will be accepted, and form part of your remuneration package. All calls are itemised on monthly statements and any abuse of this entitlement may result in disciplinary action.

Please look after your mobile phone, QRL reserves the right to seek reimbursement from you for any damage, loss, theft, or other expenses incurred that are caused by an employee's wilful or negligent act or omission.

Company Motor Vehicles

QRL employees may elect to have an eligible motor vehicle included in their salary package, subject to approval. If you elect to do so please note the following conditions:

- ✘ The vehicle shall be made available for the authorised use of other employees during working hours and returned to QRL, at our discretion, if you are absent from work for an extended period.
- ✘ Unless in the event of an emergency, no person other than an appropriately trained employee shall operate the vehicle.
- ✘ We shall not accept responsibility for any penalty or fine that may be imposed in relation to the use of the vehicle unless required by law, in which case you shall reimburse us for the penalty or fine.
- ✘ You will ensure that the vehicle is properly maintained and we have the right to inspect the vehicle upon demand.
- ✘ We reserve the right to seek payment from you for any maintenance, repairs or replacement of the vehicle caused through the wilful or negligent misuse of the vehicle by you.
- ✘ Any maintenance and/or repairs to the vehicle shall be carried out by a service provider approved by QRL and, subject to the provisions above, at the expense of QRL.
- ✘ Should the vehicle be involved in an accident or otherwise damaged you must notify us immediately.

During the course of employment, employees may also use a company pool car. In addition to the conditions outlined above, use of pool cars is subject to the employee completing the log book to a satisfactory standard.

Company Equipment and Property

All documents, records, papers, manuals, materials of any nature and other property of, or relating to, the business of QRL, whether prepared by you or not, are the property of QRL.

All equipment and company property should be safeguarded and remain on QRL's premises unless permission has been granted for the item to be removed.

Social Activities

QRL encourages social activities to reward employees for their efforts. Occasionally we may hold social functions or request you to attend stakeholder or social functions, where alcohol is available.

QRL promotes the responsible consumption of alcohol and we expect employees to drink responsibly. Work related social activities are not compulsory. All work related social activities are not compulsory and that in the event you choose to consume alcohol at any work related function you should do so in moderation and respect those who do not wish to partake.

Employee Records

It is important that up-to-date records are accurately and rigorously maintained regarding your personal details and career history. Please ensure that you update any changes to your personal details such as your address, telephone number or emergency contacts, as well as any additional experience or qualifications gained through the employee service portal of ConnX.

Reimbursement of Expenses

If you use your own money for work related expenses we will reimburse you, as long as the expense is necessary to your job and:

- Your manager gives you the ok beforehand.
- You have documentary evidence of the expense satisfactory to your manager.
- You make a claim for reimbursement within a reasonable time of incurring the expense.

On occasion, you may be required to entertain stakeholders and business associates. This entertainment is dependent upon the existence of a business relationship and that the relationship would benefit QRL. When more than one employee is present at a business meal or entertainment event, the most senior employee must pay and claim the expense. All expense claims need to be approved by the appropriate manager prior to reimbursement.

Provided that we are satisfied the expenses incurred are legitimate business expenses, reimbursement will be made within fourteen days.

All expenditures must be reported accurately and in a timely way and an accurate and auditable record of all financial transactions relating to QRL must be maintained in accordance with generally accepted accounting principles. No entry should be made in the company records that distorts or disguises the true nature of any transaction.

Please note that submission of a fraudulent expense report will be regarded as serious misconduct and disciplinary action up to and including summary dismissal may apply.

POLICIES AND PROCEDURES

The following information is important extracts from our Human Resource Policies and Procedure Manual. As part of your induction you are expected to familiarise yourself with our policies and your responsibilities and obligations. The Human Resource Policies and Procedure Manual can be found on the QRL intranet.

Code of Conduct

QRL is committed to delivering the highest standards of corporate practice and business conduct. We aim to be a model corporate citizen; conducting business in an ethical and responsible manner, complying with all applicable legal requirements, promoting a positive and ethical work environment for employees, and making a positive contribution to the community.

Corporate Governance

- ✘ QRL is responsible for the control, supervision and regulation of the thoroughbred code of racing in Queensland.
- ✘ The Board is responsible for determining the strategic direction of QRL and ensuring compliance with the statutory obligations.
- ✘ The Chair of the Board plays an important leadership role in ensuring QRL works effectively.
- ✘ The Deputy Chair of the Board acts as the Chair of the Board during all periods when the Chair is absent from duty or, for another reason, cannot perform the functions of the office.
- ✘ The Chief Operations Manager and Director Integrity Operations are responsible for ensuring all QRL officials within their organisational area comply with the Code.

Principles of the Public Sector Ethics Act

- ✘ All officials must support the implementation of government policy effectively and impartially, and carry out official duties lawfully, observing statutory obligations.
- ✘ All officials must treat all stakeholders and employees with courtesy, honesty and fairness and with proper regard for their rights and obligations.
- ✘ All officials must perform their duties with the highest standards of personal integrity and honesty.
- ✘ All officials must comply with all reasonable and lawful instructions, comply with and implement QRL policies faithfully and impartially, and exercise all reasonable care, skill and diligence in giving information or advice.
- ✘ All officials must ensure QRL resources are safeguarded and not wasted abused or used improperly or extravagantly.

Code Breaches

- ✘ If you are aware of, or have genuine suspicions of, any breaches to our code of conduct, policies and procedures manual or any legal violation you must report these issues to your manager.
- ✘ If you, in good faith, make a complaint or disclosure about an alleged breach of the code you will not be disadvantaged or prejudiced for making a complaint or disclosure.

Workplace Health and Safety

The health, safety and welfare of our employees, customers and community is very important to QRL. We recognise our responsibility to provide a safe and healthy workplace for all employees, stakeholders, visitors and contractors. To ensure the wellbeing of others, we are committed to:

- ✘ Identifying and controlling factors within the workplace that may cause injury or health issues.
- ✘ Providing safe equipment and systems of work.
- ✘ Ensuring compliance with legislative requirements and industry standards.
- ✘ Providing information, training and supervision to ensure safety.

To assist QRL in providing a healthy and safe workplace you must report any incidents, injuries, or identified hazards to your manager immediately. Workplace health and safety is not a “one-way street”, everyone is responsible for ensuring the highest possible care in all work related activities.

Workplace Rehabilitation

QRL recognises that there are substantial benefits to be gained from rehabilitation principles and practices and is committed to implementing them in the workplace. QRL is committed to:

- ✘ Fostering a culture of acceptance for workplace rehabilitation.
- ✘ Providing a process to support an early safe return to work and maximise independent functioning.
- ✘ Ensuring that the position of rehabilitation coordinator is adequately resourced.
- ✘ Ensuring that adequate storage is provided to maintain the confidentiality of rehabilitation files.

Emergency and Evacuation Procedures

In the interests of both employee and stakeholder safety, you must make sure you are familiar with the procedures for evacuating the workplace and your responsibilities in emergency situations. It is important to know where the first aid kits, hose reels, fire extinguishers and emergency exits are located.

Please ensure that you are familiar with all workplace health and safety policies and procedures applicable to your role and as detailed in our Workplace Health and Safety and Workplace Rehabilitation Policy.

Smoking, Drugs and Alcohol

QRL is committed to providing a smoke free work environment that is also free from the risks of hazards and injury associated with the abuse of alcohol or other drugs.

In accordance with the legislation, smoking is not permitted in any work area including company vehicles. Those employees who do smoke cigarettes should be conscious of the company’s corporate image and be discreet when selecting a smoking location outside of the work area.

Alcohol and drug use can affect your work performance, posing health and safety risks to employees, stakeholders, and members of the public. As a general rule, for safety and social reasons, you should never arrive at work or be at work while intoxicated or under the influence of illicit drugs or other drugs that impair your ability to perform your duties. Consumption of alcohol at QRL and stakeholder functions may be acceptable provided that alcohol is not consumed in excess.

If we suspect you are intoxicated or under the influence of illegal or non-prescription drugs you may be required to undergo alcohol or drug tests. If the tests indicate intoxication above the legal or acceptable limit and/or you refuse to take a test, you may be subject to disciplinary action.

Repeated poor work performance caused by alcohol or drug use, or significant impairment that makes you unable to perform the duties of your role, create a serious safety risk and is regarded as serious misconduct. In addition, we prohibit the possession, transfer, or use of illegal

substances on our premises, if you are found in possession of or under the influence of illegal drugs during working hours you may be subject to disciplinary action, up to and including summary dismissal.

See the Workplace Smoking, Drugs and Alcohol Policy for a detailed explanation of QRL's approach to these issues.

Personal Presentation

The image that QRL projects to the community and its stakeholders is paramount to how we are perceived. QRL employees are required to dress in a manner appropriate to their position, work location and duties while at work or any time they are representing the company, to ensure that QRL is represented positively and that our image is maintained.

QRL has a corporate uniform and available to all employees, excluding grounds staff. Each full-time employee will receive an initial issue of uniform clothing to the value of \$500, at QRL's expense and additional items of clothing may be purchased at the employee's expense. The uniform is not compulsory, except for the full time QRL receptionist, however employees are required to comply with the minimum dress standards as stipulated in the QRL code of conduct.

More detail on personal presentation is available in the Personal Presentation Policy.

Working Hours

Your working hours are set out in your Employment Agreement. Given the nature of our business you need to be flexible and available to work additional hours as required to complete your duties and meet our business and stakeholder needs.

Leave Entitlements

Annual Leave

Who is entitled to annual leave?

All full-time and part-time employees are entitled to paid annual leave.

What is my annual leave entitlement?

Full-time employees, other than stewards, are entitled to twenty (20) days of annual leave for each completed year of employment, pro-rata for part-time employees.

Full-time employees, engaged as stewards, are entitled to twenty-five (25) days of annual leave for each completed year of employment, pro-rata for part-time employees.

Unused annual leave carries forward from year to year, and is paid out at the end of your employment with QRL.

When can I take annual leave?

We encourage employees to take annual leave on a regular basis to ensure that employees have the opportunity to balance their work, social and family life. Annual leave may be taken at a time which is agreed upon with QRL, subject to the operational requirements of the company. Requests for annual leave should be made through the leave application of ConnX. We will not unreasonably refuse the taking of annual leave, however there are certain times during the year when annual leave will not usually be granted and these times differ in various parts of the business.

To ensure you maintain a healthy work and life balance, we encourage you to take leave each year. We may direct you to take annual leave in accordance with applicable legislation, which currently requires the giving of notice and says that we cannot direct you to take all of your accrued leave.

Sick/Carer's Leave

Sick/Carer's leave includes leave taken because you are ill or injured (sick leave); and leave taken to provide care to a member of your immediate family or household, who needs support because of an illness, injury or an unexpected emergency (carer's leave).

Who is entitled to paid sick/carers' leave?

All full-time and part-time employees are entitled to paid sick/carers' leave.

What is my paid sick/carers' leave entitlement?

Full-time employees are entitled to ten (10) days of paid sick/carers' leave for each year of employment, pro rata for part-time employees.

Unused sick/carers' leave carries forward from year to year, but any unused personal leave is not paid out at the end of your employment with QRL.

Are there any conditions before I am entitled to personal leave?

Yes, there are conditions relating to notifying QRL of your absence and providing documentary evidence to the company regarding your absence if requested to do so.

If you are unable to attend work you must advise your manager by telephoning them as soon as possible on the day of your absence, stating the reason for your absence and as far as is practicable the estimated duration of your absence. If your manager is not available, speak to the next most appropriate manager or employee to ensure that your manager is aware of your absence.

Requests for sick/carers' leave should be made through the leave application of ConnX.

We may ask you to provide reasonable proof of the reason for your absence if you take sick or carer's leave. This will usually be in the form of a medical certificate or statutory declaration, evidencing the illness, injury or unexpected emergency, as soon as reasonably practicable.

Are there any restrictions on taking paid personal leave?

Yes, unless QRL agrees otherwise in writing, you cannot take more than thirteen (13) weeks of sick leave per year (pro-rata for part-time employees). These restrictions apply even if you have accumulated more than the necessary leave required to be taken.

You are also not entitled to paid sick/carers' leave for any period during which you are entitled to workers compensation payments.

Unpaid Carer's Leave

Who is entitled to unpaid carer's leave?

All employees are entitled to unpaid carer's leave.

What is my unpaid carer's leave entitlement?

You are entitled to a maximum of two (2) days of unpaid carer's leave for each occasion that you are required to care for a member of your immediate family or household because they are ill, injured or there is an unexpected emergency affecting that family or household member.

Are there any restrictions on taking unpaid carer's leave?

Yes, you are only entitled to take unpaid carer's leave if you have exhausted your paid sick/carers' leave entitlements.

Requests for unpaid carer's leave should be made through the leave application of ConnX.

We may ask you to provide reasonable proof of the reason for your absence if you take unpaid carer's leave. This will usually be in the form of a medical certificate or statutory declaration, evidencing the illness, injury or unexpected emergency as soon as reasonably practicable.

Compassionate Leave

Who is entitled to compassionate leave?

All full-time and part-time employees are entitled to compassionate leave.

What is my compassionate leave entitlement?

You are entitled to two (2) days of paid compassionate leave on each occasion that a member of your immediate family or household dies or suffers an illness or injury that poses a serious threat to their life.

Additional leave may be granted at QRL's discretion should extended travel be required to attend the funeral or visit the family member.

For the purpose of this entitlement, a member of your immediate family includes: a spouse or de facto partner; or a child, parent, grandparent, grandchild, or sibling of either yourself or your spouse or de facto partner.

Are there any conditions before I am entitled to compassionate leave?

Yes, we may ask you to provide documentary evidence of the illness, injury or death as soon as practicable.

Requests for compassionate leave should be made through the leave application of ConnX.

Long Service Leave

Who is entitled to long service leave?

Long service leave is available to full-time and part-time employees who have completed ten years of continuous employment with QRL, and to casual employees in certain circumstances.

What is my long service leave entitlement?

You will be entitled to paid long service leave in accordance with the relevant legislation.

Are there any conditions before I am entitled to long service leave?

Eligibility for taking long service leave and all conditions will be in accordance with the relevant legislation.

Long service leave may be taken at a time which is agreed upon with QRL, subject to the operational requirements of the company. A minimum of four weeks' notice should be provided to allow for any arrangements necessary to provide adequate cover during your absence. We will not unreasonably refuse the taking of long service leave.

Requests for long service leave should be made through the leave application of ConnX.

Community Service Leave

Community service leave includes leave taken to attend to community based requirements such as jury service or the defence forces.

Who is entitled to community service leave?

Community service leave is available to full-time and part-time employees who are called to attend jury service or attend ADF Reserve service, on a day that they would normally work.

What is my community service leave entitlement?

Jury service is a paid service and QRL will make up any difference should the payment be less than an employee's usual salary.

You will be entitled to unpaid defence force leave in accordance with the relevant legislation.

Are there any conditions before I am entitled to community service leave?

Yes, we may ask you to provide your jury service orders and all documentation associated with your payment for jury service; or we may ask you to provide reasonable evidence of the necessity for you to attend ADF Reserve service.

Requests for community leave should be made through the leave application of ConnX.

More detail on leave entitlements is available in the Leave Policy.

Parental Leave

Who is entitled to parental leave?

Parental leave is available to full-time and part-time employees with at least twelve (12) months continuous employment with QRL, and to casual employees who have been engaged with the company on a regular and systematic basis for at least twelve months.

What is my parental leave entitlement?

You are entitled to fifty-two (52) weeks of unpaid parental leave upon the birth or adoption of your child.

You may also request an additional period of parental leave of up to fifty-two (52) weeks. QRL will only refuse requests on reasonable business grounds.

Where can you find more information on parental leave?

We will grant parental leave in accordance with the legislation or industrial instrument applicable to your employment. There are various rules about the time for taking leave and notifying QRL of your intention to take leave.

For more detailed information on parental leave please refer to the Parental Leave Policy.

Extended Unpaid Leave

There is no standard entitlement to extended unpaid leave however; QRL may at its discretion approve extended unpaid leave considering the prevailing work requirements. Generally extended unpaid leave will not be granted if you intend to undertake other employment. You must disclose in writing to QRL any other work you plan to do while on extended unpaid leave.

Requests for unpaid leave should be made through the leave application of ConnX.

Unpaid leave of longer than three (3) months, whilst not breaking your period of continuous service, will not count as service for the purpose of calculating leave entitlements.

For more detailed information on parental leave please refer to the Leave Policy.

Payroll

You will be paid on a monthly basis to the bank account of your choice. The deposit to your bank will usually be made on the first working day after the 14th day of each month. The pay-run covers the previous two weeks, the week of the pay and a week in advance.

Your pay will be calculated in accordance with your Employment Agreement and/or applicable industrial instrument. After each pay day you will receive a payslip providing details of your pay for that period. Payroll deductions will be made for a range of purposes, including income tax, all deductions will be clearly shown on your payslip.

Payroll should be advised of any changes to your bank account or personal details via a Personal Details Form.

Overpayments

In the event of an overpayment of monies the company may recover the amount of overpayment provided that you are given notification of:

- The intention to recover the monies.
- The amount to be recovered.
- A full explanation of the reasons for the overpayment.

If on separation of employment you have not paid any amount due to QRL, we may deduct these amounts from your final pay, at QRL's discretion.

More detail on our payroll practices is available in the Payroll Policy.

Privacy

QRL will only collect personal information ethically and lawfully. We seek to collect information in a fair manner, and in a way which is not unreasonably intrusive.

Collecting Personal Information

If you are collecting personal information on the company's behalf, you must inform the person of the purpose for which the information is collected and that, subject to some limitations, they will be able to gain access to the information collected. You must collect information from the individual concerned whenever reasonable or practical to do so. If you collect information about an individual from someone else then you must take reasonable steps to ensure the individual is, or has been, made aware of all of the items listed above.

Data Security, Access and Accuracy

QRL will take reasonable steps to protect personal information; to ensure that data is appropriately accurate, complete and current; and stored no longer than necessary.

You must ensure that the confidentiality of personal information contained in our records is strictly maintained. Personal information relating to individuals, including individual employees, should not be provided to other employees unless it is required to perform their jobs.

Information relating to employment records, salaries and addresses cannot be released to external organisations unless required by law, or upon informed consent from the relevant employee.

See the Privacy Policy for a detailed explanation of our privacy practices.

Information Technology

QRL's information systems and the data on them are important components of our business. While employed by QRL you may be provided with an email address, access to our networks and the internet. You are requested to use these facilities in an appropriate, ethical and lawful manner. User names and passwords must be kept secret at all times and are not to be disclosed to any person at any time.

QRL's computer equipment, software and the information on our systems, as well as any company information you may have on personal information systems, are QRL property and may only be used for authorised purposes. You may use our systems for limited personal use however; such use must not constitute unacceptable work practices and should be conducted at times so as not to impact on your work commitments.

Things You Need to Know about your Email Use

- ✘ Email is not private; it belongs to QRL and may be read at any time by our management team.
- ✘ Email uses our name and therefore suggests that you are communicating with the authority of QRL.
- ✘ Email may be inspected by parties outside of QRL, such as in the event of litigation.

Guidelines to Ensure the Proper Use of Email

All users are to adopt the following guidelines in ensuring the proper use of electronic resources:

- ✘ Don't put anything in email that you would not want repeated to someone else.
- ✘ Don't put anything in email that you would not put in a hard copy memo.
- ✘ Tell your manager if inappropriate mail is forwarded to your address; you are responsible for the content of emails received and forwarded from your email address.

What Internet and Email Activities are Unacceptable Work Practices?

- ✘ Violating the intellectual property rights of others such as, breaching copyright by copying their graphics or text material, or using other license software without proper authorisation.
- ✘ Introducing malicious programs, (such as viruses, worms, trojan horses) to QRL systems.
- ✘ Revealing account passwords to others or allowing use of accounts by others.

- ✘ Using QRL's internet resources for unauthorised commercial or personal advertisements, solicitations, promotions, political material or any other similar use.
- ✘ Circumventing user authentication or security of any host, network or account or accessing the internet other than through the QRL's security system.
- ✘ Affecting security breaches or disruptions of network communication, such as accessing data of which the employee is not an intended recipient or logging into a server or account that the employee is not expressly authorised to access.
- ✘ Without proper authorisation, invading the privacy of individuals or entities that are creators, authors, users, or subjects of information resources; this includes publishing any information, which violates or infringes upon the rights of any person.
- ✘ Downloading or installing any executable files, this includes movie files, sound files and games.
- ✘ Sending, receiving, accessing, displaying, printing or otherwise disseminating material that is fraudulent, illegal, discriminatory, embarrassing, sexually explicit, obscene, intimidating, defamatory, or would amount to harassment.
- ✘ Subscribing to mailing lists, sending unsolicited emails or participating in chain letters.
- ✘ Accessing any chat sessions (other than for work purposes) or 'blog' sites such as Face Book or My Space.
- ✘ Sending e-mail using somebody else's email address.
- ✘ Misrepresenting QRL or transmitting material that might bring QRL into disrepute.
- ✘ Wasting finite resources or obstructing other employees' work by consuming large amounts of system resources, especially the sending of broadcast messages or any other types of use which would cause congestion of the networks or otherwise interfere with the work of others.
- ✘ Without proper authorisation, transmitting or making available via the internet QRL information.
- ✘ Using an account to send anonymous messages, or attempting to obscure the origin of any message or download material under an assumed internet address or otherwise disguise their user identity.

QRL may monitor electronic transmissions at any time, to ensure that they are used appropriately. Inappropriate use of the internet or email may result in disciplinary action, as well as any action taken by an external party. Breaches of the law will be referred to the relevant law enforcement authority and suspected official misconduct will be reported to the Crime and Misconduct Commission.

See the Information Technology Policy for a detailed explanation of our information technology practices.

Discrimination and Workplace Harassment

QRL is an equality opportunity employer. We value the diversity of our workforce and respect the differences between employees, recognising that each employee has individual skills and attributes to bring to their job. QRL is committed to treating all employees fairly based on ability, skills and culture fit and creating an atmosphere that encourages good working relationships and respect between employees.

What is Discrimination?

Discrimination means treating someone less favourably than another in the workplace because of one of the following characteristics. Discrimination can be direct or indirect, intended or unintended.

- ✘ Gender.
- ✘ Relationships Status.
- ✘ Parental Status.
- ✘ Political Beliefs or Activities.
- ✘ Trade Union Activity.
- ✘ Pregnancy or Potential Pregnancy.

- ⌘ Breastfeeding.
- ⌘ Age.
- ⌘ Race.
- ⌘ Impairment or Disability.
- ⌘ Lawful Sexual Activity.
- ⌘ Carer Status.
- ⌘ Gender Identification.
- ⌘ Sexual Orientation.
- ⌘ Family Responsibilities or Status.
- ⌘ Religious Beliefs or Activities.
- ⌘ Irrelevant Criminal Background.
- ⌘ Association with anyone identified on the basis of these attributes.

What is Sexual Harassment?

Sexual harassment is unwelcome behaviour of a sexual nature, which is offensive, humiliating or intimidating; it can be a single incident depending on the circumstances. Humour, friendships and relationships based on mutual consent are not sexual harassment.

What is Workplace Harassment?

Workplace harassment is non-sexual behaviour that is unwelcome, offensive, intimidating, humiliating or threatening; it may be verbal, non-verbal or physical in nature. Workplace harassment does not include management action taken in a reasonable way by QRL in connection with your employment.

What is Victimisation?

Victimisation is conduct that threatens or harms people who have made a complaint about discrimination or harassment; agreement to be a witness in a complaint process about discrimination or harassment; or have had a complaint or discrimination or harassment made against them.

What is Vilification?

Vilification is behaviour that happens in a public place and incites other to hate, to have serious contempt for, or to severely ridicule individuals or groups because of their race, religion, sexuality or gender identity.

Your Rights and Obligations

You have a right to work in an environment free of discrimination and workplace harassment and, if it does occur, you have a right to complain, to be taken seriously and not be disadvantaged from lodging or bearing witness to a complaint. You also have a responsibility to understand discrimination and workplace harassment and to ensure that you do not participate in or condone such activities.

If you have concerns regarding discriminated or workplace harassment please refer to our *Discrimination and Workplace Harassment Policy* and *Grievance Handling Policy* for details on how to manage the situation or lodge a complaint.

Discrimination and workplace harassment will not be tolerated and disciplinary action will be taken against anyone who engages in discriminatory or harassing behaviour, or who victimises or retaliates against a person who reports discrimination.

See the Discrimination and Workplace Harassment Policy for more detail on our approach to discrimination and workplace harassment.

Grievance Procedure

QRL aims to create a healthy, safe and enjoyable work environment for employees. If you have a work related problem, a grievance, you should raise it with your manager or an appropriate person to ensure the grievance is resolved as quickly as possible.

Grievances in the workplace are important and may have serious consequences for everyone involved. Anyone involved in a grievance should display good faith at all times and genuinely participate and cooperate in attempts to resolve the matter. If you are involved in a grievance you must maintain complete confidentiality to protect everyone concerned.

