
The Minister for Gaming for and on behalf of the
Crown in right of the State of Victoria

Intralot Gaming Services Pty Ltd

Gambling Regulation Act 2003 (Vic)

Monitoring Licence

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Date 14 NOV 2011 2011

ISSUED BY The Minister for Gaming for and on behalf of the Crown in right of the State of Victoria (Minister)

TO Intralot Gaming Services Pty Ltd ACN 136 875 673 of Level 1, 283 Normanby Road, Port Melbourne 3207 (Monitoring Licensee)

Background

- A Part 4 of Chapter 3 of the Act authorises the operation of one Monitoring Licence for the provision of the Monitoring Services in the State of Victoria.
- B The Minister has determined under section 3.4.44 of the Act to grant the Application of the Monitoring Licensee and to issue this Monitoring Licence.
- C The Minister and the Monitoring Licensee have entered into the Related Agreement.
- D The Minister and the Monitoring Licensee have entered into additional Related Agreements.

Terms

1 Definitions

1.1 Definitions

Words not otherwise defined in this Monitoring Licence have the same meaning as in the Act, except where a contrary intention appears.

Act means the *Gambling Regulation Act 2003* (Vic) and Regulations, as amended from time to time.

Agent means a person appointed by the Monitoring Licensee as an agent to assist the Monitoring Licensee subject to section 3.4.54 of the Act in the provision of the Monitoring Services.

Agreement Date means the date specified in Schedule 1 of the Related Agreement, or if no such date is specified the date of execution of the Related Agreement.

Ancillary Documentation means the documentation contemplated by clause 6 of this Monitoring Licence.

Application has the same meaning as in section 3.4.38 of the Act.

Associate has the same meaning as in section 1.4 of the Act.

Available Machines means those Gaming Machines of a Participating Venue Operator:

- (a) that are located in the Participating Venue Operator's approved gaming machine area;
- (b) that are approved by the Commission;
- (c) that are capable of connecting to the Monitoring Equipment in the Participating Venue Operator's Venue;
- (d) in relation to which the Participating Venue Operator has provided written notice to the Monitoring Licensee that such Gaming Machines are ready to be connected to the Monitoring System in accordance with clause 9.1(b) of this Monitoring Licence; and
- (e) which are in fact ready to be connected to the Monitoring System.

Bank Guarantee means an unconditional, irrevocable bank guarantee from an authorised deposit-taking institution registered under the *Banking Act 1959* (Cth) that has a long term foreign currency credit rating of at least BBB issued by Standard & Poors or issued by another generally recognised international credit rating agency.

Business Day means a day that is not a Saturday, Sunday or any other day that is a public holiday or a bank holiday in the State of Victoria.

Call Option Deed means the call option deed referred to in clause 6.1(d) of this Monitoring Licence to be entered into by the Monitoring Licensee and the Minister in accordance with clause 3.1(c) of the Related Agreement and attached as Schedule 8 of the Related Agreement.

Cancellation Notice means a cancellation notice given in writing to the Monitoring Licensee by the Minister under clause 2.5(a) of this Monitoring Licence as contemplated by section 3.4.59F(4) of the Act.

Commencement Date means 12:01 am on 16 August 2012.

Commission means the Victorian Commission for Gambling Regulation established under the Act or any successor body.

Continuous Disclosure Obligation means the obligations of the Monitoring Licensee set out in clause 10.5 of this Monitoring Licence.

Contractor means a person who is engaged by, or provides goods and/or services to, the Monitoring Licensee to assist the Monitoring Licensee subject to section 3.4.54 of the Act in the provision of the Monitoring Services.

Controller means, in relation to a person's property:

- (a) a receiver or receiver and manager of that property; or
- (b) anyone else who (whether or not as agent for the person) is in possession, or has control of that property to enforce an Encumbrance.

Corporations Act means the *Corporations Act 2001* (Cth).

CPI means the Consumer Price Index (All Groups) for the City of Melbourne published by the Australian Bureau of Statistics (or any other index published in substitution for this index).

CPI Adjustment means an adjustment of the Monitoring Fee calculated in accordance with the following formula:

$$\text{New } F = \text{Current } F \times (\text{CPI} \div \text{CPIX})$$

Where:

New F = the annual Monitoring Fee payable from the current Fee Adjustment Date

Current F = the annual Monitoring Fee payable immediately before the current Fee Adjustment Date

CPI = the CPI number published for the quarter ending immediately before the current Fee Adjustment Date

CPIX = the CPI number published for the quarter ending immediately before the Fee Adjustment Date, immediately preceding the current Fee Adjustment Date or, where there is no earlier Fee Adjustment Date, the quarter ending immediately before the Commencement Date.

Criminal Charge or Conviction means the Monitoring Licensee or an Executive Officer has been charged with or convicted of an offence of the kind referred to in section 3.4.59G(1) of the Act.

Deed of Guarantee means the deed of guarantee and/or performance bond for the obligations of the Monitoring Licensee under this Monitoring Licence and the Related Agreements provided by the relevant ultimate holding company or Related Body Corporate of the Monitoring Licensee (as determined by the Minister) in favour of the Minister in accordance with clause 6.1(c) of this Monitoring Licence and clause 3.1(b) of the Related Agreement and attached as Schedule 10 of the Related Agreement.

Developed Software means all Software that is developed by or on behalf of the Monitoring Licensee prior to or during the Term.

Disaster Recovery Site means the site that is physically separate from the Monitoring System where the Disaster Recovery System is located.

Disaster Recovery System means the backup Monitoring System that the Monitoring Licensee is required to establish, operate and maintain in accordance with the Scope of Services, as that backup Monitoring System is changed or updated in accordance with any changes or updates made to

the Monitoring System and approved by the Commission in accordance with the Related Agreement.

Disclosure Notice has the meaning given to that term in clause 10.5 of this Monitoring Licence.

Encumbrance means any mortgage, lien, hypothecation, charge (whether fixed or floating), bill of sale, caveat, pledge, claim, trust arrangement, preferential right, right of set-off, title retention or other form of encumbrance other than a Permitted Encumbrance.

Executive Officer has the same meaning as in section 1.4 of the Act.

Fee Adjustment Date means each consecutive anniversary of the Commencement Date.

Financial Default means the happening of any of these events:

- (a) the Monitoring Licensee becomes insolvent as defined in the Corporations Act, states that it is insolvent or is presumed to be insolvent under an applicable law;
- (b) the Monitoring Licensee is wound up, dissolved or deregistered;
- (c) the Monitoring Licensee becomes insolvent under administration as defined in the Corporations Act;
- (d) a liquidator, provisional liquidator, Controller, administrator, trustee for creditors, trustee in bankruptcy or other similar person is appointed to, or takes possession or control of, any or all of the Monitoring Licensee's assets or undertaking;
- (e) the Monitoring Licensee enters into or becomes subject to:
 - (i) any arrangement or composition with its creditors generally or any assignment for the benefit of its creditors generally; or
 - (ii) any re-organisation, moratorium, deed of company arrangement or other administration involving its creditors generally;
- (f) an order is made, resolution passed, proposal put forward, or any other action taken which would result in any of (b), (c), (d) or (e) above;
- (g) anything occurs under the law of any jurisdiction which has a substantially similar effect to any of the other paragraphs of this definition,

unless the event occurs as part of a solvent reconstruction, amalgamation, merger or consolidation that has been approved in writing by the Minister.

Fixed and Floating Charge means the first ranking fixed and floating charge granted by the Monitoring Licensee in favour of the Minister as security for the obligations of the Monitoring Licensee under this Monitoring Licence and the Related Agreement in accordance with clause 6.1(b) of this

Monitoring Licence and clause 3.1(a) of the Related Agreement and attached as Schedule 9 of the Related Agreement.

Gaming Equipment has the meaning given to that term in section 1.3 of the Act.

Gaming Machine has the meaning given to that term in section 1.3 of the Act.

Gaming Operators means Tatts Group Limited and Tabcorp Holdings Limited.

Implementation Completion Date means the date which is 6 months after the Commencement Date or such other date as agreed between the Monitoring Licensee and the Minister.

Implementation Plan means the plan concerning each of the Transition In Periods developed by the Monitoring Licensee and approved by the Commission, as may be amended from time to time in accordance with clause 7 of the Related Agreement.

Incoming Licensee means, in respect of Monitoring Licence Transition Out, another person granted a Temporary Monitoring Licence or a New Monitoring Licence by the Minister in accordance with the Act, who will provide such of the monitoring services determined by the Minister from the Required Monitoring Licence Transition Date.

Intellectual Property Rights means all intellectual and industrial property rights of whatever nature (whether or not registered or registrable) including, but not limited to:

- (a) patents, copyright, rights in circuit layout, designs, trade marks and the right to have confidential information kept confidential; and
- (b) any application or right to apply for registration of any of the rights in clause (a) and all renewals and extensions of those rights.

Issue Date means the date specified in clause 2.1 of this Monitoring Licence.

Jackpot Financial Administration Services has the meaning given to that term in section 3.1.2 of the Act.

Jackpot Financial Administration Services Agreement has the meaning given to that term in section 3.1.2 of the Act.

Legacy System means the monitoring systems, communication protocols and related equipment operated by the Gaming Operators to monitor the operation of Gaming Machines in Victoria.

Legacy System Costs has the meaning given to that term in clause 9.3(d) of this Monitoring Licence.

Legacy System Date means the earlier of:

- (a) the date that the cost of use or access of the Legacy System is known; and

(b) the date that is 6 months after the Issue Date,

or, if the cost to the Monitoring Licensee of use or access of the Legacy System has not been determined by the date that is 6 months after the Issue Date, another date determined by the Minister in his absolute discretion.

Licensed IP means all Intellectual Property Rights subsisting in the Records and the Systems, including, without limitation, the Software Package.

Linked Jackpot Arrangements has the meaning given to Linked Jackpot Arrangements set out in section 3.1.2 of the Act.

Material Agent or Contractor means those Agents and Contractors as determined by the Minister following the Minister's review of the Implementation Plan, which Agents and Contractors may include, without limitation, Agents or Contractors retained by the Monitoring Licensee to provide products or services in respect of Software (including licensing of Software and Software development or maintenance), hardware and hardware facilities (including hardware maintenance and facilities management), data storage, data management, data communications and installation, leases and licences of premises and other access rights.

Monitoring Equipment has the meaning given to that term in section 1.3 of the Act.

Monitoring Fee means the monitoring fees charged by the Monitoring Licensee to the Participating Venue Operators for the provision of the Monitoring Services under a Venue Monitoring Services Agreement and under the Jackpot Financial Administration Services Agreements calculated per Gaming Machine per month, in accordance with the Pricing Model.

Monitoring Licence means this licence granted and issued under the Act by the Minister to authorise the provision of the Monitoring Services.

Monitoring Licence Transition Out means the transition process under which the provision of the Monitoring Services will be transitioned from the Monitoring Licensee to an Incoming Licensee.

Monitoring Readiness Date means a date that is no later than 3 months prior to the Commencement Date or such other date as approved by the Commission.

Monitoring Services means the doing of all things specified in section 3.4.4(1) of the Act in accordance with the Act, this Monitoring Licence, and the Related Agreement (including, without limitation, Schedule 7 of the Related Agreement (Scope of Services)).

Monitoring Services Provider means a person appointed by the Commission to provide the Monitoring Services in accordance with section 3.4.59LF or 3.4.59LG of the Act.

Monitoring System means the electronic monitoring system and equipment referred to in and used for the purposes set out in section 3.4.4

of the Act and any equipment for the purpose of facilitating Linked Jackpot Arrangements and the facilitation of Multiple Venue Linked Jackpot Arrangements and includes, without limitation, all adaptations, modifications, enhancements to that system and equipment made at any time during the Term.

Monitoring System Documentation means all documentation relating to the operation and use of the Monitoring System, including, without limitation, the Software, regardless of the form, medium or location of such documentation and any documentation relating to:

- (a) installation of the Software on any hardware, using any Software that is not Developed Software with the Developed Software;
- (b) the Source Code of the Developed Software;
- (c) the Object Code of the Software (to the extent that the Object Code of the Software is required to be delivered by the Monitoring Licensee to the Commission under the Related Agreement); and
- (d) the Proprietary Development Environment (to the extent that the Proprietary Development Environment is required to be delivered by the Monitoring Licensee to the Commission under the Related Agreement),

including descriptions of code generation, database schemas, and development operation and user manuals.

Monitoring Term means the period of time from the Commencement Date until the earlier of:

- (a) 11:59 pm on 15 August 2027;
- (b) the date on which the Monitoring Licence is cancelled in accordance with the Act; and
- (c) the date on which the Monitoring Licence is surrendered in accordance with the Related Agreement.

Multiple Venue Linked Jackpot Arrangements has the meaning set out in section 3.1.2 of the Act.

New Monitoring Licence means a new monitoring licence issued under section 3.4.46 of the Act.

New Venue Requiring Installation means a Venue where:

- (a) gaming commences on or after the Commencement Date and gaming had not previously been conducted prior to the Commencement Date; and
- (b) Monitoring Equipment requires installation to support the connection of Gaming Machines and Linked Jackpot Arrangements.

Object Code means the machine-executable code form of a software program.

Participating Venue means a Venue with respect to which the relevant Venue Operator has entered into a Venue Monitoring Services Agreement with the Monitoring Licensee.

Participating Venue Operator means a Venue Operator who has entered into a Venue Monitoring Services Agreement with the Monitoring Licensee.

Permitted Encumbrance has the meaning given to it in the Fixed and Floating Charge, and where there are definitions within the definition of "Permitted Encumbrance" in the Fixed and Floating Charge, those definitions are deemed to be incorporated into this Licence.

Preparatory Action has the same meaning as in section 3.4.52 of the Act.

Pricing Model means the pricing model as set out in Schedule 12 of the Related Agreement, as amended from time to time in accordance with this Licence and the Related Agreement.

Project Plan means, in respect of the Monitoring Licence Transition Out, the detailed plan approved by the TSC that includes, but is not limited to, the Required Monitoring Licence Transition Date, the responsibilities and obligations of each relevant stakeholder, project budget, the implementation schedule, milestones and acceptance procedures.

Proprietary Development Environment means any proprietary device or programs used in the development environment for the Software, including compilers, "workbenches", tools and higher-level (or "proprietary") languages employed for the development, maintenance, and implementation of the Source Code of the Software, for which there is not a commercially available alternative available to the State on reasonable terms.

Records means all records, materials, books, accounts, reports, statements and documents necessary or appropriate for, or in any way relating to the conduct of, or the provision of the services in support of the conduct of the Monitoring Services including:

- (a) the Monitoring Licensee's copy of the agreements it has with Agents, Participating Venue Operators, Contractors and any other persons relating to the conduct of the Monitoring Services;
- (b) documents created by or on behalf of the Monitoring Licensee containing details of Participating Venue Operators and/or Participating Venue Operators' Gaming Equipment;
- (c) accounts and records of the affairs of the Monitoring Licensee and such other records as sufficiently explain the financial operations and financial position of the Monitoring Licensee; and
- (d) all records, books, accounts, statements, recorded information and documents used to prepare any returns, financial statements, agreements, accounts, particulars, reports, declarations or other documents the Monitoring Licensee is required to provide or retain under the Act, the Monitoring Licence or the Related Agreements.

Regulations means any regulations made under the Act, as amended from time to time.

Related Agreement means the Related Agreement which is annexed to this Monitoring Licence as Schedule 1.

Related Agreements means the Related Agreement, the Ancillary Documentation, the Tripartite Deeds, the Venue Monitoring Services Agreements, the Jackpot Financial Administration Services Agreements, the Trust Deed and any additional agreements dealing with matters relating to this Monitoring Licence or the provision of Monitoring Services that the Minister requires to be entered into pursuant to sections 3.4.48A, 3.4A.11A or any other provision of the Act with the Minister or a person nominated by the Minister, the Monitoring Licensee and, if applicable, others from time to time.

Related Body Corporate has the meaning given in section 9 of the Corporations Act and refers to any corporation of that kind whenever it becomes related.

Required Monitoring Licence Transition Date means the date specified in the Project Plan by which Monitoring Licence Transition Out is to be complete and from which the Incoming Licensee will take full responsibility for the conduct of monitoring services in accordance with the Act.

Scope of Services means the services requirements to be carried out as set out in Schedule 7 of the Related Agreement (as altered from time to time in accordance with the Related Agreement).

Software means all software required to operate the Systems and includes any Updates.

Software Package means:

- (a) the Source Code for the Developed Software;
- (b) the Proprietary Development Environment for the Developed Software;
- (c) the Monitoring System Documentation;
- (d) any pertinent documentation, software development tools, commentary or explanation relating to the Software that may be necessary or would reasonably assist a person to render the Source Code of the Software understandable and useable (to the extent that the Software's Source Code is required to be delivered by the Monitoring Licensee into escrow under the Related Agreement), including all documentation relating to the Software which may be required by a reasonably trained computer-programming professional for understanding, maintaining, modifying and correcting the Software in accordance with the State IP Licence;
- (e) statements of principles of operation and schematics as necessary or useful for the effective understanding and use of the Source Code of the Software (to the extent that the Source Code of the Software is

required to be delivered by the Monitoring Licensee into escrow under the Related Agreement);

- (f) any other materials that are necessary to use, copy, modify, correct, enhance or maintain the Software; and
- (g) any other materials as may reasonably be required by the Commission.

Source Code means the human readable form of code of a software program which can be readily compiled by a computer or assembler into Object Code for execution.

State means the Crown in right of the State of Victoria and includes the Minister.

State IP Licence means the licence to use and to sub-licence the Licensed IP that the Monitoring Licensee grants to the State under the Related Agreement.

Step-In Obligations means any act, matter or thing that the Monitoring Licensee is required to do under clause 32 of the Related Agreement.

Suspension Notice means a notice given in writing to the Monitoring Licensee by the Minister under clause 11.1(a) of this Monitoring Licence as contemplated by section 3.4.59F(4) or 3.4.59G(1) of the Act.

Systems means the Monitoring System and the Disaster Recovery System.

Technical Standards means the Victorian Central Monitoring and Control System Requirements document (which as of the Issue Date is a draft form) issued by the Commission, the Australia/New Zealand Gaming Machine National Standards and the Victorian Appendix to the Australia/New Zealand Gaming Machine National Standards, as those documents may be amended from time to time, and any other standards that the Commission may make or amend, as contemplated by sections 10.1.5A to 10.1.5C of the Act.

Temporary Monitoring Licence means a temporary monitoring licence issued under section 3.4.59I of the Act.

Term means the period of time from the Issue Date until the earlier of:

- (a) 11:59 pm on 15 August 2027;
- (b) the date on which the Monitoring Licence is cancelled in accordance with the Act; and
- (c) the date on which the Monitoring Licence is surrendered in accordance with the Related Agreement.

Transition Arrangements means all steps as are necessary to facilitate and effect a streamlined Monitoring Licence Transition Out including, but not limited to, those set out in clause 18 of the Related Agreement.

Transition In Period Phase I means the period commencing on the Agreement Date and ending on the Commencement Date.

Transition In Period Phase II means the period commencing on the Commencement Date and ending on the Implementation Completion Date.

Transition In Periods means:

- (a) Transition In Period Phase I; and
- (b) Transition In Period Phase II.

Tripartite Deed means the tripartite deeds (if any) referred to in clause 6.2 of this Monitoring Licence to be entered into by the Monitoring Licensee, the Minister and various third parties in accordance with clause 12.2 of this Monitoring Licence.

Trust Deed means each trust deed to be entered into by the Monitoring Licensee and each Participating Venue Operator who wishes to participate in Multiple Venue Linked Jackpot Arrangements, in a form acceptable to the Minister.

TSC means the Transition Steering Committee as described in the Transition Arrangements.

Update means a new release or new version of a Software module or any patch, update or enhancement to any Software module that is made by or on behalf of, or for the benefit of, the Monitoring Licensee during the Term.

Venue means an approved venue as defined in section 1.2 of the Act.

Venue Monitoring Services Agreement means an agreement between the Monitoring Licensee and a Venue Operator for the provision of Monitoring Services including, but not limited to, an agreement of the type described under section 3.4.48A and/or section 3.4A.11A of the Act.

Venue Operator has the same meaning as set out in section 1.3 of the Act.

1.2 Interpretation

- (a) In this document headings and background are for convenience only and do not affect interpretation.
- (b) Except to the extent that the context otherwise requires or except as expressly stated otherwise:
 - (i) references to any document or agreement include reference to such document or agreement as amended, novated, replaced or supplemented from time to time;
 - (ii) references to any statute, regulation, by-law or guideline or to any provision of any statute, regulation, by-law or guideline include any modification or re-enactment of, or any provision substituted for, and (in the case of a statute) all statutory and subordinate instruments issued under, such statute, regulation, by-law or guideline or such provision;
 - (iii) unless otherwise defined, words in the singular include the plural and vice versa;

- (iv) references to any party or person include that party's or person's successor or permitted assigns; and
- (v) where any word or phrase is defined its other grammatical forms have corresponding meanings.

2 Monitoring Licence

2.1 Issue of Monitoring Licence

Under sections 3.4.44 and 3.4.46 of the Act, the Minister grants the Application and issues this Monitoring Licence on **14 NOV 2011 (Issue Date)** in favour of Intralot Gaming Services Pty Ltd ACN 136 875 673 of Level 1, 283 Normanby Road, Port Melbourne 3207 (**Monitoring Licensee**).

2.2 Authorisation

The Monitoring Licensee is authorised by this Monitoring Licence to:

- (a) perform the Monitoring Services for the Monitoring Term; and
- (b) carry out the Preparatory Action in accordance with section 3.4.52 of the Act from the Issue Date,

subject to the terms and conditions set out in this Monitoring Licence, the Related Agreements and the Act.

2.3 Dealing with Monitoring Licence

This Monitoring Licence cannot be transferred, assigned, sub-licensed, novated or amended by the Monitoring Licensee except in accordance with the Act and the conditions set out in this Monitoring Licence and the Related Agreements.

2.4 Conduct of Monitoring Licensee

The Monitoring Licensee must at all times act reasonably and in good faith in its dealings with the State, the Commission and any persons who have entered into Venue Monitoring Service Agreements with the Monitoring Licensee.

2.5 Cancellation of Monitoring Licence

- (a) This Monitoring Licence may be cancelled by the Minister prior to the expiration of the Term in accordance with the Act by written notice from the Minister to the Monitoring Licensee (**Cancellation Notice**).
- (b) A Cancellation Notice will take effect on the date it is given to the Monitoring Licensee or such later date as specified in the Cancellation Notice.
- (c) The State, the Commission and the Monitoring Services Provider have no liability to pay, compensate or reimburse the Monitoring

Licensee for any losses, damages, costs and expenses incurred by the Monitoring Licensee as a result of, associated or in connection with a cancellation of the Monitoring Licence.

3 Monitoring Licensee Acknowledges All Obligations

The Monitoring Licensee acknowledges all of its obligations to carry out, provide, operate, conduct, comply with and complete the Preparatory Action, the Monitoring Services, the Transition Arrangements, Step-In Obligations and the Continuous Disclosure Obligation, and to comply with all directions of the Minister and the Commission, as are set out in, or given in accordance with, this Monitoring Licence, the Related Agreements and the Act.

4 Services

The Monitoring Licensee shall:

- (a) on and from the Issue Date undertake and complete the Preparatory Action prior to the Commencement Date in accordance with the Related Agreement; and
- (b) conduct the Monitoring Services and carry out such other things as may be necessary to ensure the continuous and uninterrupted operation of the Systems and the provision of the Monitoring Services throughout the Monitoring Term in accordance with the Act, this Monitoring Licence and the Related Agreement.

5 Authorisation of Preparatory Action

In accordance with section 3.4.52 of the Act, the Monitoring Licensee is authorised from the Issue Date to undertake and complete the Preparatory Action in accordance with the Related Agreement.

6 Ancillary Documentation

6.1 Security

On or prior to the Issue Date and as a condition precedent to the issue of the Monitoring Licence, the Monitoring Licensee must:

- (a) provide the Minister with a Bank Guarantee in favour of the Minister to the value of \$10,000,000.00 in accordance with clause 3.2 of the Related Agreement;
- (b) provide the Minister with the duly executed registrable Fixed and Floating Charge;

- (c) provide the Minister with a duly executed Deed of Guarantee; and
- (d) deliver to the Minister, a duly executed copy of the Call Option Deed.

6.2 Tripartite Deed

The Monitoring Licensee must, from time to time and upon request from the Minister in accordance with clause 12.2 of this Monitoring Licence, deliver copies of any Tripartite Deed executed by all parties other than the Minister in a form acceptable to the Minister.

6.3 Monitoring Licensee's Obligations Continue

The Minister's right to exercise his rights under any Ancillary Documentation does not relieve the Monitoring Licensee from its obligations under the Monitoring Licence, the Related Agreements and the Act.

7 Constitution

- (a) On or prior to the Issue Date, the Monitoring Licensee must obtain the Minister's written approval to the Monitoring Licensee's constituent documents including, without limitation, its Constitution and the Constitution of the ultimate holding company or Related Body Corporate of the Monitoring Licensee which is to be a party to the Deed of Guarantee.
- (b) From the Issue Date, the Monitoring Licensee must procure that no amendments are made to the Monitoring Licensee's Constitution, unless such amendments are first approved by the Minister in writing, which approval shall not be unreasonably withheld if in the Minister's reasonable opinion, that amendment will not adversely affect the Monitoring Licensee's ability to perform its obligations under the Act, this Monitoring Licence and/or any of the Related Agreements.

8 Additional Related Agreements

The Minister may, in accordance with the Act, from time to time, direct the Monitoring Licensee to enter into additional Related Agreements.

