

# Queensland Race Product Co Ltd

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## Minutes of Queensland Race Product Co Ltd

Inquiry Room  
Queensland Racing  
Racecourse Road, Deagon

**Thursday, 4 June 2009**

**Present:** Tony Hanmer- Queensland Racing Limited (Chairman)  
Bill Andrews - Queensland Racing Limited  
Kerry Watson - Greyhounds Queensland Limited  
Michael Lambert - Queensland Racing Limited (by telephone)  
Michael Godber - Queensland Harness Racing Limited  
Bob Lette – Queensland Harness Racing Limited

**Other Attendees:** Adam Carter – Queensland Racing Limited  
David Grace – CooperGraceWard Lawyers

**Minutes:** Shara Murray – Queensland Racing Limited

The Chairman commenced the meeting at 12:00 pm.

### 1. Apologies

An apology was **NOTED** by Mr Bill Ludwig.

### 1.2 Declarations of Conflict of Interest

Directors are required by the *Corporations Act 2001* 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.

### 1.3 Confirmation of Minutes – 5 March 2009

#### ***Clause 2.1.3 Product and Program Agreement***

Delete paragraph:

*'Mr Lambert and Mr Andrews noted that they fundamentally agree with the advice provided by Mr Grace, and as such, action should be taken against UNITAB.'*

Insert paragraph:

*'Mr Lambert and Mr Andrews noted advice from Mr Grace, if correct, raised fundamental issues that needed to be formally resolved either by Senior Counsel advice or by obtaining advice from Government with its intention of the Product and Program Agreement (Agreement).'*

**Clause 2.4 Expansion of fixed Betting by UNITAB**

Page 4, 2<sup>nd</sup> line, delete:

*'...be TabCorp...'*

Insert:

*'...by TABCORP...'*

The Directors **NOTED** the minutes of the previous meeting of 5 March 2009.

**MOVED** by Mr Andrews **SECONDED** by Mr Godber

**Motion carried.**

**2.1. Formal Response – Mr Mike Kelly – Product and Program Agreement**

<b>Date of Letter</b>	<b>From / To</b>	<b>Subject</b>
31 March 2009	Mr Tony Hanmer, Chairman of Product Co to Mr Mike Kelly, Office of Racing	Product and Program Agreement
28 May 2009	Mr Mike Kelly, Office of Racing to Mr Tony Hanmer, Chairman of Product Co	Product and Program Agreement

The Board **NOTED** the correspondence sent and received.

The Board **AGREED** that Mr Kelly's letter of 28 May 2009 did not provide the view of Government in relation to the commercial intent of the Product and Program Agreement (Agreement) when first drafted, and did not provide the current legal views of Government in relation to Race Information Legislation and its impact on the Agreement.

The Board **RESOLVED** that:

- (a) the Chairman meet with Mr Mike Kelly of the Office of Racing to discuss the matter of the commercial intent of the Agreement when first drafted, and
- (b) the Chairman send a further letter to Mr Mike Kelly of the Office of Racing confirming the advice provided as per (a) above.

**MOVED** by Mr Lambert **SECONDED** by Ms Watson

**Motion carried.**

## 2.2 Financials

Mr Adam Carter updated the Board in relation to the Implementation of Race Information Legislation and the fees charged by States.

Mr Carter advised the Board the following:

- (a) total fees incurred by the codes as at 30 April 2009 - \$9,559,992
- (b) total fees recovered as at 2 June 2009 - \$10,480,460, and
- (c) the estimated RFIF revenue to Qld to charge on information provided by operators from 1 September 2008 to 30 April 2009 - \$8,357,511 (this does not include Betfair).

The Board **NOTED** the update.

Mr Carter advised that all codes should be following up all outstanding debts in line with the Race Information conditions. In relation to Corporate Bookmakers and funds received, Mr Carter recommended that the monies received should be quarantined by each individual code, should any court proceedings be commenced.

The Board **AGREED** and **RESOLVED** that each Director take the above recommendation to their ... each Individual Board.

Mr Carter noted to the Board that no applications for authorisation had been received by overseas corporate bookmakers.

The Board **RESOLVED** that Mr Peter Smith, QRL Licensing and Training Manager, as a matter of urgency, write to New Zealand, UK and Hong Kong bookmakers in relation to Queensland Race Information Legislation. Mr Smith to e-mail a copy of his correspondence to Mr Darren Beavis, Chief Executive Officer of Harness Racing Queensland.

**MOVED** by Mr Andrews **SECONDED** by Mr Lette

Motion carried.

## 2.3 David Grace

### *Constitutional Amendments*

Mr David Grace advised the Board that the Constitution of the Company needed modification in relation to the following:

- (a) conflicts of interest
- (b) revolving of directors
- (c) reflection of the 3-Codes now being corporate entities, and
- (d) general drafting and cross referencing.

Mr Grace advised the Board that he would provide the Company with a revised Constitution by early August 2009 for the Board's consideration and review – this would allow adequate time for the Board to consider the amended Constitution prior to it being passed at the Company's AGM in November 2009.

***RISA Participation Agreement***

Mr Grace updated the Board in relation the RISA Participation Agreement, whereby the vesting of the intellectual property rights (IP Rights) concerning Queensland Racing Limited is conflicted. The Product and Program Agreement and the RISA Participation Agreement conflicts in relation to which entity owns the IP Rights for the supply of Queensland thoroughbred racing.

The Board **RECOMMENDED** that Mr Grace seek to clarify the position of the Company in relation to its IP Rights for the supply of Queensland thoroughbred racing

***CooperGraceWard Tax Invoice***

Mr Grace advised the Board that the additional work to be carried out by his Firm in relation to the position of the Company concerning its IP Rights would be in the vicinity of \$5,000.0 (excluding GST).

The Board **RESOLVED** that an additional \$5,000.00 (excluding GST) be approved for professional services to CooperGraceWard in relation to the position of the Company concerning its IP Rights. The Chairman will be signatory for this cost and such cost will be presented to the Board.

**MOVED** by Mr Lette **SECONDED** by Mr Andrews

Motion carried.

**2.4 Future Dates**

The Board **NOTED** the future dates and times listed.

**3. Items for Noting**

The Board **NOTED** the correspondence sent and received, as per agenda item 2.1 .

**4. General Business**

4.1 Board dates for 2010 will be circulated in due course.

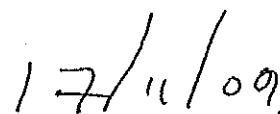
4.2 Ms Watson **NOTED** that she would be appointing Mr Darren Beavis as her Alternate Director. Ms Watson to provide Ms Shara Murray with necessary correspondence.

***The meeting concluded at 12:55pm.***

***Confirmed as a true record.***



Chairman



Date