QRL will treat any grievance raised seriously and investigate it confidentially and objectively.

More detail on our grievance practices is available in the Grievance Handling Policy.

Confidentiality and Intellectual Property

Confidential Information

Confidential information is an asset to QRL. We have some fairly strict policies relating to confidentiality and you are expected to comply with the obligations below.

What Kind of Information is Confidential?

Confidential information means information regarding QRL's business such as that relating to finance, pricing, stakeholders, suppliers and service, marketing, strategies, employees, technology or software, intellectual property, designs, company systems and procedures, general business, and any other information that should be treated as confidential.

Information that the public is able to access, other than because of your disclosure, is not confidential.

What if I am Uncertain about Whether Information is Confidential?

If you are not sure if information is confidential you should treat it as if it is confidential unless QRL agrees in writing that it is not confidential.

Your Confidentiality Obligations

Any information that is not generally available to the public concerning QRL's activities, results or plans must only be used for authorised purposes. During your employment and after your employment ends, you agree that you will keep confidential all confidential information, and not discuss, communicate or transmit confidential information to unauthorised persons or make any copies of confidential information. Serious disciplinary action, which may include termination of employment, may result if you are found to have breached our confidentiality requirements. Your obligations relating to confidential information continue after your employment ends.

Confidentiality provisions don't apply if you are required to disclose the information by law, you obtain your manager's approval, or you are disclosing the information for a proper purpose relating to QRL.

Intellectual Property

Intellectual property belongs to QRL and is an asset to the company. You must protect and treat intellectual property information as confidential.

What is Intellectual Property?

Intellectual property means ownership of, and rights relating to, confidential information; inventions; trademarks; patents; designs; company databases; business ideas, processes, proposals or strategies; discoveries and copyright material.

Your Intellectual Property Obligations

Any intellectual property that you create or develop relating to QRL, including any work you do for our stakeholders, belongs to QRL. If required, you must do everything necessary to transfer the intellectual property rights to QRL. Your obligations relating to intellectual property continue after your employment ends.

See our Confidentiality and Intellectual Property Policy for more detail on confidentiality and intellectual property at QRL.

Performance Counselling

QRL is committed to creating a high performance culture and endeavours to provide an effective, prompt, equitable and consistent approach to managing unacceptable performance or behaviour.

What is the Performance Counselling Process?

Performance counselling may involve, but is not limited to, action such as counselling discussions, training and education, written warnings, demotion or dismissal. All disciplinary processes should be confidential, prompt and procedurally fair.

More information on QRL's performance counselling practices is available in our Performance Counselling Policy.

Termination of Employment

Your employment with QRL can be terminated by either you or QRL by providing notice as specified in your employment agreement or the industrial instrument under which you are employed.

What if my Employment with QRL is Terminated by the Company?

If you find yourself in a situation where your employment is terminated by QRL you will be entitled to notice, or payment in lieu of notice, as per your employment agreement or applicable industrial instrument.

Can my Employment be Terminated without Notice?

Yes, despite our performance counselling processes, there are a number of actions that are regarded as so serious that immediate termination without notice may result. Such acts of misconduct may include (depending on the severity), but are not limited to:

- ✘ Fraud.
- ✘ Theft from QRL, another employee, contractor or stakeholder.
- ✘ Violence or fighting.
- ✘ Workplace harassment.
- ✘ Sexual harassment.
- ✘ Wilful disobedience.
- ✘ Wilful destruction or property belonging to QRL, another employee, contractor or stakeholder.
- ✘ Insubordination.
- ✘ Drunkenness or under the influence of illegal drugs.
- ✘ Use, sale or possession of illegal non-prescription drugs whilst on QRL premises.
- ✘ Sleeping on the job.
- ✘ Insulting words/ abusive language/ obscenity.
- ✘ Failure to observe safety rules.
- ✘ Insolence.
- ✘ Concealment of a material fact on engagement.
- ✘ Dishonesty in the course of the employment.
- ✘ Conviction or an offence which makes you completely unfit for work.
- ✘ Harassing or discriminating against a employee, contractor or stakeholder.

Return of QRL Property

On or before your employment ends, you must return to QRL all records of confidential information and intellectual property and any other company property that is in your possession or control.

See the Termination of Employment Policy for a detailed explanation of QRL's termination of employment practices.

EMPLOYEE DECLARATION

1. I have read and understand the provisions of Queensland Racing Limited's Employee Handbook.
2. I agree to observe and comply with the policies and procedures included in this Employee Handbook. I acknowledge that they do not form terms and conditions of my employment contract with QRL unless expressly referred to in my Employment Agreement. If there is any inconsistency between the terms of this Employment Agreement and this Employee Handbook, I acknowledge that the terms of this Employment Agreement will prevail.
3. I shall return this original declaration to Queensland Racing Limited and retain the Employee Handbook for my future reference and use.

Employee Signature: _____ Date: _____

Employee Name: _____



QUEENSLAND RACING LIMITED

CODE OF CONDUCT

And

ETHICS

MESSAGE FROM THE CHAIRMAN

Queensland Racing Limited plays a crucial role in the thoroughbred racing industry in Queensland. Queensland Racing Limited is committed to the efficient administration of the industry and acknowledges that its decision making impacts on all participants in the industry.

Public confidence in thoroughbred racing depends upon Queensland Racing Limited managing the industry in a fair and transparent manner according to the highest standards of probity and integrity.

This Code of Conduct applies to all Queensland Racing Limited officials, including Board members, in the performance of their functions and duties. Queensland Racing Limited officials are expected to maintain the highest standards in professional and business ethics and, through their work, performance and behaviour, ensure that confidence in the integrity of Queensland Racing Limited is justified and maintained. Queensland Racing Limited is committed to fostering a working environment that relies on personal integrity, quality management and a high level of service. To this end, Queensland Racing Limited has produced this Code of Conduct which details the expected levels of behaviour required of all Queensland Racing Limited officials. The Board of Queensland Racing Limited is committed to ensuring compliance with the provisions of this Code at all times.

RG Bentley
Chairman

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OBJECTIVES

Queensland Racing Limited:

- will work to inspire the utmost faith, confidence and support of all participants and stakeholders in the thoroughbred code of racing in Queensland;
- is committed to fairness, impartiality and transparency in its decision making;
- will act in the best interests of the thoroughbred code of racing in Queensland; and
- will comply with this Code of Conduct and Ethics to ensure integrity in its operations.

PART 1 INTRODUCTION

This is the Code of Conduct and Ethics for Queensland Racing Limited (“The Code”).

Every Queensland Racing Limited official must:

- act in accordance with this Code, their employment contract, Queensland Racing Limited policies and statutory obligations imposed on Queensland Racing Limited and
- act with the highest standards of professionalism, probity, diligence and integrity.

1.1 TO WHOM DOES THE CODE OF CONDUCT AND ETHICS APPLY?

This Code applies to all Queensland Racing Limited officials.

Former Queensland Racing Limited officials must continue to respect the provisions of this Code, particularly in relation to the confidentiality of information and ownership of intellectual property to which the former Queensland Racing Limited official had access in the course of work with Queensland Racing Limited.

1.2 WHY HAVE A CODE OF CONDUCT AND ETHICS?

- To define accepted/acceptable behaviours;
- To promote high standards of practice;
- To provide a benchmark for Queensland Racing Limited employees to use for self evaluation;
- To establish a framework for professional behaviour and responsibilities; and
- As a vehicle for organisational identity.

PART 2 RESPONSIBILITIES

2.1 EMPLOYEE RESPONSIBILITIES

The Code of Conduct and Ethics is part of your employment agreement or contract with Queensland Racing Limited. You are responsible for your actions or your failure to take appropriate actions.

You must:

- Clearly understand and abide by the requirements set out in this Code, and if necessary seek assistance or clarification from your manager or supervisor.

- Ensure that you comply with relevant legislation, policies, procedures, standards and business instructions.
- Ensure that you are familiar with all documents that impact on your work.
- Comply with lawful and safe work instructions and directions when performing your duties, including position descriptions and agreed performance plans.
- Understand the requirements of your position and seek clarification and assistance where necessary.
- Carry out your duties in an alert, safe, diligent, honest and competent manner.
- Use your authority in a fair and unbiased way and not take improper advantage of your position.
- Not make decisions that exceed your level of authority or delegation.
- Treat other employees, licensees, stakeholders and members of the public with courtesy and respect.
- Avoid behaviours, situations and conflicts of interest that may reflect in a negative way upon Queensland Racing Limited.
- Not engage in behaviour that would constitute unlawful discrimination, harassment (whether sexual or otherwise), bullying or workplace violence.

2.2 SUPERVISOR AND MANAGER RESPONSIBILITIES

In addition to your responsibilities as an employee, supervisors and managers must also:

- Inform employees about this Code and the standards outlined within it.
- Assist employees to understand the Code.
- Lead by example in observing the Code.
- Manage any breaches of the Code in consultation with relevant senior executives.
- Ensure that employees can access current standards, legislation, policies and procedures and are advised of relevant changes.
- Communicate clearly business requirements and expectations to employees.
- Create a climate in the work environment that is conducive to the achievement of the objectives of this policy.

2.3 THE BOARD AND CHIEF OPERATIONS MANAGER RESPONSIBILITIES

The Board and the Chief Operations Manager *must*:

- provide clear direction and ensure that performance is managed to achieve sustainable results.
- Encourage and reward contributions made by others.
- Lead by example in observing this Code.
- Ensure that the high standards conveyed through this Code are evident throughout the organisation, contributing to an integrity-based culture.

PART 3 PRINCIPLES

There are four (4) overarching principles:

- Embracing an Integrity Culture
- Embracing a Culture of Respect
- Embracing a Culture of Safety
- Embracing a Culture of High-Performance

These principles seek to ensure that behaviours and activities are complementary and consistent with the overall culture of the organisation and the observance of this Code.

PRINCIPLE 1 EMBRACING AN INTEGRITY CULTURE

3.1.1 Conflicts of Interest

Conflict of interest occurs where personal interests influence, or appear to influence, the impartial performance of an employee's or official's duties and responsibilities.

If you find yourself faced with a real or possible conflict of interest, advise your supervisor or manager or the Director of Integrity Operations straight away, so that the conflict or perceived conflict can be resolved.

Every Queensland Racing Limited official **must**:

- carry out their duties impartially and regardless of personal preferences;
- avoid private, financial or other interests or undertakings that could directly or indirectly compromise or conflict with the performance of their duties;
- disclose any interest, which may impact or have the potential to impact on the performance of their duties; and
- take action to resolve any conflict between personal interests and official duties in the favour of the public interest.

All full-time employees of Queensland Racing Limited must disclose in writing to the Chief Operations Manager any secondary paid employment they may have. Failure to disclose this information may result in a Queensland Racing Limited official being disciplined or, in appropriate cases, instantly dismissed. Secondary employment within the racing industry represents a prima facie conflict of interest and is not permitted without specific authorisation from the Chief Operations Manager.

Examples of Appropriate Actions

You are a member of a selection panel and you advise appropriate officials that a family member is an applicant for a position.

You are a sampling collection official and you advise the Chairman of Stewards that in relation to a horse you are drug testing, a family member has some ownership interest in the horse.

3.1.2 Inappropriate Personal Gain

Inappropriate personal gain is when an individual gains a benefit from the misuse of their office, role, organisational situation or information.

Queensland Racing Limited officials **must not**:

- gain personally from access to confidential information.
- Misuse his/her position in a way that results in personal gain.

- Conduct significant personal business on QRL time.
- Take personal advantage of opportunities that are presented or discovered as a result of their position with QRL.

Examples of Inappropriate Gains

A QRL staff member uses their knowledge of weights and race form to wager on Queensland Thoroughbreds for personal gain.

A QRL staff member has a second job and uses QRL telephones and time to contact potential private business customers.

A Board member uses information gained in QRL Board meetings to gain in their private business interests.

3.1.3 Gifts and Benefits

Public trust and impartiality are key outcomes for Queensland Racing Limited. The receiving and giving of gifts and benefits can impact on the aforementioned outcomes. For these reasons the gifts and benefits policy was formulated and all Queensland Racing Limited officials must comply with it.

3.1.4 Confidentiality

All Queensland Racing Limited officials have access to confidential information. Appropriate safeguards and care must be taken to ensure that unauthorised access to or distribution of confidential information is not permitted.

No Queensland Racing Limited official may take, or seek to take, improper advantage of confidential information gained in the course of employment. No Queensland Racing Limited official may disclose confidential information to any person unless it is required by law or is required by their duties and is consistent with this Code or specifically authorised. If a Queensland Racing Limited official resigns or leaves Queensland Racing Limited, the official must not disclose confidential information acquired when they acted as an official of Queensland Racing Limited.

A member of the Board of Queensland Racing Limited must not disclose confidential information discussed at Board meetings and/or acquired while acting as a Board member.

If a Board member resigns or leaves the Board the member shall have regard to the duty:

- not to disclose confidential information; and
- to act bona fide in the interests of Queensland Racing Limited.

Examples of Appropriate Confidentiality

You are asked by a licensee to disclose the address of a third party, another licensee as monies are owed. You immediately bring to the attention of your line supervisor who checks on whether release of information is appropriate. In these circumstances it would not be appropriate to release confidential address details.

You leave QRL to take up a similar role and while you have intimate knowledge of the QRL tendering process that would be of commercial benefit to your new employer, you do not tell your new employer because the information may provide an unfair advantage.

You are asked by a friend to access our horses systems and obtain details of who is riding particular horses and at what weights. You refuse this request and explain to your friend that it was inappropriate to request such action.

PRINCIPLE 2 EMBRACING A CULTURE OF RESPECT

4.1.1 Respect for Persons

All Queensland Racing Limited officials **must**:

- treat all industry participants with courtesy, honesty and fairness with proper regard for their rights and obligations in accordance with the principles of natural justice;
- respond to the reasonable requests of stakeholders, supervisors and managers in a timely manner;
- co-operate and assist others in the organisation in the performance of their duties when reasonably requested to do so, or when perceived as necessary;
- support their co-employees in a responsible and ethical manner; and
- exercise powers, objectively, fairly and equitably.

4.1.2 Respect for the Law and the QRL system of governance

All Queensland Racing Limited officials **must**:

- comply with all relevant laws;
- comply with all QRL policies;
- comply with all QRL procedures; and
- comply with all lawful requests of management and line supervisors.

Compliance means observing the letter and spirit of the law, policy, procedure or lawful request as well as managing your activities in a manner consistent with QRL as a 'good corporate citizen.'

QRL recognises that in some cases, there may be uncertainty about which laws, policies and procedures may be applicable. In such circumstances employees have access to internal legal compliance counsel or their direct supervisor and should seek such advice.

4.1.3 Discrimination and Workplace Harassment

All Queensland Racing Limited officials must provide a workplace free from discrimination, harassment, bullying and intimidation and hostile, offensive or distressing behaviour. They must ensure they understand their responsibilities under Queensland Racing Limited's Sexual Harassment Policy. They have a duty to disclose breaches of this policy. Additionally, any behaviour's that exhibit harassment and bullying should be brought to the attention of your line supervisor, Harassment and Discrimination Officer or addressed through the complaint management system.

If managers and supervisors become aware of inappropriate conduct, they should not wait for a complaint to be lodged before taking action. As with their other areas of responsibility, if managers or supervisors become aware of a problem, they are expected to respond to that problem.

Queensland Racing Limited's Sexual Harassment policy applies to all Queensland Racing Limited Board members, officials, other employees, consultants, contractors and work experience students.

Those who are the subject of sexual harassment, bullying or unlawful discrimination or become aware that another person is being subjected to these should seek advice and assistance from the Harassment and Discrimination Officer, or, if it is not appropriate to approach this officer, the matter should be reported to your line supervisor or through the complaint management system.

Any reports of discrimination, victimisation, sexual harassment, vilification and bullying will be treated seriously and dealt with promptly, confidentially and impartially in accordance with our complaint management policies. Disciplinary action will be taken against anyone who discriminates against, victimises, sexually harasses, vilifies or bullies a co-worker. Discipline may involve counselling, a warning, transfer, demotion or dismissal, depending on the circumstances.

4.1.4 Whistleblowing

All Queensland Racing Limited officials must report to their line manager or the Chief Operations Manager or the Director of Integrity Operations or through the complaint management system, any suspected or actual instances of official misconduct, maladministration, reprisal, or danger to public health or safety or environment of which they are aware. In doing so, Queensland Racing Limited officials should follow the guidelines in the Whistleblowers Protection policy adopted by Queensland Racing Limited.

Failure to report suspicious activities or circumstances may be seen as compounding or assisting official misconduct, maladministration, reprisal, or danger to public health or safety or environment and may constitute improper conduct requiring disciplinary action.

If a Queensland Racing Limited official is found to have breached the *Whistleblowers Protection Act 1994*, the breach will be considered a serious breach of this Code and the Queensland Racing Limited official may be subjected to disciplinary action, including, in appropriate cases, instant dismissal.

Under the *Crime and Misconduct Act 2001*, the Chief Operations Manager must refer matters of actual or suspected official misconduct to the Crime and Misconduct Commission. This legislated requirement has been delegated to the Director of Integrity Operations in consultation with the Chief Operations Manager.

4.1.5 Unacceptable Behaviours in the Workplace

Unacceptable and inappropriate workplace behaviours can take many forms. Below are some such behaviours which are not intended to be exhaustive but rather an indication of the types of behaviours and actions that are clearly **not** acceptable at QRL.

- Humiliating or ridiculing others about their work.
- Making insulting or offensive comments about others.
- Spreading rumours or gossip
- Shouting and getting abusive with others.
- Being hostile to others
- Threatening violence to others
- Physically attacking others
- Using malicious or insulting language.
- Withholding information deliberately that affects other people's jobs
- Invading personal space and restricting the movements of others.
- Making false allegations against others.
- Engaging in excessive monitoring of the work of others when not authorised to do so.
- Breaching this code.

PRINCIPLE 3 EMBRACING A CULTURE OF SAFETY

5.1.1 Workplace Safety

You are responsible for the safety and security of your workplace as well as care of the environment in which you work.

Supervisors and Managers have the additional responsibilities of making sure that workplace health and safety policies are in place and followed by all employees.

In the workplace, all Queensland Racing Limited officials must take all reasonable practical steps to ensure the safety, health and welfare of themselves and others.

All Queensland Racing Limited officials must comply with statutory obligations and Queensland Racing Limited's policy on Workplace Health and Safety.

You have a duty to minimise the risks in the workplace, ensuring that incidents, injuries and ill-health is minimised in the workplace.

All Queensland Racing Limited officials should remember:

- To follow all rules, procedures and approved work methods;
- Immediately report incidents, complaints and unsafe or unhealthy work practices;
- Don't engage in or encourage any form of unlawful discrimination, sexual or other forms of harassment, bullying or workplace violence;
- Wear personal protective equipment and use appropriate equipment when necessary.

5.1.2 Alcohol and Drugs

It is a criminal offence to possess or use illegal drugs at any time. All Queensland Racing Limited officials must comply with Queensland Racing Limited's policy on Use of Alcohol and Drugs. If a Queensland Racing Limited official is found guilty of possessing and using illegal drugs, it will be considered a serious breach of this Code and the official may be subjected to disciplinary action, including, in appropriate cases, instant dismissal.

Alcohol consumption is not allowed in the work environment. Work related functions are the exception to this rule, although consumption should be restricted to appropriate areas and at the appropriate times as approved by the relevant manager.

5.1.3 Fitness for Work

When reporting for work, you must be fit and ready to perform your duties. A supervisor or manager who believes that an employee is unfit, must make sure the person does not start work. This safeguards both the employee and the workplace.

Supervisors and Managers should also be aware of workplace health issues such as heat stress, fatigue, injury, illness and alcohol or drug dependency and take early action to address such issues.

All Queensland Racing Limited officials should:

- Make their immediate supervisor aware if they have taken prescription medication that may cause relevant side-effects, impacting on the abilities to do their job;
- Advise their supervisor or manager if they have a physical, psychological or psychiatric condition that limits ability to work safely and effectively
- Be responsible, by maintaining their own fitness for work and taking necessary steps to address any issues that may impact their ability to fulfil their duties as a QRL official.

PRINCIPLE 4 EMBRACING A HIGH PERFORMANCE CULTURE

6.1.1 Performing Duties

All Queensland Racing Limited officials must perform all duties associated with their positions diligently, impartially, conscientiously, with proper care and attention, in a civil manner and to the best of their ability.

All Queensland Racing Limited officials **must**:

- perform their duties in such a way that QRL will be held in high regard by the community and the industry;
- follow any professional standards of conduct relevant to their office;
- maintain adequate documentation to support decisions; and
- assist QRL to adhere to its statutory obligations.

6.1.2 Monitoring Performance

All Queensland Racing Limited officials who manage or supervise others must ensure that:

- their work and that of their staff helps Queensland Racing Limited adhere to its statutory obligations;
- where their staff breach this Code, appropriate action is taken.

6.1.3 Using resources for official purposes

All Queensland Racing Limited officials must ensure Queensland Racing Limited resources are:

- used economically;
- used for the purposes for which they were provided;
- treated and maintained with appropriate care; and
- secured against theft or misuse.

In serious cases, a Queensland Racing Limited official who misuses resources may be found guilty of misconduct or maladministration.

6.1.4 Private Use of Resources

Limited personal use of Queensland Racing Limited resources for non-official purposes may be acceptable.

In general terms, limited personal use involves:

- minimal additional expense to Queensland Racing Limited;
- an expectation that it will be performed during the employee's non work hours;
- does not interfere with the operation of Queensland Racing Limited; and
- does not violate this Code, statutory obligations or Queensland Racing Limited policies.

If a Queensland Racing Limited official is unsure as to whether their proposed personal use of Queensland Racing Limited resources is acceptable, the official should seek advice from their line manager.

Where a Queensland Racing Limited official uses Queensland Racing Limited Internet, Intranet and electronic mail system, the official must comply with the policy on Internet and Email adopted by Queensland Racing Limited.

6.1.5 Use of Official Motor Vehicles

All Queensland Racing Limited officials who use a motor vehicle owned by Queensland Racing Limited must use it only for official purposes, unless the terms of their Employment Contract otherwise provide or the relevant manager has authorised private use of the motor vehicle by the official.

When authorising private use of official vehicles, managers must ensure that it does not adversely impact on QRL. For example, QRL staff must have adequate transportation to service race meetings that is not adversely affected by the approved private use of a QRL vehicle. It is requested that race day schedules be checked as a component of an approving decision.

6.1.6 Expense Reimbursement

All Queensland Racing Limited officials must comply with Queensland Racing Limited's Expense Reimbursement Policy. This policy sets out the requirements of Queensland Racing Limited regarding expenditure while on official duty.

PART 5 BREACHES

You are accountable for your own actions, so take the time to fully understand what is expected of you under QRL's Code of Conduct and Ethics. The facts and circumstances of each case determine what action is taken against someone who breaches this Code.

Board members who breach statutory obligations or the provisions of this Code or their employment contract will be dealt with in a manner determined by the Board. Any action taken against a Board Member shall be consistent with the provisions of the *Racing Act 2002*.

All Queensland Racing Limited officials who breach statutory obligations or the provisions of this Code or their employment contract may be subject to disciplinary action, including, where appropriate, instant dismissal.

The Chief Operations Manager or Director of Integrity Operations or delegated managers will deal with breaches by an employee of Queensland Racing Limited. Where it is not considered harsh, unjust or unreasonable to do so, the Chief Operations Manager may suspend a Queensland Racing Limited official from work, either with or without pay, while an alleged breach is being investigated. Disciplinary action may constitute, but is not restricted to, counselling, warnings or reprimands or suspension or dismissal, as the case requires.

Serious breaches, such as official misconduct, may need to be referred to the Crime and Misconduct Commission. Any action taken will accord with the principles of procedural fairness. In the case of suspected or actual official misconduct or maladministration, procedural fairness does not necessarily mean that the person under investigation is to be presented with the allegations prior to an investigation. The relevant investigating authority will determine the appropriate time for advising the person of the allegations and affording the person the opportunity to respond.

PART 6 ETHICAL DECISION MAKING

Queensland Racing Limited recognises that ethical problems occur in business and offers below practical advice how to better define and resolve ethical dilemmas.

The 'Ethics Quick Test' offers some assistance in resolving ethical dilemmas as well as guiding ethical conduct:

- Is the action or decision legal?
- Does it comply with our values?
- If you do it, will you feel bad?
- How will it look in the newspaper or media?
- How will it seem to your colleagues?
- If you know it's wrong, don't do it.
- If you're not sure, ask.

Appendix A

DEFINING KEY TERMS

Conflict of interest

Refers to a real or an apparent conflict between a private interest and official duty. A real (or actual) conflict of interest exists when a reasonable person, in possession of the relevant facts, would conclude that the official's private interests interfere, or are likely to interfere, with the proper performance on the official's duties. An apparent conflict of interest exists when it appears that an official's private interests may interfere with the proper performance of the official's duties although, in reality, this may not be the case.