9 Venue Monitoring Services Agreements, Jackpot Financial Administration Services Agreements and Trust Deeds

9.1 Requirement to Enter into Venue Monitoring Services Agreement, Jackpot Financial Administration Services Agreement and Trust Deed

- (a) Prior to providing any Monitoring Services to a Venue Operator holding gaming machine entitlements, the Monitoring Licensee must, in accordance with a direction given by the Minister under the Act,

enter into a Venue Monitoring Services Agreement and (where applicable) a Jackpot Financial Administration Services Agreement and Trust Deed for the provision of Monitoring Services to that Venue Operator.

- (b) The Monitoring Licensee must use all reasonable endeavours to enter into a Venue Monitoring Services Agreement and (where applicable) a Jackpot Financial Administration Services Agreement and Trust Deed with each Venue Operator that requests to enter into such agreements and is willing and able to enter into such agreements as soon as practicable after any such request. Such agreement must provide for notice to be given by the Venue Operator to the Monitoring Licensee for the connection of Gaming Machines as follows:
 - (i) in relation to Gaming Machines that the Venue Operator wishes to be connected on the Commencement Date, not less than 90 days notice prior to the Commencement Date; and
 - (ii) in relation to Gaming Machines that the Venue Operator wishes to be connected at any time after the Commencement Date:
 - (A) not less than 28 days notice for a Participating Venue that is not a New Venue Requiring Installation; and
 - (B) not less than 60 days notice for a Participating Venue that is a New Venue Requiring Installation.

9.2 Terms of Venue Monitoring Services Agreement, Jackpot Financial Administration Services Agreement and Trust Deed

The Monitoring Licensee must comply with any direction of the Minister given in accordance with the Act as to the terms that must be included in a Venue Monitoring Services Agreement including, but not limited to, the terms set out in Schedule 11 of the Related Agreement and (where applicable) a Jackpot Financial Administration Services Agreement and Trust Deed.

9.3 Pricing Model

- (a) The Monitoring Fee (and all components thereof) that the Monitoring Licensee may charge a Venue Operator under a Venue Monitoring Services Agreement or a Jackpot Financial Administration Service Agreement for the component of the Monitoring Services acquired by that Venue Operator will be determined from time to time in accordance with the Pricing Model and the Monitoring Licensee will not charge a Venue Operator more than the amount so determined.
- (b) The Pricing Model will determine the Monitoring Fee which will consist of the following 3 components:

- (i) a fee in relation to the Monitoring Services excluding the facilitation of Linked Jackpot Arrangements and Multiple Venue Linked Jackpot Arrangements;
 - (ii) a fee in relation to the facilitation of Linked Jackpot Arrangements excluding, the facilitation of Multiple Venue Linked Jackpot Arrangements; and
 - (iii) a fee in relation to the facilitation of Multiple Venue Linked Jackpot Arrangements, including, but not limited to the provision of Jackpot Financial Administration Services in relation to Multiple Venue Linked Jackpot Arrangements.
- (c) A Venue Operator will only be required to pay:
- (i) the Linked Jackpot Arrangements (excluding the Multiple Venue Linked Jackpot Arrangements component) component of the Monitoring Fee if they elect to receive the facilitation of Linked Jackpot Arrangements component of the Monitoring Services (excluding the facilitation of Multiple Venue Linked Jackpot Arrangements component); and
 - (ii) the Multiple Venue Linked Jackpot Arrangements component of the Monitoring Fee if they elect to receive the facilitation of Multiple Venue Linked Jackpot Arrangements component of the Monitoring Services.
- (d) On the Legacy System Date, or as soon as practicable thereafter, the Pricing Model will be reviewed and may be recalculated to obtain an updated Monitoring Fee that incorporates the cost to the Monitoring Licensee of use of or access to the Legacy System (excluding its costs of transitioning into the Legacy System as set out in clause 9 of the Related Agreement) (**Legacy System Costs**). In order to facilitate this review, on or before the Legacy System Date, the Monitoring Licensee must submit to the Minister its proposed Legacy System Costs. The Pricing Review Panel (as that term is defined in clause 22.3 of the Related Agreement) will review the proposed Legacy System Costs and will provide a report to the Minister and the Monitoring Licensee containing its determination regarding how and the extent to which the proposed Legacy System Costs are appropriate and should be incorporated into the Pricing Model. As soon as practicable after receiving the report from the Pricing Review Panel:
- (i) the Minister will make a final determination regarding whether and the extent to which the Pricing Model will be recalculated;
 - (ii) the Minister will notify the Monitoring Licensee of such determination; and
 - (iii) the Pricing Model will (if necessary) be recalculated and amended in accordance with the Minister's determination.

9.4 Fee

Subject to clauses 9 and 22 of the Related Agreement, the Monitoring Licensee must not charge any fee, cost, expense or other amount to a Venue Operator for Monitoring Services other than the amounts permitted under the Pricing Model referred to in clause 9.3 of this Monitoring Licence.

9.5 Annual Fee increase by CPI

On each Fee Adjustment Date, the Monitoring Fee will increase by the CPI Adjustment.

9.6 Timely Provision of Monitoring Services

The Monitoring Licensee must take all such steps as are necessary to effect the connection of the Available Machines to the Monitoring System in accordance with the timeframes specified in clause 19 of the Related Agreement.

10 Compliance

10.1 Compliance with the Act and Monitoring Licence

The Monitoring Licensee must comply with the Act and all other applicable laws and regulations and must strictly observe the conditions of this Monitoring Licence.

10.2 Compliance with Related Agreements

- (a) The Monitoring Licensee must strictly observe all of the provisions of the Related Agreements.
- (b) A breach by the Monitoring Licensee of any provision of any of the Related Agreements is deemed to be a breach of this Monitoring Licence.

10.3 Compliance with Technical Standards

The Monitoring Licensee must comply with all of the Monitoring Licensee's obligations contained within the Technical Standards.

10.4 Physical Place of Business and Systems

- (a) The Monitoring Licensee must maintain a physical place of business in Victoria throughout the Term.
- (b) The Monitoring Licensee must ensure that the whole of the Monitoring System remains in Victoria throughout the Term and that the whole of the Disaster Recovery System remains in Australia throughout the Term.
- (c) The Monitoring Licensee must obtain the prior written approval of the Commission to any change of address of the physical place of business of the Monitoring Licensee or the location of the Monitoring System or the Disaster Recovery System.

10.5 Continuous Disclosure Obligation

- (a) For the duration of the Term, the Monitoring Licensee must give the Commission written notice (**Disclosure Notice**) as soon as possible and in any event no later than 24 hours (whichever is the shorter period) on becoming aware of each event constituted by any of the following:
 - (i) Financial Default;
 - (ii) Criminal Charge or Conviction; and
 - (iii) a breach of a provision of the Act or a term of this Monitoring Licence or any Related Agreements.
- (b) The Monitoring Licensee must cause to be included in the Disclosure Notice given to the Commission under this clause 10.5 all material particulars relevant to the event the subject of the Disclosure Notice, including any matters which in the opinion of the Monitoring Licensee are capable of cure or remedy, the steps that the Monitoring Licensee proposes to take to cure or remedy those matters and the time frame that is estimated to be required to properly effect the steps for the proposed cure or remedy and the Monitoring Licensee must also provide such further information as the Commission may request in relation to the Disclosure Notice or any other matter considered relevant by the Commission in its absolute discretion.

11 Suspension of the Monitoring Licence

11.1 Suspension of Monitoring Licence

- (a) This Monitoring Licence may be suspended by the Minister prior to the expiration of the Term in accordance with the Act by written notice from the Minister to the Monitoring Licensee (**Suspension Notice**).
- (b) A Suspension Notice will take effect on the date it is given to the Monitoring Licensee or such later date as specified in the Suspension Notice.
- (c) The State, the Commission and the Monitoring Services Provider have no liability to pay, compensate or reimburse the Monitoring Licensee for any losses, damages, costs and expenses incurred by the Monitoring Licensee as a result of, associated or in connection with a suspension of the Monitoring Licence.

11.2 Events of suspension

- (a) For the avoidance of doubt the Minister may:
 - (i) suspend the Monitoring Licence by giving the Monitoring Licensee a Suspension Notice if the Minister is satisfied that:

- (A) the Monitoring Licensee is not, or is no longer, a suitable person or body to conduct the activities authorised by the Monitoring Licence;
 - (B) a Criminal Charge or Conviction has occurred;
 - (C) a Financial Default has occurred; or
 - (D) the Monitoring Licence was obtained by a materially false or misleading representation or in some improper way;
- (ii) suspend the Monitoring Licence in accordance with section 3.4.59F(1)(a)(ii) of the Act.
- (b) The giving of the Suspension Notice to the Monitoring Licensee under clause 11.2(a)(i) of this Monitoring Licence does not limit the Commission's powers to take or recommend disciplinary action in accordance with section 3.4.59E of the Act or the Minister's power to take disciplinary action in accordance with section 3.4.59F of the Act.

12 Appointment of Agents and Contractors

12.1 Authority

- (a) The Monitoring Licensee is authorised to appoint Agents and engage Contractors to assist in the provision of the Monitoring Services.
- (b) In accordance with section 3.4.54(2) of the Act, the engagement of an Agent or Contractor by the Monitoring Licensee does not affect any function or obligation of the Monitoring Licensee under the Monitoring Licence or any of the Related Agreements or the Act.
- (c) The Monitoring Licensee acknowledges that if the Monitoring Licensee appoints any Agents or engages any Contractors, the Monitoring Licensee will be liable for the acts and/or omissions of such Agents and Contractors as if the Monitoring Licensee has committed such acts and/or omissions.

12.2 Tripartite Deed

- (a) As soon as practicable after a request by the Minister and at least every 6 months, commencing on the date that is 6 months after the Commencement Date, the Monitoring Licensee must provide the Minister with a list of each Agent or Contractor engaged or to be engaged by the Monitoring Licensee from time to time.
- (b) Upon request from the Minister, the Monitoring Licensee must procure all Material Agents or Contractors to enter into a Tripartite Deed with the Minister and Monitoring Licensee.
- (c) If, after making reasonable attempts to do so, the Monitoring Licensee cannot procure entry into a Tripartite Deed by a Material

Agent or Contractor as required under clause 12.2(a) of this Monitoring Licence, the Minister, upon request from the Monitoring Licensee, may (in his absolute discretion) release the Monitoring Licensee from its obligation in clause 12.2(a) of this Monitoring Licence, if the State is able to otherwise satisfactorily procure the services from the relevant Material Agent or Contractor.

13 General

13.1 The Act prevails

- (a) In the interpretation of this Monitoring Licence, to the extent that there is any inconsistency between the provisions of the Monitoring Licence, the provisions of the Act, the provisions of any of the Related Agreements, or a provision of any of the Technical Standards then the following descending order of precedence will apply:
 - (i) the Act;
 - (ii) any directions given under the Act;
 - (iii) the Technical Standards;
 - (iv) the Monitoring Licence;
 - (v) the Related Agreement;
 - (vi) the Related Agreements other than the Related Agreement.
- (b) The Monitoring Licence will be interpreted and construed to the greatest extent possible to protect its validity under the Act.

13.2 Severability

If anything in any of this Monitoring Licence or the Related Agreements is unenforceable, illegal or void then it is severed to the extent necessary to give the Monitoring Licence full force and effect and the remainder of the Monitoring Licence or relevant Related Agreements (as applicable) will remain in force and effect.

13.3 Notices and Representatives

- (a) Any communication under or in connection with this Monitoring Licence:
 - (i) must be in writing;
 - (ii) subject to clause 13.3(b) of this Monitoring Licence, must be addressed as shown below:

Minister

Minister for Gaming

Level 16, 1 Spring Street

Melbourne, VIC 3000

Copy to:

Executive Director, Gaming and Racing

Department of Justice, Mr Ross Kennedy

Level 29, 121 Exhibition Street, Melbourne, 3000

Monitoring Licensee

Company Secretary

Level 1, 283 Normanby Road

Port Melbourne 3207

- (iii) must be signed by the party making the communication;
- (iv) must be delivered or posted by prepaid post to the address, or sent by fax to the number, of the addressee, in accordance with clause 13.3(a)(ii) of this Monitoring Licence; and
- (v) will be deemed to be received by the addressee:
 - (A) (in the case of prepaid post) on the second Business Day after the date of posting;
 - (B) (in the case of fax) at the local time (in the place of receipt of that fax) which then equates to the time at which the fax is sent as shown on the transmission report which is produced by the machine from which that fax is sent and which confirms transmission of that fax in its entirety unless that local time is a non-Business Day, or is after 5.00pm on a Business Day, in which case that communication will be deemed to have been received at 9.00am on the next Business Day; and
 - (C) (in the case of delivery by hand) on delivery at the address of the recipient as provided in clause 13.3(a)(ii) of this Monitoring Licence, unless that delivery is made on a non-Business Day, or after 5.00pm on a Business Day, in which case that delivery will be deemed to have been received at 9.00am on the next Business Day.
- (b) Either party may amend their address for service by giving notice to the other.
- (c) Notwithstanding anything to the contrary in this clause, a Disclosure Notice under clause 10.5 of this Monitoring Licence and a Suspension Notice under clause 11.1 of this Monitoring Licence is issued on the day that it is received, irrespective of whether that day is a Business Day.

13.4 Surviving Provisions

All clauses that by their nature survive expiration or cancellation of this Monitoring Licence will remain in full force, which include without limitation and for the avoidance of doubt, clause 13 of this Monitoring Licence (General).

13.5 Electronic delivery of documents

If a party delivers an executed counterpart of this Monitoring Licence or any other document executed in connection with it ("**Relevant Document**") by facsimile or other electronic means:

- (a) the delivery will be deemed to be an effective delivery of an originally executed counterpart; and
- (b) the party will still be obliged to deliver an originally executed counterpart, but the failure to do so will not effect the validity or effectiveness of the Relevant Document.

Issued by the Minister for Gaming,
the Honourable Michael O'Brien MP,
for and on behalf of the Crown in the right of the State of Victoria



Signature of Witness



Signature of the Minister

LUKE TOBIN

Name of Witness
(BLOCK LETTERS)

Schedule 1

Related Agreement

The Minister for Gaming for and on behalf of the
Crown in right of the State of Victoria

Intralot Gaming Services Pty Ltd

Gambling Regulation Act 2003 (Vic)

Monitoring Licence Related Agreement

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Date 14 NOV 2011 2011

Parties

The Minister for Gaming for and on behalf of the Crown in right of the State of Victoria of Level 16, 1 Spring Street, Melbourne, 3000 (**Minister**)

Intralot Gaming Services Pty Ltd ACN 136 875 673 of Level 1, 283 Normanby Road, Port Melbourne 3207 (**Monitoring Licensee**)

Background

- A The Minister has determined under section 3.4.44 of the Act to grant the Application of the Monitoring Licensee and to issue the Monitoring Licence.
 - B The Minister and the Monitoring Licensee have entered into this Related Agreement under section 3.4.48 of the Act for the purpose of better facilitating the arrangements between the Minister, the Monitoring Licensee and Venue Operators in relation to the provision of the Monitoring Services under the Monitoring Licence.
 - C The parties have agreed on the commercial arrangements set out in the terms of this Related Agreement.
 - D Nothing in this Related Agreement restricts or fetters, or is intended to restrict or fetter, the Minister's or the Commission's powers under the Act and should not be read to restrict any discretionary powers of the Minister or the Commission.
-

Agreed terms

1 Definitions

Words not otherwise defined in this Related Agreement have the same meaning as in the Act, or if defined in the Monitoring Licence the same meaning as in the Monitoring Licence, except where a contrary intention appears.

1.1 Definitions

Additional Financial Statements has the meaning given to that term in clause 13.6(a) of this Related Agreement.

Agreement Date means the date specified in Schedule 1, or if no such date is specified, the date of execution of this Related Agreement.

Ancillary Services means those services as may be provided to a Venue Operator associated with the conduct of gaming that are outside the scope of the Monitoring Services.

APRA means the Australian Prudential Regulation Authority.

Approved Linked Jackpot Trust Accounts has the meaning given to it in the Act.

Approved Transition Plan means the proposed Transition Plan, once finalised and approved by the Commission.

Australian Accounting Standards means the accounting standards issued by the Australian Accounting Standards Board, and as amended or reissued from time to time.

Australian Auditing Standards means the auditing standards issued by the Australian Auditing and Assurances Standards Board, and as amended or reissued from time to time.

Authorisation includes a consent, approval, licence, permit, registration, resolution, direction, declaration and exemption necessary for the provision of the Monitoring Services.

Authorised Person has the meaning given to that term in clause 16.2 of this Related Agreement.

Change of Control means a change in the power to:

- (a) exercise, or Control the exercise of, more than or equal to half of the voting power attaching to the shares or other form of equity in an entity;
- (b) dispose of, or Control the disposal of, more than or equal to half (by value) of the shares or other form of equity in an entity;
- (c) appoint or remove, or Control the appointment or removal of, directors having more than or equal to half of the votes cast at board meetings of an entity;
- (d) exercise, or Control the exercise of, more than or equal to half of the votes cast by directors at board meetings of an entity; or
- (e) otherwise determine, or Control the determination of, the outcome of decisions about an entity's financial and operating policies.

Claim means any claim, demand, action, proceeding, litigation, Liability, indebtedness, obligation, investigation or judgment, however it arises and whether it is present or future, fixed or unascertained, actual or contingent (including by way of contribution or indemnity).

CMCS means a central monitoring and control system.

Code of Practice means any applicable code of practice in accordance with the *Information Privacy Act 2000* (Vic).

Communication Links means the physical and logical means for transmission of data between two computer systems.

Communication Protocol means the mode of communication between a component of the Monitoring System and a Gaming Machine or other Monitoring System component.

Connected Machine means an Available Machine that has been connected to the Monitoring System by or on behalf of the Monitoring Licensee but excludes any Available Machine that is not connected to the Monitoring System due to a Scheduled Downtime.

Control means a power or control:

- (a) that is direct or indirect; or
- (b) that is or can be exercised as a result of, by means of or by the revocation or breach of a trust, agreement, practice or combination of any of them, whether or not they are enforceable;

and it does not matter whether the power is express or implied, formal or informal, exercisable alone or jointly with someone else.

Data means all data and expressions of data contained in, or processed or generated by any Systems, in whatever form, including without limitation, all data and expressions of data comprising reports generated by any System.

Delivery Date means the date by which the Commission is satisfied in its absolute discretion that the Monitoring System is fully operational and the Monitoring Services are able to be provided by the Monitoring Licensee being the date upon which the Commission is satisfied in its absolute discretion that all Gaming Machines of a Participating Venue Operator that are Available Machines as at the Commencement Date, have been connected and are therefore Connected Machines.

Developed Intellectual Property means the Developed Software and any other Intellectual Property Rights in any material developed or created by or on behalf of the Monitoring Licensee, any Agent or any Contractor for the purpose of, or in relation to, the provision or performance of Monitoring Services.

Escrow Agent means the escrow agent nominated by the Commission by written notice to the Monitoring Licensee.

Escrow Deed means a deed between the Monitoring Licensee, the Minister and the Escrow Agent substantially in the form set out in Schedule 14.

Event of Default means the suspension or cancellation of the Monitoring Licence in accordance with the Act and the Monitoring Licence or the unauthorised surrender of the Monitoring Licence by the Monitoring Licensee.

Existing Machines means a Gaming Machine that is:

- (a) located in the same Venue prior to and following the Commencement Date; or

- (b) located in a different venue prior to the Commencement Date to the Venue it is located in following the Commencement Date but where both venues use the same Gaming Machine Communication Protocol.

Existing Venue means a Venue where Gaming is conducted prior to the Commencement Date.

Failure Event has the meaning given to it in Schedule 6 of this Related Agreement.

Financial Statement means a financial statement that is prepared so as to comply with clause 13.7 of this Related Agreement.

Financial Year means the financial year being the period commencing on 1 July of any year and ending on 30 June of the subsequent year.

Force Majeure Event means lightning, earthquake, fire, cyclone, riots, civil commotion, natural disaster, flood, act of a public enemy, terrorism, war (declared or undeclared), revolution or radioactive contamination, but only if the consequences of which are beyond the control of the Monitoring Licensee and could not have been prevented, avoided, overcome, remedied or mitigated by the Monitoring Licensee exercising a standard of care and diligence consistent with that of a prudent and competent person under the circumstances and as a result of which the Monitoring Licensee breaches or is prevented from or delayed in performing or complying with any of its obligations under this Related Agreement or the Monitoring Licence or the Act.

Force Majeure Notice means a notice given by either of the parties under clause 28.1 of this Related Agreement.

Gaming has the meaning given to that term in section 3.1.2 of the Act.

Gaming Machine Communication Protocol means the mode of communication between a Gaming Machine and the Monitoring System.

Gaming Machines' Metering Baselines means the recording of the meters for each Gaming Machine at the Commencement Date.

Gaming Operators' Test Systems means the systems owned by the Gaming Operators, which mirror their live Legacy Systems and are used to test new or updated equipment, software or Gaming Machines.

Government Agency means the State, the Commonwealth of Australia or any government, semi-governmental, judicial, municipal, statutory, public or administrative entity, agency or authority and includes a Minister of the Crown (in any right), a statutory corporation, a State-owned corporation, a self regulatory authority established under statute or a stock exchange (wherever created or located).

Hard Count means the count of physical moneys, coins and banknotes, held within a Gaming Machine.

Implementation Completion means the completion of all of the Implementation Completion Tasks to the satisfaction of the Commission.

Implementation Completion Tasks means the carrying out of all tasks required for the final implementation and roll out of the Monitoring System in accordance with Schedule 16.

Independent Chairperson means the independent chairperson appointed by the Minister from time to time of the TSC.

Information Privacy Principles means the Information Privacy Principles set out in Schedule 1 of the *Information Privacy Act 2000* (Vic).

Initial Bank Guarantee has the meaning given to it in clause 3.2(a) of this Related Agreement.

Interface Card means an electronic board or card, provided as part of the Monitoring System, which sits inside of Venue Gaming Equipment.

IP Indemnified Parties has the meaning given to that term in clause 20.10(a) of this Related Agreement.

IP Sub-Licence Agreement means an agreement under which the State grants a sub-licence of all or part of the Licensed IP to a Sub-Licensee in accordance with this Related Agreement.

Jackpot Controller means a device that performs some or all of the functions of the facilitation of Linked Jackpot Arrangements and/or Multiple Venue Linked Jackpot Arrangements.

Key Milestones means the events to be carried out and completed by the dates set out in the Implementation Plan which are critical to the implementation of the provision of Monitoring Services in order to ensure that the Monitoring Licensee provides the Monitoring Services.

LAN means Local Area Network – the physical and logical means of linking equipment within a location such as a Venue Operator's Venue.

Law means:

- (a) principles of law or equity established by decisions of Courts;
- (b) statutes, regulations, by-laws or other subordinate instruments of a Government Agency;
- (c) the Constitution of the Commonwealth;
- (d) binding requirements and mandatory approvals (including conditions) of a Government Agency which have the force of law; and
- (e) guidelines, codes, directions or similar provisions of a Government Agency which have the force of law.

Legacy System Transition Costs has the definition given to that term in clause 9(a) of this Related Agreement.

Liability means any debt or other monetary liability or penalty, fine or payment or any damages, losses, indebtedness, costs, break costs, charges, outgoings or expenses of whatever description.

Loss means a loss, claim, action, damage, liability, cost, charge, expense, penalty, compensation, fine, outgoing or payment suffered, paid or incurred.

Material Change Instruction has the meaning given to it in clause 22.1 of this Related Agreement.

Monitoring Assets means all assets, property, undertaking, right, title or interests that are required by the Monitoring Licensee in connection with the provision of the Monitoring Services, including all systems (including the Systems), Monitoring Equipment, accounts, processes, networks and Records.

Monitoring Business means the business of the Monitoring Licensee conducted in Victoria for the purpose of providing the Monitoring Services and carrying out the Preparatory Action.

Monitoring Licence Transition Out Objectives means the objectives set out in clause 18.2 of this Related Agreement.

Monitoring Licence Transition Out Period means the period:

- (a) commencing the earlier of:
 - (i) 1 year prior to the expiry of the Monitoring Licence; or
 - (ii) the date upon which the Monitoring Licensee ceases to be the holder of the Monitoring Licence; and
- (b) ending on the earlier of:
 - (i) 6 months after the expiry of the Monitoring Licence; or
 - (ii) 12 months after the date upon which the Monitoring Licensee ceases to be the holder of the Monitoring Licence provided that an Incoming Licensee is licensed to provide Monitoring Services within 6 months of the commencement of the Monitoring Licence Transition Out Period.

Monitoring Licence Transition Out Requirements means the framework for the Monitoring Licence Transition Out set out in Schedule 5.

Monitoring Readiness means the Monitoring Licensee having completed, to the satisfaction of the Commission, the Preparatory Action up to the Transition In Period Phase I in accordance with the Implementation Plan including, without limitation, completion of the tasks listed in clause 3 of Schedule 4.

Moral Rights means any “moral right” within the meaning of the *Copyright Act 1968* (Cth).

New Venue means a Venue where Gaming commences on or after the Commencement Date and was not conducted prior to the Commencement Date.

Performance Standards means the minimum standards set out in Schedule 3 as amended from time to time pursuant to a Performance Standards Notice under clause 5.2 of this Related Agreement.

Performance Standards Notice has the meaning given to that term in clause 5.2(a) of this Related Agreement.

Pre-Tax Internal Rate of Return means the pre-tax internal rate of return calculated in accordance with the calculation methodology and formulae applied in the Pricing Model, and reflected in the financial model included in the Pricing Model as at the Issue Date.

Pricing Model means the pricing model as set out in Schedule 12 of this Related Agreement, as amended from time to time in accordance with this Related Agreement.

Pricing Report has the meaning given to it in clause 22.4(b)(ii) of this Related Agreement.

