



QUEENSLAND  
RACING

OFFICE OF RACING

14 DEC 2009

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11 December 2009

Ms Carol Perrett  
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**BY E-MAIL: [carol.perrett@racing.qld.gov.au](mailto:carol.perrett@racing.qld.gov.au)**  
**ORIGINAL BY POST**

Dear Ms Perrett

I refer to your letter of 8 December 2009.

As previously advised, I confirm that on 4 December 2009, seven (7) Director Candidates were selected for the position of Directors of Queensland Racing Limited, these being:

1. Scott Agnew
2. Bill Andrews
3. Sean Clancy
4. Alan McPherson
5. Brad Ryan
6. Wayne Milner, and
7. Gary Rice.

In relation to your request to assist your Office in conducting probity checks on the Director Candidates, I advise that the above-mentioned persons are not:

- (a) subject to exclusion action under Queensland Racing Limited's (QRL) rules of racing (section 9(c))
- (b) licensed by, nor an executive officer of a corporation that is licensed by QRL (section 9(d)), or
- (c) a member of a committee, or employee, of a licensed club or an association formed to promote the interests of one or more participants in the thoroughbred code of racing, whether or not formed under the *Racing Act 2002* (9(e)).

Further to your request as to whether this Office is aware of any other racing or associated matters that may preclude any of the above-mentioned persons from appointment as a director of QRL, I advise accordingly:

**Bill Andrews:**

Our Chairman has written to the Queensland Regional Commissioner of the Australian Securities and Investments Commission (ASIC) attaching relevant pages of the transcript of his evidence given in the Supreme Court. He advised the Commission that QRL has no powers to investigate whether the receipt of monies by Mr Andrews is a breach of any duty of Mr Andrews, that QRL does not know and does not assert that Mr Andrews has breached any law but requested an investigation to be conducted to ensure that QRL acts cautiously and prudently in relation to its affairs.

The letter said that the matters referred to in the transcript may raise important corporate governance issues.

On 2 December 2009, this Office received a letter from the Misconduct & Breach Reporting Stakeholder Services of ASIC advising that the issues raised '*will receive careful consideration*'. A copy of this letter is **attached** (see Attachment 'A'). Mr Bentley has not heard further from ASIC.

For clarity, QRL does not know and does not assert that this affects Mr Andrews' ability to be appointed as a director of QRL.

**Sean Clancy:**

This Office notes that Mr Clancy is currently on '*gardening leave*' until the end of December 2009. Please see KPMG's Candidate Summary of Sean Clancy **attached** at Attachment 'B'.

"Garden (or gardening) leave" is a colloquial expression, referring to a situation where an employer directs an employee not to perform any duties during a period of notice, although the employee continues to be employed and paid during that period. It is often used as an alternative to (or in conjunction with) post-employment restraints as, during a period of garden leave, an employee cannot work for a competitor or otherwise act against the interests of the employer.

I confirm that QRL has not received any information from either KPMG or Mr Clancy in relation to the reason for this leave. Accordingly QRL does not know and does not assert that that this affects Mr Clancy's ability to be appointed as a director of QRL.

QRL is not aware of any other circumstances in relation to any other Director Candidate which may be relevant to probity checks.

Should you wish to discuss this matter further, please do not hesitate to contact myself on (07) 3869 9712.

Yours faithfully

A handwritten signature in black ink, appearing to read 'S. Murray', with a stylized flourish at the end.

**SHARA MURRAY**  
Corporate Counsel | Company Secretary