Discrimination

Unless a statutory exemption applies, discrimination, whether direct or indirect, may be unlawful when it is on the basis of an attribute described in the *Anti-Discrimination Act 1991* (i.e. sex, sexuality, gender identity, marital status, pregnancy, parental status, breastfeeding, age, race, impairment, religion, political belief or activity, trade union activity, lawful sexual activity; or association with, or relation to, a person identified on the basis of any of the above attributes) in a specified area of activity, for example, work and work related areas. Direct discrimination may occur if a person treats or proposes to treat, a person with an attribute less favourably than another person without the attribute in circumstances that are the same or not materially different. Indirect discrimination may occur if a person imposes, or proposes to impose, a term with which a person with an attribute does not or is not able to comply and that is not reasonable or necessary to apply.

Dishonesty

Dishonesty is judged by the standards of ordinary decent persons. The test of dishonesty has two limbs; first were the actions dishonest by the standards of ordinary honest people and secondly should that person have realised that their actions were by those standards dishonest.

Fraud

Fraud is dishonestly obtaining a benefit by deception or other means and includes both tangible and intangible benefits.

Interest

Interest is used in relation to declaring personal interests or conflicts of interest, the term "interest" meaning direct or indirect personal interests of Queensland Racing Limited officials. Interests may be pecuniary or non-pecuniary.

Maladministration

Maladministration is an administrative action that is unlawful, arbitrary, unjust, oppressive, improperly discriminatory or taken for an improper purpose.

Official Misconduct

Official misconduct is incorporated within the *Crime and Misconduct Act 2001*, and means any conduct connected with the performance of a Queensland Racing Limited official's duties, that is dishonest or lacks impartiality, involves a breach of trust or is a misuse of officially obtained information. The conduct must be a criminal offence or serious enough to justify dismissal.

Public interest

Public interest means acting for the common good of the community. Queensland Racing Limited has developed a policy on safeguarding the public interest. Queensland Racing Limited officials should refer to this policy for guidance on what constitutes the public interest and Queensland Racing Limited's responsibilities to this end.

Queensland Racing Limited Official

Queensland Racing Limited official includes; Board members of the Queensland Racing Limited Board and all other persons employed or remunerated by Queensland Racing Limited, whether full-time, part time, permanent, fixed-term, contract or casual and includes members of any Queensland Racing Limited sub-committee.

Statutory obligations

Statutory obligations are obligations imposed from time to time by legislation including, where relevant and without limitation, obligations imposed on Queensland Racing Limited and/ or Queensland Racing Limited officials by: *Anti-Discrimination Act 1991*, *Crime and Misconduct Act 2001*, *Corporations Act 2001*, *Racing Act 2002*, *Whistleblowers Protection Act 1994* and *Workplace Health and Safety Act 1995* and any relevant regulations made pursuant to statute.

Whistleblowing

Whistleblowing is when, in the public interest, as provided for in the *Whistleblowers Protection Act 1994*, a person discloses information about official misconduct, maladministration, reprisal, or danger to public health or safety or environment.



EMPLOYMENT AGREEMENT

CONFIDENTIAL

Between

Queensland Racing Limited; ABN 93 116 735 374

And

Alan David Rowan

This Employment Agreement is made on 1 July 2009.

Between:

Queensland Racing Limited ABN 93 116 735 374; of 11 Racecourse Road, Deagon in the state of Queensland

and:

Alan David Rowan; of 57 Ballymote St Bracken Ridge 4017 in the state of Queensland.

This Agreement sets out the terms and conditions of your employment with Queensland Racing Limited (QRL).

1. ENGAGEMENT

- 1.1. You shall be employed by QRL as a Information and Communications Manager and in such other offices or capacities, as may from time to time be assigned to you by the Chief Operations Manager, in accordance with the terms of this Agreement. You will report to the Chief Operations Manager.
- 1.2. The duties that you perform will be in line with your position description and may vary from time to time in accordance with the terms of this Agreement and business requirements. If your duties do vary, the terms and conditions set out in this Agreement will continue to apply unless otherwise agreed in writing.

2. PLACE OF WORK

- 2.1. You will be employed at the Deagon office, but you may be required to perform your duties at other locations as reasonably requested. QRL may move your position to another location due to business requirements; if this is required the company will provide you with notice of at least four weeks of the intention to move your position, and will discuss any such change with you as soon as possible.

3. HOURS OF WORK

- 3.1. You will be employed on a full-time basis of 38 hours per week. QRL's standard working hours are Monday to Friday, 8:30am to 5:00pm; your actual starting and finishing times should be determined in consultation with your manager.
- 3.2. In order to meet the responsibilities of your position, operational or client requirements you may be required to work additional hours as necessary from time to time, including if required, on weekends and public holidays. Hours worked outside of core hours will not attract additional pay as you acknowledge that your remuneration package reasonably compensates you for all hours worked.
- 3.3. Punctuality is important in providing a proper service to clients. If you are unable to attend work on any day, or will be late for work, you must personally advise QRL of any absence as soon as possible.

4. QUALIFYING PERIOD

- 4.1. Your ongoing employment is subject to satisfactory completion of an initial six month qualifying period, as set by the Fair Work Act 2009. This period is an opportunity for both QRL and yourself to determine your suitability for the position and ongoing employment. During this period, your work performance will be reviewed and evaluated by your manager. At any time during the first six months of your employment, either party may terminate your employment by giving one week's notice in writing to the other party. QRL may elect to make payment in lieu of requiring you to work out the notice period.

5. REMUNERATION AND SUPERANNUATION

- 5.1. Your remuneration is calculated on a total remuneration value (TRV) basis, which is inclusive of all remuneration entitlements and 9% superannuation. You will receive a TRV of \$115,000 per annum.

Your remuneration arrangements are outlined below.

Base Salary	\$105,504.58	gross per annum
Superannuation	\$9,495.42	gross per annum
Total Remuneration Value	\$115,000.00	gross per annum

- 5.2. The cash component of your remuneration package will be paid in twelve equal monthly instalments direct to your nominated bank account. The deposit to your bank will usually be made on the first working day after the 14th day of each month.
- 5.3. QRL will pay superannuation contributions in accordance with statutory requirements into a nominated complying superannuation fund of your choice. You may elect to contribute additional amounts of your Base Salary, as agreed, into your superannuation fund.
- 5.4. Your remuneration arrangements will be reviewed annually, in accordance with QRL's normal salary review procedures.
- 5.5. QRL takes a flexible approach to the structuring of TRV and allows its employees to determine how they will receive their remuneration. You will be permitted to structure your TRV in accordance with the QRL Remuneration Policy and Procedures that are in place from time to time. That policy currently allows for employees to change their salary package options annually.
- 5.6. You will be responsible for all costs associated with salary sacrificing. Any salary sacrifice is subject to Australian Tax Office rulings and, should there be any change to the current treatment of salary sacrificing, the salary sacrifice arrangement will be reviewed to ensure that there are no additional costs to QRL.
- 5.7. You agree that in the event of an overpayment of salary, QRL may recover the amount of the overpayment by way of deduction from your future earnings. If this occurs, QRL will provide you with written notification of the intention to recover the overpayment and the amount to be recovered.
- 5.8. You agree that any monies owing to QRL upon termination of employment may be deducted by QRL from your final termination pay.
- 5.9. You agree that your Base Salary has been set to include all allowances, penalties and loadings that may be payable to you, regardless of how that entitlement arises. You also agree that, if at any time during your employment, you are entitled to payment for overtime, penalties, loadings and allowances under an award or agreement, your Base Salary is being paid as a composite payment in satisfaction of both your contractual entitlements and all such award or agreement entitlements. You agree that if your Base Salary exceeds the amount that you would be entitled to for ordinary hours of work under an award or agreement, then the excess paid to you may be set off against any award or agreement entitlements.

6. LEAVE

You are entitled to:

- 6.1. Paid annual leave of 20 days per year (pro rata for part-time employees).
- ▶ Annual leave entitlements accrue on a monthly basis and will accumulate from year to year.
 - ▶ All annual leave will be approved in line with organisational requirements and must be approved prior to you taking annual leave. The QRL Leave Policy contains more details

about the taking of annual leave and management of annual leave balances. You agree that it is reasonable for QRL to apply that Leave Policy.

- ▶ To ensure you maintain a healthy work and life balance, you will be encouraged to take leave each year. We may direct you to take annual leave in accordance with applicable legislation, which currently requires the giving of notice and says that we cannot direct you to take all of your accrued leave.
- ▶ There are certain times during the year when annual leave will not usually be granted. Those times differ in various parts of the business. For example, employees working in the finance area will not generally be granted leave from May to September.
- ▶ There is no separate leave loading payable under this Agreement as your Base Salary has been set taking this into account.
- ▶ On termination of employment, any accrued annual leave will be paid at your then current ordinary rate of pay. Paid sick/carer's leave of ten days per year (pro-rata for part time employees).
- ▶ Sick/carer's leave entitlements will accumulate from year to year;
- ▶ Applicable legislation (the Fair Work Act 2009) provides for carer's leave to be taken to care for a member of your immediate family or household who requires care or support due to an illness or injury or unexpected emergency affecting them. Your entitlements to take carer's leave are governed by the provisions of the Fair Work Act 2009.
- ▶ You may take unpaid carer's leave of up to two days per occasion if you have exhausted your paid sick/carer's leave entitlements.
- ▶ If you are absent due to sick or carer's leave you are required to notify QRL at the commencement of your normal working time or as soon as reasonably practicable and, as far as practicable, state the estimated duration of the absence.
- ▶ You may be required to produce a medical certificate or other proof that QRL considers reasonable proof of the reason for your absence if you take sick or carer's leave. The QRL Leave Policy contains more information about these requirements.
- ▶ On termination of employment no payment will be made for sick/carer's leave not taken at the time of termination of your employment with QRL.

6.2. Paid compassionate leave of a maximum of two days for each occasion when a member of your immediate family or a member of your household contracts or develops an illness that poses a serious threat to their life, or sustains an injury that poses a serious threat to their life, or dies. You may be asked to provide reasonable evidence of the illness, injury or death before you are entitled to take this paid compassionate leave

6.3. The Fair Work Act definition of 'immediate family' will apply to your entitlements regarding carer's leave and compassionate leave. That definition currently states that 'immediate family' is:

- (a) a spouse, child, parent, grandparent, grandchild or sibling of the employee;
- (b) a child, parent, grandparent, grandchild or sibling of a spouse of the employee.

6.4. Parental leave (maternity, paternity and adoption leave) in accordance with the relevant legislation.

6.5. Thirteen weeks long service leave after ten years continuous service.

6.6. Benefits regarding statutory public holidays in accordance with the relevant legislation.

6.7. Any other leave entitlements in accordance with the relevant legislation.

7. EMPLOYEE OBLIGATIONS

7.1. In accordance with your duties you must:

- a. Perform to the best of your ability and knowledge the duties assigned to you, in a manner consistent with your position, as determined by QRL.

- b. Exhibit professional behaviour and attitude in dealings with managers, employees, clients, and suppliers of QRL, and all others.
- c. Take all reasonable steps to meet performance criteria that QRL establishes from time to time.
- d. Abide by all safety, quality and security procedures applying to QRL's operations and premises.
- e. Refrain from all behaviour that could be perceived as discrimination or harassment in the workplace under the applicable legislation.
- f. Observe and comply with all policies, procedures, and operational manuals, as amended by QRL from time to time and all reasonable directions given by QRL.
- g. Not engage in remunerated work outside of QRL that may be a conflict of interest, without QRL's prior written consent.
- h. Not claim or accept any fee, gratuity, commission or other benefit from any source other than QRL in payment for any services concerned with QRL's business.
- i. Devote the whole of your time and abilities during normal working hours, and at such other times as may be reasonably necessary, to the performance of your duties.
- j. Use your best endeavours to promote, develop and extend QRL's business interests and reputation and not do anything to the detriment of those business interests or reputation.

8. CONFLICT OF INTEREST

- 8.1. You must not engage in any activity that would conflict with QRL's interests or operations. Conflict of interest will be determined in accordance with QRL's Code of Conduct, which may be amended by QRL from time to time. If you are in doubt you must seek clarification from QRL.
- 8.2. You must not accept any payment or other benefit from any person as an inducement or reward for any act or forbearance with any matter or operation transacted by QRL or on its behalf. You must report any actual or potential conflict of interest to QRL immediately.
- 8.3. You will be required to complete and sign the Conflict of Interest and Racing Interest Disclosure Form prior to commencing with QRL. This form will be required to be completed annually or where there is any change to your circumstances.

9. INFORMATION, POLICIES AND PROCEDURES

- 9.1. You must comply with all lawful orders, instructions, standards, policies and procedures in existence at QRL. While you must observe and comply with these policies and procedures, they do not form terms and conditions of your employment contract with QRL unless expressly referred to in this Employment Agreement. If there is any inconsistency between the terms of this Employment Agreement and QRL's policies and procedures, the terms of this Employment Agreement will prevail.
- 9.2. To the extent that QRL's policies and procedures refer to obligations on QRL, you agree that they are guides only and not contractual terms, conditions or representations on which you rely.
- 9.3. You will not knowingly withhold any information or material within your possession that may affect QRL's performance or reputation.

10. CONFIDENTIAL INFORMATION

10.1. Confidential information means the trade secrets and all other information regarding QRL's affairs which become known to you in circumstances where you know, or should know, that the information is to be treated as confidential. This Confidential Information includes without limitation any information that:

- a. Would be of commercial value to a competitor of QRL.
- b. Relates to QRL's financial affairs; including financial information, accounts work, financing information, management reports and performance or profitability reports and margins.
- c. Relates to QRL's operational requirements.
- d. Relates to any arrangements or transactions between QRL and stakeholders in the racing industry.
- e. Relates to QRL's customers; including customer details, customer lists, details of customer requirements, details of customer prospects, the identity of any customer, their requirements and their financial affairs.
- f. Relates to any functions you perform in relation to the regulation, licensing, administering or policing of racing and its integrity
- g. Relates to or is contained in any of QRL's computer data bases or software.
- h. Relates to any arrangements or transactions between QRL and its respective suppliers or contractors; including their identity and the price or charges in respect of the supplies or services QRL acquires from them.
- i. Relates to or is contained in any manuals or handbooks produced by QRL.
- j. Relates to QRL fees, quotations, prices or charges in respect of services or products.
- k. Relates to the marketing and selling techniques used by QRL; including marketing plans, sales plans, research and data surveys.
- l. Relates to trade secrets, technical specifications, know how, plans, design concepts, ideas, design specifications, manufacturing or development processes, research, formulae, processes, applications, unique features or techniques in respect of any of QRL's products, services or operations, whether existing or in development.
- m. Relates to or is associated with any of QRL's technology or software, or any related products or services, including any source code, programming, plans, concepts, specifications, alterations or additions, content, features, operation opportunities, benefits or market appeal, whether produced by you or otherwise.
- n. Is prepared by QRL or anybody else based on or incorporating information referred to in paragraphs (a) to (m) above, including all notes and other records, whether written or otherwise, and any copies of the information, notes and other records referred to in paragraphs (a) to (m) above.

Confidential Information does not include information that:

- o. Was rightfully in your possession and not subject to an obligation of confidentiality before the negotiations leading to the commencement of your employment with QRL, whether pursuant to this Agreement or otherwise.
- p. Is or, after the commencement of your employment becomes, available in the public domain other than as a result of a breach of this Agreement.

- 10.2. You must not at any time during your employment with QRL, or at any time after your employment terminates, disclose to any other person or use or attempt to use any Confidential Information of QRL or any of QRL's clients. During your employment with QRL, you must use your best endeavours to prevent the unauthorised disclosure of any such Confidential Information or trade secrets by a third party.
- 10.3. The obligations of this clause shall survive the termination of this Agreement. You must not, after termination of employment use Confidential Information for a purpose other than for the benefit of QRL.

11. INTELLECTUAL PROPERTY

- 11.1. You acknowledge and agree that all existing and future intellectual property rights in any Confidential Information or in respect of any intellectual property developed, in development, created or conceived wholly or partly by you, alone or together with any other person or body, whether during or outside working hours:
- q. On QRL's premises or using QRL's facilities or resources, facilities or resources which were in the care and control of QRL, or any of QRL's employees, officers, agents, subcontractors or representatives;
 - r. Directly or indirectly as a result of the employee or anybody else's access to confidential information;
 - s. In the course of, as a consequence of or in relation to the performance of the employees duties;
 - t. Relating to QRL's general methods of operation; or
 - u. In respect of or associated with any of QRL's products or services, and any alterations or additions or methods of making, using, marketing, selling or providing those products or services;

vest in and belong to QRL, and to the extent necessary to vest ownership in QRL, the intellectual property is deemed to be assigned to QRL as its exclusive property.

- 11.2. You agree to execute all documents, including any assignments, and do all acts and things, required by QRL for the purpose of effecting and perfecting the title of QRL or its nominee to the intellectual property rights described in the clause above, in Australia or such other countries as QRL requires. You consent to QRL infringing any Moral Rights that you may have or become entitled to, in any work created, developed, modified or enhanced in the course of their employment.
- 11.3. You must immediately disclose to QRL in writing, any invention or improvement you make or think of during the course of your employment.
- 11.4. Your obligations under this clause will continue, notwithstanding the expiry or termination of this Agreement.
- 11.5. Intellectual Property Rights means any and all beneficial and legal ownership and intellectual and industrial protection rights throughout the world, both present and future, including rights in respect of or in connection with any confidential information, copyright, including future copyright and rights in the nature of or analogous to copyright), moral rights, inventions (including patents), trade marks, service marks, designs, circuit layout and performance protection (whether or not now existing and whether or not registered or registrable) and includes any right to apply for the registration of such right and all renewals and extensions.
- 11.6. Moral Rights has the meaning given to that term in the Copyright Act 1968 (C'th)

12. PRIVACY

- 12.1. You must not remove or copy any information, including client or employee information, from QRL's premises without QRL's consent.
- 12.2. During the course of your employment, QRL may collect, use, handle and/or disclose your personal information in the proper course of business; such as to facilitate the provision of salary and benefits, and supply required information to external superannuation and insurance providers. This may include your address, date of birth, health information and professional associations. QRL Property AND SECURITY
- 12.3. All documents, records, papers, manuals, materials of any nature and other property of, or relating to, the business of QRL, whether prepared by you or not, are and remain the property of QRL.
- 12.4. No materials, tools or equipment of any description may be borrowed or removed from the premises without the prior consent of QRL.
- 12.5. Upon termination of this Agreement, you shall immediately deliver to QRL all documents, records, papers, materials of any nature whatsoever and other property of, or relating to, QRL's affairs or any of QRL's related business entities, which may be in your possession or under your control.
- 12.6. If you are provided with a security access device of any kind, such as a key or computer coded access card, you will:
- ▶ immediately return the device to QRL on termination or your employment or earlier request;
 - ▶ not copy nor permit the copying of the device or any aspect of it which is integral to its function of security;
 - ▶ not give the device to anybody else or permit anybody else to use the device; and
 - ▶ use the device strictly in accordance with any conditions advised by QRL in respect of it.

13. TERMINATION OF EMPLOYMENT

- 13.1. Subject to our rights regarding summary dismissal, either you or QRL may terminate your employment by giving one months notice, or a mutually agreed lesser period, to the other party in writing. QRL may pay you the equivalent of that period or part of the period in lieu of such notice. The notice period required to be given by QRL will be increased by one week if you are over 45 years of age and employed for more than two years of continuous service with QRL.
- 13.2. During any period of notice, we may require you:
- ▶ To perform duties that are different from those that you were required to perform during the rest of your employment with QRL, provided that you have the necessary skills, training, education and experience to undertake them; or
 - ▶ To not present yourself for work, do any work or contact any of QRL's clients or personnel for any period up to the date of termination of employment.
- 13.3. During any period of notice you will continue to be employed by QRL and you must not engage or prepare to engage in any business activity that is the same or similar to the duties you were performing for QRL. Up to the termination of your employment you and QRL shall remain bound by the mutual obligations of trust and confidence.
- 13.4. If you do not give the required notice and there is no agreement regarding a shorter notice period, QRL is authorised to withhold or deduct from your final termination payment, the equivalent amount of salary in lieu of the required notice.
- 13.5. QRL may terminate your employment summarily without notice or payment in lieu of notice if you commit any dishonest act, serious misconduct or any other act that justifies summary dismissal. If your employment is summarily terminated by QRL you will not be entitled to any notice payment, or other benefit on termination other than the statutory

entitlements accrued up to and including the termination date. Such payment will be in full satisfaction and discharge of all claims and demands by you against QRL in respect of your employment.

13.6. Following termination of your employment, upon QRL's request, you agree to provide QRL with reasonable assistance regarding any matter relating directly or indirectly to your employment, or which arises out of events which occurred during the period of your employment, including providing statements or affidavits, attending meetings and attending hearings or inquiries.

13.7. In the event that your employment is terminated due to redundancy, you will be provided with redundancy entitlements in line with relevant legislation.

14. ENTIRE AGREEMENT

14.1. This Agreement forms the entire agreement between you and QRL and shall operate to the exclusion of, and wholly replace, all other contracts or agreements that would otherwise apply to your employment. This Agreement supersedes all prior agreements, understandings and negotiations.

15. VARIATION

15.1. The terms and conditions of this Agreement may only be amended by agreement in writing signed by you and QRL.

16. SEVERABILITY

16.1. If any provision in this Agreement is unenforceable, illegal or void, then it is severed and the rest of the Agreement remains in force.

17. WORK ELIGIBILITY

17.1. Your employment is conditional upon you providing to QRL, prior to your commencement, evidence of your eligibility to work in Australia.

18. WARRANTIES

18.1. Your employment is conditional upon you providing to QRL, prior to your commencement, evidence of your professional qualifications, skills and experience.

18.2. You acknowledge that QRL has relied upon the accuracy and truthfulness of any representations, whether written or verbal, made by you in relation to your professional qualifications, skills and experience during the pre-employment process. This offer of employment has been made in reliance upon these representations.

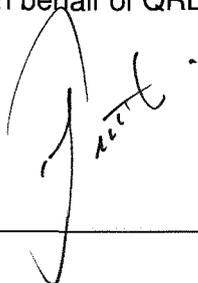
19. CONFIDENTIALITY OF AGREEMENT

19.1. This Agreement and its contents are confidential and should not be communicated to any other party.

20. ACCEPTANCE

20.1. Your employment with QRL will be governed by the terms and conditions contained in this contract.

Signed on behalf of QRL.



Malcolm Tuttle
Chief Operations Manager

13.8.09

Date

I acknowledge that I have read the contents of this Employment Agreement and accept the offer of employment on the terms and conditions set out in this Agreement.



Signature

Alan David Rowan

13/8/09

Date

PURCHASING POLICY

Owner

Finance Department

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	August 2006	First draft (Adam Carter)
1.02	Nov 2006	2nd Draft – QRL changes and delegations



PURCHASING POLICY:

QUEENSLAND RACING LIMITED

Introduction

This policy has been prepared to provide guidelines and procedures to be followed by officers of Queensland Racing Limited when undertaking and managing purchasing activities to meet the organisation's operational requirements and also meet the objectives of the policy.

Queensland Racing Limited is the Control Body established by, and obtaining its objects and functions from, the Racing Act 2002 and its Constitution. Queensland Racing Limited is required to conduct its financial activities with probity and accountability, in accordance with the Corporations Act 2001, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission-ASIC.

Key Principles

In conducting its purchasing activities it is the policy of Queensland Racing Limited to adhere, at all times, to the key principles of:

1. Value for money;
2. Quality of product, service, and support;
3. Open and fair competition;
4. Accountability of outcomes;
5. Use of Queensland product where price competitive, and where quality standards are met; and
6. Suppliers are compliant with all taxation requirements.

Policy

These principles have been applied in developing policy for the following key purchasing activities:

- Capital works projects;
- Consulting services;
- Sponsorship contracts;
- Information technology;
- Other capital expenditure; and
- Day to day purchasing of services and supplies.

Capital Works Projects

Queensland Racing Limited plays a major role in the implementation of industry capital works projects each year. Queensland Racing Limited establishes an annual program of capital works, within a specified budget, following consideration of proposals from race clubs and advice from relevant officers within the organisation.

The policy of Queensland Racing Limited, in relation to the implementation of approved projects, is briefly addressed below:

- Once projects are given preliminary approval through the annual capital budgeting process, race clubs will be required to provide detailed design and costing information, and a project plan, prepared by a suitably qualified and experienced independent consultant. Queensland Racing Limited may, at its discretion, instigate an assessment of this documentation by its own consulting engineers. Any variation to the estimate used in applying for inclusion on the capital works program must be disclosed and explained. Variations of greater than 10% from the preliminary estimate are to be referred back to the Board of Queensland Racing Limited;
- Assuming the project cost following detailed design is contained within 10% of the preliminary estimate, and Queensland Racing Limited is satisfied with the standard of documentation provided, final approval will be given for the project to proceed (Chief Operations Manager or Finance Manager);
- After final approval has been given, race clubs will be instructed that they can establish formal contractual arrangements for the construction works, in accordance with the approved budget. In establishing these contracts the club must pay regard to the key purchasing principles contained within this policy. Following establishment of the works contracts, Queensland Racing Limited will make payment of a grant to the club, equivalent to the agreed industry contribution. This grant will represent payment for a taxable supply, and will have GST added; and

- Following completion of the project, the club will provide Queensland Racing Limited with a report, which addresses the outcomes of the project, including cost to budget, quality of product, and timeliness.