Pricing Review Panel has the meaning given to it in clause 22.3 of this Related Agreement.

Quarter or Quarterly means each period of three consecutive months ending on 31 March, 30 June, 30 September or 31 December in any Financial Year.

Replacement Bank Guarantee has the meaning given to that term in clause 3.2 of this Related Agreement.

Report means a report that the Monitoring Licensee is required to prepare under clauses 14.1 and/or 14.2 of this Related Agreement.

Re-Used Legacy System Components means:

- (a) all Venue LANs used for connecting Gaming Equipment to the Monitoring System, including, but not limited to Venue based controllers, Gaming Machines and jackpot displays – including any equipment used to support the LANs such as switches, routers, repeaters and converters;
- (b) all Interface Cards within Gaming Machines previously supported by the Legacy System;
- (c) all Interface Cards that connect jackpot displays to the part of the Monitoring System which facilitates Linked Jackpot Arrangements; and
- (d) all Communication Protocols, communication devices, software and Source Code which relate to those components of the Legacy System listed above.

Required Assets means those Monitoring Assets that the Minister requires the Monitoring Licensee to own, including but not limited to those Monitoring Assets referred to in Schedule 15.

Review Request has the meaning given to it in clause 22.1 of this Related Agreement.

Roll means the Roll of Manufacturers, Suppliers and Testers kept by the Commission in accordance with section 3.4.60 of the Act.

Scheduled Downtime means a period or periods of time that the Connected Machines are not connected to the Monitoring System for the purpose of maintenance of the Monitoring System, in accordance with a maintenance schedule previously approved by the Commission.

Security Interest means any mortgage, pledge, lien or charge or any security or preferential interest or arrangement of any kind, and includes:

- (a) anything which gives a creditor priority to other creditors with respect to any asset; and
- (b) retention of title other than in the ordinary course of day-to-day trading and a deposit of money by way of security.

Service Strategy means the service strategy set out in Schedule 2, as that strategy may be varied from time to time in accordance with clause 4.2 of this Related Agreement.

Significant Event has the same meaning as in section 3.1.2 of the Act.

Significant Game Play Transaction has the same meaning as in section 3.1.2 of the Act.

Site Survey means a survey of a Venue Operator's Venue, in order to determine the requirements to establish Monitoring Services at that Venue.

Soft Meter Data means counts of Gaming and money movement transactions maintained by Gaming Machines and Jackpot Controllers and gathered from these devices by the Monitoring System.

Step-In Event means the appointment of a Monitoring Services Provider in accordance with section 3.4.59LG of the Act.

Step-In Transition means the period during which the Monitoring Services Provider takes over and takes responsibility for the provision of the Monitoring Services in accordance with the Act and the Related Agreement.

Sub-Licensee means a Monitoring Services Provider, a Temporary Monitoring Licensee, an Incoming Licensee or a third party who is retained to perform acts on behalf of the State in relation to the Licensed IP who is a party to an IP Sub-Licence Agreement.

Technology Review Plan has the meaning given to that term in clause 4.3(b) of this Related Agreement.

Temporary Monitoring Licensee means a person granted a Temporary Monitoring Licence.

Tester means a tester listed on the Roll.

Third Party Claim has the meaning given to that term in clause 20.10(a) of this Related Agreement.

Third Party Material means any part of the Records and the Systems, including, without limitation, the Software Package, in which the Intellectual Property Rights are owned by any entity other than the Monitoring Licensee, and any part of the Data in which the Intellectual Property Rights are owned by an Agent or Contractor.

Transition Materials means the Approved Transition Plan and the Project Plan.

Transition Out Bank Guarantee has the meaning given to that term in clause 18.3 of this Related Agreement.

Transition Out Obligations means all of the Monitoring Licensee's obligations under the Related Agreement in relation to Monitoring Licence Transition Out, including without limitation, such obligations on the Monitoring Licensee that are specified in clause 18 and in Schedule 5.

Transitional Materials Licence has the meaning given to that term in clause 18.8(j)(i) of this Related Agreement.

Transition Plan means the transition out plan to be developed by the Monitoring Licensee in accordance with clause 18, as may be amended from time to time in accordance with clause 18.8 of this Related Agreement.

Trust Account Statement means a trust account statement that is prepared so as to comply with clause 13.7 of this Related Agreement.

WAN means Wide Area Network – the physical and logical means for transmission of data between two computer systems in remote locations.

1.2 Interpretation

- (a) A provision of this Related Agreement must not be construed to the disadvantage of a party merely because that party was responsible for the preparation of the Related Agreement or the inclusion of the provision in the Related Agreement.
- (b) If an act falls to be done on a day which is not a Business Day, it must (except where an act is expressly required to be performed on a day that is not a Business Day) be done instead on or before the next Business Day.
- (c) In this Related Agreement headings and background are for convenience only and do not affect interpretation. Except to the extent that the context otherwise requires or except as expressly stated otherwise:
 - (i) references to this Related Agreement include references to all the schedules and annexures in this Related Agreement;
 - (ii) references to parties, clauses, paragraphs, schedules, or annexures in this Related Agreement are references to parties, clauses, paragraphs, schedules and annexures of and to this Related Agreement;

- (iii) references to any document or agreement (including this Related Agreement) include reference to such document or agreement as amended, novated, replaced or supplemented from time to time;
- (iv) references to any statute, regulation, by-law or guideline or to any provision of any statute, regulation, by-law or guideline include any modification or re-enactment of, or any provision substituted for, and (in the case of a statute) all statutory and subordinate instruments issued under, such statute, regulation, by-law or guideline or such provision;
- (v) unless otherwise defined, words in the singular include the plural and vice versa;
- (vi) words denoting individuals or persons includes a corporation, partnership, joint venture, unincorporated association and a government or statutory body or authority;
- (vii) words denoting any gender includes all genders;
- (viii) references to any party or person include that party's or person's successor or permitted assigns;
- (ix) "writing" and cognate expressions include all means of reproducing words in tangible and permanently visible form;
- (x) where any word or phrase is defined its other grammatical forms have corresponding meanings;
- (xi) to the extent used in this Related Agreement all accounting terms used in this Related Agreement will have the meaning given to those terms under, and all calculations and determinations as to financial matters will be made in accordance with the Australian Accounting Standards;
- (xii) "\$" or "dollars" is a reference to the lawful currency of Australia;
- (xiii) the terms "including" and "include" mean "including" or "include" (as applicable) without limitation;
- (xiv) where an obligation or liability is imposed on the Monitoring Licensee under this Related Agreement, that obligation or liability is not to be limited or affected by an obligation or liability imposed in another provision of this Related Agreement unless otherwise expressly stated;
- (xv) where a right or remedy is conferred on the Minister or Commission under this Related Agreement, that right or remedy is in addition to, and not in substitution of, any other right or remedy conferred on the Minister or Commission under the Act or the Monitoring Licence or otherwise according to law;
- (xvi) the term "may" when used in the context of the power or right exercisable by the Minister or Commission means that the

Minister or Commission (as applicable) can exercise that right or power in his or its absolute and unfettered discretion and the Minister or Commission (as applicable) has no obligation to the Monitoring Licensee to do so;

- (xvii) where in this Related Agreement the Minister or Commission may (or it is otherwise contemplated that the Minister or Commission can) give its consent or approval the Minister or Commission (as applicable) has an absolute and unfettered discretion as to whether he or she or it gives that consent or approval and the Minister or Commission (as applicable) has no obligation to the Monitoring Licensee to do so; and
- (xviii) a provision which is expressed to be “subject to” another provision of this Related Agreement will apply without limiting the operation of that other provision.

1.3 The Act Prevails

In the interpretation of this Related Agreement, to the extent that there is any inconsistency between the provisions of this Related Agreement and the provisions of the Monitoring Licence, the provisions of the Act, the provisions of any Related Agreements, or a provision of any of the Technical Standards then the following descending order of precedence will apply:

- (a) the Act;
- (b) any directions given under the Act;
- (c) the Technical Standards;
- (d) the Monitoring Licence;
- (e) this Related Agreement; and
- (f) the Related Agreements (other than this Related Agreement).

1.4 Unfettered discretion

The parties acknowledge and agree that:

- (a) nothing in the Related Agreements will in any way unlawfully restrict or otherwise unlawfully affect the unfettered discretion of:
 - (i) the State to exercise any of its functions or powers pursuant to any legislation; or
 - (ii) the Commission to exercise any of its functions or powers pursuant to any legislation;
- (b) without limiting clause 1.4(a), anything which the State or the Commission does, fails to do or purports to do pursuant to any of its powers or its functions and powers under any legislation will not be deemed to be an act or omission by the State or the Commission (as the case may be) under the Related Agreements;

- (c) without limiting any express obligation of the State or the Commission under the Related Agreements, notwithstanding anything contained or implied in the Related Agreements to the contrary, the parties expressly acknowledge and agree that the State and the Commission are not obliged in performing any of their duties and obligations under the Related Agreements to exercise a power, function or duty which is granted to or within the responsibility of a Government Agency in the proper exercise and performance of its legal duties and functions;
- (d) If there is any statement in the Related Agreements that the State or the Commission will:
 - (i) act "reasonably";
 - (ii) use "reasonable endeavours";
 - (iii) take "reasonable steps";
 - (iv) provide "reasonable assistance"; or
 - (v) otherwise act in a reasonable manner,

in relation to an outcome, it means that the State or the Commission, (as the case may be) will take steps to bring about the relevant outcome so far as it is reasonably able to do so, having regard to its resources and other responsibilities, but:

 - (vi) neither the State nor the Commission can guarantee the relevant outcome; and
 - (vii) neither the State nor the Commission agrees to:
 - (A) interfere with or influence the exercise of any statutory power or discretion by any body, including a Government Agency;
 - (B) exercise a power or direction or otherwise act in a manner that promotes the objectives and expected outcomes of the Related Agreements if the State or the Commission (as the case may be) regards that exercise as not in the public interest;
 - (C) change, develop or implement policy or legislation in the future in a manner that is only consistent with the objectives and expected outcomes of the Related Agreements; or
 - (D) exercise a power or discretion or otherwise act in a manner that the State or the Commission (as the case may be) regards as not being in the public interest; and
- (e) any term of the Related Agreements which do or purport (in whole or part) to bind the State or the Commission to exercise any of its functions or powers pursuant to any legislation must be interpreted subject to this clause 1.4.

2 Related Agreement Term

2.1 Commencement

This Related Agreement commences on the Agreement Date and will continue for the Term and such further period as is necessary for the Monitoring Licensee to comply with and discharge all of its obligations under this Related Agreement and the Monitoring Licence.

2.2 Surrender

The Monitoring Licensee may not surrender the Monitoring Licence except with the express written consent of the Minister.

3 Ancillary Documentation

3.1 Security

Prior to the Issue Date, the Monitoring Licensee must:

- (a) grant in favour of the Minister the Fixed and Floating Charge;
- (b) procure from the ultimate holding company or Related Body Corporate of the Monitoring Licensee (as determined by the Minister) to grant in favour of the Minister the Deed of Guarantee; and
- (c) deliver to the Minister a duly executed copy of the Call Option Deed.

3.2 Initial Bank Guarantee

- (a) Prior to the Issue Date, the Monitoring Licensee must provide the Minister with a Bank Guarantee or Bank Guarantees in favour of the Minister to the value of \$10,000,000.00 in aggregate (**Initial Bank Guarantee**), to be dealt with in accordance with this clause 3.2.
- (b) The parties acknowledge and agree that the Initial Bank Guarantee (or any Replacement Bank Guarantee) represents security in favour of the Minister for the Monitoring Licensee's obligations under the Monitoring Licence and Related Agreements and for any Loss, Claim or Liability incurred or to be incurred by the State, whether or not yet ascertained or determined by the Minister, as a consequence of any breach or default by the Monitoring Licensee in the performance of its obligations under the Monitoring Licence or any of the Related Agreements.
- (c) The Minister may call on the Initial Bank Guarantee (or any Replacement Bank Guarantee) if an Event of Default occurs during the period beginning on the date that the Initial Bank Guarantee is provided and ending on the Implementation Completion Date.
- (d) Subject to there being no subsisting Event of Default the Initial Bank Guarantee shall be returned as follows:
 - (i) on the Delivery Date, the Minister shall return the Initial Bank Guarantee to the Monitoring Licensee upon receipt from the

- Monitoring Licensee of a further Bank Guarantee for an amount that is 50% of the face value of the Initial Bank Guarantee (**Replacement Bank Guarantee**); and
- (ii) on the Implementation Completion Date, subject to the Monitoring Licensee complying with clause 7.9 below, the Minister shall return the Replacement Bank Guarantee to the Monitoring Licensee.
- (e) The Monitoring Licensee must not take any steps to injunct or otherwise restrain:
- (i) the issuer of the Initial Bank Guarantee (or any Replacement Bank Guarantee) from paying the State pursuant to the Initial Bank Guarantee (or any Replacement Bank Guarantee);
 - (ii) the State from taking any steps for the purpose of making a demand under the Initial Bank Guarantee (or any Replacement Bank Guarantee) or receiving a payment under the Initial Bank Guarantee (or any Replacement Bank Guarantee); or
 - (iii) the State from using any money received under the Initial Bank Guarantee (or any Replacement Bank Guarantee).
- (f) In no event will the existence of the Initial Bank Guarantee or the stated amount of such guarantee (or any Replacement Bank Guarantee) be construed to limit the amount of damages payable by the Monitoring Licensee as a consequence of a breach of the Monitoring Licence or any of the Related Agreements.
- (g) If the current issuer of the Initial Bank Guarantee (or any Replacement Bank Guarantee) ceases to have a long term foreign currency credit rating of at least BBB issued by Standard & Poors or issued by another generally recognised international credit rating agency or ceases to be the holder of a current authorisation issued by APRA, the Monitoring Licensee must, within 10 Business Days after demand by the Minister, procure a replacement Initial Bank Guarantee (or any Replacement Bank Guarantee) issued by a financial institution that holds a current authorisation from APRA or has a current long term foreign currency credit rating of at least BBB issued by Standard & Poors or another generally recognised international credit rating agency on the same terms and for the same amount as the then current Initial Bank Guarantee (or any Replacement Bank Guarantee).

3.3 Tripartite Deed

The Monitoring Licensee must, from time to time and upon request from the Minister, deliver executed copies of any Tripartite Deed if requested by the Minister in accordance with clause 6.2 of the Monitoring Licence.

4 Monitoring Services

4.1 Monitoring Services

- (a) The Monitoring Licensee must provide the Monitoring Services and operate and maintain the Disaster Recovery System on and from the Commencement Date and throughout the Monitoring Term in accordance with the Act, the Monitoring Licence and the provisions of the Related Agreements.
- (b) In addition to any other obligations under the Act, the Monitoring Licence and the Related Agreements, on or before the Commencement Date, the Monitoring Licensee must ensure that the requirements set out in Schedule 17 have been satisfied.
- (c) The provision of the Monitoring Services must be performed to meet, at a minimum, the requirements of the Technical Standards and be performed in compliance with the Monitoring Licence and this Related Agreement.

4.2 Service Strategy

- (a) The Service Strategy approved by the Minister is annexed as Schedule 2 and the Monitoring Licensee agrees to comply with the Service Strategy throughout the Monitoring Term.
- (b) From time to time (including, without limitation, after any change to the Scope of Services), the Minister will review the Service Strategy and may vary the Service Strategy in his absolute discretion but following consultation with the Monitoring Licensee.

4.3 Technology Review

- (a) The Monitoring Licensee must, before the end of each 5 year period throughout the Term, or such other period as agreed to by the Commission, undertake a review of the compliance of the Monitoring System (including all Communication Protocols, software, hardware, Communication Links and infrastructure) with current world industry standards and best practices and submit to the Commission a report on the comparison review which provides details of any proposed changes to, or development of, the Monitoring System required to bring the Monitoring System into line with current world industry standards and best practices, and, if the Monitoring Licensee deems it necessary having regard to the comparison review, includes a plan for the execution of the proposed changes to or development of the Monitoring System (**Report**).
- (b) Upon being provided with the Report under clause 4.3(a), the Commission may by written notice approve with or without amendment or reject the Report, and propose further changes to, or development of, the Monitoring System and the plan for execution (**Technology Review Plan**) and will provide the Technology Review Plan to the Monitoring Licensee.

- (c) Upon provision of the Technology Review Plan to the Monitoring Licensee the Monitoring Licensee will consult with the Commission (for a period of time to be determined by the Commission) on the Monitoring Licensee's ability to carry out the Technology Review Plan including any cost implications that the Technology Review Plan may have on the Monitoring Licensee and, if necessary, the Monitoring Licensee may submit a Review Request in accordance with clause 22.1.
- (d) If after the consultation under clause 4.3(c), the Monitoring Licensee agrees to implement the Technology Review Plan, the Monitoring Licensee must without delay proceed to make such changes to, or development of, the Monitoring System which are approved by the Commission in accordance with the Technology Review Plan.
- (e) If after the consultation under clause 4.3(c), the Monitoring Licensee does not agree to implement the Technology Review Plan, the Monitoring Licensee and the Minister shall negotiate in good faith to resolve any disagreement. If the parties do not agree within 10 Business Days of the commencement of negotiations, the dispute shall be resolved by the Minister in his absolute discretion and the Monitoring Licensee must immediately implement the Technology Review Plan determined by the Minister, which will be deemed to be approved by the Commission under clause 4.3(d).
- (f) The Monitoring Licensee must not make any proposed changes to, or undertake development of, the Monitoring System which arise under this clause 4.3 without the prior approval of the Commission.

4.4 Conduct of Monitoring Licensee

- (a) The Monitoring Licensee must at all times act reasonably and in good faith in its dealings with the State, the Commission and any persons who have entered into Related Agreements with the Monitoring Licensee.
- (b) The Monitoring Licensee undertakes and agrees not to enter into any agreement, understanding or arrangement with a Venue Operator or any other person that could result, either directly or indirectly, in requiring a Venue Operator to enter any exclusive arrangement for the provision of Ancillary Services by any person to the Venue Operator.
- (c) For the avoidance of doubt, the Monitoring Licensee may not provide any Ancillary Services during the Term and the Monitoring Licensee must procure that none of its Agents or Contractors provide any Ancillary Services on behalf of the Monitoring Licensee during the Term.

5 Performance Standards

5.1 Performance Standards

In the provision of Monitoring Services the Monitoring Licensee must meet the Performance Standards throughout the Monitoring Term.

5.2 Amended, replaced or supplemented Performance Standards

- (a) The Minister may give the Monitoring Licensee a notice in writing specifying that the Minister intends to amend, replace or supplement (**Change**) the Performance Standards and providing details of the Change (**Performance Standards Notice**), which Change will take effect, subject to clause 5.2(e), 25 Business Days after the date that the Monitoring Licensee receives a Performance Standards Notice (or such longer period of time (if any) specified by the Minister in the Performance Standards Notice).
- (b) Within 20 Business Days after receiving a Performance Standards Notice, the Monitoring Licensee may make a written representation to the Minister as to:
 - (i) the Monitoring Licensee's opinion as to the necessity for and the terms of any Change to the Performance Standards; and/or
 - (ii) why the Minister should not require a Change to the Performance Standards .
- (c) The Minister, by written notice to the Monitoring Licensee, may revoke a Performance Standards Notice.
- (d) After taking into account any representation by the Monitoring Licensee and having regard to the public interest, the Minister may, unless clause 5.2(c) applies, give the Monitoring Licensee a written notice specifying that either:
 - (i) no amendment will be made to the Performance Standards Notice; or
 - (ii) an amendment will be made to the Performances Standards Notice and the details of that change

(Final Notice).
- (e) The Monitoring Licensee will be obliged to implement the Change in the Performance Standards specified in the Performance Standards Notice (as that Performance Standards Notice may be amended in accordance with clause 5.2(d)) no later than 20 Business Days after the date of receipt of the Final Notice (or such longer period of time (if any) specified by the Minister in the Final Notice).
- (f) If the Monitoring Licensee considers that any Change to the Performance Standards under this clause 5.2 results in a change in the Scope of Services which consequently changes the Monitoring Licensee's costs of carrying out the Monitoring Services, then the

Monitoring Licensee may submit a Review Request in accordance with clause 22 of this Related Agreement.

6 Scope of Services

6.1 Scope of Services

The Monitoring Licensee must deliver the Monitoring Services set out in the Scope of Services.

6.2 Amended, replaced or supplemented Scope of Services

- (a) The Minister may give the Monitoring Licensee a notice in writing specifying that the Minister intends to amend, replace or supplement (**Change**) the Scope of Services and providing details of the Change (**Scope of Services Notice**), which Change will take effect, subject to clause 6.2(e), 25 Business Days after the date that the Monitoring Licensee receives a Scope of Services Notice (or such longer period of time (if any) specified by the Minister in the Scope of Services Notice).
- (b) Within 20 Business Days after receiving a Scope of Services Notice, the Monitoring Licensee may make a written representation to the Minister as to:
 - (i) the Monitoring Licensee's opinion as to the necessity for and the terms of any Change to the Scope of Services;
 - (ii) why the Minister should not require a Change to the Scope of Services; and/or
 - (iii) why the Minister should extend the time for implementation of a Change to the Scope of Services.
- (c) The Minister, by written notice to the Monitoring Licensee, may revoke a Scope of Services Notice.
- (d) After taking into account any representation by the Monitoring Licensee and having regard to the public interest, the Minister may, unless clause 6.2(c) applies, give the Monitoring Licensee a written notice specifying that either:
 - (i) no amendment will be made to the Scope of Services Notice; or
 - (ii) an amendment will be made to the Scope of Services Notice and the details of that change,

(Final Notice).
- (e) The Monitoring Licensee will be obliged to implement the Change in the Scope of Services specified in the Scope of Services Notice (as that Scope of Services Notice may be amended in accordance with clause 6.2(d)) no later than 20 Business Days after the date of receipt

of the Final Notice (or such longer period of time (if any) specified by the Minister in the Final Notice).

- (f) If the Monitoring Licensee considers that any Change to the Scope of Services under this clause 6.2 consequently changes the Monitoring Licensee's costs of carrying out the Monitoring Services, then the Monitoring Licensee may submit a Review Request in accordance with clause 22 of this Related Agreement.

7 Requirements during the Transition In Periods

7.1 Development of Implementation Plan

- (a) As part of the Preparatory Action, the Monitoring Licensee must develop a proposed Implementation Plan, which details the activities and actions the Monitoring Licensee will undertake and complete during each of the Transition In Periods to be able to:
 - (i) achieve Monitoring Readiness by the Monitoring Readiness Date;
 - (ii) provide the Monitoring Services on and from the Commencement Date; and
 - (iii) ensure completion of the Implementation Completion Tasks by the Implementation Completion Date.
- (b) The proposed Implementation Plan must set out in detail all components of the Preparatory Action which the Monitoring Licensee will undertake prior to the Commencement Date, including the requirements set out in Schedule 4 and clause 7.1(c).
- (c) In the proposed Implementation Plan, the Monitoring Licensee must demonstrate, to the satisfaction of the Commission, that the Monitoring Licensee:
 - (i) has (or will have before the end of the Transition In Period Phase I):
 - (A) obtained all Intellectual Property Rights and rights to the Software Package;
 - (B) financial arrangements and resources;
 - (C) staffing and related resources;
 - (D) communications and networks;
 - (E) entered into Venue Monitoring Services Agreements and if applicable, Jackpot Financial Administration Services Agreements and Trust Deeds with all Venue Operators that request to enter into such agreements and are willing and able to enter into such agreements;
 - (F) a monitoring and assurance system to carry out the Monitoring Services; and

- (G) such other matters as the Commission shall require, that are necessary and appropriate to provide the Monitoring Services on and from the Commencement Date, including such rights as are necessary to permit the Monitoring Licensee to grant the State IP Licence; and
- (ii) on or before the end of the Implementation Completion Date will have completed the Implementation Completion Tasks.
- (d) The Monitoring Licensee must set out in the proposed Implementation Plan the Key Milestones for:
 - (i) the Preparatory Action, including without limitation, all of the items specified in clause 7.1(c);
 - (ii) completion of all things necessary to ensure the commencement of the Monitoring Services on and from the Commencement Date;
 - (iii) completion of all things necessary to ensure Monitoring Readiness on the Monitoring Readiness Date;
 - (iv) completion of the Implementation Completion Tasks by the Implementation Completion Date; and
 - (v) such other matters as the Commission shall require.

7.2 Submission of Implementation Plan to the Commission

- (a) The Monitoring Licensee must as soon as possible, but no later than 1 month after the Agreement Date (or such later date as approved by the Commission), submit its detailed proposed Implementation Plan to the Commission for approval. The Commission will use its reasonable endeavours to respond to the Monitoring Licensee on the proposed Implementation Plan as promptly as possible.
- (b) The Monitoring Licensee must not proceed with the proposed Implementation Plan unless it has been approved by the Commission under clause 7.3.
- (c) The Monitoring Licensee must ensure that the proposed Implementation Plan and the Implementation Plan complies with the requirements of this clause 7.

