

APPENDIX 6 – Product Fee Obligations for Wagering Operators

STATE	THOROGBREDS	HARNESS	GREYHOUNDS
NSW	1.5% of turnover from 1 September 2008 ¹	1.5% of turnover from 1 September 2008	10% of gross revenue from 1 September 2008
VIC	10% of gross revenue from 1 March 2008 (15% of gross revenue in Sep and Oct)	0.66% of net customer winnings from 1 January 2009 ²	10% of gross revenue from 1 January 2009
SA	10% of gross revenue from 1 September 2008	10% of gross revenue from 1 September 2008	10% of gross revenue from 1 September 2008
QLD ³	1.5% of turnover from 1 September 2008	1.5% of turnover from 1 September 2008	1.5% of turnover from 1 September 2008
TAS	Legislation expected to be tabled in Parliament in next few months	Legislation expected to be tabled in Parliament in next few months	Legislation expected to be tabled in Parliament in next few months
WA	Legislation expected to be tabled in Parliament in next few months	Legislation expected to be tabled in Parliament in next few months	Legislation expected to be tabled in Parliament in next few months
NT	Course of action is unknown	Course of action is unknown	Course of action is unknown
ACT	Course of action is unknown	Course of action is unknown	Course of action is unknown

¹ 1.5% of turnover equates to approximately 60% of Betfair's gross revenue. 'Wagering Turnover' is defined as the total amount of wagers on the backers side of wagering transactions less any applicable back bets.

² 0.66% of net customer winnings equates to approximately 19% of Betfair's gross revenue.

³ This fee has yet to be imposed but all three racing codes have confirmed their intention to charge 1.5% of turnover. The definition of turnover is similar to NSW. The term back bets is defined as any bet which reduces the risk of the wagering operator. As the betting exchange model requires the operator to eliminate their risk by being counterparty to 2 opposing bets, Betfair's wagering turnover as defined by Queensland racing is zero.