Consulting Services

Queensland Racing Limited uses consulting services in a number of aspects of its operations including legal, information technology, human resource management, financial management, business development, and marketing.

These consultancies vary from short-term “one-off” contracts, to longer-term arrangements, which may encompass a series of different activities (e.g. marketing and promotional work).

For short-term “one-off” contracts the following policy guidelines are to apply:

- The six key purchasing principles outlines above are to be applied at all times;
- For contracts under \$10,000 in value, preferred supplier arrangements* can be used. That is, where a purchasing officer is satisfied that a consultant that has provided a high quality service in the past, has the necessary expertise to undertake the work, and is available in an appropriate timeframe, that consultant can be appointed without a formal competitive process being undertaken. If such a person is not available, three quotes from prospective consultants should be obtained and evaluated;

(* Please note that where preferred supplier arrangements are referred to later in this document for other categories of purchasing, similar procedures to those above will apply)

- For contracts between \$10,000 and \$100,000, tenders should be called from at least three “preferred” contractors. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles. The evaluation of the proposals should be undertaken by two accountable officers, and be approved by a delegated officer (Chief Operations Manager or Finance Manager);
- For contracts over \$100,000, a public tender process is required, including appropriate advertising of the consultancy. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers, and be approved by a delegated officer.

For longer-term consultancy arrangements (e.g. the ongoing purchase of external legal services that cannot be delivered in-house), which may involve the use of a preferred supplier or suppliers for a range of individual tasks over an extended period of time, the following guidelines are to be followed:

- The purchasing officer may select a consultant for a range of tasks from a panel of preferred suppliers for the type of work involved;
- Prior to such a selection, a competitive process, adhering to the six key purchasing principles of Queensland Racing Limited, to appoint the panel of preferred suppliers must have been undertaken, be appropriately documented, and be signed-off by a delegated officer;

- In selecting the preferred supplier from the panel, the purchasing officer must clearly document the reasons for the selection, and be accountable for that selection. The selection must be approved by a delegated officer; and
- Individual consultancy contracts over \$100,000 in value are not to be entered into under these preferred supplier arrangements. For such consultancies, an open tender process, as described above, must be followed.

Sponsorship Contracts

Queensland Racing Limited may enter into sponsorship contracts of a cash and exchange-of-goods and/or services (“contra”) nature.

In establishing these contracts, officers must adhere to Queensland Racing Limited’s key purchasing principles, particularly those of “accountability of outcomes”, and “compliance with all taxation requirements”. With these principles in mind, a Sponsorship Agreement pro-forma (refer to Appendix A) is to be prepared for all sponsorship arrangements, regardless of whether they involve a cash payment, or are solely contra in nature.

The sponsorship agreement is to clearly specify the goods and/or services that are to be delivered by both Queensland Racing Limited and the sponsor, and identify the value of these supplies so that GST obligations, including Tax Invoicing, can be satisfied.

All sponsorship agreements are to be authorised by an officer of Queensland Racing Limited with appropriate delegation, and a copy is to be provided to the Finance Section so that Tax Invoices can be prepared, and GST liabilities and credits accounted for.

Information Technology

The acquisition of information technology hardware and software represents a substantial investment of capital by Queensland Racing Limited each year.

Given the advancing nature of IT and the need to upgrade hardware and systems applications on an ongoing basis, it is the policy of Queensland Racing Limited to acquire such items through leasing arrangements. In this regard the following is to apply:

- A tender process, through a preferred supplier arrangement, is to be undertaken for the establishment of a medium to long-term lease contract for the supply of computer equipment, and other general office equipment where appropriate;
- This contract is to be reviewed on an annual basis to ensure the key principles of “value for money” and “quality of service and support” are being satisfied;
- Where a requirement to add items to the schedule covered by the lease has been identified, the purchasing officer must ensure the purchasing principles are adhered to. For items under \$10,000, preferred supplier arrangements can be used. For items \$10,000 or over, three quotes

must be obtained. Appropriate documentation to support the purchasing decisions must be maintained at all times; and

- Additionally, for individual acquisitions over \$10,000, a lease versus buy analysis must be undertaken before the item is added to the lease schedule.

The IT Section is also required to develop and maintain an *IT asset replacement strategy*, incorporating a list of all hardware and software under lease (or purchased), and information on the condition and expected useful life of individual items.

Other Capital Expenditure

Motor Vehicles

Queensland Racing Limited maintains a fleet of vehicles provided for both work and private use. These vehicles are to be leased through Q-Fleet or appropriate lease provider under the following arrangements:

- the leasing of a new vehicle must be approved by the Chief Operations Manager or Finance Manager; and
- The type and model of the vehicle, and any optional extras, must be commensurate with the status and nature of the role performed by the officer for which the car is being acquired, and be in accordance with the entitlements the officer has under his/her contract of employment;
- All vehicles are to be replaced after two years, or having travelled 40,000 klms, whichever comes first, unless the Chief Operations Manager or Finance Manager agrees to an extension of the leasing term.

On disposal of company-owned vehicles, three trade-in quotes must be obtained, where possible, with the highest trade-in valuation the key consideration in selecting the successful dealer. Queensland Racing Limited staff may be given the option to purchase the vehicle that is being traded, at no less than \$1 more than the best trade-in valuation. The Chief Operations Manager or the Finance Manager will determine the successful staff bidder in the event of two or more staff bidding for the same vehicle being traded.

Other capital purchases

All other capital purchases (e.g. office machines) made by Queensland Racing Limited are to adhere to the following guidelines:

- The six key purchasing principles outlined above are to be applied at all times;
- For items under \$10,000 in value, preferred supplier arrangements can be used;
- For capital items between \$10,000 and \$100,000, quotes should be called from at least three “preferred” suppliers. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles;

- For capital items over \$100,000, a public tender process is required. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers; and
- For all capital purchases of \$10,000 or more, a lease versus buy analysis is to be undertaken.

Day to day Purchasing of Services and Supplies.

Policy in relation to the day to day purchasing of services and supplies is as follows:

- For items supplied on a continuous basis (e.g. stationery, consumables, printing) preferred supplier arrangements may be used. Purchasing officers must ensure that the key purchasing principles are adhered to, especially “value for money” and “quality of service”;
- In this regard, officers are required to conduct a competitive process for the selection of a panel of preferred suppliers, for continuous supplies, on an annual basis. Documentation must be prepared and maintained in respect of preferred supplier selection, and the subsequent selection of a supplier from the panel for particular purchases;
- However, for any individual supply or service, which would normally form part of a continuous supply by an individual, that is to cost the organisation \$100,000 or more, an open competitive process must be undertaken. That is, any individual supply which is to cost \$100,000 or more, cannot form part of a continuous purchasing contract made under preferred supplier arrangements;
- For non-continuous supplies and services (e.g. “one-off” printing jobs) preferred supplier arrangements can be used for purchases under \$10,000, on the basis that Queensland Racing Limited’s key principles are satisfied. At least three competitive quotes must be obtained for any purchase of \$10,000 or more.

Delegations

All expenditures for goods and services are to be authorised by a duly delegated officer. These delegations are as follows:

Over \$100,000

- Board of Directors

Up to \$100,000

- Chief Operations Manager

Up to \$10,000

- Director - Integrity Operations
- Finance Manager
- Racing Services Manager
- Accountant

Up to \$2,000

- Business Analyst
- Board Secretary

- Information and Communications Manager
- Licensing and Training Manager
- Chief Steward
- Deputy Chief Steward – Southern Region
- Deputy Chief Steward – Northern Region
- Regional Senior Stewards
- Legal Compliance Counsel/Company Secretary
- Senior Administration Officer

Capitalisation of expenditure

Expenditure on discreetly identifiable plant and equipment items of \$2,000 and above will be capitalised where the future benefit of that expenditure exceeds one year at the time of purchase. All land purchases must be capitalised.

The Chief Operations Manager or Finance Manager may approve the capitalisation of services expenditures of \$2,000 and above where those services have a future benefit exceeding one year. All other service expenditures shall be written off in the financial year the expenditure was incurred.

Compliance with Commonwealth Government GST & Australian Business Number legislation

The Commonwealth Government implementation of GST and Australian Business Number legislation, has given rise to some additional obligations in respect of purchasing. These are as follows:

- Organisations are required to withhold 48.5% of any payment to a supplier of goods or services that does not provide an ABN. In response to this, it is the policy of Queensland Racing Limited that no supplies be purchased from entities that are unable to quote an ABN;
- All suppliers to Queensland Racing Limited are to be advised that they must be able to provide a “Tax Invoice” in the form specified by the GST legislation, to enable Queensland Racing Limited to claim input credits. Under law, the supplier must supply Queensland Racing Limited with a Tax Invoice within 28 days of request. Purchasing officers should not enter into contractual arrangements with suppliers unless satisfied that the supplier will be able to provide a suitable Tax Invoice; and
- When obtaining quotes or prices from potential suppliers, purchasing officers must satisfy themselves that the prices quoted are GST inclusive.

Documentation and the Role of the Finance Department

The Finance Department plays the lead role in ensuring Queensland Racing Limited meets its obligations under the Corporations Act 2001, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC through the development and implementation of appropriate accounting policies and controls.

While the Department will work to ensure operational areas within the organisation are meeting their obligations under the purchasing guidelines, senior managers also have a role to play in monitoring the purchasing activities of their staff.

With regard to documentation, all acquisitions need to be supported by evidence that appropriate purchasing principles and guidelines have been followed. In this regard:

- All purchases for non-continuous supplies must be accompanied by purchase orders that have been signed-off by a duly delegated officer. Additionally, copies of sponsorship agreement proformas must be provided to the Finance Manager on a timely basis; and
- The delegated officer must be satisfied that Queensland Racing Limited's purchasing policy has been adhered to, and that appropriate documentation that supports the six key principles (value for money, open and fair competition etc) has been gathered, and is available for audit scrutiny if required. The managers of organisational areas have responsibility for ensuring supporting documentation is maintained and is accessible.

Enquiries regarding these purchasing principles should be directed to the Chief Operations Manager or Finance Manager.

SPONSORSHIP AGREEMENT

BETWEEN:

(The Sponsor)

AND QUEENSLAND RACING LIMITED, a control body established under the Racing Act 2002 and Corporations Act 2001

(The Sponsored)

WHEREAS The Sponsor has agreed to provide sponsorship in accordance with this agreement.

AND The Sponsored has agreed to provide services in return for the sponsorship.

This Agreement provides:

1. The Sponsor will provide the following sponsorship to the Sponsored:

Details of Sponsorship [If insufficient space annex details]

- Money (here detail the sum of any monies to be paid to the Sponsored)
- Support (here detail all support services including the value thereof to be supplied to the Sponsored)

2. The Sponsored will provide the following services to the Sponsor: [If insufficient space annex details]

- Services (here detail all services including their value to be supplied by the Sponsored in return for the sponsorship)

3. It is hereby acknowledged that:

- (a) The Sponsored will issue a recipient created tax invoice to the Sponsor to meet Goods and Services Tax obligations in relation to the supply of money and for support;
- (b) The Sponsor will issue a recipient created tax invoice to the Sponsored to meet Good and Services Tax obligations in relation to the supply of services.

DATED this _____ day of _____ 20__

SIGNED AS AN AGREEMENT

SPONSOR

Full name of authorised officer

Signature of authorised officer

Signed in the presence of

SPONSORED **QUEENSLAND RACING LIMITED**

Full name of authorised officer

Signature of authorised officer

Signed in the presence of

PURCHASING POLICY

Owner

Finance Department

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	August 2006	First draft (Adam Carter)
1.02	Nov 2006	2nd Draft – QRL changes and delegations
1.03	March 2006	Under Review to be provided to 13 April 2007 Board Meeting



PURCHASING POLICY: QUEENSLAND RACING LIMITED

Introduction

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Policy

These principles have been applied in developing policy for the following key purchasing activities:

- Capital works projects;
- Consulting services;
- Sponsorship contracts;
- Information technology;
- Other capital expenditure; and

- Day to day purchasing of services and supplies.

There is also a focus on using preferred suppliers as explained in this report in further detail. The procurement system should result in the following benefits:

- Reduce operating costs;
- Reduce risk;
- Increase control; and
- Improve cash flow visibility

Capital Works Projects

Queensland Racing Limited plays a major role in the implementation of industry capital works projects each year. Queensland Racing Limited establishes an annual program of capital works, within a specified budget, following consideration of proposals from race clubs and advice from relevant officers within the organisation.

The policy of Queensland Racing Limited, in relation to the implementation of approved projects, is briefly addressed below:

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- After final approval has been given, race clubs will be instructed that they can establish formal contractual arrangements for the construction works, in accordance with the approved budget. In establishing these contracts the club must pay regard to the key purchasing principles contained within this policy. Following establishment of the works contracts, Queensland Racing Limited will make payment of a grant to the club, equivalent to the agreed industry contribution. This grant will represent payment for a taxable supply, and will have GST added; and
- Following completion of the project, the club will provide Queensland Racing Limited with a report, which addresses the outcomes of the project, including cost to budget, quality of product, and timeliness.

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These consultancies vary from short-term "one-off" contracts, to longer-term arrangements, which may encompass a series of different activities (e.g. marketing and promotional work).

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- Prior to such a selection, a competitive process, adhering to the six key purchasing principles of Queensland Racing Limited, to appoint the panel of preferred suppliers must have been undertaken, be appropriately documented, and be signed-off by a delegated officer;
- In selecting the preferred supplier from the panel, the purchasing officer must clearly document the reasons for the selection, and be accountable for that selection. The selection must be approved by a delegated officer; and
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Sponsorship Contracts

Queensland Racing Limited may enter into sponsorship contracts of a cash and exchange-of-goods and/or services (“contra”) nature.

In establishing these contracts, officers must adhere to Queensland Racing Limited’s key purchasing principles, particularly those of “accountability of outcomes”, and “compliance with all taxation requirements”. With these principles in mind, a Sponsorship Agreement pro-forma (refer to Appendix A) is to be prepared for all sponsorship arrangements, regardless of whether they involve a cash payment, or are solely contra in nature.

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All sponsorship agreements are to be authorised by an officer of Queensland Racing Limited with appropriate delegation, and a copy is to be provided to the Finance Section so that Tax Invoices can be prepared, and GST liabilities and credits accounted for.

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Given the advancing nature of IT and the need to upgrade hardware and systems applications on an ongoing basis, it is the policy of Queensland Racing Limited to acquire such items through leasing arrangements. In this regard the following is to apply:

- A tender process, through a preferred supplier arrangement, is to be undertaken for the establishment of a medium to long-term lease contract for the supply of computer equipment, and other general office equipment where appropriate;
- This contract is to be reviewed on an annual basis to ensure the key principles of “value for money” and “quality of service and support” are being satisfied;
- Where a requirement to add items to the schedule covered by the lease has been identified, the purchasing officer must ensure the purchasing principles are adhered to. For items under \$10,000, preferred supplier arrangements can be used. For items \$10,000 or over, three quotes must be obtained. Appropriate documentation to support the purchasing decisions must be maintained at all times; and

The IT Section is also required to develop and maintain an *IT asset replacement strategy*, incorporating a list of all hardware and software under lease (or purchased), and information on the condition and expected useful life of individual items.

Other Capital Expenditure

Motor Vehicles

Queensland Racing Limited maintains a fleet of vehicles provided for both work and private use. These vehicles are to be leased through Q-Fleet or appropriate lease provider under the following arrangements:

- the leasing of a new vehicle must be approved by the Chief Operations Manager or Finance Manager; and
- The type and model of the vehicle, and any optional extras, must be commensurate with the status and nature of the role performed by the officer for which the car is being acquired, and be in accordance with the entitlements the officer has under his/her contract of employment;
- All vehicles are to be replaced after two years, or having travelled 40,000 klms, whichever comes first, unless the Chief Operations Manager or Finance Manager agrees to an extension of the leasing term.

On disposal of company-owned vehicles, three trade-in quotes must be obtained, where possible, with the highest trade-in valuation the key consideration in selecting the successful dealer. Queensland Racing Limited staff may be given the option to purchase the vehicle that is being traded, at no less than \$1 more than the best trade-in valuation. The Chief Operations Manager or the Finance Manager will determine the successful staff bidder in the event of two or more staff bidding for the same vehicle being traded.

Other capital purchases

All other capital purchases (e.g. office machines) made by Queensland Racing Limited are to adhere to the following guidelines:

- The six key purchasing principles outlines above are to be applied at all times;
- For items under \$10,000 in value, preferred supplier arrangements can be used;
- For capital items between \$10,000 and \$100,000, quotes should be called from at least three “preferred” suppliers. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles;
- For capital items over \$100,000, a public tender process is required subject to board approval. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers; and
- For all capital purchases of \$10,000 or more, a lease versus buy analysis is to be undertaken.

Day to day Purchasing of Services and Supplies.

Policy in relation to the day to day purchasing of services and supplies is as follows:

- For items supplied on a continuous basis (e.g. stationery, consumables, printing) preferred supplier arrangements may be used. Purchasing officers must ensure that the key purchasing principles are adhered to, especially “value for money” and “quality of service”;
- In this regard, officers are required to conduct a competitive process for the selection of a panel of preferred suppliers, for continuous supplies, on an annual basis. Documentation must be prepared and maintained in respect of preferred supplier selection, and the subsequent selection of a supplier from the panel for particular purchases;
- However, for any individual supply or service, which would normally form part of a continuous supply by an individual, that is to cost the organisation \$100,000 or more, an open competitive process must be undertaken. That is, any individual supply which is to cost \$100,000 or more, cannot form part of a continuous purchasing contract made under preferred supplier arrangements;
- For non-continuous supplies and services (e.g. “one-off” printing jobs) preferred supplier arrangements can be used for purchases under \$10,000, on the basis that Queensland Racing Limited’s key principles are satisfied. At least three competitive quotes must be obtained for any purchase of \$10,000 or more.

Preferred Suppliers

As much as possible, Queensland Racing should consolidate its suppliers and utilise preferred suppliers for either off-the-shelf goods/services where there are several sources of supply and the purchase is low risk or where there is an established relationship with a proven record of success. The advantages of using preferred suppliers are that it streamlines and simplifies purchasing, reduces administrative costs and promotes cost savings through volume discounts and exclusivity arrangements. Other benefits are that it minimises costs and risk for suppliers through not being required to regularly prepare and submit quotations.

1.1. Indicative Supplier Listing

An indicative listing of preferred suppliers has been identified and is available from Finance - accounts payable through discussions with management. The list should be considered as a first cut as further work will be required to refine this list to ensure that regular purchases are defined by a supplier.

1.2. Selection of Preferred Suppliers

The selection of preferred suppliers should be based on selection criteria that could include:

- Technical capability and experience
- Financial capacity and viability
- System and management responsibility incorporating product and service compliance with agreed industry standards
- People
- Business/organisation factors
- Favourable referee reports (a successful track record to deliver)
- Queensland Racing's 6 key principles:
 1. Value for money;
 2. Quality of product, service, and support;
 3. Open and fair competition;
 4. Accountability of outcomes;
 5. Use of Queensland product where price competitive, and where quality standards are met; and
 6. Suppliers are compliant with all taxation requirements.

ITEM	POSITION					
	Regional Senior Stewards	Managers, Deputy Chief Steward Supervisors	Director of Integrity Operations, Racing Services Manager, Chief Steward, Accountant	Finance Manager	Chief Operations Manager	Board of Directors
Overall Delegation	<\$500	<\$2,000	<\$10,000	<\$10,000	<\$100,000	>\$100,000
Standard Purchase Orders	<\$500 Own Profit Centre Only – budgeted	<\$2,000 Own Profit Centre Only – budgeted	<\$10,000 Own Profit Centre Only - budgeted	To Budget – all profit centres	To Budget	If outside of aggregate annual budget
Emergency Purchase Orders	<\$500	<\$2,000	<\$10,000	To Budget	To Budget	Same as above
Requisition - Miscellaneous Purchases (Credit Cards) (<i>Refer to Expense reimbursement policy for conditions</i>)	x	x	<\$10,000	To Budget	To Budget	Same as above
Petty Cash	<\$100	<\$100	<\$100	<\$300	<\$300	<\$300
Capital Expenditure Purchase Orders and Request Forms	x	x	x	Forecast projects if <\$10,000 or if satisfied COM has previously approved the project	Any single project <\$100,000 where included in approved annual budget	Any single project above \$100,000
Domestic (Interstate) travel	x	x	To budget and advise COM	To budget and advise COM	To budget	If outside of aggregate annual budget
International Travel	x	x	x	x	To Budget	If outside of aggregate annual budget
Official Hospitality	<\$100	<\$100 <\$300 Senior Management Team	<\$300	<\$300 or other functions as approved by COM	To Budget	Yes
Employment of new staff	x	x	Negotiation only if resignation and within same salary range and approval from COM	Employment letters and contracts assuming COM approval	Yes	Yes
Contractual Agreements (All contracts to be reviewed by Legal Compliance)	x	x	<\$10,000 total value (not lease or licence) assuming	Yes with COM assuming COM previously approved and	Yes where value <\$100,000	Yes – subject to Board Agreement

Officer/Company Secretary for updating of Contracts register and asses if any legal advice required)			that authorised to sign in ordinary operations	legally authorised to sign where <\$100,000		
--	--	--	--	---	--	--

The same delegations above apply to the payment of invoices with one exception:

- An invoice can be approved by a person with a lesser delegation provided the original purchase order was approved appropriately and the invoice does not exceed an amount that exceeds 10% of the original purchase order.

It should be noted that as a business rule, staff are not allowed to circumvent their delegation by raising multiple orders to purchase a good or service for an amount that exceeds their delegation limit.

Delegations

All expenditures for goods and services are to be authorised by a duly delegated officer. These delegations are as follows:

Over \$100,000

- Board of Directors

Up to \$100,000

- Chief Operations Manager

Up to \$10,000

- Director - Integrity Operations
- Finance Manager
- Racing Services Manager
- Chief Steward
- Accountant

Up to \$2,000

- Business Analyst
- Board Secretary
- IT and Communication Manager
- Training and Licensing Manager
- Deputy Chief Steward - Queensland
- Legal Compliance Counsel/Company Secretary
- Executive Assistant
- Production Camera Operator/Editor

Up to \$500

- Regional Senior Stewards (Northern Region – Townsville, Senior Steward Capricornia Rockhampton and Steward in Charge Downs - Toowoomba)

Capitalisation of expenditure

Expenditure on discreetly identifiable plant and equipment items of **\$2,000** and above will be capitalised where the future benefit of that expenditure exceeds one year at the time of purchase. All land purchases must be capitalised.

The Chief Operations Manager or Finance Manager may approve the capitalisation of services expenditures of \$2,000 and above where those services have a future benefit exceeding one year. All assets which are <\$2,000 must be expensed in the year of purchase and recorded in the portable and attractive items register. All other service expenditures shall be written off in the financial year the expenditure was incurred.

Compliance with Commonwealth Government GST & Australian Business Number legislation

The Commonwealth Government implementation of GST and Australian Business Number legislation, has given rise to some additional obligations in respect of purchasing. These are as follows:

- Organisations are required to withhold 48.5% of any payment to a supplier of goods or services that does not provide an ABN. In response to this, it is the policy of Queensland Racing Limited that no supplies be purchased from entities that are unable to quote an ABN;
- All suppliers to Queensland Racing Limited are to be advised that they must be able to provide a "Tax Invoice" in the form specified by the GST legislation, to enable Queensland Racing Limited to claim input credits. Under law, the supplier must supply Queensland Racing Limited with a Tax Invoice within 28 days of request. Queensland Racing staff should not enter into contractual arrangements with suppliers unless satisfied that the supplier will be able to provide a suitable Tax Invoice; and
- When obtaining quotes or prices from potential suppliers, purchasing officers must satisfy themselves that the prices quoted are GST inclusive.

Documentation and the Role of the Finance Department

The Finance Department plays the lead role in ensuring Queensland Racing Limited meets its obligations under the Corporations Act 2001, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC through the development and implementation of appropriate accounting policies and controls.

While the Department will work to ensure operational areas within the organisation are meeting their obligations under the purchasing guidelines, senior managers also have a role to play in monitoring the purchasing activities of their staff.

With regard to documentation, all acquisitions need to be supported by evidence that appropriate purchasing principles and guidelines have been followed. In this regard:

- All purchases for non-continuous supplies must be accompanied by purchase orders that have been signed-off by a duly delegated officer. Additionally, copies of sponsorship agreement pro-formas must be provided to the Finance Manager on a timely basis; and
- The delegated officer must be satisfied that Queensland Racing Limited's purchasing policy has been adhered to, and that appropriate documentation that supports the six key principles (value for money, open and fair competition etc) has been gathered, and is available for audit scrutiny if required. The managers of organisational areas have responsibility for ensuring supporting documentation is maintained and is accessible.