7.3 Approval of Implementation Plan

- (a) Upon the receipt of a proposed Implementation Plan, the Commission and the Monitoring Licensee must consult in relation to the proposed Implementation Plan as soon as practicable and, within 10 Business Days after such consultation, the Commission shall, in its discretion, notify the Monitoring Licensee of its decision to either:
 - (i) approve the proposed Implementation Plan;
 - (ii) require amendment to the proposed Implementation Plan (including any amendment to the Key Milestones); or

- (iii) reject the proposed Implementation Plan.
- (b) If the Commission rejects a proposed Implementation Plan, or requires any amendment to the proposed Implementation Plan, it must notify the Monitoring Licensee (**Rejection or Amendment Notice**) and the Monitoring Licensee may make a further submission to the Commission (including a new or revised proposed Implementation Plan) in writing within 5 Business Days of the date of receipt of the Rejection or Amendment Notice (or such longer period as agreed between the Commission and the Monitoring Licensee) .
- (c) If the Monitoring Licensee fails to make a further submission to the Commission within the time specified in clause 7.3(b), the Monitoring Licensee is deemed to have accepted the Commission's decision to reject a proposed Implementation Plan, and the Monitoring Licensee must submit a new proposed Implementation Plan within 10 Business Days (or such longer period agreed to by the Commission) of receipt of the Rejection or Amendment Notice and the provisions of this clause will apply as if the Monitoring Licensee was submitting a proposed Implementation Plan for the first time.
- (d) If the Monitoring Licensee makes a further submission to the Commission within the time specified in clause 7.3(b), but the further submission is not to the satisfaction of the Commission (in its absolute discretion), the Commission will notify the Monitoring Licensee of this (**Further Rejection or Amendment Notice**) and the Monitoring Licensee must submit a new proposed Implementation Plan within 5 Business Days (or such longer period agreed to by the Commission) of receipt of the Further Rejection or Amendment Notice and the provisions of this clause will apply as if the Monitoring Licensee was submitting a proposed Implementation Plan for the first time.
- (e) If the Commission does not approve any proposed Implementation Plan after the Monitoring Licensee has submitted 3 proposed Implementation Plans (being either new proposed Implementation Plans or amended proposed Implementation Plans) (as that number may be extended in accordance with clause 7.3(e)(ii)), the Commission may, in its absolute discretion:
 - (i) determine the Monitoring Licensee to be in breach of this Related Agreement; or
 - (ii) grant the Monitoring Licensee permission to submit one (or more) further proposed Implementation Plan(s).
- (f) Once approved by the Commission, the Monitoring Licensee must comply with the Implementation Plan (including the Key Milestones), as it is amended from time to time in accordance with this clause 7.

7.4 Amendment of Implementation Plan

- (a) If at any time prior to the Implementation Completion Date the Monitoring Licensee or the Commission wishes to make a change to

an approved Implementation Plan, the Monitoring Licensee or the Commission (as the case may be) must prepare a document setting out the proposed variation and all information necessary for both parties to consider the proposed amendments and provide that document to the other party (**Change Request**).

- (b) The Monitoring Licensee and the Commission will cooperate and consult with each other in relation to any Change Request. However, if the parties are unable to agree on the terms of the Change Request within 10 Business Days of the date of the Change Request then:
 - (i) if the Monitoring Licensee is the party requesting the Change Request, the Change Request is deemed to be rejected and the Implementation Plan will not be amended; or
 - (ii) if the Change Request is requested by the Commission (acting reasonably), the Change Request is deemed to be accepted and the Implementation Plan will be amended accordingly.

7.5 Monthly Report

During the Transition In Periods the Monitoring Licensee must each month, commencing one month from the date of the Commission approving the Implementation Plan, provide the Commission with a written report acceptable to the Commission detailing:

- (a) its current progress against the Key Milestones specified in the Implementation Plan; and
- (b) the nature and amount of work that remains in order to complete the Implementation Plan and the timelines for completing that work.

7.6 Monitoring Readiness, provision of Monitoring Services and Implementation Completion in accordance with Implementation Plan

- (a) The Monitoring Licensee must have completed all things necessary to ensure that the Monitoring Readiness is completed by the Monitoring Readiness Date.
- (b) The Monitoring Licensee must be able to provide the Monitoring Services on and from the Commencement Date (or such other date agreed by the Commission).
- (c) The Monitoring Licensee must have completed the Implementation Completion Tasks by the Implementation Completion Date.
- (d) The Monitoring Licensee must comply with the Implementation Plan and meet all Key Milestones specified in the Implementation Plan.
- (e) If the Monitoring Licensee reasonably suspects that any Key Milestones will not be met, the Monitoring Licensee must notify the Commission immediately in writing, detailing:
 - (i) the expected delay and a proposed new date by which the Key Milestones will be completed;

- (ii) the reasons for the delay; and
 - (iii) any proposals to rectify the delay.
- (f) Upon receipt of a notice under clause 7.6(e), the Commission may, in its absolute discretion extend the date for completion of Key Milestones.
- (g) For the avoidance of doubt, a failure to meet any Key Milestones specified in the Implementation Plan:
 - (i) is deemed to be a contravention of this Related Agreement and the Monitoring Licence; and
 - (ii) shall, without limitation, entitle the Minister to enforce any security held in accordance with clauses 3.1 and 3.2 of this Related Agreement.
- (h) The State acknowledges that cooperation of the Gaming Operators is required for the uninterrupted provision of Monitoring Services from the Commencement Date and the State agrees to take reasonable steps to assist the Monitoring Licensee in its dealings with the Gaming Operators for access to and use of the Legacy System.

7.7 Approval of Monitoring Readiness

- (a) On or before the Monitoring Readiness Date, the Monitoring Licensee must in accordance with this clause 7.7 request approval from the Commission that Monitoring Readiness has been achieved.
- (b) The Monitoring Licensee must promptly provide to the Commission a certificate from its Chief Executive Officer (or equivalent position), in a form acceptable to the Commission, certifying that, in the opinion of the Monitoring Licensee after having made all reasonable enquiries, Monitoring Readiness has been satisfactorily achieved.
- (c) Upon receipt of the certificate provided under clause 7.7(b), the Commission must consider the request and if it determines that the Monitoring Readiness has:
 - (i) been satisfactorily achieved, it must approve Monitoring Readiness; or
 - (ii) not been satisfactorily achieved, it will advise the Monitoring Licensee of this fact and provide the Monitoring Licensee with details of the actions that need to be undertaken for Monitoring Readiness to be satisfactorily achieved and the time within which the Monitoring Licensee must comply with the Commission's requirements in all respects. Upon completion of such actions to the Commission's satisfaction, the Commission will approve Monitoring Readiness. The Commission will use its reasonable endeavours to respond to the Monitoring Licensee under this sub-clause 7.7(c)(ii) as soon as practicable after receiving the certificate from the Monitoring Licensee.

- (d) The provision of such details by the Commission to the Monitoring Licensee under this clause 7.7 shall not be deemed to cure any breach of the Monitoring Licence or Related Agreements resulting from the Monitoring Licensee's failure to satisfactorily achieve Implementation Completion.

7.8 Approval of Implementation Completion

- (a) On or before the Implementation Completion Date, the Monitoring Licensee must in accordance with this clause 7.8 request approval from the Commission that Implementation Completion has been achieved in accordance with the Implementation Plan.
- (b) The Monitoring Licensee must promptly provide to the Commission a certificate from its Chief Executive Officer (or equivalent position), in a form acceptable to the Commission, certifying that, in his opinion, after having made all reasonable enquiries, Implementation Completion has been satisfactorily achieved.
- (c) Upon receipt of the certificate provided under clause 7.8(b), the Commission must, as soon as reasonably practicable, consider the request and if it determines that Implementation Completion has:
 - (i) been satisfactorily achieved, it must approve Implementation Completion; or
 - (ii) not been satisfactorily achieved,

it will advise the Monitoring Licensee of this fact and provide the Monitoring Licensee with details of the actions that need to be undertaken for Implementation Completion to be satisfactorily achieved and the time within which the Monitoring Licensee must comply with the Commission's requirements in all respects. Upon completion of such actions to the Commission's satisfaction, the Commission will approve Implementation Completion.

- (d) The provision of such details by the Commission to the Monitoring Licensee under this clause 7.8 shall not be deemed to cure any breach of the Monitoring Licence or Related Agreements resulting from the Monitoring Licensee's failure to satisfactorily achieve Implementation Completion.

7.9 Monitoring Licensee's obligation to facilitate transition

Notwithstanding anything contained in this clause 7, the Monitoring Licensee must, at its own cost:

- (a) where applicable, negotiate with the Gaming Operators during the Transition In Periods;
- (b) use all reasonable endeavours to ensure and facilitate (including by entering into arrangements and taking all reasonable action to enforce such arrangements and to procure that its Agents, Contractors and any other person under the Monitoring Licensee's direction or control

ensure and facilitate) the efficient, smooth, seamless and uninterrupted transition from the monitoring activities provided by the Gaming Operators to the provision of the Monitoring Services by the Monitoring Licensee; and

- (c) act reasonably and in good faith towards the Minister and the Commission during the Transition In Periods, including taking any action or undertaking any processes which the Minister or the Commission deems necessary to facilitate an efficient, smooth, seamless and uninterrupted transition from the monitoring activities provided by the Gaming Operators to the provision of the Monitoring Services by the Monitoring Licensee.

8 Approval of agreement in relation to use of Legacy Systems

8.1 Acknowledgement

- (a) The parties acknowledge and agree that the Monitoring Licensee may negotiate with the Gaming Operators in relation to the use, access, license or ownership of the Legacy Systems.
- (b) The Monitoring Licensee must use all reasonable endeavors to complete negotiations with the Gaming Operators in relation to the use, access, licence or ownership of the Legacy Systems within 6 months of the Issue Date.
- (c) The Monitoring Licensee must inform the Minister of the commencement of any negotiations with Gaming Operators in relation to the use, access, license or ownership of the Legacy Systems and must provide progress reports on the status of such negotiations at such intervals and in such format as specified by the Minister.

8.2 Minister's approval

In order to ensure the public interest is protected, including any potential impact on Venues, prior to the Monitoring Licensee and Gaming Operators reaching any agreement in relation to the use, access, license or ownership of the Legacy Systems, the Monitoring Licensee must obtain the prior written consent of the Minister to such agreement.

9 Independent review of costs of transitioning into the Legacy System

- (a) On the date that is 1 month after the Legacy System Date, the Monitoring Licensee must submit a summary of its costs of transitioning into the Legacy System (excluding the cost negotiated with the Gaming Operators for the use, licence, ownership and/or access of or to the Legacy System contemplated by clause 9.3(d) of

the Monitoring Licence) to the Minister (**Legacy System Transition Costs**).

- (b) The Minister will refer the Legacy System Transition Costs to the Pricing Review Panel and the Pricing Review Panel will:
 - (i) review the Legacy System Transition Costs; and
 - (ii) provide a report to the Minister and the Monitoring Licensee containing its determination regarding how and the extent to which the Legacy System Transition Costs are appropriate and should be incorporated into the Pricing Model,

as soon as practicable.
- (c) As soon as practicable after receiving the report from the Pricing Review Panel under clause 9(b)(ii) above:
 - (i) the Minister will determine whether and the extent to which the Legacy System Transition Costs are appropriate and should be incorporated into the Pricing Model;
 - (ii) the Minister will notify the Monitoring Licensee of such determination; and
 - (iii) the Pricing Model will be recalculated and amended in accordance with the Minister's determination. For the avoidance of doubt, the Minister, in making his determination under this clause, shall have regard to the principle that the Pre-Tax Internal Rate of Return shall not increase.
- (d) All costs associated with the Pricing Review Panel under this clause 9 will be shared equally between the State and the Monitoring Licensee.
- (e) The Monitoring Licensee must provide all information and material reasonably requested by the Pricing Review Panel in support of its claim for Legacy System Transition Costs.

10 Facilitation of Linked Jackpot Arrangements

10.1 Linked Jackpot Arrangements and Multiple Venue Linked Jackpot Arrangements

- (a) The Monitoring Licensee acknowledges that:
 - (i) Venue Operators may wish to create Linked Jackpot Arrangements or Multiple Venue Linked Jackpot Arrangements; and
 - (ii) the rights and obligations of the Venue Operators and the Monitoring Licensee in respect of the:

- (A) Linked Jackpot Arrangements will be documented in the Venue Monitoring Services Agreement; and
 - (B) Multiple Venue Linked Jackpot Arrangements will be documented in the Jackpot Financial Administration Services Agreement.
- (b) The Monitoring Licensee agrees to facilitate the operation of Linked Jackpot Arrangements and Multiple Venue Linked Jackpot Arrangements and provide Jackpot Financial Administration Services to enable Multiple Venue Linked Jackpot Arrangements to be operated as requested by Participating Venue Operators.

10.2 Trust account for Multiple Venue Linked Jackpot Arrangements

- (a) The Monitoring Licensee agrees that if Venue Operators wish to create Multiple Venue Linked Jackpot Arrangements, the Monitoring Licensee will establish a trust account for the benefit of the Participating Venue Operators of each Multiple Linked Jackpot Arrangements and will hold moneys on trust for such Venue Operators which will be operated in accordance with the Trust Deed in relation to the pay out of jackpots in accordance with the Jackpot Financial Administration Services Agreement and the Act.
- (b) The Monitoring Licensee acknowledges that any trust account established pursuant to clause 10.2(a) must comply with the Act.

11 Agents and Contractors

11.1 Relationships with Agents and Contractors

- (a) Subject to clause 12 of the Monitoring Licence, the Monitoring Licensee may appoint Agents and engage Contractors by way of an agreement that is subject to the laws of Victoria, prior to that proposed Agent or Contractor assisting the Monitoring Licensee to provide the Monitoring Services.
- (b) The appointment of an Agent or Contractor shall not relieve the Monitoring Licensee from any of its obligations under the Monitoring Licence or Related Agreements.

11.2 Conflict of Interest

The Monitoring Licensee must inform the Commission if the Monitoring Licensee, or, to the best of its knowledge, after having made all reasonable enquiries the Monitoring Licensee believes any of its Agents, Contractors or Associates:

- (i) holds any office or owns, possesses or has any interests in any property;

- (ii) has a direct or indirect interest in more than 5% of a company, trust, partnership, joint venture or other entity;
- (iii) is engaged in any business, trade or calling; or
- (iv) has any obligations or right, title or interest by virtue of any contract, agreement or understanding,

whereby, directly or indirectly, duties, interests, obligations or interests are or might be created in conflict with or might appear to be created in conflict with their duties and interests under the Monitoring Licence or the Related Agreement at any time during the Term.

12 Gaming Machine Communication Protocols

Subject to the requirements under the Act, the parties agree and undertake to:

- (a) negotiate with each other in good faith; and
- (b) consult with the Commission and relevant industry stakeholders,

in relation to which other Gaming Machine Communication Protocol(s) (other than those protocols in operation at the Commencement Date) will be supported by the Monitoring System on and from the Commencement Date and for the duration of the Term.

13 Records

13.1 Retention of Records

The Monitoring Licensee must maintain and keep all Records, and procure that all Records held by any Agent or Contractor are maintained and kept, (in hard copy and electronic form) in Victoria for the Term, and for a period of not less than seven years after the Records are created.

13.2 Copy Records

- (a) If requested by the Commission in writing, the Monitoring Licensee must promptly, at the cost of the Monitoring Licensee, provide the Commission with a copy of the Records or any part thereof.
- (b) Where the Commission requests a copy of Records in accordance with clause 13.2(a), the Monitoring Licensee must, if requested by the Commission, provide certification by an appropriately authorised officer of the Monitoring Licensee that the copy is a true copy of the Records.

13.3 Inspection of Records

The Monitoring Licensee must, at all reasonable times, permit any person authorised in writing by the Commission to inspect and take copies of any Records of the Monitoring Licensee, any of its Agents or Contractors or any

other person under the Monitoring Licensee's direction or control, and must comply with all lawful requests by that person authorised by the Commission in respect to the inspection or copying. Without limiting the ability of the Commission to impose any costs or charges under the Act, the Monitoring Licensee must pay its own costs in complying with this clause.

13.4 Use of Records

- (a) The Monitoring Licensee must only use and disclose Records during and after the Term for purposes connected with the provision of the Monitoring Services in accordance with the Act, the Monitoring Licence and the Related Agreements and as required by Law, provided however that the Monitoring Licensee may disclose Records to the extent required by law or the rules of any stock exchange or to any of its lawyers or other professional advisers under a duty of confidentiality.
- (b) For the avoidance of doubt, the Monitoring Licensee must not at any time (including after the Term):
 - (i) use the Records for any commercial purpose other than the provision of the Monitoring Services in accordance with the Act, the Monitoring Licence and the Related Agreements; or
 - (ii) disclose any of the Records to any person or entity, if those Records are to be used, or the Monitoring Licensee reasonably ought to know that those Records are to be used, for purposes connected with the provision of Ancillary Services by any entity unless previously approved by the Commission in writing.

13.5 Preparation of Financial Statements

- (a) The Monitoring Licensee must, as soon as practicable after the end of each:
 - (i) Quarter, prepare at its cost Quarterly Financial Statements;
 - (ii) Financial Year, prepare at its cost:
 - (A) the annual audited Financial Statements; and
 - (B) audited Trust Account Statements for that Financial Year.
- (b) The Monitoring Licensee must provide to the Commission a copy of the Quarterly Financial Statements within 3 months (or such longer period as agreed to by the Commission) after the end of the Quarter to which those Quarterly Financial Statements relate.
- (c) The Monitoring Licensee must provide to the Commission a copy of the annual audited Financial Statements within 3 months (or such longer period as agreed to by the Commission) after the end of the Financial Year to which those annual Financial Statements relate.
- (d) The Monitoring Licensee must provide to the Commission a copy of the audited Trust Account Statements for the Financial Year within 3

months (or such longer period as agreed by the Commission) after the end of that Financial Year.

13.6 Additional Financial Statements

- (a) In addition to the Quarterly Financial Statements and annual Financial Statements, the Monitoring Licensee must, upon request from the Commission, and at the cost of the Monitoring Licensee, provide the Commission with financial statements for the period specified in the request and covering:
 - (i) the financial position of the Monitoring Licensee;
 - (ii) the disaggregated financial performance in respect of any individual part or parts of the Monitoring Services conducted; and
 - (iii) if applicable, the financial statements of the consolidated entity (as defined in the Corporations Act),
(Additional Financial Statements)
- (b) The Monitoring Licensee must provide the Additional Financial Statements by the date specified in the request, or if no time is specified within 30 Business Days of being notified.
- (c) The Additional Financial Statements must be prepared in accordance with clauses 13.7, 13.9 and 13.10.

13.7 Content of Financial Statements

- (a) The Quarterly Financial Statements, annual Financial Statements, and any Additional Financial Statements must be prepared in accordance with Australian Accounting Standards, and in any case such financial statements must, in respect of the transactions, operations and financial position of the Monitoring Licensee related to the provision of the Monitoring Services, include:
 - (i) a statement of cash flow for the period of that financial statement;
 - (ii) a statement of financial performance for the period of that financial statement;
 - (iii) a statement of financial position as at the date of the financial statement; and
 - (iv) any other information reasonably required by the Commission.
- (b) The Trust Account Statements must be prepared in accordance with Australian Accounting Standards and must include any information required by the Commission.

13.8 Audit of Monitoring Licensee

- (a) The Monitoring Licensee must, as soon as practicable after the end of each Financial Year, cause the annual Financial Statements and

Trust Account Statements (and the Records where required in writing by the Commission) of the Monitoring Licensee to be audited by an independent auditor approved by the Commission in accordance with Australian Auditing Standards.

- (b) The Monitoring Licensee must:
 - (i) ensure that such auditor has right of access at all times to the Records of the Monitoring Licensee; and
 - (ii) cooperate fully with such auditor and ensure cooperation with such auditor by any Agent or Contractor of the Monitoring Licensee or any other person under the Monitoring Licensee's direction or control so that such auditor receives all information, assistance and explanations necessary for the performance of the duties of the auditor in relation to the audit.
- (c) The Monitoring Licensee must procure that the auditor's report be lodged with the Commission within 3 months (or such longer period as agreed to by the Commission) after the end of the Financial Year to which the report relates.

13.9 Compliance with accounting standards

The Monitoring Licensee must ensure that the Quarterly Financial Statements, annual Financial Statements, Trust Account Statements, any Additional Financial Statements and all associated financial Records of the Licensee comply with Australian Accounting Standards.

13.10 Executive declaration

- (a) The Monitoring Licensee must procure, in respect of each Quarterly Financial Statement, annual Financial Statement, Trust Account Statement and Additional Financial Statements, a declaration from its Chief Executive Officer and Chief Financial Officer (or equivalent positions), acceptable to the Commission, as to whether, in that person's opinion:
 - (i) such statements comply with the Australian Accounting Standards;
 - (ii) such statements reflect a true and fair view of the financial position of the Monitoring Licensee, or the Monitoring Business of the Monitoring Licensee or the Approved Linked Jackpot Trust Accounts (as the case requires); and
 - (iii) the Monitoring Licensee has sufficient and effective internal controls to ensure that the person making the declaration would be aware of any material information relating to the production of that Quarterly Financial Statement, annual Financial Statement, Trust Account Statement or any Additional Financial Statements (as the case requires).
- (b) The Monitoring Licensee must provide the declarations required under clause 13.10(a) to the Commission together with the Quarterly

Financial Statements, annual Financial Statements, Trust Account Statements or any Additional Financial Statements.

13.11 Electronic Provision of Information

Without limiting the Monitoring Licensee's obligations to otherwise provide information or material under this Related Agreement if required by the Commission the Monitoring Licensee must provide at its cost an electronic copy (to the extent practicable, in a format suitable for content extraction) of all Records including Quarterly Financial Statements, annual Financial Statements, Trust Account Statements, Additional Financial Statements and/or other documents or information that the Monitoring Licensee is required to provide under this Related Agreement.

13.12 Re-classification of Monitoring Assets

- (a) As soon as practicable and in any case within 5 Business Days of any request by the Minister, the Monitoring Licensee must provide the Minister with a list of Monitoring Assets together with such details as the Minister shall request in relation to the ownership and financing of such assets.
- (b) After receipt of a list of Monitoring Assets under this clause 13.12, the Minister may notify the Monitoring Licensee in writing that certain of the Monitoring Assets are re-classified as Required Assets and that all terms and conditions relating to Required Assets under this Related Agreement apply to such assets on and from the date of such notice.
- (c) If after having used all reasonable endeavours to acquire the re-classified Monitoring Assets, the Monitoring Licensee is unable to acquire such assets, the Monitoring Licensee and the Minister will meet in good faith to discuss the issue and if the issue cannot be resolved, the Minister may or may not, at his discretion, withdraw the notice issued under clause 13.12(b).

14 Reporting Requirements

14.1 Regular reporting requirements

During the Monitoring Term, the Monitoring Licensee must provide to the Commission the reports listed in the Technical Standards in the format, and containing such information, as specified in clause 14.3. For avoidance of doubt, this clause does not limit the Commission's discretion to request additional reports from the Monitoring Licensee during the Monitoring Term in a format, and containing such information, as advised to the Monitoring Licensee by the Commission from time to time.

14.2 Non-regular reporting requirements

Without limiting the reporting requirements in clause 14.1, the Monitoring Licensee must upon request from the Commission provide such additional reports to the Commission as required from time to time (in the format, and

containing such information, as specified in clause 14.3) within a reasonable time (and in any case, no later than 10 Business Days after the request).

14.3 Content and format of Reports

The Monitoring Licensee must provide all Reports in the medium and format, and containing such information, as specified by the Commission from time to time. The Commission may specify different media, formats and information for each type of Report. Where the specified formats and information requested by the Commission are materially different from previously existing formats and information, the Commission and the Monitoring Licensee will agree the period for the provision of the Report, with such period not to exceed 3 months (or such later date as approved by the Commission).

14.4 Confidentiality of Reports

If disclosure is required or proposed in accordance with Division 6 of Part 1 of Chapter 10 of the Act, the Commission will provide the Monitoring Licensee, where practicable, with at least 3 Business Days written notice of the disclosure requirement and the reason for the disclosure requirement.

15 Ownership and Licence of Data

15.1 Ownership

The Monitoring Licensee agrees and acknowledges that the State owns and shall have all right title or interest in the Data including all Intellectual Property Rights in the Data and that this right, title or interest vests in the State upon creation of the Data. To the extent that:

- (a) the Monitoring Licensee may have, but for the operation of this clause, any right title and interest in the Data, the Monitoring Licensee assigns absolutely to the State; and
- (b) any Agent or Contractor may have, but for the operation of this clause, any right title and interest in the Data, the Monitoring Licensee will procure that that Agent or Contractor assigns absolutely to the State,

all of its right, title and interest in that Data, effective at the time of creation of the Data.

15.2 Warranty

The Monitoring Licensee warrants and undertakes to the State that:

- (a) the Data assigned to the State by the Monitoring Licensee under clause 15.1 does not and will not infringe any Intellectual Property Rights of any third party;
- (b) neither the Monitoring Licensee nor any Agent or Contractor has granted, transferred or assigned any of its Intellectual Property Rights in any Data to any entity or person other than to the State; and

- (c) neither the Monitoring Licensee nor any Agent or Contactor has done or performed any act or thing that may in any way prejudice the ownership by the State of the Data or of any Intellectual Property Rights in the Data.

15.3 Undertakings

The Monitoring Licensee undertakes that:

- (a) it will procure from each Agent and Contactor a warranty that any Data assigned to the State by that Agent or Contactor, does not and will not infringe any of its Intellectual Property Rights or any Intellectual Property Rights of any third party;
- (b) the Monitoring Licensee will not grant, transfer or assign any of its Intellectual Property Rights in any Data other than to the State or any successor, assignee or licensee of the State;
- (c) it will procure that each Contactor and Agent agrees not to grant, transfer or assign any of its Intellectual Property Rights in any Data other than to the State or any successor, assignee or licensee of the State;
- (d) the Monitoring Licensee will not do or perform any act or thing, that may in any way prejudice the ownership or use by the State or any successor, assignee or licensee of the State of the Data or of any Intellectual Property Rights in the Data; and
- (e) it will procure that each Contactor and Agent agrees that it will not do or perform any act or thing, that may in any way prejudice the ownership or use by the State or any successor, assignee or licensee of the State of the Data or of any Intellectual Property Rights in the Data.