Enquiries regarding these purchasing principles should be directed to the Chief Operations Manager or Finance Manager.

Payment Methods

Direct Debit

1.3. Business Condition

Purchases that occur at set times throughout the year for set dollar amounts.

1.4. Business Rule

Invoices for goods or services that fall under this category include:

1. Rentals
2. Leases
3. Superannuation

Payments will be made via direct debit at the time dictated by the invoice.

1.5. Dependencies

Payments must be fixed frequency and price.

Cheque

1.6. Business Condition

One-off purchases that can not be paid through any other alternative option.

1.7. Electronic Funds Transfer (EFT)

All other purchases will be paid by Electronic Funds Transfer (EFT) unless previously authorised by Finance Manager

Payment Summary

A summary of the different methods for paying invoices is provided below:

Payment Types	Business Condition
EFT	Used for standard purchasing from preferred suppliers Used for emergency purchases from preferred supplier in response to an emergency situation
Direct Debit	Used for purchases that occur at set times throughout the year for set dollar amounts
Cheque	Used for miscellaneous purchases on a "case-by-case" basis only
Credit Cards	Used for purchases made with non-preferred suppliers for dollar amounts up to delegated authority.
Petty Cash	Used for miscellaneous purchasing of items with a value of less than \$100 unless authorised by Finance Manager

Summary of Key Controls

As a high level summary, the key controls associated with the procurement system are:

- Only deal with suppliers who have a valid ABN
- Three quotes required for amounts >\$10,000 where a preferred supplier is not used
- Tax invoices to be obtained at all times
- Required signatures for goods received
- Vendor creation, deletion or addition must be performed by the Accounts Payable Officer and the bank account details are required in accordance to the Sun Security matrix to be entered by an accounts receivable officer who does not have the ability to raise purchase orders or make payments in SUN. The change of details form is located.\Accounts Payable\FORMS\Change of Details form.xls
- Invoices are only paid after the prior approval of a purchase order (excluding credit card statement payments and direct debits) and after goods have been received
- Established delegation limits with a 10% tolerance level up to a limit of \$100
- Credit card holders can make transactions greater than their delegation limit provided a purchase requisition with appropriate approval has been obtained first.

In addition to the above, Queensland Racing should perform an annual supplier analysis to review expenditure to determine that value for money is being achieved.

SPONSORSHIP AGREEMENT

BETWEEN:

(The Sponsor)

AND QUEENSLAND RACING LIMITED, a control body established under the Racing Act 2002 and Corporations Act 2001

(The Sponsored)

WHEREAS The Sponsor has agreed to provide sponsorship in accordance with this agreement.

AND The Sponsored has agreed to provide services in return for the sponsorship.

This Agreement provides:

1. The Sponsor will provide the following sponsorship to the Sponsored:
Details of Sponsorship [If insufficient space annex details]
 - Money (here detail the sum of any monies to be paid to the Sponsored)
 - Support (here detail all support services including the value thereof to be supplied to the Sponsored)
2. The Sponsored will provide the following services to the Sponsor: [If insufficient space annex details]
 - Services (here detail all services including their value to be supplied by the Sponsored in return for the sponsorship)
3. It is hereby acknowledged that:
 - (a) The Sponsored will issue a recipient created tax invoice to the Sponsor to meet Goods and Services Tax obligations in relation to the supply of money and for support;
 - (b) The Sponsor will issue a recipient created tax invoice to the Sponsored to meet Good and Services Tax obligations in relation to the supply of services.

DATED this _____ day of _____ 20__

SIGNED AS AN AGREEMENT

SPONSOR

Full name of authorised officer

Signature of authorised officer

Signed in the presence of



SPONSORED

QUEENSLAND RACING LIMITED

Full name of authorised officer

Signature of authorised officer

Signed in the presence of

PURCHASING POLICY

Owner

Finance Department

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	August 2006	First draft (Adam Carter)
1.02	Nov 2006	2nd Draft – QRL changes and delegations
1.03	March 2006	QRL Changes and delegations approved 13 April 2007 Board Meeting (Adam Carter)
1.04	May 2009	Update IPOS (Murray Dyke; reviewed Adam Carter)



PURCHASING POLICY:

QUEENSLAND RACING LIMITED

Introduction

This policy has been prepared to provide guidelines and procedures to be followed by officers of Queensland Racing Limited when undertaking and managing purchasing activities to meet the organisation's operational requirements and also meet the objectives of the policy.

Queensland Racing Limited is the Control Body established by, and obtaining its objects and functions from, the Racing Act 2002 and its Constitution. Queensland Racing Limited is required to conduct its financial activities with probity and accountability, in accordance with the Corporations Act 2001, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC.

Key Principles

In conducting its purchasing activities it is the policy of Queensland Racing Limited to adhere, at all times, to the key principles of:

1. Value for money;
2. Quality of product, service, and support;
3. Open and fair competition;
4. Accountability of outcomes;
5. Use of Queensland product where price competitive, and where quality standards are met; and
6. Suppliers are compliant with all taxation requirements.

Policy

These principles have been applied in developing policy for the following key purchasing activities:

- Capital works projects;
- Consulting services;
- Sponsorship contracts;
- Information technology;
- Other capital expenditure; and

- Day to day purchasing of services and supplies.

There is also a focus on using preferred suppliers as explained in this report in further detail. The procurement system should result in the following benefits:

- Reduce operating costs;
- Reduce risk;
- Increase control; and
- Improve cash flow visibility

Capital Works Projects

Queensland Racing Limited plays a major role in the implementation of industry capital works projects each year. Queensland Racing Limited establishes an annual program of capital works, within a specified budget, following consideration of proposals from race clubs and advice from relevant officers within the organisation.

The policy of Queensland Racing Limited, in relation to the implementation of approved projects, is briefly addressed below:

- Once projects are given preliminary approval through the annual capital budgeting process, race clubs will be required to provide detailed design and costing information, and a project plan, prepared by a suitably qualified and experienced independent consultant. Queensland Racing Limited may, at its discretion, instigate an assessment of this documentation by its own consulting engineers. Any variation to the estimate used in applying for inclusion in the capital works program must be disclosed and explained. Variations of greater than 10% from the preliminary estimate are to be referred back to the Board of Queensland Racing Limited;
- Assuming the project cost following detailed design is contained within 10% of the preliminary estimate, and Queensland Racing Limited is satisfied with the standard of documentation provided, final approval will be given for the project to proceed (Chief Operations Manager or Finance Manager);
- After final approval has been given, race clubs will be instructed that they can establish formal contractual arrangements for the construction works, in accordance with the approved budget. In establishing these contracts the club must pay regard to the key purchasing principles contained within this policy. Following establishment of the works contracts, Queensland Racing Limited will make payment of a grant to the club, equivalent to the agreed industry contribution. This grant will represent payment for a taxable supply, and will have GST added; and
- Following completion of the project, the club will provide Queensland Racing Limited with a report, which addresses the outcomes of the project, including cost to budget, quality of product, and timeliness.

Consulting Services

Queensland Racing Limited uses consulting services in a number of aspects of its operations including legal, information technology, human resource management, financial management, business development, and marketing.

These consultancies vary from short-term “one-off” contracts, to longer-term arrangements, which may encompass a series of different activities (e.g. marketing and promotional work).

For short-term “one-off” contracts the following policy guidelines are to apply:

- The six key purchasing principles outlined above are to be applied at all times;
- For contracts under \$10,000 in value, preferred supplier arrangements* can be used. That is, where a purchasing officer is satisfied that a consultant that has provided a high quality service in the past, has the necessary expertise to undertake the work, and is available in an appropriate timeframe, that

consultant can be appointed without a formal competitive process being undertaken. If such a person is not available, three quotes from prospective consultants should be obtained and evaluated;

(* Please note that where preferred supplier arrangements are referred to later in this document for other categories of purchasing, similar procedures to those above will apply)

- For contracts between \$10,000 and \$100,000, tenders should be called from at least three “preferred” contractors. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles. The evaluation of the proposals should be undertaken by two accountable officers, and be approved by a delegated officer (Chief Operations Manager or Finance Manager);
- For contracts over \$100,000, which previously required an open tender process will in future be subject to Board discretion as to the waiver of an open tender, including appropriate advertising of the consultancy. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers, and be approved by a delegated officer.

For longer-term consultancy arrangements (e.g. the ongoing purchase of external legal services that cannot be delivered in-house), which may involve the use of a preferred supplier or suppliers for a range of individual tasks over an extended period of time, the following guidelines are to be followed:

- The purchasing officer may select a consultant for a range of tasks from a panel of preferred suppliers for the type of work involved;
- Prior to such a selection, a competitive process, adhering to the six key purchasing principles of Queensland Racing Limited, to appoint the panel of preferred suppliers must have been undertaken, be appropriately documented, and be signed-off by a delegated officer;
- In selecting the preferred supplier from the panel, the purchasing officer must clearly document the reasons for the selection, and be accountable for that selection. The selection must be approved by a delegated officer; and
- Individual consultancy contracts over \$100,000 in value are not to be entered into under these preferred supplier arrangements. For such consultancies, which previously required an open tender process will in future be subject to Board discretion as to the waiver of an open tender, as described above, must be followed.

Sponsorship Contracts

Queensland Racing Limited may enter into sponsorship contracts of a cash and exchange-of-goods and/or services (“contra”) nature.

In establishing these contracts, officers must adhere to Queensland Racing Limited’s key purchasing principles, particularly those of “accountability of outcomes”, and “compliance with all taxation requirements”. With these principles in mind, a Sponsorship Agreement pro-forma (refer to Appendix A) is to be prepared for all sponsorship arrangements, regardless of whether they involve a cash payment, or are solely contra in nature.

The sponsorship agreement is to clearly specify the goods and/or services that are to be delivered by both Queensland Racing Limited and the sponsor, and identify the value of these supplies so that GST obligations, including Tax Invoicing, can be satisfied.

All sponsorship agreements are to be authorised by an officer of Queensland Racing Limited with appropriate delegation, and a copy is to be provided to the Finance Section so that Tax Invoices can be prepared, and GST liabilities and credits accounted for.

Information Technology

The acquisition of information technology hardware and software represents a substantial investment of capital by Queensland Racing Limited each year.

Given the advancing nature of IT and the need to upgrade hardware and systems applications on an ongoing basis, it is the policy of Queensland Racing Limited to acquire such items through leasing arrangements. In this regard the following is to apply:

- A tender process, through a preferred supplier arrangement, is to be undertaken for the establishment of a medium to long-term lease contract for the supply of computer equipment, and other general office equipment where appropriate;
- This contract is to be reviewed on an annual basis to ensure the key principles of “value for money” and “quality of service and support” are being satisfied;
- Where a requirement to add items to the schedule covered by the lease has been identified, the purchasing officer must ensure the purchasing principles are adhered to. For items under \$10,000, preferred supplier arrangements can be used. For items \$10,000 or over, three quotes must be obtained. Appropriate documentation to support the purchasing decisions must be maintained at all times; and

The IT Section is also required to develop and maintain an *IT asset replacement strategy*, incorporating a list of all hardware and software under lease (or purchased), and information on the condition and expected useful life of individual items.

Other Capital Expenditure

Motor Vehicles

Queensland Racing Limited maintains a fleet of vehicles provided for both work and private use. These vehicles are to be leased through Q-Fleet or SG Fleet appropriate lease provider under the following arrangements:

- the leasing of a new vehicle must be approved by the Chief Operations Manager or Finance Manager; and
- The type and model of the vehicle, and any optional extras, must be commensurate with the status and nature of the role performed by the officer for which the car is being acquired, and be in accordance with the entitlements the officer has under his/her contract of employment;
- All vehicles are to be replaced after two years, or having travelled 40,000 kms, whichever comes first, unless the Chief Operations Manager or Finance Manager agrees to an extension of the leasing term.

On disposal of company-owned vehicles, three trade-in quotes must be obtained, where possible, with the highest trade-in valuation the key consideration in selecting the successful dealer. Queensland Racing Limited staff may be given the option to purchase the vehicle that is being traded, at no less than \$1 more than the best trade-in valuation. The Chief Operations Manager or the Finance Manager will determine the successful staff bidder in the event of two or more staff bidding for the same vehicle being traded.

Other capital purchases

All other capital purchases (e.g. office machines) made by Queensland Racing Limited are to adhere to the following guidelines:

- The six key purchasing principles outlines above are to be applied at all times;
- For items under \$10,000 in value, preferred supplier arrangements can be used;
- For capital items between \$10,000 and \$100,000, quotes should be called from at least three “preferred” suppliers. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles;
- For capital items over \$100,000, which previously required an open tender process will in future be subject to Board discretion as to the waiver of an open tender. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers; and

- For all capital purchases of \$10,000 or more, a lease versus buy analysis is to be undertaken.

Day to day Purchasing of Services and Supplies.

Policy in relation to the day to day purchasing of services and supplies is as follows:

- For items supplied on a continuous basis (e.g. stationery, consumables, printing) preferred supplier arrangements may be used. Purchasing officers must ensure that the key purchasing principles are adhered to, especially “value for money” and “quality of service”;
- In this regard, officers are required to conduct a competitive process for the selection of a panel of preferred suppliers, for continuous supplies, on an annual basis. Documentation must be prepared and maintained in respect of preferred supplier selection, and the subsequent selection of a supplier from the panel for particular purchases;
- However, for any individual supply or service, which would normally form part of a continuous supply by an individual, that is to cost the organisation \$100,000 or more, an open competitive process must be undertaken. That is, any individual supply which is to cost \$100,000 or more, cannot form part of a continuous purchasing contract made under preferred supplier arrangements;
- For non-continuous supplies and services (e.g. “one-off” printing jobs) preferred supplier arrangements can be used for purchases under \$10,000, on the basis that Queensland Racing Limited’s key principles are satisfied. At least three competitive quotes must be obtained for any purchase of \$10,000 or more.

Preferred Suppliers

As much as possible, Queensland Racing should consolidate its suppliers and utilise preferred suppliers for either off-the-shelf goods/services where there are several sources of supply and the purchase is low risk or where there is an established relationship with a proven record of success. The advantages of using preferred suppliers are that it streamlines and simplifies purchasing, reduces administrative costs and promotes cost savings through volume discounts and exclusivity arrangements. Other benefits are that it minimises costs and risk for suppliers through not being required to regularly prepare and submit quotations.

1.1. Indicative Supplier Listing

An indicative listing of preferred suppliers has been identified and is available from Finance - accounts payable through discussions with management. The list should be considered as a first cut as further work will be required to refine this list to ensure that regular purchases are defined by a supplier.

1.2. Selection of Preferred Suppliers

The selection of preferred suppliers should be based on selection criteria that could include:

- Technical capability and experience
- Financial capacity and viability
- System and management responsibility incorporating product and service compliance with agreed industry standards
- People
- Business/organisation factors
- Favourable referee reports (a successful track record to deliver)
- Queensland Racing's 6 key principles:
 1. Value for money;
 2. Quality of product, service, and support;
 3. Open and fair competition;
 4. Accountability of outcomes;
 5. Use of Queensland product where price competitive, and where quality standards are met; and
 6. Suppliers are compliant with all taxation requirements.

Preferred Suppliers Listing.

G:\Finance\Agreements\Preferred Suppliers Listing.xls {need to list in common drive for all to access as no other departments have access to this folder and you only need 1 sheet not all the support as well as people will get confused I have a fgood example from Deloitte}

ITEM	POSITION					
	Regional Senior Stewards	Managers, Deputy Chief Steward Supervisors	Director of Integrity Operations, Racing Services Manager, Chief Steward, Accountant	Finance Manager	Chief Operations Manager	Board of Directors
Overall Delegation	<\$500	<\$2,000	<\$10,000	<\$10,000	<\$100,000	>\$100,000
Standard Purchase Orders	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS
Emergency Purchase Orders	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS
Requisition - Miscellaneous Purchases (Credit Cards) (<i>Refer to Expense reimbursement policy for conditions</i>)	x	x	<\$10,000	To Budget	To Budget	Same as above
Petty Cash	<\$100	<\$100	<\$100	<\$300	<\$300	<\$300
Capital Expenditure Purchase Orders and Request Forms	x	x	x	Forecast projects if <\$10,000 or if satisfied COM has previously approved the project	Any single project <\$100,000 where included in approved annual budget	Any single project above \$100,000
Domestic (Interstate) travel	x	x	To budget and advise COM	To budget and advise COM	To budget	If outside of aggregate annual budget
International Travel	x	x	x	x	To Budget	If outside of aggregate annual budget
Official Hospitality	<\$100	<\$100 <\$300 Senior Management Team	<\$300	<\$300 or other functions as approved by COM	To Budget	Yes
Employment of new staff	x	x	Negotiation only if resignation and within same salary range and approval from COM	Employment letters and contracts assuming COM approval	Yes	Yes
Contractual Agreements (All contracts to be reviewed by Legal Compliance Officer/Company Secretary for updating of Contracts register and asses if any legal advice required)	x	x	<\$10,000 total value (not lease or licence) assuming that authorised to sign in ordinary	Yes with COM assuming COM previously approved and legally authorised to sign	Yes where value <\$100,000	Yes – subject to Board Agreement

			operations	where <\$100,000		
Execution of Contractual Agreements (All contracts to be reviewed by Legal Compliance Counsel/Company Secretary for updating of Contracts register and asses if any legal advice required)		To be executed by 2 Directors of the Company or a Director and a Company Secretary of the Company (S127 (1) – Corporations Act 2001).				

The same delegations above apply to the payment of invoices with one exception:

- An invoice can be approved by a person with a lesser delegation provided the original purchase order was approved appropriately and the invoice does not exceed an amount that exceeds 10% of the original purchase order.

It should be noted that as a business rule, staff are not allowed to circumvent their delegation by raising multiple orders to purchase a good or service for an amount that exceeds their delegation limit.

Delegations

All expenditures for goods and services are to be authorised by a duly delegated officer. These delegations are as follows:

Over \$100,000

- Board of Directors

Up to \$100,000

- Chief Operations Manager

Up to \$10,000

- Director - Integrity Operations
- Finance Manager
- Racing Services Manager
- Chief Steward
- Accountant

Up to \$2,000

- Business Analyst
- Board Secretary
- IT and Communication Manager
- Training and Licensing Manager
- Deputy Chief Steward - Queensland
- Corporate Counsel/Company Secretary
- Executive Assistant
- Production Camera Operator/Editor

Up to \$500

- Regional Senior Stewards (Northern Region – Townsville, Senior Steward Capricornia Rockhampton and Steward in Charge Downs - Toowoomba)

Capitalisation of expenditure

Expenditure on discreetly identifiable plant and equipment items of **\$2,000** and above will be capitalised where the future benefit of that expenditure exceeds one year at the time of purchase. All land purchases must be capitalised.

The Chief Operations Manager or Finance Manager may approve the capitalisation of services expenditures of \$2,000 and above where those services have a future benefit exceeding one year. All assets which are <\$2,000 must be expensed in the year of purchase and recorded in the portable and attractive items register. All other service expenditures shall be written off in the financial year the expenditure was incurred.

Compliance with Commonwealth Government GST & Australian Business Number legislation

The Commonwealth Government implementation of GST and Australian Business Number legislation, has given rise to some additional obligations in respect of purchasing. These are as follows:

- Organisations are required to withhold 48.5% of any payment to a supplier of goods or services that does not provide an ABN. In response to this, it is the policy of Queensland Racing Limited that no supplies be purchased from entities that are unable to quote an ABN;
- All suppliers to Queensland Racing Limited are to be advised that they must be able to provide a "Tax Invoice" in the form specified by the GST legislation, to enable Queensland Racing Limited to claim input credits. Under law, the supplier must supply Queensland Racing Limited with a Tax Invoice within 28 days of request. Queensland Racing staff should not enter into contractual arrangements with suppliers unless satisfied that the supplier will be able to provide a suitable Tax Invoice; and
- When obtaining quotes or prices from potential suppliers, purchasing officers must satisfy themselves that the prices quoted are GST inclusive.

Documentation and the Role of the Finance Department

The Finance Department plays the lead role in ensuring Queensland Racing Limited meets its obligations under the Corporations Act 2001, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC through the development and implementation of appropriate accounting policies and controls.

While the Department will work to ensure operational areas within the organisation are meeting their obligations under the purchasing guidelines, senior managers also have a role to play in monitoring the purchasing activities of their staff. [As such, senior managers should ensure that all purchases are made based on current contracts or agreements with suppliers. The purchase of goods and services from suppliers based on expired or terminated contracts is prohibited.](#)

With regard to documentation, all acquisitions need to be supported by evidence that appropriate purchasing principles and guidelines have been followed. In this regard:

- [Once a supplier has been engaged to provide a good or service, documentation regarding the tender or decision process must be given to the Finance Department for filing. This documentation must support the decision making process and appropriate purchasing principles;](#)
- All purchases for non-continuous supplies that are not completed through petty cash or credit cards must be completed in IPOS. Additionally, copies of sponsorship agreement pro-formas must be provided to the Finance Manager on a timely basis; and
- The delegated officer must be satisfied that Queensland Racing Limited's purchasing policy has been adhered to, and that appropriate documentation that supports the six key principles (value for money, open and fair competition etc) has been gathered, and is available for audit scrutiny if required. The managers of organisational areas have responsibility for ensuring supporting documentation is maintained and is accessible.

Enquiries regarding these purchasing principles should be directed to the Chief Operations Manager or Finance Manager.

IPOS

IPOS is an online web enable electronic procurement system. It has been custom built to meet QRL and industry needs and greatly enhances QRL's ability to operate in today's modern information driven environment.

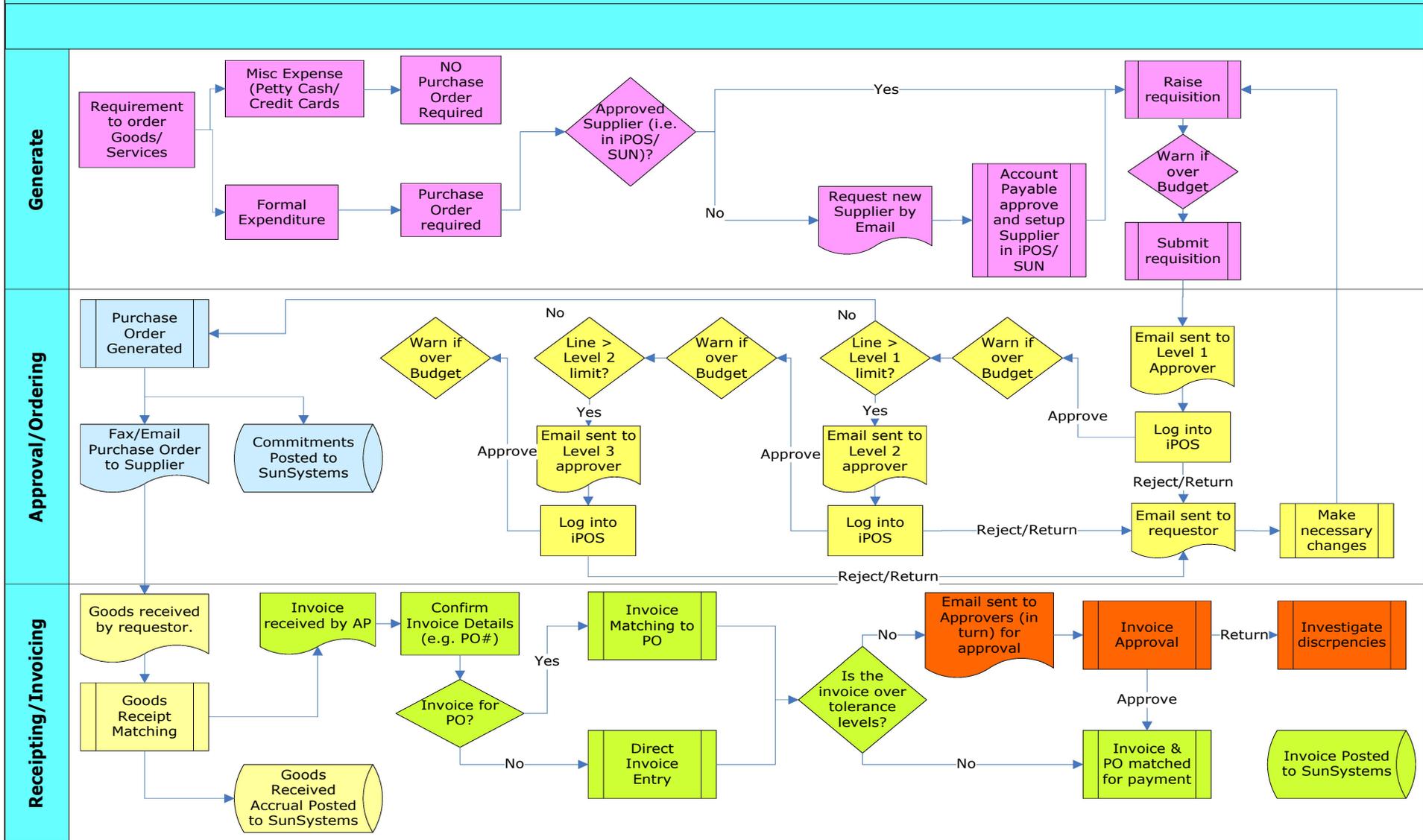
The main objectives of IPOS are:

- To provide the underlying systems to enable the business to obtain tighter budgetary controls, including the recording of committed expenditure,
- To provide managers with the appropriate tools to focus on their individual budgets,
- Implementation of systemic controls over the procure to pay process,
- Improved reporting to the whole business,

- To bring QRL in line with best practice procurement through taking advantage of e-commerce, electronic purchase ordering and scanning.
- Provide more real time reporting with less reliance on accounts payable,
- Introduction of process efficiencies for accounts payable, removing the many manual processes currently in use, such as manual purchase order generation and invoice approvals.
- Ability to interface with supplier ordering systems resulting in less manual entry.

The process map for QRL's procurement process is featured below.

Queensland Racing Limited Purchasing Procedure



The major advantage of IPOS is that it enforces QRL's purchasing policy in an electronic procurement system. All management delegations are enforced at requisition and invoice stage. Separation of duties ensures that only requisitioners can create purchase orders and only management can authorise. From 1 July 2009 where applicable all invoices will only be paid if an IPOS purchase order number is quoted on the invoice. Instances where invoices do not require IPOS purchase orders are Energy, phones, rates and other standard monthly charges.

IPOS Procedures are linked below:

<http://starcraft:8080/finance/Shared%20Documents/Forms/AllItems.aspx>

Payment Methods

Direct Debit

1.3. Business Condition

Purchases that occur at set times throughout the year for set dollar amounts.

1.4. Business Rule

Invoices for goods or services that fall under this category include:

1. Rentals
2. Leases
3. Superannuation

Payments will be made via direct debit at the time dictated by the invoice.

1.5. Dependencies

Payments must be fixed frequency and price.

Cheque

1.6. Business Condition

One-off purchases that can not be paid through any other alternative option.

1.7. Electronic Funds Transfer (EFT)

All other purchases will be paid by Electronic Funds Transfer (EFT) unless previously authorised by Finance Manager

Payment Summary

A summary of the different methods for paying invoices is provided below:

Payment Types	Business Condition
EFT	Used for standard purchasing from preferred suppliers Used for emergency purchases from preferred supplier in response to an emergency situation
Direct Debit	Used for purchases that occur at set times throughout the year for set dollar amounts
Cheque	Used for miscellaneous purchases on a "case-by-case" basis only. To be used only in exceptional circumstances.
Credit Cards	Used for purchases made with non-preferred suppliers for dollar amounts up to delegated authority.
Petty Cash	Used for miscellaneous purchasing of items with a value of less than \$100 unless authorised by Finance Manager

Summary of Key Controls

As a high level summary, the key controls associated with the procurement system are:

- Only deal with suppliers who have a valid ABN
- Three quotes required for amounts >\$10,000 where a preferred supplier is not used
- Tax invoices to be obtained at all times
- Required signatures for goods received
- Vendor creation, deletion or addition must be performed by the Accounts Payable Officer and the bank account details are required in accordance to the Sun Security matrix to be entered by an accounts receivable officer who does not have the ability to raise purchase orders or make payments in SUN. The change of details form is located G:\Finance\FORMS\Accounts Payable\Change of Details form.xls
- Invoices are only paid after the prior approval of a purchase order (excluding credit card statement payments and direct debits) and after goods have been received
- Established delegation limits with a 10% tolerance level up to a limit of \$100
- Credit card holders can make transactions greater than their delegation limit provided a purchase requisition with appropriate approval has been obtained first.

In addition to the above, Queensland Racing should perform an annual supplier analysis to review expenditure to determine that value for money is being achieved.

SPONSORSHIP AGREEMENT

BETWEEN:

(The Sponsor)

AND QUEENSLAND RACING LIMITED, a control body established under the Racing Act 2002 and Corporations Act 2001

(The Sponsored)

WHEREAS The Sponsor has agreed to provide sponsorship in accordance with this agreement.

AND The Sponsored has agreed to provide services in return for the sponsorship.

This Agreement provides:

1. The Sponsor will provide the following sponsorship to the Sponsored:
Details of Sponsorship [If insufficient space annex details]
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2. The Sponsored will provide the following services to the Sponsor: [If insufficient space annex details]
 - Services (here detail all services including their value to be supplied by the Sponsored in return for the sponsorship)
3. It is hereby acknowledged that:
 - (a) The Sponsored will issue a recipient created tax invoice to the Sponsor to meet Goods and Services Tax obligations in relation to the supply of money and for support;
 - (b) The Sponsor will issue a recipient created tax invoice to the Sponsored to meet Good and Services Tax obligations in relation to the supply of services.

DATED this _____ day of _____ 20__

SIGNED AS AN AGREEMENT

SPONSOR

Full name of authorised officer

Signature of authorised officer

Signed in the presence of



SPONSORED

QUEENSLAND RACING LIMITED

Full name of authorised officer

Signature of authorised officer

Signed in the presence of

PURCHASING POLICY

Owner

Finance Department

Stakeholders

Corporate Wide

Revision History

<i>Version</i>	<i>Date</i>	<i>Description of Change</i>
1.01	August 2006	First draft (Adam Carter)
1.02	Nov 2006	2nd Draft – QRL changes and delegations
1.03	March 2006	QRL Changes and delegations approved 13 April 2007 Board Meeting (Adam Carter)
1.04	May 2009	Update IPOS (Murray Dyke; reviewed Adam Carter)



PURCHASING POLICY: QUEENSLAND RACING LIMITED

Introduction

This policy has been prepared to provide guidelines and procedures to be followed by officers of Queensland Racing Limited when undertaking and managing purchasing activities to meet the organisation's operational requirements and also meet the objectives of the policy.

Queensland Racing Limited is the Control Body established by, and obtaining its objects and functions from, the Racing Act 2002 and its Constitution. Queensland Racing Limited is required to conduct its financial activities with probity and accountability, in accordance with the Corporations Act 2001, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC.

Key Principles

In conducting its purchasing activities it is the policy of Queensland Racing Limited to adhere, at all times, to the key principles of:

1. Value for money;
2. Quality of product, service, and support;
3. Open and fair competition;
4. Accountability of outcomes;
5. Use of Queensland product where price competitive, and where quality standards are met; and
6. Suppliers are compliant with all taxation requirements.

Policy

These principles have been applied in developing policy for the following key purchasing activities:

- Capital works projects;
- Consulting services;
- Sponsorship contracts;
- Information technology;
- Other capital expenditure; and

- Day to day purchasing of services and supplies.

There is also a focus on using preferred suppliers as explained in this report in further detail. The procurement system should result in the following benefits:

- Reduce operating costs;
- Reduce risk;
- Increase control; and
- Improve cash flow visibility

Capital Works Projects

Queensland Racing Limited plays a major role in the implementation of industry capital works projects each year. Queensland Racing Limited establishes an annual program of capital works, within a specified budget, following consideration of proposals from race clubs and advice from relevant officers within the organisation.

The policy of Queensland Racing Limited, in relation to the implementation of approved projects, is briefly addressed below:

- Once projects are given preliminary approval through the annual capital budgeting process, race clubs will be required to provide detailed design and costing information, and a project plan, prepared by a suitably qualified and experienced independent consultant. Queensland Racing Limited may, at its discretion, instigate an assessment of this documentation by its own consulting engineers. Any variation to the estimate used in applying for inclusion in the capital works program must be disclosed and explained. Variations of greater than 10% from the preliminary estimate are to be referred back to the Board of Queensland Racing Limited;
- Assuming the project cost following detailed design is contained within 10% of the preliminary estimate, and Queensland Racing Limited is satisfied with the standard of documentation provided, final approval will be given for the project to proceed (Chief Operations Manager or Finance Manager);
- After final approval has been given, race clubs will be instructed that they can establish formal contractual arrangements for the construction works, in accordance with the approved budget. In establishing these contracts the club must pay regard to the key purchasing principles contained within this policy. Following establishment of the works contracts, Queensland Racing Limited will make payment of a grant to the club, equivalent to the agreed industry contribution. This grant will represent payment for a taxable supply, and will have GST added; and
- Following completion of the project, the club will provide Queensland Racing Limited with a report, which addresses the outcomes of the project, including cost to budget, quality of product, and timeliness.

Consulting Services

Queensland Racing Limited uses consulting services in a number of aspects of its operations including legal, information technology, human resource management, financial management, business development, and marketing.

These consultancies vary from short-term “one-off” contracts, to longer-term arrangements, which may encompass a series of different activities (e.g. marketing and promotional work).

For short-term “one-off” contracts the following policy guidelines are to apply:

- The six key purchasing principles outlined above are to be applied at all times;
- For contracts under \$10,000 in value, preferred supplier arrangements* can be used. That is, where a purchasing officer is satisfied that a consultant that has provided a high quality service in the past, has the necessary expertise to undertake the work, and is available in an appropriate timeframe, that

consultant can be appointed without a formal competitive process being undertaken. If such a person is not available, three quotes from prospective consultants should be obtained and evaluated;

(* Please note that where preferred supplier arrangements are referred to later in this document for other categories of purchasing, similar procedures to those above will apply)

- For contracts between \$10,000 and \$100,000, tenders should be called from at least three “preferred” contractors. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles. The evaluation of the proposals should be undertaken by two accountable officers, and be approved by a delegated officer (Chief Operations Manager or Finance Manager);
- For contracts over \$100,000, which previously required an open tender process will in future be subject to Board discretion as to the waiver of an open tender, including appropriate advertising of the consultancy. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers, and be approved by a delegated officer.

For longer-term consultancy arrangements (e.g. the ongoing purchase of external legal services that cannot be delivered in-house), which may involve the use of a preferred supplier or suppliers for a range of individual tasks over an extended period of time, the following guidelines are to be followed:

- The purchasing officer may select a consultant for a range of tasks from a panel of preferred suppliers for the type of work involved;
- Prior to such a selection, a competitive process, adhering to the six key purchasing principles of Queensland Racing Limited, to appoint the panel of preferred suppliers must have been undertaken, be appropriately documented, and be signed-off by a delegated officer;
- In selecting the preferred supplier from the panel, the purchasing officer must clearly document the reasons for the selection, and be accountable for that selection. The selection must be approved by a delegated officer; and
- Individual consultancy contracts over \$100,000 in value are not to be entered into under these preferred supplier arrangements. For such consultancies, which previously required an open tender process will in future be subject to Board discretion as to the waiver of an open tender, as described above, must be followed.

Sponsorship Contracts

Queensland Racing Limited may enter into sponsorship contracts of a cash and exchange-of-goods and/or services (“contra”) nature.

In establishing these contracts, officers must adhere to Queensland Racing Limited’s key purchasing principles, particularly those of “accountability of outcomes”, and “compliance with all taxation requirements”. With these principles in mind, a Sponsorship Agreement pro-forma (refer to Appendix A) is to be prepared for all sponsorship arrangements, regardless of whether they involve a cash payment, or are solely contra in nature.

The sponsorship agreement is to clearly specify the goods and/or services that are to be delivered by both Queensland Racing Limited and the sponsor, and identify the value of these supplies so that GST obligations, including Tax Invoicing, can be satisfied.

All sponsorship agreements are to be authorised by an officer of Queensland Racing Limited with appropriate delegation, and a copy is to be provided to the Finance Section so that Tax Invoices can be prepared, and GST liabilities and credits accounted for.

Information Technology

The acquisition of information technology hardware and software represents a substantial investment of capital by Queensland Racing Limited each year.

Given the advancing nature of IT and the need to upgrade hardware and systems applications on an ongoing basis, it is the policy of Queensland Racing Limited to acquire such items through leasing arrangements. In this regard the following is to apply:

- A tender process, through a preferred supplier arrangement, is to be undertaken for the establishment of a medium to long-term lease contract for the supply of computer equipment, and other general office equipment where appropriate;
- This contract is to be reviewed on an annual basis to ensure the key principles of “value for money” and “quality of service and support” are being satisfied;
- Where a requirement to add items to the schedule covered by the lease has been identified, the purchasing officer must ensure the purchasing principles are adhered to. For items under \$10,000, preferred supplier arrangements can be used. For items \$10,000 or over, three quotes must be obtained. Appropriate documentation to support the purchasing decisions must be maintained at all times; and

The IT Section is also required to develop and maintain an *IT asset replacement strategy*, incorporating a list of all hardware and software under lease (or purchased), and information on the condition and expected useful life of individual items.

Other Capital Expenditure

Motor Vehicles

Queensland Racing Limited maintains a fleet of vehicles provided for both work and private use. These vehicles are to be leased through Q-Fleet or SG Fleet appropriate lease provider under the following arrangements:

- the leasing of a new vehicle must be approved by the Chief Operations Manager or Finance Manager; and
- The type and model of the vehicle, and any optional extras, must be commensurate with the status and nature of the role performed by the officer for which the car is being acquired, and be in accordance with the entitlements the officer has under his/her contract of employment;
- All vehicles are to be replaced after two years, or having travelled 40,000 kms, whichever comes first, unless the Chief Operations Manager or Finance Manager agrees to an extension of the leasing term.

On disposal of company-owned vehicles, three trade-in quotes must be obtained, where possible, with the highest trade-in valuation the key consideration in selecting the successful dealer. Queensland Racing Limited staff may be given the option to purchase the vehicle that is being traded, at no less than \$1 more than the best trade-in valuation. The Chief Operations Manager or the Finance Manager will determine the successful staff bidder in the event of two or more staff bidding for the same vehicle being traded.

Other capital purchases

All other capital purchases (e.g. office machines) made by Queensland Racing Limited are to adhere to the following guidelines:

- The six key purchasing principles outlines above are to be applied at all times;
- For items under \$10,000 in value, preferred supplier arrangements can be used;
- For capital items between \$10,000 and \$100,000, quotes should be called from at least three “preferred” suppliers. The selection of these three preferred suppliers, and subsequent evaluation of their proposals, should take into account the six key purchasing principles;
- For capital items over \$100,000, which previously required an open tender process will in future be subject to Board discretion as to the waiver of an open tender. Tenders are to be evaluated, in accordance with the six key purchasing principles, by a panel of no less than two accountable officers; and

- For all capital purchases of \$10,000 or more, a lease versus buy analysis is to be undertaken.

Day to day Purchasing of Services and Supplies.

Policy in relation to the day to day purchasing of services and supplies is as follows:

- For items supplied on a continuous basis (e.g. stationery, consumables, printing) preferred supplier arrangements may be used. Purchasing officers must ensure that the key purchasing principles are adhered to, especially “value for money” and “quality of service”;
- In this regard, officers are required to conduct a competitive process for the selection of a panel of preferred suppliers, for continuous supplies, on an annual basis. Documentation must be prepared and maintained in respect of preferred supplier selection, and the subsequent selection of a supplier from the panel for particular purchases;
- However, for any individual supply or service, which would normally form part of a continuous supply by an individual, that is to cost the organisation \$100,000 or more, an open competitive process must be undertaken. That is, any individual supply which is to cost \$100,000 or more, cannot form part of a continuous purchasing contract made under preferred supplier arrangements;
- For non-continuous supplies and services (e.g. “one-off” printing jobs) preferred supplier arrangements can be used for purchases under \$10,000, on the basis that Queensland Racing Limited’s key principles are satisfied. At least three competitive quotes must be obtained for any purchase of \$10,000 or more.

Preferred Suppliers

As much as possible, Queensland Racing should consolidate its suppliers and utilise preferred suppliers for either off-the-shelf goods/services where there are several sources of supply and the purchase is low risk or where there is an established relationship with a proven record of success. The advantages of using preferred suppliers are that it streamlines and simplifies purchasing, reduces administrative costs and promotes cost savings through volume discounts and exclusivity arrangements. Other benefits are that it minimises costs and risk for suppliers through not being required to regularly prepare and submit quotations.

1.1. Indicative Supplier Listing

An indicative listing of preferred suppliers has been identified and is available from Finance - accounts payable through discussions with management. The list should be considered as a first cut as further work will be required to refine this list to ensure that regular purchases are defined by a supplier.

1.2. Selection of Preferred Suppliers

The selection of preferred suppliers should be based on selection criteria that could include:

- Technical capability and experience
- Financial capacity and viability
- System and management responsibility incorporating product and service compliance with agreed industry standards
- People
- Business/organisation factors
- Favourable referee reports (a successful track record to deliver)
- Queensland Racing's 6 key principles:
 1. Value for money;
 2. Quality of product, service, and support;
 3. Open and fair competition;
 4. Accountability of outcomes;
 5. Use of Queensland product where price competitive, and where quality standards are met; and
 6. Suppliers are compliant with all taxation requirements.

Preferred Suppliers Listing.

G:\Finance\Agreements\Preferred Suppliers Listing.xls

ITEM	POSITION					
	Regional Senior Stewards	Managers, Deputy Chief Steward Supervisors	Director of Integrity Operations, Racing Services Manager, Chief Steward, Accountant	Finance Manager	Chief Operations Manager	Board of Directors
Overall Delegation	<\$500	<\$2,000	<\$10,000	<\$10,000	<\$100,000	>\$100,000
Standard Purchase Orders	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS
Emergency Purchase Orders	IPOS	IPOS	IPOS	IPOS	IPOS	IPOS
Requisition - Miscellaneous Purchases (Credit Cards) (<i>Refer to Expense reimbursement policy for conditions</i>)	x	x	<\$10,000	To Budget	To Budget	Same as above
Petty Cash	<\$100	<\$100	<\$100	<\$300	<\$300	<\$300
Capital Expenditure Purchase Orders and Request Forms	x	x	x	Forecast projects if <\$10,000 or if satisfied COM has previously approved the project	Any single project <\$100,000 where included in approved annual budget	Any single project above \$100,000
Domestic (Interstate) travel	x	x	To budget and advise COM	To budget and advise COM	To budget	If outside of aggregate annual budget
International Travel	x	x	x	x	To Budget	If outside of aggregate annual budget
Official Hospitality	<\$100	<\$100 <\$300 Senior Management Team	<\$300	<\$300 or other functions as approved by COM	To Budget	Yes
Employment of new staff	x	x	Negotiation only if resignation and within same salary range and approval from COM	Employment letters and contracts assuming COM approval	Yes	Yes
Contractual Agreements (All contracts to be reviewed by Legal Compliance Officer/Company Secretary for updating of Contracts register and asses if any legal advice required)	x	x	<\$10,000 total value (not lease or licence) assuming that authorised to sign in ordinary operations	Yes with COM assuming COM previously approved and legally authorised to sign where <\$100,000	Yes where value <\$100,000	Yes – subject to Board Agreement

<p>Execution of Contractual Agreements (All contracts to be reviewed by Legal Compliance Counsel/Company Secretary for updating of Contracts register and asses if any legal advice required)</p>	<p>To be executed by 2 Directors of the Company or a Director and a Company Secretary of the Company (S127 (1) – Corporations Act 2001).</p>
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The same delegations above apply to the payment of invoices with one exception:

- An invoice can be approved by a person with a lesser delegation provided the original purchase order was approved appropriately and the invoice does not exceed an amount that exceeds 10% of the original purchase order.

It should be noted that as a business rule, staff are not allowed to circumvent their delegation by raising multiple orders to purchase a good or service for an amount that exceeds their delegation limit.

Delegations

All expenditures for goods and services are to be authorised by a duly delegated officer. These delegations are as follows:

Over \$100,000

- Board of Directors

Up to \$100,000

- Chief Operations Manager

Up to \$10,000

- Director - Integrity Operations
- Finance Manager
- Racing Services Manager
- Chief Steward
- Accountant

Up to \$2,000

- Business Analyst
- Board Secretary
- IT and Communication Manager
- Training and Licensing Manager
- Deputy Chief Steward - Queensland
- Corporate Counsel/Company Secretary
- Executive Assistant
- Production Camera Operator/Editor

Up to \$500

- Regional Senior Stewards (Northern Region – Townsville, Senior Steward Capricornia Rockhampton and Steward in Charge Downs - Toowoomba)

Capitalisation of expenditure

Expenditure on discreetly identifiable plant and equipment items of **\$2,000** and above will be capitalised where the future benefit of that expenditure exceeds one year at the time of purchase. All land purchases must be capitalised.

The Chief Operations Manager or Finance Manager may approve the capitalisation of services expenditures of \$2,000 and above where those services have a future benefit exceeding one year. All assets which are <\$2,000 must be expensed in the year of purchase and recorded in the portable and attractive items register. All other service expenditures shall be written off in the financial year the expenditure was incurred.

Compliance with Commonwealth Government GST & Australian Business Number legislation

The Commonwealth Government implementation of GST and Australian Business Number legislation, has given rise to some additional obligations in respect of purchasing. These are as follows:

- Organisations are required to withhold 48.5% of any payment to a supplier of goods or services that does not provide an ABN. In response to this, it is the policy of Queensland Racing Limited that no supplies be purchased from entities that are unable to quote an ABN;
- All suppliers to Queensland Racing Limited are to be advised that they must be able to provide a "Tax Invoice" in the form specified by the GST legislation, to enable Queensland Racing Limited to claim input credits. Under law, the supplier must supply Queensland Racing Limited with a Tax Invoice within 28 days of request. Queensland Racing staff should not enter into contractual arrangements with suppliers unless satisfied that the supplier will be able to provide a suitable Tax Invoice; and
- When obtaining quotes or prices from potential suppliers, purchasing officers must satisfy themselves that the prices quoted are GST inclusive.

Documentation and the Role of the Finance Department

The Finance Department plays the lead role in ensuring Queensland Racing Limited meets its obligations under the Corporations Act 2001, Australian Accounting Standards and Australian Equivalent to International Financial Reporting Standards A-IFRS and Australian Securities and Investment Commission- ASIC through the development and implementation of appropriate accounting policies and controls.

While the Department will work to ensure operational areas within the organisation are meeting their obligations under the purchasing guidelines, senior managers also have a role to play in monitoring the purchasing activities of their staff.

With regard to documentation, all acquisitions need to be supported by evidence that appropriate purchasing principles and guidelines have been followed. In this regard:

- All purchases for non-continuous supplies that are not completed through petty cash or credit cards must be completed in IPOS. Additionally, copies of sponsorship agreement pro-formas must be provided to the Finance Manager on a timely basis; and
- The delegated officer must be satisfied that Queensland Racing Limited's purchasing policy has been adhered to, and that appropriate documentation that supports the six key principles (value for money, open and fair competition etc) has been gathered, and is available for audit scrutiny if required. The managers of organisational areas have responsibility for ensuring supporting documentation is maintained and is accessible.

Enquiries regarding these purchasing principles should be directed to the Chief Operations Manager or Finance Manager.

IPOS

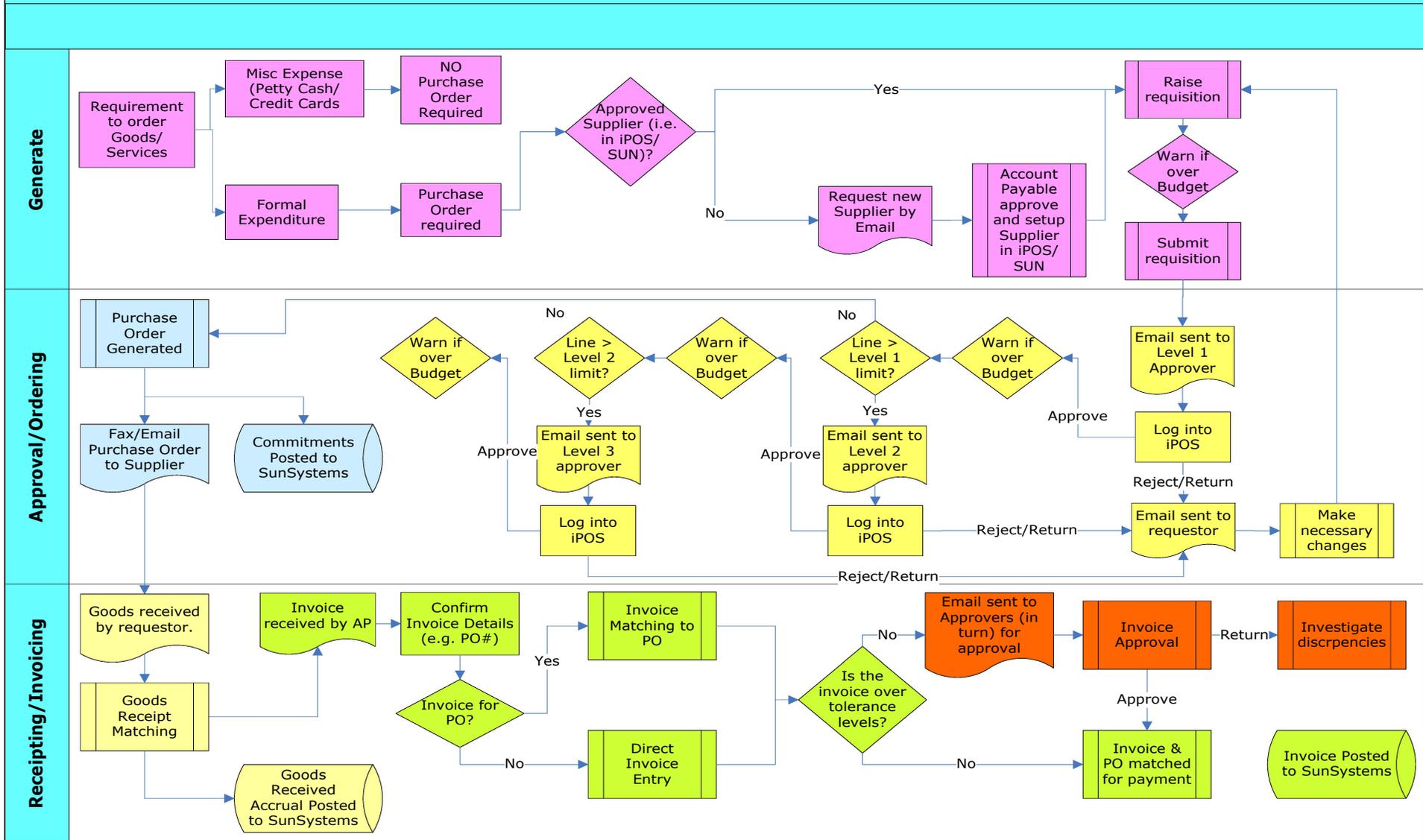
IPOS is an online web enable electronic procurement system. It has been custom built to meet QRL and industry needs and greatly enhances QRL's ability to operate in today's modern information driven environment.