15.4 Indemnity

The Monitoring Licensee will indemnify the State, the Commission, and each of their successors, assignees and licensees against any Claims or Liabilities they may incur as a result of or arising from a breach by the Monitoring Licensee, its Agents or Contractors of any of its warranties or undertakings in clause 15.2 or 15.3.

15.5 Execution of further documents

The Monitoring Licensee will and will procure that all Agents and Contractors do, all things necessary, take all action and execute all documents as and when required by the Minister to vest in the State all the rights referred to in this clause 15.

15.6 Licence

- (a) Subject to clause 16 of this Related Agreement, the State grants to the Monitoring Licensee a royalty-free, non-exclusive licence for the Term to use the Data in accordance with the terms of this Related Agreement for the sole purpose of providing the Monitoring Services,

with the right to grant sub-licences of this licence to Agents and Contractors for the same purpose.

- (b) The rights given by this clause 15.6 are personal to the Monitoring Licensee and are not saleable, assignable or transferable in any manner whatever and the Monitoring Licensee must not in any way Encumber, create any Security Interest or assign the rights granted to the Monitoring Licensee under this clause 15.6 to any other person other than as provided for under this Related Agreement and any attempt to do so will be void.
- (c) The rights given in this clause 15.6 to the Monitoring Licensee and any Agent or Contractor granted a sub-licence to use the Data for the purpose of the Monitoring Services will terminate immediately upon termination or expiry of this Related Agreement.

15.7 Delivery of Data

- (a) Upon request by the Commission, as soon as possible after the request, the Monitoring Licensee must at the Monitoring Licensee's cost deliver the Data to the Commission in the medium and format reasonably specified by the Commission.
- (b) Notwithstanding clause 15.7(a) and subject to clause 15.7(c), on termination or expiry of this Related Agreement the Monitoring Licensee must, at the Monitoring Licensee's cost, immediately:
 - (i) deliver to the Commission all copies of the Data, regardless of form, in its possession or control or in the possession or control of any Agent or Contractor;
 - (ii) upon being required to do so by the Commission in writing, delete all electronic copies of the Data in its possession or control (other than any copies stored on any of the Systems) and procure that any Agent or Contractor that has any electronic copies of the Data in its possession or control, delete those electronic copies; and
 - (iii) cease to use the Data or any part of it and procure that any Agent or Contractor ceases to use the Data or any part of it.
- (c) The Monitoring Licensee may retain one copy of the Data solely for its audit or corporate governance purposes as required by law.

16 Data

16.1 Restrictions on Use of Data

The Monitoring Licensee is not authorised to collect, store, disclose, deliver or use Data unless it is to be used for purposes connected with the provision of the Monitoring Services in accordance with the Act, the Monitoring Licence and the Related Agreements. For the avoidance of doubt and subject to clause 16.3, the Monitoring Licensee must not disclose

Data to any person or entity if that Data is to be used, or the Monitoring Licensee reasonably ought to know that that Data is to be used for purposes other than the provision of Monitoring Services including, without limitation, purposes connected with the provision of Ancillary Services by any person or entity unless previously approved by the Commission in writing.

16.2 Use and Disclosure of Data

- (a) The Monitoring Licensee must collect and store complete and accurate Data in a reportable form.
- (b) Unless otherwise agreed in writing by the Commission and except to the extent required for the operation of the Disaster Recovery System, Data must only be stored within the State of Victoria.
- (c) During the Monitoring Term, the Monitoring Licensee must provide to the Commission a report on the Data, in a format and containing such information as advised to the Monitoring Licensee by the Commission from time to time, at the expiration of each 6 month period after the Commencement Date.
- (d) The Monitoring Licensee must, at all reasonable times, ensure that any person authorised in writing by the Commission (**Authorised Person**) can have access to, extract and take copies of any Data stored by the Monitoring Licensee, any of its Agents or Contractors or any other person under the Monitoring Licensee's direction or control, and the Monitoring Licensee must ensure that all reasonable requests by an Authorised Person in respect of the access, inspection, extraction or copying are complied with. Without limitation to the ability of the Commission to impose any costs or charges under the Act, the Monitoring Licensee, all Agents and Contractors and other relevant persons must pay or bear their own costs and expenses in complying with this clause.
- (e) The Monitoring Licensee must ensure that any agreement or arrangement it has with its Agents, Contractors or any other person requires them to comply with the provisions of this clause 16.
- (f) Without limiting its other obligations under this Related Agreement, the Monitoring Licensee must cooperate with and provide to the Commission and any Authorised Person all Data and all information in its power, possession or control, or within the power, possession or control of its Agents, Contractors or any other person, which is requested by the Commission or an Authorised Person for the purposes of the State commissioned primary research into gambling.

16.3 Venue Data

- (a) The Monitoring Licensee acknowledges that the State has granted each Venue Operator a licence to use all Data and expressions of Data contained in, processed or generated by, the Monitoring System

relevant to the operation of Gaming or relevant to the operation of Gaming Machines at each Venue Operator's Venue (**Venue Data**).

- (b) To the extent that the Monitoring Licensee is in possession of a Venue Operator's Venue Data, the State consents to the Monitoring Licensee disclosing that Venue Operator's Venue Data to that Venue Operator, and the Monitoring Licensee agrees to facilitate access by that Venue Operator to that Venue Operator's Venue Data upon request by that Venue Operator.
- (c) For the avoidance of doubt, nothing in this clause allows disclosure by the Monitoring Licensee of one Venue Operator's Venue Data to another Venue Operator.

17 Directions

17.1 Directions to provide information or document

- (a) Without limiting any other obligation in this Related Agreement, the Commission or the Minister (as the case may be) may give a written direction to the Monitoring Licensee requiring the Monitoring Licensee or any of its Agents or Contractors to provide to the Commission by a certain date and time any information or document including, without limitation, any Record, or any class of information or document that is in the possession or under the control of the Monitoring Licensee and that:
 - (i) relates to any arrangement or agreement between the Monitoring Licensee and one or more parties in Victoria or in any other State or Territory or another country relating to the provision of the Monitoring Services; and/or
 - (ii) in the opinion of the Commission relates to the provision of the Monitoring Services under the Monitoring Licence and is considered by the Commission to be relevant to:
 - (A) a Disclosure Notice;
 - (B) a Suspension Notice;
 - (C) a Cancellation Notice;
 - (D) an invitation or proposed invitation to apply for a New Monitoring Licence under section 3.4.40 of the Act;
 - (E) an application or proposed application for a New Monitoring Licence under section 3.4.42 of the Act; or
 - (F) the appointment of an Incoming Licensee under either of sections 3.4.44 or 3.4.59I of the Act.
- (b) The Monitoring Licensee must comply and ensure compliance with a direction under clause 17.1(a).

- (c) The Minister or the Commission (as the case may be) may, subject to any conditions that the Minister or Commission (as the case may be) thinks fit, disclose any information acquired by the Commission in response to a direction under clause 17.1(a) to any of the following:
 - (i) a Monitoring Services Provider;
 - (ii) persons who apply for a New Monitoring Licence in accordance with section 3.4.42 of the Act;
 - (iii) an Incoming Licensee; and
 - (iv) any other person that may be appointed by the Minister or the Commission to enable a smooth transition of the Monitoring Services from the Monitoring Licensee.
- (d) No compensation is payable by the State in relation to a direction by the Minister in respect of anything done in accordance with this clause.
- (e) For avoidance of doubt, the Commission agrees to comply with section 10.1.30 of the Act in relation to any information or documentation provided to the Commission under this clause 17.1.

18 Monitoring Licence Transition Out

18.1 Incoming Licensees

The Monitoring Licensee acknowledges that the:

- (a) Minister may, in accordance with the Act, grant to another person a New Monitoring Licence or a Temporary Monitoring Licence; and
- (b) A New Monitoring Licence may authorise the person granted a New Monitoring Licence to undertake preparatory action similar or equivalent to the preparatory action set out in clause 6 of Schedule 5 in respect of services similar or equivalent to the Monitoring Services prior to the expiry of the Monitoring Licence.

18.2 Monitoring Licence Transition Out Objectives

- (a) The parties acknowledge that the objectives of this clause 18.2 and Schedule 5 are to:
 - (i) ensure efficient, smooth, seamless and uninterrupted transition of the provision of the Monitoring Services;
 - (ii) ensure that the Incoming Licensee is able to transition in effectively and efficiently;
 - (iii) protect the interests of the public;
 - (iv) reduce the risk of loss of revenue of the State;
 - (v) ensure that the requirements of the Minister in relation to Monitoring Licence Transition Out are satisfied in a timely fashion; and

- (vi) promote the objectives of the Act.
- (b) The Monitoring Licensee agrees in good faith to do such things as may reasonably be required of it to assist in the achievement of the objectives in this clause and Schedule 5, and acknowledges that the intent of the Monitoring Licence Transition Out Requirements is to give effect to this commitment.
- (c) Nothing in this clause is to be construed or interpreted in such a way so as to require the Monitoring Licensee to do anything or act in such a way as to be contrary to its rights and obligations under the Monitoring Licence or any of the Related Agreements.

18.3 Transition Out - Provision of Bank Guarantee in favour of Minister

- (a) On or prior to the date that is 12 months prior to the end of the Term, the Monitoring Licensee must provide, in favour of the Minister, a Bank Guarantee for an amount equal to 20% of the revenue of the Monitoring Licensee for the Monitoring Fee derived by the Monitoring Licensee from the provision of the Monitoring Services during the 12 months ending on the 30 June preceding the date that is 12 months prior to the end of the Term (**Transition Out Bank Guarantee**).
- (b) The parties acknowledge and agree that the Transition Out Bank Guarantee represents security in favour of the Minister for the Monitoring Licensee's Transition Out Obligations and for any Loss, Claim or Liability incurred or to be incurred, whether or not yet ascertained or determined by the Minister as a consequence of any breach or default by the Monitoring Licensee in the performance of the Transition Out Obligations.
- (c) The Minister may call on the Transition Out Bank Guarantee if the Monitoring Licensee does not meet any of its Transition Out Obligations.
- (d) The Minister shall return the Transition Out Bank Guarantee to the Monitoring Licensee upon, in the Minister's opinion, the satisfactory completion of all of the Monitoring Licensee's obligations under this clause 18.
- (e) The Monitoring Licensee must not take any steps to injunct or otherwise restrain:
 - (i) the issuer of the Transition Out Bank Guarantee from paying the State pursuant to the Transition Out Bank Guarantee;
 - (ii) the State from taking any steps for the purpose of making a demand under the Transition Out Bank Guarantee or receiving a payment under the Transition Out Bank Guarantee; or
 - (iii) the State from using any money received under the Transition Out Bank Guarantee.

- (f) In no event will the existence of the Transition Out Bank Guarantee or the stated amount of such guarantee be construed to limit the amount of damages payable by the Monitoring Licensee under or in accordance with this Related Agreement.
- (g) If the current issuer of the Transition Out Bank Guarantee ceases to have a current long term foreign currency credit rating of at least BBB issued by Standard & Poors or the equivalent credit rating issued by another generally recognised international credit rating agency or ceases to be the holder of a current authorisation issued by APRA, the Monitoring Licensee must, within 10 Business Days after demand by the State, procure a replacement Transition Out Bank Guarantee issued by a financial institution that holds a current authorisation from APRA or has a current long term foreign currency credit rating of at least BBB issued by Standard & Poors or the equivalent credit rating issued by another generally recognised international credit rating agency on the same terms and for the same amount as the Transition Out Bank Guarantee.

18.4 Transition Out - Dealings

The Monitoring Licensee must:

- (a) act reasonably in its dealings with, and where applicable, must negotiate in good faith with the Incoming Licensee;
- (b) use all reasonable endeavours to ensure and to facilitate (including by entering into arrangements and taking all reasonable action to enforce such arrangements to procure that its Agents, Contractors, employees and any other person under the Monitoring Licensee's direction or control ensure and facilitate) the efficient, smooth, seamless and uninterrupted transition of Monitoring Services to an Incoming Licensee, including but not limited to facilitating the transfer of personnel of the Monitoring Licensee who may wish to take up employment with the Incoming Licensee;
- (c) act in good faith towards the State and reasonably to other stakeholders during the Monitoring Licence Transition Out Period;
- (d) if required by the Minister or the Temporary Monitoring Licence or the New Monitoring Licence, assign or novate the Related Agreements (other than the Ancillary Documentation) to the Incoming Licensee;
- (e) make available to a Temporary Monitoring Licensee on reasonable terms any assets of, or under the control of, the Monitoring Licensee that are reasonably necessary for any arrangements between the Monitoring Licensee and the Temporary Monitoring Licensee that have been approved by the Minister (**Arrangements**), including arrangements relating to the use of assets and services of staff of the Monitoring Licensee; and

- (f) use all reasonable endeavours to make available any staff of the Monitoring Licensee that are reasonably necessary for the Arrangements.

18.5 Transition Out - Compliance

The Monitoring Licensee must:

- (a) develop a Transition Plan and submit it to the Commission within 12 months after the Commencement Date (or such longer period as agreed to by the Commission).
- (b) comply with the Monitoring Licence Transition Out Requirements set out in Schedule 5;
- (c) comply with any directions of the Commission; and
- (d) comply with the decisions and determinations of the TSC, in relation to the Monitoring Licence Transition Out.

18.6 Transition Out - TSC

- (a) As soon as it is reasonably practicable after the grant of a New Monitoring Licence or a Temporary Monitoring Licence to an Incoming Licensee (and in any case, no later than 1 month after that date), the Commission must establish the Transition Steering Committee in accordance with the Monitoring Licence Transition Out Requirements.
- (b) All decisions and determinations of the TSC are, to the extent they properly relate to the Monitoring Licence Transition Out, binding on the Monitoring Licensee.
- (c) Each of the obligations and requirements imposed by the TSC on the Monitoring Licensee are deemed to be a contractual covenant under this Related Agreement given by the Monitoring Licensee in favour of the State.
- (d) The Monitoring Licensee acknowledges and agrees that:
 - (i) if the TSC is unable to reach a decision due to a deadlock, then the Independent Chairperson will resolve the deadlock having regard to what is fair and reasonable to relevant parties and to the provisions of the Monitoring Licence and this Related Agreement, unless:
 - (A) the Independent Chairperson determines with reference to the Monitoring Licence Transition Out Objectives that the Independent Chairperson is unable to resolve the deadlock; or
 - (B) by unanimous vote, the TSC determines that it is not appropriate for the Independent Chairperson to resolve the deadlock; and

- (ii) if a determination is made under clause 18.6(d)(i)(A) or (B), then the deadlock will be resolved by following the dispute resolution process under clause 33.

18.7 Transition Plan

- (a) The Transition Plan prepared by the Monitoring Licensee pursuant to clause 18.5 must:
 - (i) comply with any requirements set out in the Monitoring Licence Transition Out Requirements;
 - (ii) include an up to date asset register, including the details of the Software Package and any other Intellectual Property Rights required to operate the Systems and provide the Monitoring Services and a certified equipment index related to the provision of the Monitoring Services;
 - (iii) include details of all material agreements and arrangements with any Agent or Contractor in relation to the provision of the Monitoring Services (and details of such other agreements and arrangements with any Agent or Contractor in relation to the provision of the Monitoring Services as required by the Commission);
 - (iv) contain full details of all data migration activities to be carried out in order to effectively transfer all Data to the State or the State's nominee;
 - (v) include the valuation of the assets of the Monitoring Business conducted in accordance with the Call Option Deed;
 - (vi) include such other information and address such other issues as required by the Commission; and
 - (vii) be in a form required by the Commission.
- (b) For the avoidance of doubt, the equipment index required as part of the asset register must include sufficient information to permit the Commission to monitor the specific equipment used by the Monitoring Licensee in relation to the provision of the Monitoring Services from time to time including:
 - (i) the specific nature of the equipment;
 - (ii) the name of the manufacturer;
 - (iii) the year of manufacture;
 - (iv) a description of the model;
 - (v) the serial number or other identifying mark of the equipment;
 - (vi) the location of the equipment; and
 - (vii) whether the equipment is owned by the Monitoring Licensee or is leased, encumbered or owned by a third party. If so, the index must include details of the lease, encumbrance or owner,

and the Monitoring Licensee must certify, in a form approved by the Commission, the accuracy of the equipment index and submit such certificate as part of the Transition Plan.

18.8 Transition Plan Approval

- (a) Upon the receipt of a proposed Transition Plan prepared by the Monitoring Licensee pursuant to clause 18.5 and 18.7, the Commission and the Monitoring Licensee must consult in relation to the proposed Transition Plan and, within 10 Business Days after such consultation, the Commission shall, in its discretion, notify the Monitoring Licensee of its decision to either:
 - (i) approve the proposed Transition Plan;
 - (ii) require amendment to the proposed Transition Plan; or
 - (iii) reject the proposed Transition Plan.
- (b) If the Commission rejects a proposed Transition Plan, or requires any amendment to the proposed Transition Plan, it must notify the Monitoring Licensee and the Monitoring Licensee may make a further submission to the Commission within 5 Business Days of the notification including a new or revised proposed Transition Plan.
- (c) If the Monitoring Licensee fails to make a submission to the Commission within the time specified in clause 18.8(b) (or such longer period as agreed between the Commission and the Monitoring Licensee) or the further submission is not to the satisfaction of the Commission (in its absolute discretion), the Monitoring Licensee is deemed to have accepted the Commission's decision to reject the proposed Transition Plan, and the Monitoring Licensee must submit a new proposed Transition Plan within a period stipulated by the Commission and the provisions of this clause will apply as if the Monitoring Licensee was submitting a proposed Transition Plan for the first time.
- (d) If the Commission does not approve any proposed Transition Plan after the Monitoring Licensee has submitted 3 proposed Transition Plans (being either new proposed Transition Plans or amended proposed Transition Plans) (as that number may be extended in accordance with clause 18.8(d)(ii)), the Commission may, in its absolute discretion:
 - (i) deem the Monitoring Licensee to be in breach of this Related Agreement; or
 - (ii) grant the Monitoring Licensee permission to submit one (or more) further proposed Transition Plan(s).
- (e) The proposed Transition Plan, when approved by the Commission shall be referred to as the Approved Transition Plan.
- (f) Once approved, the Monitoring Licensee must comply with the Approved Transition Plan (as that Approved Transition Plan may be

amended from time to time in accordance with clause 18.8(g)) with respect to the Monitoring Licence Transition Out including all specified milestones.

- (g) Unless otherwise directed by the Commission, the Monitoring Licensee must update and resubmit its Approved Transition Plan to the Commission for approval within 12 months from the date the previous Approved Transition Plan was approved (or otherwise as frequently as specified by the Commission). The updated Approved Transition Plan must take into account any relevant changes in circumstances in the relevant intervening period.
- (h) The Commission will consider the updated Approved Transition Plan and approve or reject it. If the Commission rejects the proposed Approved Transition Plan, in any respect, the Monitoring Licensee must meet with the Commission and negotiate in good faith in an endeavour to settle the updated Approved Transition Plan. The updated Approved Transition Plan, once finalised and accepted by the Commission, will replace the existing Approved Transition Plan.
- (i) For the avoidance of doubt, the approval of the proposed Transition Plan or Approved Transition Plan by the Commission does not constitute a representation by the Commission that it has approved the certified equipment index submitted by the Monitoring Licensee with the Transition Plan.
- (j) The Monitoring Licensee grants the State:
 - (i) a royalty-free, irrevocable, non-exclusive, perpetual licence to use (including, without limitation, the right to reproduce, publish, modify and amend), in the State of Victoria:
 - (A) from the date of approval of the Approved Transition Plan, the Monitoring Licensee's Intellectual Property Rights in any Approved Transition Plan; and
 - (B) from the date of approval of the Project Plan, insofar as the Monitoring Licensee holds any Intellectual Property Rights in relation to the Project Plan as a result of the Monitoring Licensee's participation in creating the Project Plan, the Monitoring Licensee's Intellectual Property Rights in the Project Plan,for the purpose of fulfilling the Monitoring Licence Transition Out Objectives (**Transitional Materials Licence**); and
 - (ii) the right to grant sub-licences of the Transitional Materials Licence to Monitoring Services Providers, Temporary Monitoring Licensees, Incoming Licensees and potential Monitoring Services Providers and Incoming Licensees.
- (k) The Monitoring Licensee warrants that:

- (i) on and from the applicable date of the grant of the Transitional Materials Licence under clause 18.8(j)(i), it has the right to grant the Transitional Materials Licence, including all necessary consents from any other person with any right, title or interest in the Transition Materials; and
- (ii) the Transition Materials, the sub-licensing by the State of the Transitional Materials Licence in accordance with the Related Agreement, and the use of the Transition Materials by the State and any authorised sub-licensee of the Transitional Materials Licence in accordance with the Transitional Materials Licence, will not infringe any Intellectual Property Rights or Moral Rights of any third party (including any Agent, Contractor or employee of the Monitoring Licensee).

18.9 Reimbursement by the State

- (a) Subject to clauses 18.9(b) and (c), the State will reimburse the Monitoring Licensee for any reasonable out of pocket expenses incurred by the Monitoring Licensee to the extent that such out of pocket expenses:
 - (i) are expressly provided for in the Project Plan and approved by the Minister in writing;
 - (ii) relate directly to carrying out the Monitoring Licence Transition Out activities (and not merely any activities relating to the provision of the Monitoring Services by the Monitoring Licensee); and
 - (iii) are substantiated by written documents (including, for example, in the form of time sheets or invoices) in a form approved by the Commission.
- (b) The State will not reimburse the Monitoring Licensee for any costs or expenses incurred by the Monitoring Licensee in respect of:
 - (i) attending and participating in the TSC;
 - (ii) preparing, updating, finalising and obtaining approval of proposed Transition Plan and/or Approved Transition Plan(s);
 - (iii) preparing and finalising the Project Plan; and
 - (iv) participating in the dispute resolution process in clause 33.
- (c) The State is not obliged to reimburse the Monitoring Licensee for any expenses incurred in respect of an activity covered by clause 18.9(a) that is required as a direct or indirect consequence of a default committed or threatened by the Monitoring Licensee under the Monitoring Licence or this Related Agreement including in circumstances where the Minister exercises his discretion to appoint an Incoming Licensee.

- (d) The State will reimburse the Monitoring Licensee for reasonable out of pocket expenses specified in clause 18.9(a) 30 Business Days after the later of:
 - (i) the end of the Monitoring Licence Transition Out Period; or
 - (ii) the date on which the Commission considers Monitoring Licence Transition Out to be completed.

19 Monitoring System

19.1 Use

The Monitoring Licensee undertakes and agrees it will not use the Monitoring System for any purposes other than those contemplated by the Monitoring Licence, Related Agreements or the Act or other purposes approved by the Commission.

19.2 Obligation to connect Available Machines to the Monitoring System

On the Commencement Date and during the Monitoring Term, the Monitoring Licensee must ensure that all Available Machines and Linked Jackpot Arrangements and Multiple Venue Linked Jackpot Arrangements (where requested by Participating Venue Operators) are connected to the Monitoring System in accordance with the time frames specified in this Related Agreement.

19.3 Connection on the Commencement Date

With respect to:

- (a) each Gaming Machine which fulfills all of the requirements of and therefore constitutes an Available Machine at the Commencement Date;
- (b) Linked Jackpot Arrangements that a Participating Venue Operator, has requested the Monitoring Licensee to connect to an Available Machine at least 90 days prior to the Commencement Date; and
- (c) Multiple Venue Linked Jackpot Arrangements that a Participating Venue has Monitoring Equipment to facilitate the operation of, and that Participating Venue Operator has requested the Monitoring Licensee to connect to an Available Machine at least 90 days prior to the Commencement Date,

the Monitoring Licensee must ensure connection of those Available Machines, Linked Jackpot Arrangements, and Multiple Venue Linked Jackpot Arrangements to the Monitoring System or an Available Machine (as applicable) within the following timeframes:

- (d) for each Available Machine, Linked Jackpot Arrangements and Multiple Venue Linked Jackpot Arrangements at an Existing Venue connecting to the Monitoring System or an Available Machine (as

applicable) using a Legacy System - within the 8 hour period commencing at 12:01 am on the Commencement Date;

- (e) for each Available Machine, Linked Jackpot Arrangements and Multiple Venue Linked Jackpot Arrangements at an Existing Venue, connecting to the Monitoring System or an Available Machine (as applicable) not using a Legacy System (except Re-Used Legacy System Components) – within the 12 hour period commencing at 12:01 am on the Commencement Date; and
- (f) for each Available Machine, Linked Jackpot Arrangements and Multiple Venue Linked Jackpot Arrangements at a New Venue connecting to the Monitoring System or an Available Machine (as applicable) – within the 6 hour period commencing at 12:01 am on the Commencement Date.

19.4 Connection after the Commencement Date

With respect to:

- (a) each Gaming Machine which becomes an Available Machine after the Commencement Date;
- (b) Linked Jackpot Arrangements that a Participating Venue Operator has not requested the Monitoring Licensee to connect to an Available Machine at least 90 days prior to the Commencement Date; and
- (c) Multiple Venue Linked Jackpot Arrangements that a Participating Venue has Monitoring Equipment to facilitate the operation of, but that Participating Venue Operator has not requested the Monitoring Licensee to connect to an Available Machine at least 90 days prior to the Commencement Date,

the Monitoring Licensee must ensure connection of those Available Machines, Linked Jackpot Arrangements, and Multiple Venue Linked Jackpot Arrangements to the Monitoring System or an Available Machine (as applicable) within the following timeframes:

- (d) in relation to Available Machines referred to in clause 19.4(a), by the date of the expiry of the applicable notice period specified in clause 9.1(b)(ii) of the Monitoring Licence, provided that if any notice given in accordance with clause 9.1(b)(ii) of the Monitoring Licence is given prior to the Commencement Date but after the date that is 90 days prior to the Commencement Date, such notice period begins on the Commencement Date;
- (e) in relation to Linked Jackpot Arrangements and Multiple Venue Linked Jackpot Arrangements of a Participating Venue that is not a New Venue Requiring Installation, if that Participating Venue Operator notifies the Monitoring Licensee that it wishes the Monitoring Licensee to connect the Linked Jackpot Arrangements or the Multiple Venue Linked Jackpot Arrangements (as applicable) to an Available Machine:

- (i) prior to the Commencement Date, within 28 days of the Commencement Date; and
 - (ii) on or after the Commencement Date, within 28 days of the date of such notification; and
- (f) in relation to Linked Jackpot Arrangements and Multiple Venue Linked Jackpot Arrangements of a Participating Venue that is a New Venue Requiring Installation, if that Participating Venue Operator notifies the Monitoring Licensee that it wishes the Monitoring Licensee to connect the Linked Jackpot Arrangements or the Multiple Venue Linked Jackpot Arrangements (as applicable) to an Available Machine:
- (i) prior to the Commencement Date, within 60 days of the Commencement Date; and
 - (ii) on or after the Commencement Date, within 60 days of the date of such notification.

19.5 Decommissioning

Prior to the Implementation Completion Date, the Monitoring Licensee must decommission the Legacy System (other than the Re-Used Legacy System Components if and as applicable) and complete transition to the Monitoring System (without the Legacy System other than the Re-Used Legacy System Components) in each Participating Venue and must connect all Available Machines to the Monitoring System and Linked Jackpot Arrangements (excluding Multiple Venue Linked Jackpot Arrangements) at an Existing Venue - within the 12 hour period beginning at 12:01 am on the date the decommissioning at the Existing Venue takes place (such date to be prior to the Implementation Completion Date).

19.6 Testing

- (a) Prior to Monitoring Readiness, the Monitoring Licensee must:
- (i) select and appoint a Tester; and
 - (ii) make the Systems and the Software Package available to the Tester and the Commission on a removable media acceptable to the Commission for testing to determine whether the Systems comply with the Act, the Monitoring Licence, this Related Agreement and the Technical Standards.
- (b) Each time that any variation is made to the Monitoring System during the Monitoring Term, the Monitoring Licensee must:
- (i) select and appoint a Tester; and
 - (ii) make the Systems and the Software Package available to the Tester on a removable media acceptable to the Tester for testing to determine whether the Systems comply with the Act, the Monitoring Licence, this Related Agreement and the Technical Standards.

- (c) The Monitoring Licensee must not, and must enter into arrangements and take all reasonable action to enforce such arrangements to procure that its Agents and Contractors do not:
 - (i) use the Systems until such time that the Commission has notified the Monitoring Licensee that the Systems have been approved by the Commission; and
 - (ii) if the Systems have been varied from the Systems approved by the Commission at any time during the Term, not use the Systems as varied until such time that the Monitoring Licensee has been notified that that variation to the Systems has been approved by the Commission.

19.7 Escrow

For the purpose of enabling the State to maintain the Monitoring System in the event that the Minister believes that the Monitoring Licensee is unable or unwilling to operate the Monitoring System, the State, the Monitoring Licensee and the Escrow Agent will enter into an Escrow Deed no later than the date that is 6 months prior to the Commencement Date for the purpose of enabling a copy of the Software Package to be held in escrow by the Escrow Agent.

19.8 Deposit of Software Package

- (a) The Monitoring Licensee must deposit with the Escrow Agent the Software Package by no later than Monitoring Readiness. The Source Code deposited as part of the Software Package must be on a removable medium, acceptable to the Commission.
- (b) If at any time after providing the Escrow Agent with the Software Package, there is any variation, addition or update to the Software Package (including to the Source Code for a piece of Software), the Monitoring Licensee must, within 5 Business Days of that variation, addition or update occurring, provide the Escrow Agent with an updated version of the Software Package.

19.9 Components of the Monitoring System

On the date that is 3 months after the Issue Date, and again on the date that is 3 months prior to the Commencement Date, the Monitoring Licensee will deliver to the Commission a list identifying in reasonable detail (including product name and version information, if relevant):

- (a) all hardware and firmware required to operate the Systems and the contact details for a proprietor of that hardware;
- (b) all Software contained in the Systems, and in respect of any Software contained in the Systems that is not Developed Software, the contact details for the licensor of that Software ;
- (c) any other component of the Systems that would reasonably be required by the Commission to operate the Systems in its own environment,

and such list must not be updated or varied by the Monitoring Licensee without obtaining the prior written approval of the Commission.

19.10 Object Code

- (a) Within 5 Business Days of the date on which the Commission determines that Monitoring Readiness has been satisfactorily achieved in accordance with clause 7.7, the Monitoring Licensee must deliver to the Commission, one copy of the Object Code for each item of Software.
- (b) If at any time after providing the Commission with the Object Code for a piece of Software in accordance with this clause 19.10, there is any material change made to that Software (including any Update), the Monitoring Licensee must, within 5 Business Days of that material change occurring, provide the Commission with an updated version of the Object Code for that Software.

19.11 Installation and technical support

During the Term, if requested by the Commission, the Monitoring Licensee will, at no cost to the Commission, provide the Commission with all reasonable training that the Commission may require with respect to the Systems.

19.12 Warranty

The Monitoring Licensee warrants to the State that, to the best of the knowledge of the Monitoring Licensee after having made all relevant enquiries and carrying out all relevant tests, the Software Package does not and will not contain any program routine, device, code or instructions (including any code or instructions provided by third parties) or other undisclosed feature, including, without limitation, a time bomb, virus, software lock, drop-dead device, malicious logic, worm, Trojan horse or trap door, that is capable of accessing, modifying, deleting, damaging, disabling, deactivating, interfering with, or otherwise harming the Software, any computers, networks, data or other electronically stored information, or computer programs or systems.

20 Intellectual Property

20.1 Intellectual Property Rights

It is the Monitoring Licensee's responsibility to obtain all of the Intellectual Property Rights required for the Monitoring Licensee to provide the Monitoring Services, including such rights as are necessary to permit the Monitoring Licensee to grant the State IP Licence.

20.2 State IP Licence

- (a) Subject to the provisions of this clause 20, the Monitoring Licensee grants to the State, a royalty-free, irrevocable, non-exclusive, perpetual licence to:

- (i) use, reproduce and publish, and sub-licence to any Sub-Licensee the right to use, reproduce and publish; and
- (ii) subject to clause 20.2(b), modify and amend, and sub-licence to any Sub-Licensee the right to modify and amend,

the Licensed IP in the State of Victoria in relation to Monitoring Services, including in relation to providing Monitoring Services (**State IP Licence**).

- (b) The Monitoring Licensee is not obliged to obtain for the State a royalty-free, irrevocable, non-exclusive, perpetual licence to modify and amend, and sub-licence to any Sub-Licensee the right to modify and amend, the Licensed IP in the State of Victoria in relation to Monitoring Services, including in relation to providing Monitoring Services, to the extent (and only to the extent) that any of the Licensed IP is Third Party Material and the Monitoring Licensee is unable to obtain, on commercially reasonable terms after using all reasonable endeavours, a licence for the State and any Sub-Licensee to modify and amend the Licensed IP in the State of Victoria in relation to Monitoring Services, including in relation to providing Monitoring Services.

20.3 Effective date

- (a) With regard to each component of the Licensed IP that does not constitute the Software Package, the State IP Licence will be effective on and from the later of the date that:
 - (i) the Commission determines that Monitoring Readiness has been satisfactorily achieved in accordance with clause 7.7; and
 - (ii) that component of Licensed IP is created.
- (b) With regard to those components of Licensed IP that constitute the Software or the Software Package, the State IP Licence will be effective on and from the date that that component of the Software Package is released from escrow in accordance with the Escrow Deed or is otherwise provided to the State.

20.4 Third Party Material

- (a) For the avoidance of doubt and subject to clauses 20.2(b) and 20.4(b), to the extent that the Licensed IP contains any Third Party Material, the Monitoring Licensee must do all things necessary to enable the State and any Sub-Licensee to be able to use that Third Party Material from the effective date of the State IP Licence in respect of that Third Party Material (as determined in accordance with clause 20.3), at no cost to the State and the Sub-Licensee, in accordance with the terms of the State IP Licence, including, without limitation:

- (i) obtaining any necessary licences for the State and any Sub-Licensee to use the Third Party Material (which licences must be consistent with the terms of the State IP Licence);
 - (ii) obtaining any necessary certification needed by the State and any Sub-Licensee to use the Proprietary Development Environment (to the extent that the Monitoring Licensee is required to deliver the Proprietary Development Environment into escrow under this Related Agreement); and
 - (iii) paying any fees necessary for the State and any Sub-Licensee to use the Third Party Material.
- (b) If, after the expiry of the Term, the Monitoring Licensee is required to pay any fees (**Fees**) for the State and any Sub-Licensee to continue to use certain Third Party Material (**Fee-bearing Material**), then as soon as practicable after becoming aware of this fact, the Monitoring Licensee must notify the Minister of the amount of the Fees that the Monitoring Licensee will be required to pay after the Term (as of the date of the notification), and keep the Minister informed of any changes to those Fees during the Term.
- (c) Before the expiry of the Term, the Minister will advise the Monitoring Licensee whether or not he requires access to the Fee-bearing Material after the Term.
- (d) If the Minister advises the Monitoring Licensee that he requires access to the Fee-bearing Material after the expiry of the Term, then as soon as practicable after receiving this notification the Monitoring Licensee will notify the Minister of the exact amount of Fees payable for the Fee-bearing Material after the Term, and before the expiry of the Term the State will pay the Fees to the Monitoring Licensee or, at the option of the State, the State will agree to pay the Fees directly to the third party when due.
- (e) If the Minister advises the Monitoring Licensee before the expiry of the Term that it does not require access to the Fee-bearing Material after the Term, the Monitoring Licensee is not obliged to procure access to that Fee-bearing Material for the State and its Sub-Licensees and the State is not required to pay any Fees.

20.5 IP Sub-Licence Agreement

- (a) If the State enters into any IP Sub-Licence Agreement, that IP Sub-Licence Agreement shall:
- (i) notwithstanding the date of execution of the relevant IP Sub-Licence Agreement in relation to Incoming Licensees, not commence earlier than the date on which the Incoming Licensee is able to take preparatory action or otherwise on the termination or expiration of the Monitoring Licensee's Monitoring Licence;

- (ii) if it includes a licence of the Intellectual Property Rights in the Reports, include provisions requiring the Sub-Licensee:
 - (A) to form its own views on the accuracy and completeness of the information contained in the Reports; and
 - (B) not to bring any Claim against the Monitoring Licensee in relation to any inaccuracy or incompleteness of the information contained in the Reports; and
 - (iii) otherwise be on the terms the State considers appropriate.
- (b) For the avoidance of doubt:
- (i) where a Monitoring Services Provider or an Incoming Licensee ceases to hold the right to provide the Monitoring Services, that Monitoring Services Provider or Incoming Licensee's IP Sub-Licence Agreement will terminate and the State may sub-licence the Licensed IP to any subsequent Incoming Licensee or Monitoring Services Provider; and
 - (ii) where a third party who is retained to perform acts on behalf of the State in relation to the Licensed IP ceases to be retained to perform acts on behalf of the State in relation to the Licensed IP, that third party's IP Sub-Licence will terminate.

20.6 Warranties

The Monitoring Licensee warrants and represents that on and from the Monitoring Readiness Date:

- (a) it owns or has the right to use all of the Intellectual Property Rights required by it to provide the Monitoring Services, including but not limited to the Licensed IP;
- (b) it has the authority to grant the State IP Licence, including all necessary consents from any other person with any right, title or interest in the Licensed IP (including from any owner of any Intellectual Property Rights in any Third Party Material and any person who has developed any part of the Developed Intellectual Property); and
- (c) to the best of the knowledge of the Monitoring Licensee, after having made all relevant enquiries, the:
 - (i) provision or performance of the Monitoring Services, or anything arising from the provision or performance of the Monitoring Services; or
 - (ii) Licensed IP, the use or sub-licensing by the State of the Licensed IP in accordance with the State IP Licence, or the use of the Licensed IP by any Sub-Licensee in accordance with the State IP Licence,

will not infringe any Intellectual Property Rights or Moral Rights of any third party (including any Agent, Contractor or employee of the Monitoring Licensee).

20.7 Use of Licensed IP

Subject to compliance by the Monitoring Licensee with each of the warranties contained in clause 20.6, any modification, replacement, upgrade, adaptation or any other change to any of the Licensed IP made by the State or any Sub-Licensee, or by a third party on behalf of the State or any Sub-Licensee, will be at the State's and the Sub-Licensees' risk.

20.8 Licensed IP

- (a) Except as provided for in the circumstances set out in clause 20.8(e)(ii), and except for the rights expressly granted by this Related Agreement, the State acquires no interest in the Licensed IP (including interest in goodwill associated therewith) by virtue of this Related Agreement.
- (b) The Minister may require that during the Term, the Monitoring Licensee take such actions, including making such applications, executing such documents and instituting or defending such Claims, as are required in the reasonable opinion of the Minister to protect and preserve any of the State's and any Sub-Licensee's rights under the State IP Licence. If the Monitoring Licensee is not in breach of clause 20.6, and the indemnity in clause 20.10 does not apply, the State will pay the costs of the Monitoring Licensee taking such action, provided that the Minister has first approved the costs in writing before they are incurred by the Monitoring Licensee. If the Monitoring Licensee fails to take any such action within a reasonable period, without limiting any other right or remedy of the State, the State may take such action in the name of the Monitoring Licensee.
- (c) Without limiting clause 20.8(b), the Monitoring Licensee must, during the Term:
 - (i) promptly notify the Minister in writing of any actual or suspected infringement of any of the Licensed IP, or any challenge to the rights of the Monitoring Licensee, the State or any Sub-Licensee in respect of the Licensed IP, that comes to the Monitoring Licensee's attention;
 - (ii) keep the Minister reasonably informed in writing of all Claims involving any actual or suspected infringement of any of the Licensed IP, or any challenge to the rights of the Monitoring Licensee in respect of the Licensed IP; and
 - (iii) fully co-operate with the State and any Sub-Licensee in registering their respective licence interests, if required by the State or a Sub-Licensee.
- (d) The State must use reasonable endeavours to notify the Monitoring Licensee promptly in writing of any infringement of any of the

Licensed IP, or any challenges to the rights of the Monitoring Licensee or the State or any Sub-Licensee in respect of the Licensed IP, that come to the Minister's attention.

- (e) If the Monitoring Licensee wishes to assign, sell or otherwise transfer any Licensed IP during the Term:
- (i) the Monitoring Licensee must give the Minister a notice in writing to that effect which:
 - (A) includes a detailed description of the Licensed IP the Monitoring Licensee wishes to assign, sell or otherwise transfer;
 - (B) states the reasons for the assignment, sale or transfer of that Licensed IP;
 - (C) describes what impact the assignment, sale or transfer of that Licensed IP will have on the Monitoring System and the provision of Monitoring Services; and
 - (D) states the terms, including the price, on which the Monitoring Licensee will assign, sell or otherwise transfer that Licensed IP,with such notice constituting an offer to assign, sell or otherwise transfer that Licensed IP to the State on the terms stated in the notice (**the Offer**); and
 - (ii) within 22 Business Days of receipt of the Offer the Minister may notify the Monitoring Licensee in writing that the State will accept the assignment, sale or transfer of the relevant Licensed IP on the terms stated in the Offer and thereafter, the Monitoring Licensee must assign, sell or transfer and the State must accept the assignment, sale or transfer of the relevant Licensed IP at the price and upon the terms and conditions specified in the Offer.
- (f) If the Minister does not notify the Monitoring Licensee within 22 Business Days of receipt of the Offer that the State will accept the assignment, sale or transfer of the relevant Licensed IP the Monitoring Licensee may assign, sell or transfer the relevant Licensed IP to a third party for a price that is no less than the price offered to the State and otherwise on terms no more favourable to the purchaser than the terms offered to the State.
- (g) The Monitoring Licensee may only transfer its ownership in the Licensed IP to a third party (**the New Owner**) if the Monitoring Licensee has first complied with clauses 20.8(e) and 20.8(f) and the New Owner agrees, and agrees to procure that its successor or assignee of that Licensed IP agrees, to, immediately upon transfer, licence the Licensed IP to the State on the same terms and conditions as the State IP Licence (at no cost to the State), subject to the State agreeing directly in favour of the New Owner, to continue to observe

all of the State's obligations contained in this clause 20. Any purported transfer by the Monitoring Licensee in violation of this clause 20.8(g) will be invalid.

20.9 Moral Rights

Prior to any person commencing work on any part of the Developed Intellectual Property (such part to be known as an "**Author Work**") who may, under the *Copyright Act 1968* (Cth), be considered an author of the Author Work (**Author**), to the extent permitted by law, the Monitoring Licensee must procure that the Author agrees in writing:

- (a) not to enforce any claim against any person for a breach or an alleged breach of any of the Author's Moral Rights which the Author may otherwise have as a result of any act or omission by the Monitoring Licensee, the State, or any third party to whom the Monitoring Licensee and/or the State grants a licence to use (whether express or implied), or otherwise assigns, the Author Work (collectively, "**IP Users**"); and
- (b) without limiting clause 20.9(a), that the Author consents to the IP Users:
 - (i) failing to attribute the Author as the author/maker of all or any of the Author Work;
 - (ii) attributing a person or persons other than the Author as the author/maker of all or any of the Author Work; and
 - (iii) subjecting any or all of the Author Work to Derogatory Treatment (as that term is defined in the *Copyright Act 1968* (Cth)).

20.10 Intellectual Property Indemnity

- (a) Subject to clause 20.10(c), the Monitoring Licensee indemnifies and holds harmless the State, the Minister, the Commission and any Sub-Licensee and each of their respective representatives, members, officers, employees, contractors, consultants or agents (**IP Indemnified Parties**) from and against all Losses and Liabilities arising directly or indirectly, as a result of, associated or in connection with any Claim by a third party against any of the IP Indemnified Parties alleging that the use or sub-licensing by the State of the Licensed IP in accordance with the State IP Licence, or the use of the Licensed IP by any Sub-Licensee in accordance with the State IP Licence, constitutes an infringement of the Intellectual Property Rights or Moral Rights of that third party (**Third Party Claim**).
- (b) If any Third Party Claim is successful, or if it is agreed by the Monitoring Licensee that the Licensed IP infringes the Intellectual Property Rights of any third party, then without limiting the rights or remedies of any of the IP Indemnified Parties under clause 20.10(a) or otherwise, during the Term the Monitoring Licensee must, and after the Term the Monitoring Licensee must use all reasonable

endeavours to, render the relevant activity non-infringing by procuring the right or consent to exercise the relevant Intellectual Property Rights or replacing, modifying or amending the Systems or any infringing part such that the performance or capability of the Systems is not degraded and so that the infringement or alleged infringement of the Intellectual Property Rights ceases, at no cost to any of the IP Indemnified Parties.

- (c) The Monitoring Licensee will not be required to comply with its obligations under clause 20.10(a) or 20.10(b) to the extent that any Third Party Claim is the result of, or any infringement of the Intellectual Property Rights of a third party is caused by any modification, replacement, upgrade, adaptation or any other change to any of the Licensed IP made by the State or any Sub-Licensee, or a third party on behalf of the State or any Sub-Licensee, without the consent and/or approval of the Monitoring Licensee.
- (d) The State holds the benefit of the indemnity in clause 20.10(a) on trust for each of the IP Indemnified Parties and the State may enforce such indemnity on behalf of all or any of the IP Indemnified Parties against the Monitoring Licensee.
- (e) If the Monitoring Licensee so requests, at the State's discretion, the State will provide reasonable assistance at the Monitoring Licensee's cost, and will take reasonable steps to procure the other IP Indemnified Parties provide reasonable assistance at the Monitoring Licensee's cost, in relation to the Monitoring Licensee's handling of any Third Party Claim.

21 Assistance to Participating Venue Operators

- (a) The Monitoring Licensee must:
 - (i) cooperate and provide any reasonable assistance to any Participating Venue Operator in relation to the provision of new services by a Participating Venue Operator for the operation of Gaming Machines authorised by a Participating Venue Operator (**New Services**); and
 - (ii) provide reasonable access to the Monitoring System to Ancillary Service providers if such access is required to provide the New Services and such access is approved by the Commission.
- (b) The Monitoring Licensee may require a Participating Venue Operator to reimburse the Monitoring Licensee for any reasonable costs and expenses incurred by the Monitoring Licensee in the provision of reasonable assistance in relation to the New Services.
- (c) For the avoidance of doubt, the Monitoring Licensee will not be required to do anything to assist a Participating Venue Operator or Ancillary Service provider in the provision of the New Services if such

conduct would cause it to breach the Monitoring Licence, any of the Related Agreements, the Act or any agreements with third parties or if such conduct would impair, adversely affect or disrupt the Monitoring Licensee's ability to provide the Monitoring Services.

22 Pricing Review

22.1 Pricing Review

If, at the discretion of the Minister or the Commission or otherwise in accordance with the Monitoring Licence, this Related Agreement or the Act:

- (a) the Monitoring Licensee is required to introduce an entirely new Gaming Machine Communication Protocol (being a Gaming Machine Communication Protocol that, as of the Monitoring Readiness Date, the parties had not agreed was required to be supported by the Monitoring Licensee on or at any time after the Monitoring Readiness Date) (**Protocol Requirement**);
- (b) the Minister requiring any Monitoring Asset to be a Required Asset after the Issue Date (**Asset Requirement**); or
- (c) a change in the Scope of Services is required or occurs during the Term including as a consequence of:
 - (i) a variation to the Law or the introduction of a new Law (other than in relation to a tax Law);
 - (ii) the implementation of a Technology Review Plan;
 - (iii) a variation to the Technical Standards;
 - (iv) an amendment, replacement or supplement of or to the Service Strategy;
 - (v) an amendment, replacement or supplement of or to the Performance Standards in accordance with clause 5;
 - (vi) an amendment, replacement or supplement of or to the Monitoring Licence; or
 - (vii) a Scope of Services Notice from the Minister in accordance with clause 6,

and such requirement, request, decision or direction (**Material Change Instruction**) changes the Monitoring Licensee's costs of carrying out the Monitoring Services, then the Monitoring Licensee may, within 20 Business Days after the date of the Material Change Instruction or such other date as agreed by the Monitoring Licensee and the Minister, request that the financial impact of the Material Change Instruction on the Monitoring Licensee be reviewed by sending a review request in accordance with clause 22.2 to the Minister (**Review Request**).

22.2 Review Request

A Review Request must contain:

- (a) an explanation of the Material Change Instruction including all relevant details regarding the Material Change Instruction;
- (b) an explanation as to why the effect that the Material Change Instruction cannot be covered by the existing Pricing Model; and
- (c) an estimation of the change in the Monitoring Licensee's costs of carrying out the Monitoring Services due to the Material Change Instruction and consequential change to the Pricing Model, provided however that such Review Request shall not incorporate an increase to the Pre-Tax Internal Rate of Return .

22.3 Minister's Review

If, within the time period stated in clause 22.1, the Minister receives a Review Request from the Monitoring Licensee, the Minister may, at his discretion within 10 Business Days after receiving a Review Request either:

- (a) agree with the estimation of increased costs and consequential impact on the Pricing Model as set out in the Review Request and determine whether such costs will be:
 - (i) passed directly through to the Participating Venue Operators by a commensurate change in the Monitoring Fee charged to Participating Venue Operators under the Venue Monitoring Services Agreements; or
 - (ii) borne by the State and paid to the Monitoring Licensee; or
- (b) refer the Review Request to an independent review panel as described in clause 22.4 below (**Pricing Review Panel**) along with any additional information the Minister deems relevant to determine a change to the Monitoring Fee (if any), as a result of the Material Change Instruction on the Monitoring Licensee.

22.4 Pricing Review Panel

- (a) The Pricing Review Panel shall be comprised of 3 independent individuals appointed by the Minister prior to the Commencement Date and in accordance with the qualification requirements determined by the Minister. If a member of the Pricing Review Panel dies, becomes incapacitated or is unwilling to act, the Minister may replace that member at such time.
- (b) The Pricing Review Panel shall:
 - (i) meet from time to time as necessary to determine whether a Material Change Instruction constitutes a Protocol Requirement, an Asset Requirement, or a substantive change in the Scope of Services required from the Monitoring Licensee for which the Monitoring Licensee is entitled to a change to the Monitoring Fee; and

- (ii) use all reasonable endeavors to provide a report to the Minister and the Monitoring Licensee containing its determination regarding:
 - (A) whether the Material Change Instruction constitutes a Protocol Requirement, an Asset Requirement, or a change in the Scope of Services;
 - (B) whether the Protocol Requirement, the Asset Requirement, or the change in the Scope of Services (if any) changes the Monitoring Licensee's costs of carrying out the Monitoring Services;
 - (C) whether there should be a change in the Monitoring Fee based on the Protocol Requirement, the Asset Requirement, or the change in the Scope of Services; and
 - (D) the amount of such change to the Monitoring Fee (if any), as soon as practicable (**Pricing Report**).

22.5 Minister's determination

- (a) The Minister, after consultation with the Treasurer will consider the Pricing Report and determine whether or not to proceed with the Material Change Instruction based on such report.
- (b) If the Minister, after consultation with the Treasurer, decides to proceed with the Material Change Instruction then the Minister will determine whether the change in costs should be:
 - (i) passed directly through to the Participating Venue Operators by a commensurate change in the Monitoring Fee charged to Participating Venue Operators under the Venue Monitoring Services Agreements; or
 - (ii) borne by the State and paid to the Monitoring Licensee.
- (c) As soon as practicable after the Minister makes the determination under this clause 22.5, the Pricing Model will (if necessary) be recalculated and amended accordingly. For the avoidance of doubt, the Minister shall, in making his determination, have regard to the principle that the Pre-Tax Internal Rate of Return shall not increase.
- (d) If the Minister, after consultation with the Treasurer, determines not to proceed with the subject of the Material Change Instruction, no change in the Monitoring Fee will occur.