The main objectives of IPOS are:

- To provide the underlying systems to enable the business to obtain tighter budgetary controls, including the recording of committed expenditure,
- To provide managers with the appropriate tools to focus on their individual budgets,
- Implementation of systemic controls over the procure to pay process,
- Improved reporting to the whole business,
- To bring QRL in line with best practice procurement through taking advantage of e-commerce, electronic purchase ordering and scanning.
- Provide more real time reporting with less reliance on accounts payable,
- Introduction of process efficiencies for accounts payable, removing the many manual processes currently in use, such as manual purchase order generation and invoice approvals.
- Ability to interface with supplier ordering systems resulting in less manual entry.

The process map for QRL's procurement process is featured below.

Queensland Racing Limited Purchasing Procedure



The major advantage of IPOS is that it enforces QRL's purchasing policy in an electronic procurement system. All management delegations are enforced at requisition and invoice stage. Separation of duties ensures that only requisitioners can create purchase orders and only management can authorise. From 1 July 2009 where applicable all invoices will only be paid if an IPOS purchase order number is quoted on the invoice. Instances where invoices do not require IPOS purchase orders are Energy, phones, rates and other standard monthly charges.

IPOS Procedures are linked below:

<http://starcraft:8080/finance/Shared%20Documents/Forms/AllItems.aspx>

Payment Methods

Direct Debit

1.3. Business Condition

Purchases that occur at set times throughout the year for set dollar amounts.

1.4. Business Rule

Invoices for goods or services that fall under this category include:

1. Rentals
2. Leases
3. Superannuation

Payments will be made via direct debit at the time dictated by the invoice.

1.5. Dependencies

Payments must be fixed frequency and price.

Cheque

1.6. Business Condition

One-off purchases that can not be paid through any other alternative option.

1.7. Electronic Funds Transfer (EFT)

All other purchases will be paid by Electronic Funds Transfer (EFT) unless previously authorised by Finance Manager

Payment Summary

A summary of the different methods for paying invoices is provided below:

Payment Types	Business Condition
EFT	Used for standard purchasing from preferred suppliers Used for emergency purchases from preferred supplier in response to an emergency situation
Direct Debit	Used for purchases that occur at set times throughout the year for set dollar amounts
Cheque	Used for miscellaneous purchases on a "case-by-case" basis only. To be used only in exceptional circumstances.
Credit Cards	Used for purchases made with non-preferred suppliers for dollar amounts up to delegated authority.
Petty Cash	Used for miscellaneous purchasing of items with a value of less than \$100 unless authorised by Finance Manager

Summary of Key Controls

As a high level summary, the key controls associated with the procurement system are:

- Only deal with suppliers who have a valid ABN
- Three quotes required for amounts >\$10,000 where a preferred supplier is not used
- Tax invoices to be obtained at all times
- Required signatures for goods received
- Vendor creation, deletion or addition must be performed by the Accounts Payable Officer and the bank account details are required in accordance to the Sun Security matrix to be entered by an accounts receivable officer who does not have the ability to raise purchase orders or make payments in SUN. The change of details form is located G:\Finance\FORMS\Accounts Payable\Change of Details form.xls
- Invoices are only paid after the prior approval of a purchase order (excluding credit card statement payments and direct debits) and after goods have been received
- Established delegation limits with a 10% tolerance level up to a limit of \$100
- Credit card holders can make transactions greater than their delegation limit provided a purchase requisition with appropriate approval has been obtained first.

In addition to the above, Queensland Racing should perform an annual supplier analysis to review expenditure to determine that value for money is being achieved.

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This Agreement provides:

1. The Sponsor will provide the following sponsorship to the Sponsored:
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 - Money (here detail the sum of any monies to be paid to the Sponsored)
 - Support (here detail all support services including the value thereof to be supplied to the Sponsored)
2. The Sponsored will provide the following services to the Sponsor: [If insufficient space annex details]
 - Services (here detail all services including their value to be supplied by the Sponsored in return for the sponsorship)
3. It is hereby acknowledged that:
 - (a) The Sponsored will issue a recipient created tax invoice to the Sponsor to meet Goods and Services Tax obligations in relation to the supply of money and for support;
 - (b) The Sponsor will issue a recipient created tax invoice to the Sponsored to meet Good and Services Tax obligations in relation to the supply of services.

DATED this _____ day of _____ 20__

SIGNED AS AN AGREEMENT

SPONSOR

Full name of authorised officer

Signature of authorised officer

Signed in the presence of



SPONSORED

QUEENSLAND RACING LIMITED

Full name of authorised officer

Signature of authorised officer

Signed in the presence of



Friday, 6 May 2011

Board Room, Racing Queensland
Racecourse Road, Deagon



Meeting Commenced at 9:12am
Meeting Concluded at 2:20pm

Board Directors Present:	Bob Bentley Tony Hanmer Bob Lette Bill Ludwig Wayne Milner Bradley Ryan	- <i>Chairman</i> - <i>Deputy Chairman</i>
In attendance:	Malcolm Tuttle Adam Carter Jamie Orchard Paul Brennan Damien Raedler David Rowan Peter Smith Ron Mathofer Sharon Drew Blair Odgers	- <i>Chief Executive Officer</i> - <i>Chief Financial Officer</i> - <i>Director, Integrity Operations</i> - <i>Director, Product Development</i> - <i>Harness/Greyhound Manager</i> - <i>IT & Communications Manager</i> - <i>Licensing & Training Manager</i> - <i>Business Analyst</i> - <i>Management Accountant</i> - <i>Marketing Manager</i>
In attendance for Item 3.1:	Mark Snowden	- <i>The Mannix Group Pty Ltd</i>
Minutes:	Debbie Toohey	- <i>Board Secretary</i>

The Chairman opened the Meeting at 9:12am.

1.1 Apologies

Nil.

1.2 Declaration of Conflicts of Interest

The Board **NOTED** Attachment "A".

1.3 Confirmation of Minutes of RQL Board meeting of 21 March 2011 & 31 March 2011

The Board **RESOLVED** that the RQL Board Meeting Minutes of 21 March 2011 and 31 March 2011 be received and confirmed.

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

Motion carried

1.4 Action Sheet

The Board **NOTED** the action sheet.

1.5 Media Releases / Correspondence / Matters for Noting

The Board **NOTED** the following correspondence/matters for noting:

Letters

- RQL letter to Glen Prentice – Qld Jockeys' Association 13 April 2011

Media Releases

- Jockey Riding Fee Increase confirmed 14 April 2011
- Capalaba Greyhound Club Licence Suspended 28 March 2011
- Bundaberg Race Club Licence Suspended 28 March 2011

The above correspondence was **NOTED** by the Board.

1.6 Confirmation of Flying Minute

The Board **NOTED** the following Flying Minutes:

- Resolution to approve capital expenditure request from the Brisbane Racing Club
21 December 2010
- Resolution to approve \$1.55M Industry Relief Package to assist with the catastrophic floods
5 January 2011

BRC Development

Mr Lette declared a conflict of interest as a Director of Watpac Limited and retired from the meeting at 9:15am

Mr Snowdon joined the meeting at 9:15am.

Mr Snowdon updated the Board in relation to the numerous documents that Mr Kevin Dixon of the BRC provided to RQL concerning their Master Plan Development at the meeting held at the offices of RQL on 3 May 2011.

Mr Snowdon was asked by RQL to review these documents as part of the due diligence of the proposed development so that RQL may prepare a recommendation to the Minister for the Minister's approval and any other further actions that RQL may need to take.

Mr Snowdon indicated that there was a lot of information contained in the previous agreement that is not contained in the new agreement. Mr Snowdon noted that the funding put in place for the tunneling is not in the new agreement. RQL will need to contact BRC concerning this.

Mr Wayne Milner expressed a concern that he considered that there were other documents in writing that had not been disclosed and to this date the documents presented did not detail the feasibility or profitability of the master plan.

Mr Malcolm Tuttle expressed concern that there was no overall feasibility of financial outcomes. Mr Snowdon confirmed that the success fee in the documents presented was fair and reasonable, however, in his opinion still short of detail.

Mr Snowdon informed the Board that no feasibility has been done since 2008. Mr Tuttle suggested to the Board that RQL commission Mr Snowdon to look at the feasibility outcome of the BRC master plan.

Mr Milner was worried that the BRC had not sought approval of the RQL Board. Ms Shara Murray to advise the Board if the BRC is in breach of Policies or the Racing Act at this stage, subject to the meeting that was held on Tuesday, 3 May 2011.

Mr Bill Ludwig expressed concern that the premise on which the plan is based is severely compromised by the lack of continuity of club board members being subject to the changes of support by members.

Mr Bradley Ryan expressed concern following a discussion with Mr Snowdon that the BRC have moved away from the total concept plan and are seeking subdivision of the BRC real estate to exclude parcels of land from the total racecourse holding thus not being captured by the Act. Mr Snowdon said that this may very well be true and would put any dealings with this land by the BRC out of the jurisdiction of the Government and RQL.

The Chairman advised if this course of subdivision action is being taken then this case is similar to the Gold Coast Turf Club who recently put up for sale a block of land that was excluded from the Act as it was surplus to racecourse land and under a separate title.

Mr Snowdon and Mr Tuttle to have carriage of the following actions:

1. RQL to request confirmation from BRC that no other agreements exist between BRC and Watpac or any associated entities.
2. RQL to seek legal advice in relation to the formal termination of any or all previous agreements between BRC and Watpac.
3. RQL to undertake a feasibility of the BRC development based on the development parameters contained in the Preliminary Application lodged with council 1st April 2011.
4. RQL to ascertain if Ministers approval should have been sought prior to entering into any development agreement by BRC with Watpac.
5. RQL to ascertain if the approval of the Preliminary Application and associated reconfiguration of the lots (subdivision) removes the non-core land from the control of the Racing Act as it will no longer form part of the land used for racing purposes.

The results and outcomes of these actions to be reported back to the board of RQL via a flying minute.

The above action was **AGREED** by the Board.

Mr Lette returned to the meeting at 9:33am.

Infrastructure Plan

The Chairman tabled to the Board an amended Industry Infrastructure Plan.

The Chairman discussed the plan with Board Members and advised that he had requested the State Government to extend the wagering tax redirection a further 2 years making a total of 6 years. The amended plan will be submitted within 7 days and any comments from Board Members prior to lodgment will be considered, and if necessary amendments can be made.

In relation to the Finance application to Government, Mr Ryan and Mr Lette to be consulted on how the loan will be expensed in the RQL financial accounts. Mr Ryan suggested that it would be advantageous that a loan from the Government could be structured in a way as the tax redirection repayments could be accounted for as a "forgiveness loan".

The Board **APPROVED** the amended tabled Infrastructure Plan and noted board members had 7 days to discuss any amendments with the Chairman.

NRL Bid – Albion Park

The Chairman requested that this is to be **strictly confidential**.

Mr Snowdon was asked to give the Board a brief on his talks with a potential new tenant at Albion Park – this being the new NRL football consortium team for Brisbane bidding for the second license.

The initial discussions highlight:

- Direct comparison setup to what the Broncos have presently at Red Hill
- Games would be played at Suncorp
- 99 year lease at \$1 per year
- The grandstand will become a leagues club
- RQL would pay for the construction of the playing fields at approx. \$2.4m, and eventually donating the land to council for the cost of the construction of the playing fields.
- The granting of this franchise and the subsequent tenant is of major advantage to the project that it adds values for buildings that would be demolished and overcomes any perception of lack of green space.
- The consortium is very confident in getting one license

The consortium has informed Mr Snowdon that they would like to make the official announcement on the Channel 9 Footy Show on 16 June 2011 announcing the new team name and the location of the team. The Chairman advised Mr Snowdon that the announcement of this submission should be held as long as possible and any dealings or announcements should make it clear that nothing can be signed or progressed until the court case currently before the Supreme Court is resolved.

Mr Snowdon has requested Board approval for the project to proceed to Heads of Agreement with the NRL consortium, subject to full disclosure to the purchaser and subject to the positive outcome of the Supreme Court action.

- The Board approved that the project proceed to a Heads of Agreement, subject to disclosure as outlined.

- The Board requested that Mr Snowdon compile a report to be sent to Mike Kelly at the Office of Racing outlining the Board discussions.

Mr Lette abstained from voting on this matter.

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

Motion carried

Mr Snowdon left the meeting at 10:30am.

2.1 Chief Executive Officer Report

Future Product Fee Negotiations

Mr Malcolm Tuttle said that this item was included in the Agenda for the Board to start to consider the future of the Industry funding as we approach 2014 as it was the utmost importance seeing that the wagering program is far different from the time of negotiating the original Product and Programme Agreement.

The Chairman declared a conflict of interest and advised that he would leave the meeting.

Queensland Occupational Health and Safety Issues (Jockey's Association)

Mr Tuttle tabled correspondence received from Mr Kevin Ring, the Australian Jockey's Association National Occupational, Health and Safety Officer in relation to a survey that was conducted on their website Australia wide on all racing precincts. Mr Tuttle advised that he was due to have a meeting next week with Mr Ring and that RQL has issues with the lack of information and Mr Ring's decision to conduct this survey without first advising RQL.

The Board noted the issues identified and Mr Tuttle undertook to advise Mr Ring that these issues in the first instance should be addressed with the Clubs concerned, not RQL.

Country Racing Report

The Chairman advised that the report tabled "Country Racing – (The Future)" was for Board information and was to remain confidential at this stage. Future discussion papers on country Racing will be provided to the Board prior to December 2011.

The Board needs to be in position to fully understand the cost of country racing and the long term affordability, as the current level of support for this non revenue producing racing, was unsustainable.

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

2.2 Legal & Compliance

Amendment – Local Rules of Racing

~~LR.3A prescribed RQL authority to set, pay and deduct fees for all person/s and Clubs was not included in the previous amendments.~~

It is recommended that the Board resolve to include the following local rule as LR.71B:

LR.71B. Financial Systems and Administration

1. *The Principal Racing Authority may establish a system or systems for the payment of all prizes, rebates, subsidies or similar sums to persons and/or clubs entitled thereto.*
2. *All prizes including prizemoney and breeding incentive bonus schemes, rebates, subsidies or similar sums are set at the discretion of the Principal Racing Authority.*
3. *As part of such system or systems the Principal Racing Authority may deduct from sums payable under (2) all nomination, acceptance and scratching fees, forfeits, fines or other sums that are due and payable to the Principal Racing Authority.*
4. *The terms of credit and amounts due and payable for each person and Club are governed by the Principal Racing Authorities Credit Policy.*
5. *Where the Principal Racing Authority establishes a system or systems in accordance with this Rule all persons and Clubs subject to the Rules of Racing shall comply with such conditions and requirements as specified by the Principal Racing Authority to support such system or systems.*

The Board **RESOLVED** to include the above rule in the Rules of Racing from 1 July 2010.

External Legal Advice

The Chairman's perceived conflict

The Board expressed concern over the constant and continuing reference to the Chairman's "perceived conflict" for holding positions on RQL and Tatts Group.

Mr Hanmer informed the Board that this had been investigated by ASIC, the CMC, the ACCC and the gaming regulators of 3 states, as well as a barrister's opinion in the early part of the Board's tenure.

Mr Milner suggested that the Board put the matter to rest by obtaining an opinion from a prominent QC instructed by Cooper Grace Ward Lawyers on the Chairman's position and the relevant Sky Channel negotiations.

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

Motion carried

Post 2012 Election

The Chairman expressed the need to have the Boards actual position clarified post the 2012 election should there be a change in Government. This has been the subject constant reference by the oppositions, Mr Ray Stevens that under an LNP government the 3 codes will be returned to operation under separate silos.

The Chairman suggested the Board Members needed to know their legal position and the position of RQL. RQL is a company subject to the Corporations Act 2001(Cth) and it is essential that Directors know their legal obligations.

Board Members agreed, with the Chairman's assessment, that the Chair brief Clayton Utz Solicitors and in particular, Mr Barry Dunphy, previously Crown Law, on the company and the Board Members situation, should a change of Government occur.

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

Motion carried

The Board **NOTED** all other items in the Legal and Compliance Report.

2.3 Finance Report

Mr Adam Carter updated the Board in relation to the management accounts for the month ended 31 March 2011.

Key highlights for YTD March 2011:

- Revenue down \$9.4M or 8% on budget and down \$6.1M (5%) on prior year.
- Product and Program Fee 3% down on budget YTD.
- Race Information Fees (RIF) are \$4.8M below budget YTD.
- Venue Income – Reduction of stable rent against budget of \$47K. This was a result of reduced or free rent during the floods. Rental income from Albion Park has also decreased by \$73K YTD.
- Expenditure down \$6.3M (6%) on budget and down \$450K (0.4% on prior year.
- Prizemoney is \$6M below budget YTD. This is a result of unexpended prizemoney of \$3.9M on thoroughbred races, \$656K on harness races and \$259K on greyhound races. Unpredictable weather across Queensland has resulted in 52 race meetings being abandoned for the YTD.

The Board **NOTED** the Finance Report for March 2011.

Mr Carter tabled the Draft Budget FY12 for discussion and consideration by the Board and advised that he will be meeting managers next week to discuss their individual unit budgets and the reporting format that will be required. The Chairman advised that the unit Managers need to take ownership and work within the financial constraints within their budgets.

Mr Carter advised the Board that he would present the final budget at 7 June 2011 Board meeting.

2.4 Product Development Report

Mr Paul Brennan and Mr Damian Raedler updated the Board in relation to the Prizemoney Budget. A copy of the 2011/12 Prizemoney Schedules and Budgets were tabled to the Board.

Mr Paul Brennan, Product Development Manager gave the Board the presentation on the Prizemoney Budget for all codes. The presentation included the following:

A draft 2011/12 prizemoney budget was presented for the consideration of the Board.

The Board agreed that it was not positioned to increased minimum prizemoney levels at thoroughbred meetings and that the minimum levels be maintained as per 2010/11, as presented by the Product Development Department. This budget included an increase of \$1,451,500 at TAB and Non-TAB thoroughbred meetings due to an increase from 51 Saturday's in 2010/11 to 53 in 2011/12, and a previously approved increase to minimum Black Type prizemoney levels of \$220,000.

A concern was raised regarding the considerable investment in the QTIS and QTIS 600 schemes with forecast expenditure in 2011/12 budgeted at \$7.886M, some 9.3% of the overall thoroughbred budget. Although it was not possible to alter this funding stream in the 2011/12 budget due to previous commitments, it was agreed that a thorough review should be undertaken of both schemes in the near future to enable any changes to be advertised prior to the 2012 yearling sales. It was suggested that any savings generated through amendments to the QTIS and QTIS 600 scheme could be directed to base prizemoney levels in future budgets.

The Board was advised that due to a misallocation of the drivers fees, the previously advertised base prizemoney levels at Metropolitan meetings from 1 July 2011, were not sustainable within the budget. It was agreed that these would need to be reduced as follows – one race at \$14,000 not \$15,000 and seven races at \$11,000 not \$12,000. It was agreed that the remaining tiers would be maintained at the previously advertised levels of \$6,000, \$5,000, \$4,000, \$3,001 and \$1,501 at Non-TAB meetings. This delivered an increase to base prizemoney distributions in 2011/12 of \$941,198, compared to 2010/11.

The Board agreed that the allocation of funding to QBRED series was significant at 15% of the overall harness budget and agreed to changes to the scheme from 1 September 2011 was necessary. The Board requested that consultation be undertaken with industry representatives and approved a budget of \$1,238,700 for bonuses and restricted races. This figure will reduce to around \$1,180,800 in future years as the existing scheme will be maintained during the months of July and August 2011.

The Board also approved a reduction in the Nursery Series from \$540,000 to \$440,000, achieved through a reduction in both two year old races from \$150,000 to \$100,000.

The Board approved an increase in base greyhound prizemoney from \$7,726,950 in 2010/11 to \$9,733,755 in 2011/12. This increase related to the \$1.5M previous commitment, a one off contribution of \$215,000 to the National Sprint and Distance Championships, not previously advised by the previous GQL Board and the provision of an additional \$225,000 to convert Rockhampton meetings to TAB status with a \$66,000 contribution to feature races.

The Board also approved alterations to the QDOG scheme and an increase in funding to \$242,650 in the 2011/12 financial year due to a 1 January implementation date, with a full year's budget of \$400,000.

In approving the aforementioned budgets, the Board acknowledged that base prizemoney funding had been over allocated and that it was forecast that the following savings would be achieved in base prizemoney throughout the 2011/12 financial year due to abandonments and unallocated prizemoney.

- Thoroughbred – 2.5%
- Harness – 2%
- Greyhound – 2%

The Board also acknowledged the positive outcomes achieved by the GAP program and provided an increase of \$50,000 to the 2011/12 GAP budget

The Board **APPROVED** the Prizemoney budget as presented.

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

Motion carried

2.5 Integrity and Licensing Report

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

Appointment of Stewards

Mr Orchard sought the Board's approval to formally appoint Stewards across all panels.

The Board **RESOLVED** that:

All Stewards currently employed by RQL or who are employed as a Steward in future by RQL are appointed as a Steward in accordance with the Rules of Racing for each code of racing.

MOVED by Mr Tony Hanmer **SECONDED** by Mr Bob Lette

Motion carried

Bookmaker Issues

Mr Orchard advised the Board that a full 3 months audit is currently being undertaken concerning bookmakers compliance with the Rules in relation to whether all bets taken over their recorded telephone were entered into their ledgers. The audit has identified a number of incidences where either recorded bets were not included in the ledger or bets are recorded in the ledger but not on the recorded telephone. This audit is still underway. The Integrity Team is also investigating the use of electronic boards in Queensland. This will mean that the bookmaker will be obliged to take bets and these will be captured exactly at what prices on the board. This will also be advantageous for bookmakers who field and take bets on southern events.

Other Issues

- Victoria Homicide Police have contacted Mr Orchard in relation to assisting them in their investigation of Mr Nicolic.
- NSW Police have also contacted Mr Orchard in relation to a raid of a house owned by people they believe involved in Queensland Greyhound Racing where they found \$4-5M. Mr Orchard is assisting in this matter.

Licensing Report

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

3.1 Jockey Rehabilitation & Training Facility Construction Tender

Mr Mark Snowdon updated the Board in relation to the tender process for the jockey rehabilitation and training facility at Deagon.

The Chairman suggested to the Board that the Jockey Rehabilitation and Training Facility at Deagon should be put on hold as resources are stretched and it would be prudent to wait until after the decision of the court case concerning Albion Park.

Mr Snowdon made the Board aware that RQL has a good relationship with Integral and that the tender price would change from what has been quoted at present, RQL may need to go back to tender.

3.2 Remuneration & Nominations Committee Meeting Minutes and Recommendations

The Board today noted the draft minutes of the April 14, 2011, meeting of the Remuneration & Nomination Committee.

The Chairman advised Board Directors that he and Mr Ludwig had considered the situation and the amount of work that the executive staff will have to do between now and 2014 with the changing wagering landscape and the approach to the end of the exclusivity of the TattsBet license.

RQL will be required to commence negotiations of a Product Fee with TattsBet post 2014 and the Board needs to understand that key staff will be integral to a successful outcome.

They key executive staff need security of tenure as well as their assistants so as to not be distracted by innuendo and rumour about the period between now and 2014. Board members unanimously agreed with the recommendation with the Remuneration and Nominations committee.