22.6 Costs

All costs associated with referring a Review Request to the Pricing Review Panel and the Pricing Review Panel's review and determination will be either:

- (a) shared equally between the State and the Monitoring Licensee if the Pricing Review Panel determines that a price change is warranted; or
- (b) borne by the Monitoring Licensee, if the Pricing Review Panel determines that a price change is not warranted.

23 Insurance

23.1 Insurance Requirements

- (a) The Monitoring Licensee must take out, maintain and keep in force appropriate insurance policies for such amounts and with such insurers as required by the Minister from time to time with the Minister named as an additional insured with respect to such coverage, including, without limitation, the following insurance policies:
 - (i) Property damage – sufficient cover for the replacement value of the Monitoring Licensee’s buildings, plant and equipment (calculated through an assessment of asset values and cost of replacement of those assets);
 - (ii) Business interruption – sufficient cover for the loss of revenue arising from a period of disruption to the Monitoring Business;
 - (iii) Fiduciary guarantee insurance – sufficient to cover for a loss resulting from a breach of the Jackpot Financial Administration Services Agreements or Trust Deed; and
 - (iv) Public liability- sufficient cover for liability arising out of injury to persons.
- (b) The Monitoring Licensee undertakes not to take any action which could result in such insurance policies, or a right to claim under such insurance policies, being declared null, void or being impaired, or reduced or result in a claim not being honoured.

23.2 Details of insurance

The Monitoring Licensee must provide the Minister with details of its insurance policies, including the coverage, status and any claims against the policies.

23.3 Acceptable insurers

All insurances which the Monitoring Licensee is required to effect under this Related Agreement must be effected with an insurer with a rating no less than a Standard & Poor’s A- or equivalent.

23.4 Proof of insurance

- (a) Upon notice from the Minister, the Monitoring Licensee must provide to the Minister copies of the policies evidencing the insurances effected and maintained by the Monitoring Licensee.

- (b) Notwithstanding clause 23.4(a), the Monitoring Licensee must provide, or cause to provide, to the Minister a certified copy of each certificate of currency, renewal certificate and endorsement slip, within 10 Business Days of the inception date or renewal date of any insurance policy or the issuing of any endorsement to any insurance policy, and such certificates of currency, renewal certificates and endorsement slips must either be issued on the insurers' or insurance broker's letterhead, or bear the insurers' stamp and authorised signature.

24 Liability and Indemnities

24.1 Monitoring Licensee relies on own judgment

Except as expressly provided to the contrary, the Monitoring Licensee acknowledges that it enters into the Related Agreements and the Monitoring Licence in reliance on its own judgment and following review of the viability of providing the Monitoring Services. The Monitoring Licensee has not relied on any conduct, statements, warranties or representations made to the Monitoring Licensee or to any other person by or on behalf of the State or the Commission or any of their respective representatives, officers, employees, contractors, consultants and agents.

24.2 Liability in relation to grant of the Monitoring Licence

- (a) Except as expressly provided to the contrary in this Related Agreement, the Monitoring Licensee acknowledges that no action lies against the State or the Commission or any Monitoring Services Provider or any of their respective representatives, members, officers, employees, contractors and agents and no compensation, damages, reimbursement or indemnity payments are payable to the Monitoring Licensee in relation to anything done or purported to be done or not done in connection with the grant of the Monitoring Licence.
- (b) For the avoidance of doubt, the granting of any consent or approval by the Minister or the Commission, for the conduct of the Monitoring Licensee does not in any way diminish the Liability of the Monitoring Licensee in respect of the conduct which was the subject of the consent or approval or otherwise give rise to any Liability for the Minister or the Commission.

24.3 Exclusion of liability

The Monitoring Licensee acknowledges that it is solely responsible for the provision of the Monitoring Services and hereby releases the State, the Commission and all Monitoring Services Providers (and any of their respective representatives, members, officers, employees, contractors and agents) from any Claim, Loss or Liability, arising directly or indirectly, to compensate the Monitoring Licensee or any representative, officer, member, employee or other person for any Losses or Liabilities incurred or suffered by the Monitoring Licensee or any other person as a result of,

associated or in connection with the provision of or failure to provide the Monitoring Services, including where the Loss or Liability is caused by the Monitoring Licensee following any lawful directions of the Minister or the Commission.

24.4 Limitations of liability

- (a) Any Loss or Liability of the Monitoring Licensee arising directly or indirectly, to compensate, reimburse, pay or indemnify any Participating Venue Operator as a result of the failure of an Available Machine to operate due to an act or omission by the Monitoring Licensee in the provision of Monitoring Services, on and from the Commencement Date is limited to the amount of damages determined in accordance with the procedures set out in Schedule 6 and excludes any Losses arising out of the State's inability to collect tax revenue as a consequence of the failure to provide the Monitoring Services.
- (b) For the avoidance of doubt, nothing in clause 24.4(a) or Schedule 6 limits the Monitoring Licensee's liability to any person other than to a Participating Venue Operator for the failure of an Available Machine to operate due to an act or omission by the Monitoring Licensee in the provision of Monitoring Services.
- (c) The Liability of the Monitoring Licensee to a player for any Loss suffered in respect of a prize which has not been paid due to a failure to provide the Monitoring Services is limited to the reprovision of that prize.
- (d) Save for the Loss or Liabilities contemplated in this clause 24.4 or Schedule 6, the Monitoring Licensee is not liable for any additional Claim made by a Participating Venue Operator arising directly or indirectly as a result of, associated or in connection with the failure of a Gaming Machine to operate due to an act or omission by the Monitoring Licensee in the provision of Monitoring Services.

24.5 Indemnities

- (a) The Monitoring Licensee indemnifies the State, the Commission and each Monitoring Services Provider (and each of their respective members, representatives, officers, employees, contractors and agents) (**Indemnified Parties**) from and against any Claims, Loss and Liabilities, arising directly or indirectly, as a result of, associated or in connection with the provision of the Monitoring Services by the Monitoring Licensee, including any Claims from Agents, Contractors, Venue Operators or other persons, except for any Claims which result directly from the gross negligence or wilful misconduct of any of the Indemnified Parties.
- (b) The Monitoring Licensee indemnifies the Indemnified Parties from and against all Claims, Loss and Liabilities incurred by the Indemnified Parties as a result of a breach of the Monitoring Licence or any of the

Related Agreements by the Monitoring Licensee, including, without limitation where a Step-In Event occurs or, in the event that the Monitoring Licensee expends monies or assumes obligations or Liabilities following such breach of any of the Related Agreements.

- (c) The State holds the benefit of the indemnities in clause 24.5(a) and 24.5(b) on trust for each of the Indemnified Parties and the Monitoring Licensee acknowledges that the State may enforce such indemnity on behalf of all or any of the Indemnified Parties.

25 Expiration of Venue Operators' entitlements

25.1 Acknowledgment of expiration

The Monitoring Licensee acknowledges that the gaming machine entitlements allocated under the Act to Venue Operators in 2012 expire in 2022 (or in 2024 if extended in accordance with the Act), that the arrangements with Venue Operators may need to be renewed to accommodate the new rights to be issued for the operation of Gaming Machines and, if such arrangements are not altered or renewed, the Monitoring Licensee may not be providing any Monitoring Services beyond either 2022 or 2024.

25.2 Negotiations upon expiration

- (a) The Monitoring Licensee and the State agree to have their respective representatives meet not less than 24 months prior to 16 August 2022 (or 16 August 2024 if the term of the gaming machine entitlements is extended in accordance with the Act) to agree upon the extent to which any new entitlements to be issued and related arrangements with Venue Operators may require changes to the rights and obligations of the Monitoring Licensee and the State under the Monitoring Licence and this Related Agreement.
- (b) The Monitoring Licensee and the State shall negotiate in good faith to identify how, as a consequence of any proposed new gaming machine entitlements (or similar rights), the arrangements under the Monitoring Licence and this Related Agreement may change, what changes to this Related Agreement or Scope of Services are required, what changes to fees or costs of the Monitoring Licensee reasonably arise and how any changes in fees or costs shall be met.

25.3 Exclusion of State's liability

- (a) Subject to clause 25.4, the Monitoring Licensee acknowledges that no action lies against the State or the Commission or any of their respective representatives, members, officers, employees, contractors or agents and no compensation, damages, reimbursement or indemnity payments are payable to the Monitoring Licensee in relation to anything done or purported to be done in connection with or as a consequence of the expiration of any gaming machine entitlements prior to the expiration of the Monitoring Term or

the granting of any new entitlements or rights, including without limitation, in relation to any changes made to the Monitoring Licence, this Related Agreement or the Scope of Services.

- (b) Subject to clause 25.4, the Monitoring Licensee releases the State and the Commission (and any of their respective representatives, members, officers, employees, contractors and agents) from any Claim, Loss or Liability, arising directly or indirectly, to compensate the Monitoring Licensee or any representative, officer, member, employee or other person for any Losses or Liabilities incurred or suffered by the Monitoring Licensee or any other person as a result of, associated or in connection with anything done in connection with or as a consequence of the expiration of any gaming machine entitlements prior to the expiration of the Monitoring Term or the granting of any new entitlements or similar rights, including without limitation, in relation to any changes made to the Monitoring Licence, this Related Agreement or the Scope of Services.

25.4 Compensation if Entitlements not renewed

If, due to expiry of the gaming machine entitlements allocated under the Act to Venue Operators in 2012, the Monitoring Licensee is not required to provide Monitoring Services beyond 15 August 2022 (or 15 August 2024 if the operation of gaming machine entitlements is extended in accordance with the Act) (**End Date**), the State shall pay to the Monitoring Licensee the lesser of:

- (a) the amount equal to the written down value of the Required Assets as disclosed in the most recent audited accounts of the Monitoring Licensee prior to the End Date; and
- (b) the residual value of the Required Assets as calculated using the Pricing Model set out in Schedule 12.

Upon payment to the Monitoring Licensee of the amount that is the lesser of (a) and (b) above, unless the State elects otherwise by notice in writing to the Monitoring Licensee, all property, rights, title and interest of the Monitoring Licensee in the Required Assets passes immediately to the State.

26 General Warranties

26.1 Sole Activity and Purpose

The Monitoring Licensee warrants that its sole activity and purpose is to provide the Monitoring Services.

26.2 Other

The Monitoring Licensee warrants that:

- (a) it will be able to in accordance with the conditions of the Monitoring Licence and this Related Agreement prepare and implement the Implementation Plan and all other Preparatory Action;
- (b) it will be able to at all times during the Monitoring Term, provide the Monitoring Services in accordance with the Scope of Services, Service Strategy, Performance Standards and Technical Standards as they exist at the Agreement Date;
- (c) it is able to comply with all of its obligations under the Licence, this Related Agreement and the Act;
- (d) from the Commencement Date, the Systems will:
 - (i) be free from all material design and operational defects;
 - (ii) be fit for the purpose for which the Systems are intended to be used; and
 - (iii) enable the Monitoring Licensee at all times during the Monitoring Term to provide the Monitoring Services so that the provision of the Monitoring Services complies with the Monitoring Licence, this Related Agreement and the Technical Standards;
- (e) all Monitoring Assets are:
 - (i) in good condition and repair;
 - (ii) in a working order and condition that are consistent with their age;
 - (iii) regularly and properly maintained and serviced; and
 - (iv) fit for the purposes for which they are held or used by the Monitoring Licensee;
- (f) it is duly incorporated and is validly existing under the laws of its jurisdiction of incorporation, with full power and authority to enter into the Related Agreements, comply with the conditions of the Monitoring Licence and perform its obligations under the Related Agreements;
- (g) the Related Agreements have been duly authorised, executed and delivered by the Monitoring Licensee and constitute legal, valid and binding obligations of the Monitoring Licensee enforceable against it in accordance with its terms, and no other acts or conduct on the part of the Monitoring Licensee are necessary to authorise the Related Agreements;
- (h) the execution and delivery of the Related Agreements and the performance by the Monitoring Licensee of its obligations thereunder do not:
 - (i) conflict with the constitution or by-laws of the Monitoring Licensee;

- (ii) constitute a violation of or a default under any agreements or arrangements to which the Monitoring Licensee is a party; or
- (iii) contravene any Law;
- (i) there are no Encumbrances or Security Interests, other than those which have been approved by the Commission, over the property, assets or undertaking of the Monitoring Licensee;
- (j) it has title to, or an appropriate right to use, all Monitoring Assets;
- (k) it is the legal and beneficial owner of and has good, valid and marketable title to all of the Required Assets and there are no Encumbrances affecting any of the Required Assets;
- (l) none of the Required Assets have been or have been agreed to be let on hire or hire purchase or sold on deferred terms other than in accordance with the provisions of the Monitoring Licence or any of the Related Agreements;
- (m) the Monitoring Licensee has not entered into any contract, arrangement or understanding with any third party on terms that are not at arms length and on ordinary commercial terms;
- (n) the Monitoring Licensee is not in breach of the Monitoring Licence or the Related Agreements;
- (o) the Monitoring Licensee is not the subject of a Financial Default;
- (p) the Monitoring Licensee is a suitable person or body to provide the Monitoring Services;
- (q) the Monitoring Licensee has not committed any offences against a gaming Act or any Law involving fraud or dishonesty in Victoria or elsewhere;
- (r) all information provided in writing by or on behalf of the Monitoring Licensee to the Minister and Commission (including the Application) is in all respects true and accurate and not misleading by omission as at the date it is provided;
- (s) it is ISO 9000 and ISO 27000 certified or is able to demonstrate (by passing an independent audit) to the reasonable satisfaction of the Commission that it has an equivalent or higher level of capability, or has undertaken reasonable steps to become ISO 9000 and ISO 27000 certified or have a generally equivalent certification; and
- (t) it has adopted the Information Technology Infrastructure Library (ITIL) framework as a standard or is able to demonstrate to the reasonable satisfaction of the Commission that it has adopted a generally equivalent framework as a standard or has undertaken reasonable steps to adopt the ITIL framework as a standard or adopt a generally equivalent framework as a standard.

26.3 Breach of representation or warranty

A breach of any representation or warranty under this Agreement constitutes a contravention of this Agreement.

27 Survival of representations and indemnities

27.1 Representations and warranties

Except where expressly stated otherwise in this Related Agreement, all representations and warranties in this document:

- (a) will survive the execution and delivery of this document;
- (b) will remain in full force and effect for the Term; and
- (c) are and will be given with the intent that liability under the representations and warranties will not be confined to breaches discovered prior to the date of this document.

27.2 Indemnities

Each indemnity in this document:

- (a) is a continuing obligation;
- (b) constitutes a separate and independent obligation of the party giving the indemnity from its other obligations under this document; and
- (c) will survive termination of this document.

28 Force majeure

28.1 Notice

- (a) If the Monitoring Licensee is of the opinion that a Force Majeure Event has occurred it will immediately advise the Commission in writing of that occurrence.
- (b) The Monitoring Licensee must give the Commission a written notice, within 2 Business Days after it forms the opinion that the Force Majeure Event has occurred, which must include full particulars of all relevant matters including:
 - (i) details of the Force Majeure Event;
 - (ii) details of the obligations affected;
 - (iii) details of the action that the Monitoring Licensee has taken and proposes to take to avoid or minimise the consequences of the Force Majeure Event;
 - (iv) an estimate of the timing during which the Monitoring Licensee will be unable to carry out the affected obligations due to the Force Majeure Event;

- (v) an estimate of the costs that the Monitoring Licensee would incur to remedy the situation were it able to do so; and
- (vi) details of all insurance moneys on which the Monitoring Licensee may be able to rely in making good any damage caused by the Force Majeure Event.

28.2 Actions after Force Majeure Notice

After the Monitoring Licensee gives a Force Majeure Notice it will:

- (a) continue to provide the Commission with all relevant information relating to the Force Majeure Event; and
- (b) promptly take proper and reasonable steps (including expenditure of money, rescheduling of manpower and resources and implementing appropriate temporary measures) to remedy, avoid or minimise the consequences of the Force Majeure Event.

28.3 Meeting

- (a) The Monitoring Licensee and the Commission will meet within 2 Business Days of service of a Force Majeure Notice to discuss and agree the consequences of the Force Majeure Event including:
 - (i) whether the Force Majeure Event will delay or prevent or impair the Monitoring Licensee's ability to provide the Monitoring Services and, if so, by how long;
 - (ii) how long it is estimated that the Force Majeure Event will continue;
 - (iii) what obligations of the Monitoring Licensee (if any) will be affected by the Force Majeure Event; and
 - (iv) whether the Force Majeure Event is covered by insurance.
- (b) The Monitoring Licensee must attend such other meetings as are requested by the State in relation to any Force Majeure Event.

28.4 Suspension of obligations

- (a) The obligations of each party under the Monitoring Licence and the Related Agreements that are affected by the Force Majeure Event will be suspended, but only to the extent that the Force Majeure Event prevents that party from meeting its obligations in a timely manner under the Monitoring Licence or the Related Agreements;
- (b) Any suspension of obligations under clause 28.4(a) will immediately terminate on the later of:
 - (i) cessation of the Force Majeure Event; or
 - (ii) cessation of the impact of the Force Majeure Event on the Monitoring Licensee's performance or the time when that impact should have ceased to prevent performance if clause 28.2(b) were observed by the Monitoring Licensee.

28.5 Force Majeure ceases

When the period of suspension of performance of obligations affected by the Force Majeure Event ceases in accordance with clause 28.4(b), the Monitoring Licensee will promptly notify the Commission to that effect, and the Monitoring Licensee will immediately recommence performance of all obligations that were suspended under clause 28.4(a).

28.6 Costs of Force Majeure

Unless otherwise expressly provided in this Related Agreement, each party will bear its own costs incurred as a result of the occurrence of a Force Majeure Event.

29 General Obligations

29.1 Monitoring Licensee's obligations

The Monitoring Licensee must at all times:

- (a) comply with all Law, directions and guidelines applicable to the matters arising under this Related Agreement, including the Act;
- (b) obtain and renew all Authorisations required for the Monitoring Licensee to:
 - (i) provide the Monitoring Services;
 - (ii) perform its obligations under the Monitoring Licence, this Related Agreement and any other Related Agreements;
 - (iii) carry on the Monitoring Business; and
 - (iv) use or operate the Monitoring Assets;
- (c) protect the Monitoring Assets and, at the Monitoring Licensee's expense, prosecute or defend all Claims that are necessary or appropriate in accordance with prudent business practice for the protection of the Monitoring Assets;
- (d) maintain legal and beneficial ownership of the Required Assets and not grant or allow to subsist any Encumbrance over the Required Assets nor dispose, sell or otherwise transfer any of the Required Assets except when a Required Asset must be replaced in the ordinary course of business due to fair wear and tear, in which case the Required Asset must be replaced with a like asset, which the Monitoring Licensee holds legal and beneficial title to and which will be deemed a Required Asset and subject to all terms and conditions relating to Required Assets under this Related Agreement;
- (e) ensure that there is no Change in Control of the Monitoring Licensee;
- (f) ensure that there are no Encumbrances or Security Interest over any part of the assets, property or undertaking of the Monitoring Licensee;

- (g) ensure that it is in full compliance with all laws (including laws of other States and Territories) relating to the conduct of gambling, including Monitoring Services, in Victoria or elsewhere;
- (h) ensure that no options or other agreements which call for or allow the calling for the issue or allotment or transfer or reduction or cancellation of any shares or other securities in the capital of the Monitoring Licensee are entered into without the written consent of the Minister; and
- (i) ensure that its Constitution is not amended or replaced without the written consent of the Minister.

29.2 Compliance with Monitoring Licence

The Monitoring Licensee must strictly observe all the provisions of the Monitoring Licence.

30 Termination

- (a) This Related Agreement will, unless terminated earlier in accordance with the provisions of this Related Agreement, the Monitoring Licence or the Act, terminate at the end of the Term or upon the expiration of such further period as is necessary for the Monitoring Licensee to comply with and discharge all of its obligations under the Monitoring Licence and the Related Agreements (whichever is the later).
- (b) This Related Agreement may also be terminated by agreement in writing between the Monitoring Licensee and the Minister.

31 Ministerial Directions and Disciplinary Actions not affected

Nothing in this Related Agreement affects the ability of the Minister or the Commission to exercise any rights provided under the Act or the Monitoring Licence in relation to directions or disciplinary action or cancellation of the Monitoring Licence.

32 Step-In Rights

32.1 Appointment of Monitoring Services Provider

- (a) Without limitation, if the Minister:
 - (i) considers that there has been a significant failure:
 - (A) in the operation or maintenance of the Monitoring System; or
 - (B) to provide Monitoring Services,

such that no effective Monitoring Services are being provided;
or

(ii) gives the Monitoring Licensee a Suspension Notice,

the Minister is entitled to direct the Commission to appoint a Monitoring Services Provider with authority to provide the Monitoring Services, manage the Monitoring Business, carry out Preparatory Action and to carry out such other things as may be necessary to ensure the continuous and uninterrupted provision of the Monitoring Services on such terms and conditions as the Minister thinks fit.

- (b) If a Monitoring Services Provider has been appointed because the Monitoring Licence has been suspended, the Monitoring Services Provider's appointment is terminated on the lifting of that suspension.
- (c) No compensation is payable by the State or the Commission to any person in respect of anything done in accordance with this clause.

32.2 Step-In Rights

- (a) If a Step-In Event occurs, the Monitoring Licensee agrees and acknowledges that the Monitoring Services Provider:
- (i) is taken to:
- (A) be the holder of the Monitoring Licence on the same terms as those on which the Monitoring Licensee held the Monitoring Licence (subject to such modifications as the Minister determines); and
- (B) have, in connection with the provision of the Monitoring Services all the functions and powers of the Monitoring Licensee and all the rights and obligations of the Monitoring Licensee under any of the Related Agreements entered into in accordance with sections 3.4.48, 3.4.48A and/or 3.4A.11A of the Act to which the Monitoring Licensee is a party;
- (ii) assumes full control of and responsibility for the business of the Monitoring Licensee and may use, in the provision of the Monitoring Services, any property, and services of staff and contractors, of the Monitoring Licensee; and
- (iii) may employ such staff and engage such contractors as may be required to provide monitoring services.
- (b) For the avoidance of doubt, nothing in clause 32.1(a) should be construed to limit the ability of the Minister to exercise his rights under the Ancillary Documentation.
- (c) The rights granted by the Monitoring Licensee under this clause 32 are enforceable by the State against the Monitoring Licensee and any agent of the Monitoring Licensee and any administrator, liquidator,

provisional liquidator or receiver or receiver and manager appointed over the Monitoring Licensee or any of its assets or affairs.

32.3 Intellectual Property

The Monitoring Licensee appoints the Monitoring Services Provider as its agent or otherwise authorises the Monitoring Services Provider until cessation of Step-In Transition to exercise its rights to:

- (a) use, reproduce, modify or adapt any or all Licensed IP;
- (b) use, reproduce, copy or install any or all Software, hardware, facilities, computer systems, servers, equipment, network and infrastructure associated with the provision of the Monitoring Services;
- (c) enter and occupy all premises associated with the provision of the Monitoring Services;
- (d) exercise all other rights necessary to allow the Monitoring Services Provider to provide the Monitoring Services, for any purposes associated with or connected to the provision of the Monitoring Services in the State; and
- (e) permit third parties (being contractors of the Monitoring Services Provider) to do any of (a) to (d) above,

for any purposes associated with or connected to the provision of the Monitoring Services in the State.

32.4 Operation During Step-In

- (a) When exercising its rights under this clause 32 the Minister will use all reasonable endeavours to procure that the Monitoring Services Provider provides the Monitoring Services in a manner which is consistent with the requirements of:
 - (i) the Act, the Monitoring Licence, this Related Agreement and any other Related Agreements; and
 - (ii) to the extent that they are lawful, the obligations of the Monitoring Licensee under any agreements entered into with Agents or Contractors.
- (b) The Monitoring Services Provider will receive all revenue, incur all liabilities and pay all expenses associated with or connected to the provision of the Monitoring Services in place of the Monitoring Licensee but the Monitoring Licensee will either be entitled to any surplus or be required to bear any Loss which occurs from the time of the Monitoring Services Provider's appointment until cessation of Step-In Transition.
- (c) The Monitoring Licensee must reimburse the State for all costs and expenses incurred by the Minister in exercising its rights under this clause 32 including any fees or other amounts paid by the Minister to the Monitoring Services Provider and the Minister may from time to

time provide to the Monitoring Licensee a written notice detailing the amount of those costs and expenses required to be reimbursed by the Monitoring Licensee and the Monitoring Licensee must pay to the State the amount specified in that notice within 5 Business Days after receipt of that notice.

32.5 Monitoring Licensee to give all assistance

- (a) The Monitoring Licensee must assist the Monitoring Services Provider in whatever way possible in the exercise of the Monitoring Services Provider's respective rights under this clause 32 and the Act and must require and use all reasonable endeavours to enter into agreements and arrangements and take all action to enforce such arrangements to ensure that the Agents, Contractors and employees of the Monitoring Licensee and all other persons under the Monitoring Licensee's direction or control agree to do everything necessary or appropriate to cooperate with the Monitoring Services Provider in the exercise of the rights granted under this clause 32 and the Act.
- (b) Without limiting clause 32.5(a), the Monitoring Licensee must allow the Monitoring Services Provider to have access to:
 - (i) any premises occupied by the Monitoring Licensee or under its control and will require and use all reasonable endeavours to enter into arrangements and take all reasonable action to enforce such arrangements to procure that such access is given by all Agents, Contractors and all other persons under the Monitoring Licensee's direction or control in connection with the provision by the Monitoring Licensee of all services in support of the provision of the Monitoring Services; and
 - (ii) all Records and Data.
- (c) The State will require the Monitoring Services Provider to keep such Records and Data in confidence subject to any disclosure requirements or rights under law applicable to the State or the Monitoring Services Provider.