In addition, the Board considered a recommendation from the Remuneration & Nomination Committee, which led to the following resolution:

The Board **RESOLVED** that:

(a) the existing employment agreements be extended by 12 months up to and including June 30, 2014, for the following employees:

- Malcolm Tuttle
- Adam Carter
- Jamie Orchard
- Paul Brennan
- Shara Murray
- David Rowan
- Peter Smith
- Col Truscott
- Warren Williams

(b) Wade Birch be offered an employment agreement to expire on June 30, 2014, and

(c) employment agreements be offered to the following employees to expire on June 30, 2013:

- Wendy Thomas
- Kearra Christensen
- Toni Fenwick
- Ali Wade
- Debbie Toohey
- Jaime Knight

(d) The Chairman to approve the terms relevant to the agreements and the extension of the agreements.

(e) Ms Murray to draft Employment Agreements for the Executive Assistants to expire 30 June 2013.

(f) Ms Murray to draft an Employment Agreement for Mr Wade Birch to expire 30 June 2014.

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

Motion carried

3.3 Capalaba & Bundaberg Clubs – Show Cause Update

Capalaba Greyhound Racing Club Inc.

Mr Brennan updated the Board in relation to the issue of the Show Cause Notice to the Capalaba Greyhound Racing Club Inc (**Club**).

After a number of subsequent meetings, the Club has requested RQL to take responsibility for managing the race meetings and barrier trials and also assume responsibility for facility maintenance.

Mr Brennan has drafted a proposal outlining the roles and responsibilities at the Club. This draft proposal will be taken to a meeting to be held with the Club and RQL representatives on Saturday, 14 May 2011.

Mr Brennan sought the Board's approval for the following:

1. RQL to take responsibility for the maintenance and management of the Club in accordance with the draft proposal.
2. Expend \$160K in up front capital investment (\$25K from Government).
3. Expend up to \$100K on purchasing the Clubs assets, dependent on the valuation.
4. The five year budget, which includes two full time staff at the Club.

This was **APPROVED** by the Board.

Bundaberg Race Club Inc.

Mr Brennan updated the board in relation to the issue of the Show Cause Notice to Bundaberg Race Club Inc. (**Club**).

Mr Brennan informed the Board that the Club has provided sufficient documentation to enable RQL to make a determination that the Club is no longer trading whilst insolvent and that a viable business model has been put in place for the remainder of 2010/11 and the full 2011/12 financial year.

Mr Brennan sought the Board's approval to reinstate the Club license and the Club contributing \$5,000 to prizemoney for the Cup meeting in July 2011, and that all future meetings be retained at base prizemoney levels until the Club can demonstrate that they are in a financial position to make increased contributions to prizemoney.

This was **APPROVED** by the Board.

3.4 2011/12 Marketing Strategy

Mr Blair Odgers updated the Board in relation to the Marketing Strategy being put in place to focus on increasing the profile and customer perception of racing in Queensland. This strategy will look at attracting new customers to become involved in racing.

Mr Odgers tabled a copy of the 2011/12 Marketing Strategy document to the Board.

The five main marketing strategies are as follows:

1. Racing brand awareness
2. Regional racing
3. Ownership
4. Industry Sponsorship
5. Industry Communications

Mr Hanmer informed the Board that Sky Racing has agreed to do a documentary around the awards night.

The Board **NOTED** the quality of the Marketing Strategy documentation.

3.5 Social Media/Discrimination: Racehorse Community Forum

This item has been deferred.

3.6 Trainer Numbers – Options for licensing changes

Mr Peter Smith sought the Board's approval to proceed with the development of new categories for trainers through consultation with stakeholders.

The two proposals are as follows:

1. Proposal for upgrade of entry criteria for new trainers to be implemented as soon as practicable, and
2. Proposed new licensing scheme for trainers- for consultation with stakeholders

Mr Milner suggested that mandatory seminars be conducted for the trainers throughout the State on an annual basis.

Mr Smith also to update the Licensing Policy reflecting the approved proposals and to advise the Trainers Association of these changes.

These proposals were **APPROVED** by the Board.

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

Motion carried

Confirmed as a true record.


R G Bentley
Chairman

Dated 20/05/2011

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 GROA
Member of Queensland Breeders Association
Holder of Victoria Owners Gold Card



Friday, 5 August 2011

Board Room, Racing Queensland
Racecourse Road, Deagon



Meeting Commenced at 9:00 am
Meeting Concluded at 2:10 pm

Board Directors Present:	Bob Bentley Tony Hanmer Bob Lette Bill Ludwig Wayne Milner Bradley Ryan	- <i>Chairman</i> - <i>Deputy Chairman</i>
In attendance:	Malcolm Tuttle Adam Carter Shara Murray Jamie Orchard Paul Brennan Ron Mathofer David Rowan	- <i>Chief Executive Officer</i> - <i>Chief Financial Officer</i> - <i>Senior Corporate Counsel/Company Secretary</i> - <i>Director, Integrity Operations</i> - <i>Director, Product Development</i> - <i>Business Analyst</i> - <i>IT & Communications Manager</i>
Item 2.3	Mr Robert McNaulty Mr Satiu Perese	- <i>via telephone</i>
Minutes:	Debbie Toohey	- <i>Board Secretary</i>

The Chairman opened the Meeting at 9:00am.

1.1 **Apologies**

Nil.

1.2 **Declaration of Conflicts of Interest**

Directors are required by the *Corporations Act 2001(Cth)* to disclose any material personal interest in a matter relating to the affairs of the Company.

There were no other additional Declarations of Conflicts of Interest. (See Attachment "A")

1.3 **Confirmation of Minutes of RQL Board meeting of 8 July 2011**

The Board made the following changes:

Page three, second paragraph change the word "copy" to "budget".

2.6 First paragraph to now read "Ms Murray updated the Board in relation....."

The Board **RESOLVED** that the RQL Board Meeting Minutes of 8 July 2011 be received and confirmed.

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

Motion carried

Confirmation of Minutes of RQL Board meeting of 20 July 2011

The Board **RESOLVED** that the RQL Board Meeting Minutes of 20 July 2011 be received and confirmed.

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

Motion carried

1.4 Action Sheet

The Board **NOTED** the action sheet.

1.5 Media Releases / Correspondence / Matters for Noting

The Board **NOTED** the following correspondence/matters:

Media Releases

- TAB revenue distribution clarified 8 June 2011
- Brisbane City Council backing the wrong horse 20 June 2011
- Capalaba Greyhounds return to racing 28 June 2011
- Toowoomba Turf Club investigation 19 July 2011

Letters

- Letter to Mr Malcolm Tuttle from Mr Mike Kelly, Office of Racing
re: \$700,000 (ex GST) – Minimum Venue and Equipment
Standards Funding 13 July 2011
- Letter to Mr Malcolm Tuttle from Mr Mike Kelly, Office of Racing
re: \$200,000 (ex GST) – Non-Strategic Non-TAB Clubs
impacted by Flood & Cyclone damage - Minimum Venue and
Equipment Standards Funding 14 July 2011
- Letter to Mr Stephen Ferguson from Mr Malcolm Tuttle
Re: Sale of Residential Properties 15 July 2011
- Letter to Mr Bob Bentley from Mr Tim Mulherin, MP re: approval
of Infrastructure Plan and extension of the wagering tax sharing
arrangements 19 July 2011
- Letter to Mr Malcolm Tuttle from Mr Mike Kelly, Office of Racing
re: \$1.45M (ex GST) – TAB & Strategic Non-TAB Clubs
assistance with meeting Flood & Cyclone Yasi Remediation
Costs 25 July 2011

1.6 Confirmation of Flying Minutes

There are **NOTED** the following Flying Minutes:

- RISA Resolution – Proposed amendments to the RISA and TTSC Constitution 11 July 2011
- Resolution to approve the Sale of Investment Land by the BRC 14 July 2011
- Resolution that the time for submissions in response to the notice served upon Mr McAnulty under AR179A on 11 July 2011 be extended from 25 July 2011 to 1 August 2011 14 July 2011

The above Flying Minutes were **CONFIRMED** by the Board.

2.1 Draft 2011/12 Business Plan

To be discussed at the next Board Meeting. The Board requested that Mr Malcolm Tuttle develop performance measures for the Company's four (4) key executives, these being:

- (a) Mr Tuttle
- (b) Mr Orchard
- (c) Mr Brennan, and
- (d) Ms Murray.

2.2 Rules Amendments

Mr Jamie Orchard sought the Board's approval to adopt the following Local Rules (All Codes) 1 and to seek the confirmation of recent changes to Australian Rules of Racing and the Australian Harness Racing Rules:

"Local Rule (All Codes) 1

- (23) *An appellant appearing before a First Level Appeal Committee may be represented by a legal practitioner or, in exceptional circumstances, by another person whom the First Level Appeal Committee consider to be an appropriate person to represent the appellant. An appellant must advise the appeals secretary at least 2 business days prior to the appeal of any intention to be so represented.*
- (24) *Notwithstanding Sub Rule (23), an apprentice jockey or any other person under the age of 18 years is entitled to be represented by his/her master at an appeal or, with the permission of the First Level Appeal Committee, such other person as a First Level Appeal Committee considers to be an appropriate person to represent the appellant."*

The Local Rules (All Codes) was **APPROVED** by the Board.

The National Rule changes and the Harness Racing Australia Rule were confirmed by the Board.

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

Motion carried

2.3 New Zealand Judicial Committee – Robert McNulty

Mr Orchard addressed the Board on procedure: *the Board is to consider whether they are satisfied that there are “exceptional circumstances” in this case to not apply the rule in Queensland.*

Mr Robert McNulty joined the Board meeting at 11:00am with Mr Satiu Simativa Perese, Barrister via telephone.

The Chairman handed the meeting over to Mr Jamie Orchard to conduct the inquiry.

On 29 April 2011 the New Zealand Judicial Committee handed down a decision in the matter of NZTR v Robert McNulty. McNulty was disqualified for a period of 11 months (from 29 April 2011), fined \$6000 and ordered to pay costs totaling \$17500. The penalties were imposed on the basis on a finding that Mr McNulty was guilty of misconduct in using foul, insulting and offensive words directed to Mr Michael Stiassny, Chairman of the New Zealand Racing Board and that he committed a serious racing offence by way of voicemail messages he uttered foul, insulting and offensive words directed towards Chief Stipendiary Steward Cameron George.

The decision was served on each Principal Racing Authority by the New Zealand Racing Integrity Unit. Australian Rule of Racing 179A provides a scheme for the consideration of the application of international penalties. Once one jurisdiction in Australia has either applied the decision in their jurisdiction or otherwise declared the decision will not be applied, the decision of that PRA is immediately applied in every jurisdiction in Australia.

On 1 August 2011, Mr McNulty, through his counsel, made submissions to the effect that the penalty should not be applied in Australia.

Mr McNulty (in person) and Mr Perese (by telephone) both orally presented Mr McNulty's submission to the Board.

Mr McNulty and Mr Perese left the meeting at 11:35am.

The Board confirmed that it was satisfied that there were **no** exceptional circumstances in this case to amend the penalty and therefore, Mr McNulty's penalty should be applied in Australia.

Mr Orchard to formally notify Mr McNulty of the Board's decision.

At the conclusion of this matter, the Chairman asked Mr McNulty if he was satisfied that the Board had given him adequate time for explanation of his issues. Mr McNulty personally thanked the Board for their time, thanked them for the length of time they had spent on this issue and also confirmed his appreciation that the matter had been dealt with fully and to his satisfaction.

2.4 QTIS 600 Payment and Refunds

Mr Brennan sought the Boards approval in relation to the following two queries regarding payments and refunds for the QTIS 600 Scheme.

1. Mr Rob Heathcote is seeking a refund from RQL in relation to Horse – “Outback Prince” – Bashaer yearling) as the horse has been diagnosed with an injury and as a result will “unlikely to become an athlete”. This injury was diagnosed 5 days after the QTIS 600 Scheme deadline.

2. Mr Murray Murdoch (Jet Spur – Star of Asia Yearling) – Mr David Chester was advised by Mr Murray Murdoch during the April QTIS 600 sale to deduct proceeds and pay up for the race series. RQL has never received the registration for this horse and has not been included in the QTIS 600 Scheme.

The Board **RESOLVED** not to:

1. Provide a refund of \$3,300 (inc GST) refund to Mr Heathcote for the Outback Prince yearling, and
2. Enable entry into the QTIS 600 scheme for the Jet Spur yearling of Mr Murdoch's.

2.5 Employment Agreements/Redundancy Policy

Further to the Chairman's Report of 20 July 2011, concerning Employment Agreements/Redundancy Policy the Board **RESOLVED**:

1. Board Minute of 6 May 2011 to be Rescinded

The Board to rescind the Board Resolution of 6 May 2011 Board Meeting, which reads:

Remuneration & Nominations Committee Meeting Minutes and Recommendations

The Board today noted the draft minutes of the April 14, 2011, meeting of the Remuneration & Nominations Committee.

The Chairman advised Board Directors that he and Mr Ludwig had considered the situation and the amount of work that the executive staff will have to do between now and 2014 with the changing wagering landscape and the approach to the end of the exclusivity of the TattsBet license.

RQL will be required to commence negotiations of a Product Fee with TattsBet post 2014 and the Board needs to understand that key staff will be integral to a successful outcome.

These key executive staff need security of tenure as well as their assistants so as to not be distracted by innuendo and rumour about the period between now and 2014. Board members unanimously agreed with the recommendation with the Remuneration and Nominations committee.

In addition, the Board considered a recommendation from the Remuneration & Nominations Committee, which led to the following resolution:

The Board **RESOLVED** that:

- (a) *The existing employment agreements be extended by 12 months up to and including June 30, 2014, for the following employees:*

- *Malcolm Tuttle*
- *Adam Carter*
- *Jamie Orchard*
- *Paul Brennan*
- *Shara Murray*
- *David Rowan*
- *Peter Smith*
- *Col Truscott, and*
- *Warren Williams.*

- (b) *Wade Birch be offered an employment agreement to expire on June 30, 2014.*
- (c) *Employment agreements be offered to the following employees to expire on June 30, 2013:*
- *Wendy Thomas*
 - *Kearra Christensen*
 - *Toni Fenwick*
 - *Ali Wade*
 - *Debbie Toohey*
 - *Jaime Knight*
- (d) *The Chairman to approve the terms relevant to the agreements and the extension of the agreements.*
- (e) *Ms Murray to draft Employment Agreements for the Executive Assistants to expire 30 June 2013.*
- (f) *Ms Murray to draft an Employment Agreement for Mr Wade Birch to expire 30 June 2014.*

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

Motion carried

This was unanimously **APPROVED** by the Board.

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

Motion carried

2. Variation to Employment Contracts

The Board confirmed that they had received and read the following legal advice:

- (a) Norton Rose – 20 July 2011
- (b) Clayton Utz – 1 August 2011, and
- (c) Norton Rose – 3 August 2011.

Please see **attached** legal advice (see Attachment 'A')

The Board **NOTED** that the only amendments to the employment agreements of the following Company executives were as per 2.1 (i) – (vi) below. The balance of the terms and conditions of the employment agreements remained the same.

2.1 That the employment agreements for the following Company executives:

- (a) Malcolm Tuttle;
- (b) Jamie Orchard;
- (c) Paul Brennan; and
- (d) Shara Murray,

are varied to include:

- i. A 30% increase to each executive's TRV, effective from 1 July 2011;
- ii. The inclusion of a material adverse change clause with a trigger that includes a change in the Queensland State Government, RQL ceasing to be the approved Control Body under the *Racing Act 2002 (Qld)*, a material adverse change in the make-up of the RQL Board of directors, or your reporting lines, or an organisational restructure that materially impacts on the Executives role at RQL in a manner adverse to the Executive;
- iii. A payment of a sum equivalent to the TRV the Executive would have been entitled to receive had they remained employed until the end of the term of their contract, however not exceeding a sum equivalent to 14 months of their TRV;
- iv. A severance payment calculated in accordance with the relevant scale contained in any redundancy policy of RQL;
- v. Any accrued but unpaid entitlements; and
- vi. Retention of the current 3 year term with an obligation on RQL to renegotiate before 31 December 2012.

Mr Bob Lette requested that Mr Tuttle develop performance measures for the above listed four (4) key executives.

2.2 The employment agreements for Adam Carter, David Rowan, Peter Smith, Col Truscott and Warren Williams be styled and formatted in accordance with any recommendations from Clayton Utz on the basis that there is no change to the existing terms and conditions of their current employment agreements.

2.3 Wade Birch to be offered an employment agreement with a term until 30 June 2013 based on his current terms and conditions with the agreement to be styled and formatted in accordance with any recommendations from Clayton Utz.

This was unanimously **APPROVED** by the Board.

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

Motion carried

3. Introduction of Company Redundancy Policy

That a Redundancy Policy is introduced for all employees of the Company.

This was **APPROVED** by the Board.

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

Motion carried

3.1 2010/11 Business Plan

Mr Tuttle presented to the Board the 2010/11 Business Plan.

The Board **NOTED** the 2010/11 Business Plan.

3.2 Remuneration & Nomination Committee Minutes

Mr Tuttle distributed the draft Minutes of the Remuneration and Nomination Committee of Wednesday, 3 August 2011.

This was **NOTED** by the Board.

3.3 Greyhounds Australasia National Data Repository Development Update

Mr David Rowan updated the Board in relation to the development of the Greyhounds Australasia National Data Repository System.

This was **NOTED** by the Board.

4.1 CEO's Report

Industry Infrastructure Plan

The Industry Infrastructure Plan Control Group is currently looking at resources and the delivery of the Plan. A regular monthly report will be presented to the Board.

Single National System – RISA

RISA has now received approval to proceed with the Single National System Project from all Principal Racing Authorities. RISA is in the process of providing a new Service Level Agreement to each PRA to commence from 1 August 2012.

Trots TV

Mr Blair Odgers will be reviewing the Trots TV initiative and will report back to the CEO with a summary report.

Queensland Race Information

Ms Shara Murray updated the Board in relation to the actions and initiatives being undertaken by the Queensland Race Information Committee.

- Mr Jamie Nettleton will be attending RQL to give a half day training session on wagering/race Information in August 2011. Mr Nettleton has confirmed that he holds no Conflict of Interest, and as such, is in a position to respond to the Tabcorp Holdings and Tabcorp Limited on behalf of RQL.
- The Committee will be writing to the top 20+ interstate bookmakers who exceeded the \$5M turnover to request retrospectivity.
- Ms Murray to draft Deeds to send to a number of Corporates in the next 7 -10 days.

The Board **NOTED** the CEO's Report.

4.2 Legal & Compliance Report

First Level Appeals

There has been one (1) First Level Appeal for the month of July 2011.

Anti- Discrimination Commission matters

- Bobby Chrystal – this matter has been referred to QCAT. A hearing date has not been set as yet.
- Kerry Watson – this matter has been referred to QCAT. A Directions Hearing will be held on Monday, 8 August 2011. Ms Murray to update the Board after the Directions Hearing.
- Heather Warland – RQL has responded to the allegations. No response has yet been received from ADCQ.

Australian Human Rights Commission matter

- Alisha Winfield – A conciliation conference has been scheduled for Wednesday, 14 September 2011.

Litigation matters

- Qld Harness Racing Limited v RQL & Anor – other clubs have now joined the action.
- McHarg & Rolfe v RQL – this matter is now closed.
- Gold Coast Greyhound Racing Club Inc. (GCGRC) v Greyhounds Qld Ltd (GQL) & RQL – this matter is now closed, however, RQL received correspondence from GCGRC advising that they believe that RQL is liable to pay the ongoing commitment of \$2,000 per month made to GCGRC by GQL prior to 1 July 2010. GCGRC have been advised that the Deed of Settlement was signed and finalised which included full and final settlement of this matter.

Other matters

- Ms Murray met with HRBS concerning RQL taking action against Ms Jeannette Hannah. HRBS informed Ms Murray that RQL cannot prove any fraudulent matters. This matter is now closed.
- Ms Murray is finalising one clause with AON concerning the Director's D & O Insurance. Once finalised, Ms Murray to distribute the policy wording to the Board for their consideration and review.

The Board **NOTED** the Legal & Compliance Report.

4.3 Finance Report

Mr Adam Carter updated the Board in relation to the management accounts for the month ended 30 June 2011.

Key highlights for FY2011:

- Revenue down \$7.2M on budget and down \$3.1M (2%) on prior year.
- Product and Program Fee – finished \$2.6M (1%) down on RY0910 result and \$1.7M (2%) down on budget YTD.
- Race Information Fees are \$2.3M (29%) below budget.
- Expenditure down \$4.3M (3%) on budget and down \$548K (0.5%) on prior year.
- Prizemoney is \$5.1M (5%) below budget for FY1011. This is a result of unexpended prizemoney of \$3.2M on thoroughbred races, \$408K on harness races and additional prizemoney expended of \$133K on greyhound races.
- Legal fees are \$978K (188%) above budget.

Mr Carter informed the Board that the Auditors were due on 22 August 2011.

Mr Carter tabled a proposed schedule for FY11/12 for the Audit, Finance and Risk Committee.

The Board **NOTED** the Finance Report.

4.4 Product Development Report**New QTIS Scheme**

RQL has reached agreement with the Thoroughbred Breeders' Queensland Association after consultation with the Australian Trainers' Association, Queensland Racehorse Owners' Association and the Thoroughbred Breeders' Queensland Association on the new QTIS scheme from 1 August 2012. This new scheme will deliver a saving of \$1m to RQL.

Flood, Cyclone and WH&S Funding

Mr Brennan informed the Board that there has been a lack of response from Clubs and only a few have applied for funding from RQL. Mr Brennan to keep the Board updated.

Deagon Trainers

Mr Brennan has met with Mr Pat Duff and Mr Jim Murdoch who represent the Deagon Thoroughbred Trainers to discuss the closure of the Deagon facility as a thoroughbred training complex. Discussions are still ongoing with Mr Brennan to draft correspondence to be sent to both Mr Duff and Mr Murdoch concerning alternate stabling and the consideration of the suggestion from the representatives on a 1000m sand training track proposed at Deagon.

Australian Pattern Committee

Mr Brennan informed the Board that the Toowoomba Cup had been downgraded due to poor performances over the past three years. However, the BJ McLachlan Plate held at Doomben had been upgraded.

Mr Ron Mathofer updated the Board in relation to the 2010/11 Wagering Report.

The Board **NOTED** the Product Development Report.

4.5 Integrity Services Report**QCAT matters**

Mr Orchard updated the Board in relation to the matters that have been before QCAT for the month of July 2011.

Bookmakers Audit

Inquiries will commence into the breach of rules concerning bookmakers, Bob McHarg, Vince Aspinall and Pat Kynoch next week.

Odds Fluctuation Monitoring Application

The development of a real time betting surveillance tool is continuing with the software developer working closely with RQL's IT and Integrity Departments.

Toowoomba Turf Club

The investigation by Ms April Freeman is commencing on Friday, 5 August 2011 and should be finalised by the end of next week.

The Board **NOTED** the Integrity Services Report.

Other Matters**RQL website**

The Board has requested Mr Rowan to update the Board at the September 2011 Board meeting with a budget and timeframe for the development of a new RQL website.

Mr Tuttle to contact Mr Myles Foreman, CEO of RISA on the issue of coordinating stewards reports in a timely manner to be available on the RQL website after a race.

Queensland Racehorse Owners' Association (QROA)

Mr Milner updated the Board in relation to the background of the assistance provided to the QROA, which included the provision of an administration resource for two days per week and the use of all RQL equipment, stationary etc. Following the discontinuation of the Owner's Card earlier in the year Mr Milner had previously sort the approval of the Board to revise this agreement and cap the contribution at \$100,000 per annum for administration costs and promotional activities to be undertaken by the QROA. This proposal was conveyed to the Chairman of the QROA in February 2011, at which time he has requested to provide a business plan outlining the manner in which the QROA proposed to expend the \$100,000. Mr Milner confirmed that the business plan has not been forthcoming and that it is not RQL's obligation to chase the QROA if they did not have sufficient appetite to act on this request during the previous six months.

Mr Milner proposed to the Board to terminate the agreement with QROA and relocate the Administration Assistant to the RQL Finance Department.

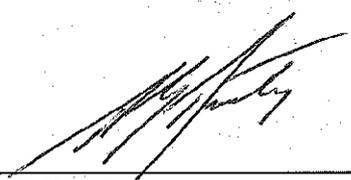
Mr Milner to inform QROA at his earliest convenience that RQL will be providing a \$25,000 grant to the QROA from 1 October 2011, and that they would be required to provide their own resources from this date.

This was **APPROVED** by the Board

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

Motion carried

Confirmed as a true record.



R G Bentley
Chairman

Dated...../...../2011

Mr Bob Bentley

Director of Tatts Group
Director/Chairman of Sunshine Coast Racing Pty Ltd
Director/Chairman of Australian Racing Board

Mr Tony Hanmer

Member of the Sunshine Coast Turf Club Inc.

Mr Bob Lette

Life Member Albion Park Harness Racing Club Inc.
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 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
Holder of Victoria Owners Gold Card
ME Bank Consultant