32.6 Suspension of Monitoring Licensee's obligations

Upon the appointment of a Monitoring Services Provider under clause 32.1, the obligations of the Monitoring Licensee to provide the Monitoring Services are suspended.

32.7 Attorney

The Monitoring Licensee:

- (a) irrevocably appoints the Monitoring Services Provider as its attorney to exercise the rights of the Monitoring Licensee under the Monitoring Licence in accordance with this clause 32; and
- (b) agrees to ratify and confirm whatever action the Monitoring Services Provider takes in accordance with this clause 32.

32.8 Liability

- (a) The Monitoring Licensee acknowledges and agrees that the Monitoring Services Provider will not be liable to the Monitoring Licensee for any Claim, Loss or Liability incurred by the Monitoring Licensee resulting from the appointment of the Monitoring Services Provider and the exercise by the Monitoring Services Provider of the rights under this clause 32 and the Act except to the extent that the Monitoring Services Provider does anything not authorised by the terms and conditions of the Monitoring Services Provider's appointment.
- (b) The Monitoring Licensee acknowledges and agrees that neither the State or the Monitoring Services Provider are obliged to overcome or mitigate any risk or consequences in respect of which the Minister or the Monitoring Services Provider exercises its rights under this clause 32 but with the consent of the Minister, the Monitoring Licensee may have the opportunity to overcome or mitigate such risk or consequences.
- (c) The Monitoring Licensee will not be liable to the State for any Claims, Losses or Liabilities incurred by the State resulting from the appointment of the Monitoring Services Provider and the exercise by the Monitoring Services Provider of the rights under this clause 32 except to the extent that the Monitoring Licensee does not act in accordance with clause 32.5 or 32.7(b).

32.9 Ability of Monitoring Licensee to sell

If the Minister appoints an Incoming Licensee to replace the Monitoring Licensee, then the Monitoring Licensee may, subject to the Minister's consent, the Fixed and Floating Charge and the Call Option Deed, transfer or assign any part of the Monitoring Assets or novate any agreements or contracts to which it is a party to the Incoming Licensee provided that such assignment or novation will not affect the rights of the Monitoring Services Provider under this clause 32.

32.10 Other rights

The exercise by the Minister of his rights under this clause 32 does not affect any other rights of the Minister or the Commission (whether under the Act, the Monitoring Licence or the Related Agreements).

33 Dispute resolution

33.1 Dispute resolution – general

- (a) This clause 33 applies to any dispute under or in relation to this Related Agreement which arises:
 - (i) under clause 7 of this Related Agreement during the Transition In Periods; or

- (ii) under clause 18 of this Related Agreement in relation to the Monitoring Licence Transition Out;
 - (iii) under clause 25.4 of this Related Agreement in relation to the payment by the State to the Monitoring Licensee as a result of the Monitoring Licensee not being required to provide Monitoring Services beyond the End Date; or
 - (iv) after the termination of this Related Agreement, including, for the avoidance of doubt, any dispute under or in relation to any indemnity given under any clause of this Related Agreement which survives the termination of this Related Agreement under clause 38.8.
- (b) The parties must use all reasonable endeavours to resolve any dispute to which this clause 33 applies.
 - (c) In relation to a dispute arising under or in relation to clause 18, the parties must use all reasonable endeavours to resolve the dispute having regard to the Monitoring Licence Transition Out Objectives.

33.2 Dispute Notice

If a dispute arises between the parties to which this clause 33 applies and a party wishes to have a dispute resolved or determined, that party must issue a dispute notice to the other party which must include:

- (a) a statement that it is a notice under this clause 33.2;
- (b) the basis for the claim;
- (c) the facts relied upon in support of the claim in sufficient detail to permit verification or assessment of the claim;
- (d) details of all amounts claimed and how those amounts have been calculated or claimed; and
- (e) details of any other relief sought.

(Dispute Notice)

33.3 Negotiation

- (a) The parties agree that the Minister (or the Minister's authorised representative) and the Monitoring Licensee must meet within 5 Business Days of the date on which a Dispute Notice is received.
- (b) The Minister and the Monitoring Licensee must consult and negotiate in good faith, and use all reasonable endeavours to resolve the dispute within 10 Business Days of the date on which the Dispute Notice is received (or such later date as the parties may agree).
- (c) All resolutions of a dispute agreed to by the Minister and the Monitoring Licensee must be reduced to writing and signed by or on behalf of each party in order to be contractually binding on the parties.

- (d) Purported resolutions which do not comply with the requirements in clause 33.3(c) will not be contractually binding on the parties.

33.4 Mediation

- (a) If the dispute remains unresolved after the expiration of the period for negotiation by the Minister and the Monitoring Licensee, being 10 Business Days after the date on which the Dispute Notice is received (or such later date as the parties may agree) (**First Period**), the dispute is, by this clause, referred to mediation.
- (b) The mediation will be conducted in Victoria. The Institute of Arbitrators and Mediators Australia Mediation and Conciliation Rules (as amended from time to time) and as amended by this clause, apply to the mediation, except where they conflict with this clause.
- (c) If the parties have not agreed upon the mediator and the mediator's remuneration within 5 Business Days after the First Period, the mediator is the person appointed by and the remuneration of the mediator is the amount or rate determined by:
 - (i) the Chair of the Victorian Chapter of the Institute of Arbitrators and Mediators Australia (**Principal Appointor**), or
 - (ii) the Principal Appointor's nominee.
- (d) The Monitoring Licensee must pay half the mediator's remuneration. The Monitoring Licensee must pay its own costs of the mediation.

33.5 Arbitration

- (a) If the dispute is not resolved within 22 Business Days after the appointment of the mediator (**Second Period**), the dispute is, by this clause, referred to arbitration. The arbitration must be conducted in Victoria by a single arbitrator.
- (b) If the parties have not agreed upon the arbitrator within 5 Business Days after the Second Period, the arbitrator is the person appointed by the Principal Appointor or the Principal Appointor's nominee, except that the arbitrator must not be:
 - (i) a present or former member, officer, employee or agent of a party to the dispute; or
 - (ii) a person who has acted as a mediator or advised any party in connection with the dispute.
- (c) The arbitration must be conducted in accordance with the *Commercial Arbitration Act 1984* (Vic) except that:
 - (i) if the dispute arises under or in relation to clause 18, the arbitrator must have regard to the Monitoring Licence Transition Out Objectives;
 - (ii) the arbitrator must only accept evidence which would be accepted in a court of law;

- (iii) a party to the dispute may be represented by a qualified legal practitioner or other representative;
 - (iv) the arbitrator must include in the arbitration award the findings on material questions of law and of fact, including references to the evidence on which the findings of fact were based; and
 - (v) the Monitoring Licensee and the State consent to an appeal to the Supreme Court of Victoria on any question of law arising in the course of the arbitration or out of an arbitration award.
- (d) The arbitrator, after accepting the appointment and during the arbitration, may:
- (i) require the parties to lodge security towards the arbitrator's fees and expenses; and
 - (ii) apply any security towards those fees and expenses,
- but the arbitrator may not direct the parties to provide security for the costs of the arbitration to be incurred by any other party to the dispute.
- (e) Subject only to the requirement that the parties first endeavour to resolve the dispute by mediation in accordance with clause 33.4 this clause is intended to be an agreement by the Monitoring Licensee in writing to refer present or future disputes between the parties to arbitration.

33.6 Court Action

- (a) The Monitoring Licensee must not commence or maintain a court action or proceeding upon a dispute in connection with this Related Agreement until the dispute has been submitted to mediation, referred to arbitration and determined under this clause 33.
- (b) Despite anything in this clause, the Monitoring Licensee may commence court proceedings in relation to any dispute or Claim arising under or in connection with this Related Agreement where the Monitoring Licensee seeks urgent interlocutory relief.

33.7 Continue to perform obligations

- (a) Despite the submission of a dispute to mediation or the reference of a dispute to arbitration under this clause, the Monitoring Licensee must continue to perform its obligations under the Act, Monitoring Licence or this Related Agreement.
- (b) In the arbitrator's award, the arbitrator may make any appropriate adjustment for the performance of obligations under this Related Agreement from the date the dispute was referred to mediation in accordance with clause 33.4.

33.8 Survival

- (a) This clause 33 continues in force even where this Related Agreement has been fully performed, terminated or rescinded or where the parties or any of them have been discharged from the obligation to further perform this Related Agreement for any reason.
- (b) This clause 33 applies even where this Related Agreement is otherwise void or voidable.

33.9 Other rights

The exercise by the Minister of his rights under this clause 33 does not affect any other rights or entitlements of the Minister or the Commission (whether under the Act, the Monitoring Licence or the Related Agreements).

34 Goods and Services Tax

34.1 Construction

In this clause 34:

- (a) words and expressions which are not defined in this Related Agreement but which have a defined meaning in GST Law have the same meaning as in the GST Law;
- (b) GST Law has the same meaning given to that expression in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth); and
- (c) references to GST payable and input tax credit entitlement include GST payable by, and the input tax credit entitlement of, the representative member for a GST group of which the entity is a member.

34.2 Consideration GST exclusive

Unless otherwise expressly stated, all sums payable or consideration to be provided under this Related Agreement are exclusive of GST.

34.3 Payment of GST

If GST is payable on any supply made by a party (or any entity through which that party acts) (**Supplier**) under or in connection with this Related Agreement, the recipient will pay to the Supplier an amount equal to the GST payable on the supply.

34.4 Timing of GST payment

The recipient will pay the amount referred to in clause 34.3 in addition to and at the same time that the consideration for the supply is to be provided under this Related Agreement.

34.5 Tax invoice

The Supplier must deliver a tax invoice or an adjustment note to the recipient before the Supplier is entitled to payment of an amount under

clause 34.3. The recipient can withhold payment of the amount until the Supplier provides a tax invoice or an adjustment note, as appropriate.

34.6 Adjustment event

If an adjustment event arises in respect of a taxable supply made by a Supplier under this Related Agreement, the amount payable by the recipient under clause 34.3 will be recalculated to reflect the adjustment event and a payment will be made by the recipient to the Supplier or by the Supplier to the recipient as the case requires.

34.7 Reimbursements

Where a party is required under this Related Agreement to pay or reimburse an expense or outgoing of another party, the amount to be paid or reimbursed by the first party will be the sum of:

- (a) the amount of the expense or outgoing less any input tax credits in respect of the expense or outgoing to which the other party is entitled; and
- (b) if the payment or reimbursement is subject to GST, an amount equal to that GST.

34.8 No Merger

This clause 34 does not merge in the completion or termination of this Related Agreement or on the transfer of the property supplied under this Related Agreement.

35 Notices

- (a) Any communication under or in connection with this Related Agreement:
 - (i) must be in writing;
 - (ii) subject to clause 35(b), must be addressed as shown in Schedule 1;
 - (iii) must be signed by the party making the communication;
 - (iv) must be delivered or posted by prepaid post to the address, or sent by fax to the number, of the addressee, in accordance with clause 35(a)(ii); and
 - (v) will be deemed to be received by the addressee:
 - (A) (in the case of prepaid post) on the second Business Day after the date of posting;
 - (B) (in the case of fax) at the local time (in the place of receipt of that fax) which then equates to the time at which the fax is sent as shown on the transmission report which is produced by the machine from which that fax is sent and which confirms transmission of

that fax in its entirety unless that local time is a non-Business Day, or is after 5.00pm on a Business Day, in which case that communication will be deemed to have been received at 9.00am on the next Business Day; and

- (C) (in the case of delivery by hand) on delivery at the address of the recipient as provided in clause 35(a) , unless that delivery is made on a non-Business Day, or after 5.00pm on a Business Day, in which case that delivery will be deemed to have been received at 9.00am on the next Business Day.
- (b) Either party may amend their address for service by giving notice to the other.

36 Confidentiality and disclosure

36.1 Keep Confidential

- (a) Subject to clauses 36.1(b), 36.2, 36.3 and 36.4, the Monitoring Licensee must keep:
 - (i) the contents of this Related Agreement; and
 - (ii) all documents and information created by it, or made available to it under, or in connection with, or in the course of the performance of, the Monitoring Licensee's obligations under the Monitoring Licence, Related Agreements (including, without limitation Records, Data, information regarding Venue Operators, and information about any Venue Operator's Gaming Machines) or the Act,confidential and must not disclose the same to any other person (including, without limitation, the Monitoring Licensee's Associates and Related Bodies Corporate) without the prior written consent of the Minister unless otherwise expressly permitted under the Monitoring Licence or this Related Agreement.
- (b) The Monitoring Licensee may disclose information about an individual Venue Operator and that individual Venue Operator's Gaming Machines to the Commission and to that individual Venue Operator (but not to any other Venue Operator, except with the consent of the Minister or as otherwise expressly permitted under the Monitoring Licence or this Related Agreement).

36.2 Exceptions to confidentiality

Clause 36.1(a) will not apply in the following circumstances:

- (a) any disclosure required by Law or legally binding approval;
- (b) in respect of information already in the public domain (other than as a result of breach of this clause 36);

- (c) any disclosure required by any applicable stock exchange listing rules;
- (d) any disclosure to the Monitoring Licensee's parent or ultimate holding company, but only to the extent that that parent or ultimate holding company requires that information for corporate governance purposes, and only to the extent that that parent or ultimate holding company agrees with the Monitoring Licensee that it will only use the information for corporate governance purposes;
- (e) disclosure to lawyers or other professional advisers under a duty of confidentiality;
- (f) disclosure to a banker or other financial institution relevant to a party, to the extent required for the purpose of raising funds or maintaining compliance with credit arrangements, if the banker or financial institution first gives a binding covenant to the Minister to maintain confidentiality of the information, in form and substance satisfactory to the Minister;
- (g) disclosure to its insurers to the extent required for obtaining and maintaining insurance for the Monitoring Business and/or the provision of the Monitoring Services;
- (h) disclosure by the Monitoring Licensee to an Agent, Contractor or Associate in order for that Agent, Contractor or Associate to perform obligations under the Act, the Monitoring Licence or any of the Related Agreements, provided that that Agent, Contractor or Associate first gives a binding covenant to the Minister to maintain confidentiality of the information, in a form and substance satisfactory to the Minister; or
- (i) any disclosure to the State.

36.3 Disclosure by the Minister

The Monitoring Licensee acknowledges and agrees that the Minister may cause to be published or disclose (on the internet or otherwise):

- (a) the terms and conditions of the Monitoring Licence or the Related Agreements; and
- (b) any documents, information or decisions of the Minister or Commission arising under, out of or in connection with the Monitoring Licence or the Related Agreements, or relating to the performance of the Monitoring Licence or the Related Agreements,

except to the extent that any documents or information described in this clause 36.3 have or has been identified by the Monitoring Licensee and agreed by the Minister, as being confidential to the Monitoring Licensee, and the disclosure of such documents or information is not otherwise within the scope of clause 36.4.

36.4 Public disclosure

- (a) The Monitoring Licensee acknowledges and agrees that disclosure by the State, the Minister, the Commission or any Government Agency may be required or permitted:
 - (i) under sections 3.4.53, 10.1.31, 10.1.32 or 10.1.33 of the Act;
 - (ii) under the *Freedom of Information Act 1982* (Vic);
 - (iii) under the *Ombudsman Act 1973* (Vic);
 - (iv) to satisfy the disclosure requirements of the Victorian Auditor General, or to satisfy the requirements of Parliamentary accountability; or
 - (v) in the case of the Minister, to fulfil his duties of office.
- (b) If disclosure is required pursuant to sections 10.1.31, 10.1.32 or 10.1.33 of the Act, where practicable, the Minister or the Commission will provide the Monitoring Licensee with advance written notice of the disclosure requirement and the reason for the disclosure requirement.
- (c) The Monitoring Licensee:
 - (i) must not, and must enter into arrangements and take all reasonable action to enforce such arrangements to ensure that its Agents, Contractors, Associates and Related Bodies Corporate do not, make any public disclosures, announcements or statements in relation to the Monitoring Licence or the Related Agreements or the Minister's or the Commission's involvement in the Monitoring Licence or the Related Agreements without the Minister's prior consent:
 - (A) other than where such disclosure, announcement or statement is permitted under clauses 36.2(a), 36.2(c), or 36.2(i); and
 - (B) if such disclosure, announcement or statement related to information covered by clause 36.2(b) or the disclosure of which is permitted by clauses 36.2(e) to 36.2(h), such consent will not be unreasonably withheld; and
 - (ii) as soon as practicable, must give to the Minister a copy of any disclosure, announcement or statement (including media release) agreed to or approved by the Minister under this clause 36.4.

37 Privacy

- (a) The Monitoring Licensee acknowledges that it and its Agents and Contractors will be bound by the Information Privacy Principles and any Code of Practice with respect to any act done or practice engaged in by the Monitoring Licensee or any of its Agents or

Contractors under or in connection with this Related Agreement or the Monitoring Licence in the same way and to the same extent as the State would have been bound had it been directly done or engaged in by the State.

- (b) The Monitoring Licensee must enter into arrangements and take all reasonable action to enforce such arrangements to procure that its Agents and Contractors will be bound by the Information Privacy Principles and any Code of Practice with respect to any act done or practice engaged in by its Agents or Contractors under or in connection with this Related Agreement or the Monitoring Licence in the same way and to the same extent as the State would have been bound had it been directly done or engaged in by the State.

38 Miscellaneous

38.1 Assignment

The Monitoring Licensee must not assign, dispose of, novate, sublicense, grant an Encumbrance over, delegate or otherwise deal with its rights or obligations under this Related Agreement unless specifically permitted by this Related Agreement or the Act.

38.2 Transfer of functions

If a Government Agency referred to in this Related Agreement:

- (a) is reconstituted, renamed or replaced, or if its power or functions are transferred to another entity, this Related Agreement is deemed to refer to that new entity; or
- (b) ceases to exist, this Related Agreement is deemed to refer to that entity which serves substantially the same purpose or object as the former entity.

38.3 Further assurance

Each party must promptly at its own cost do all things (including executing and if necessary delivering all documents) necessary or desirable to give full effect to this Related Agreement.

38.4 Severability

If anything in this Related Agreement is unenforceable, illegal or void then it is severed to the extent necessary to give this Related Agreement full force and effect and the remainder of this Related Agreement remains in force and effect.

38.5 Variation

An amendment or variation to this Related Agreement is not effective unless it is in writing and signed by the parties or as otherwise provided for in the Monitoring Licence or this Related Agreement.

38.6 Waiver

A party's failure or delay to exercise a power or right does not operate as a waiver of that power or right. The exercise of a power or right does not preclude either its exercise in the future or the exercise of any other power or right. A waiver is not effective unless it is in writing. Waiver of a power or right is effective only in respect of the specific instance to which it relates and for the specific purpose for which it is given.

38.7 Governing law and jurisdiction

The law of Victoria governs this Related Agreement. The parties submit to the non-exclusive jurisdiction of the courts of Victoria and of the Commonwealth of Australia.

38.8 Surviving provisions

- (a) An indemnity given under this Related Agreement survives the frustration, rescission, suspension, termination, cancellation, surrender or expiration of this Related Agreement.
- (b) All clauses that by their nature survive expiration or termination of this Related Agreement will remain in full force, which include without limitation and for the avoidance of doubt, clauses 13 (Records), 18 (Monitoring Licence Transition Out), 24 (Liability and Indemnities), 25 (General Warranties), 33 (Dispute Resolution), 35 (Notices), 36 (Confidentiality and disclosure) and 37 (Privacy).
- (c) Any rights or obligations accrued prior to the frustration, rescission, suspension, cancellation, surrender, termination or expiration of this Related Agreement survive the frustration, rescission, suspension, termination or expiration of this Related Agreement.
- (d) The dispute resolution procedures in clause 33 survive frustration, rescission, suspension, termination or expiration of this Related Agreement.

38.9 Cost of performing obligations

A party who has an obligation to do anything under the Act, the Monitoring Licence or the Related Agreements must perform that obligation at its own cost and expense, unless a provision of the Related Agreements expressly provides otherwise.

38.10 Further assurance

Each party must sign, execute, deliver and do all such acts and things as may reasonably be required of it to carry out and give full effect of this Related Agreement and the rights and obligations of the parties to them.

38.11 Counterparts

This Related Agreement may be executed in any number of counterparts and all counterparts taken together will constitute one and the same instrument.

38.12 Time is of the Essence

Time is of the essence of this Related Agreement.

38.13 Electronic delivery of documents

If a party delivers an executed counterpart of this Related Agreement or any other document executed in connection with it (**Relevant Document**) by facsimile or other electronic means:

- (a) the delivery will be deemed to be an effective delivery of an originally executed counterpart; and
- (b) the party will still be obliged to deliver an originally executed counterpart, but the failure to do so will not effect the validity or effectiveness of the Relevant Document.

Executed as a Deed

Signed Sealed and Delivered by the Minister for Gaming, the Honourable Michael O'Brien MP, for and on behalf of the Crown in the right of the State of Victoria

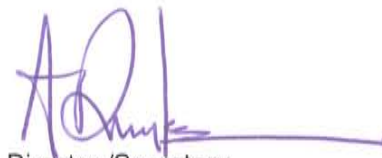
Signature of Witness

Signature of the Minister

Name of Witness


LUKE TOBIN

Signed Sealed and Delivered under section 127 of the *Corporations Act 2001* for and on behalf of Intralot Gaming Services Pty Ltd by


Director /Secretary


Director /Secretary

Schedule 1 - General

Item 1 Agreement Date

Item 2 Monitoring Licensee's Address for Service
Level 1, 283 Normanby Road, Port Melbourne 3207

Item 3 Minister's Address for Service

Minister for Gaming
Level 16
1 Spring Street
Melbourne, 3000

Copy to:
Executive Director, Gaming and Racing
Department of Justice
Mr Ross Kennedy
Level 29, 121 Exhibition Street
Melbourne, 3000

Schedule 2 - Service Strategy

This schedule has been redacted.

Schedule 3 - Performance Standards

Availability of the Monitoring System

1. The Monitoring Licensee must ensure that at all times during the Monitoring Term the Monitoring System is operational and continuously available to all Available Machines (**Availability Requirement**).
2. The Monitoring Licensee shall not be taken to have failed to meet the Availability Requirement where the Monitoring System is not available at the relevant Venue due to:
 - (a) Scheduled Downtime relating to that Venue;
 - (b) the occurrence of a Force Majeure Event; or
 - (c) any acts, omissions or negligence of that Venue's Venue Operator or that Venue Operator's agents or contractors that cause damage or disruption to the Monitoring System.

Notwithstanding any failure of a connection to a Venue or to a specific Available Machine, the Monitoring System must remain operational and continuously available at all times even if by way of the Disaster Recovery System.

3. The Monitoring Licensee must provide to the Commission, within 5 Business Days of the end of each calendar month during the Monitoring Term, a written report detailing:
 - (a) whether the Availability Requirement was met during that month, and if not, the causes of the failure to achieve the Availability Requirement and the action the Monitoring Licensee has taken or will take to address those causes; and
 - (b) in the event that the Availability Requirements were not met, the impact that the causes of failure had on the availability of the Monitoring System and the steps taken, or those planned to be taken by the Monitoring Licensee to minimise the reoccurrence and/or impact of such causes of failure in the future.

Requirements for the Monitoring System

4. The Monitoring Licensee must ensure (and must enter into arrangements and take all reasonable action to enforce such arrangements to procure that its Agents and Contractors ensure) that:
 - (a) all communication systems forming part of, or used in association or connection with, the Monitoring System are reputable, robust and fit for purpose; and
 - (b) the Monitoring System is capable of monitoring whether all Monitoring Equipment and related terminals and peripheral equipment for providing the Monitoring Services are functioning and functioning in accordance with the Technical Standards.

Compliance of the Monitoring System with Commission's Requirements

5. The Monitoring Licensee must ensure (and must enter into arrangements and take all reasonable action to enforce such arrangements to procure that its Agents and Contractors ensure) that at all times during the Monitoring Term the Monitoring System in use is approved by the Commission and operates only as approved and in accordance with the Technical Standards.

Help Desk Performance Standards

6. The Monitoring Licensee's help desk must provide a service for the registration, referral and resolution of all reported incidents of computer related faults and queries in regard to the Monitoring System and related Monitoring Equipment encountered by the Monitoring Licensee's personnel, including any contractor personnel, and the Participating Venue Operator's personnel.
7. The Monitoring Licensee must establish policy, procedures and standards for:
 - (a) Provision of a help desk facility;
 - (b) Gathering information from callers to the help desk;
 - (c) The technical capability and systems required to resolve problems reported to the help desk;
 - (d) Timely referral of problems for resolution to service support personnel; and
 - (e) Fault resolution monitoring, and production and distribution of service level monitoring reports as and when required by the Commission.

Priority definitions

8. The Monitoring Licensee's help desk personnel, including any contractor personnel, must make every effort to resolve issues at the time of the service call.
9. The Monitoring Licensee's help desk personnel, including any contractor personnel, must log all calls and assign priorities for all requests not resolved at the time of the call, based on the following priority descriptions:

Priority	Description
1	Unable to conduct gaming or Monitoring Services functions not available at 5 or more Participating Venues; and No work-around available.
2	Unable to conduct gaming or Monitoring Services functions not available at 4 or less Participating Venues; and No workaround available.
3	Able to conduct limited gaming or limited Monitoring Services functions available at a Participating Venue; and A work-around is available.
4	Service request.

Service response times

10. The service level provided by the Monitoring Licensee's help desk must be based on the priority of the reported fault or query.

11. The performance standard for telephone response time is the maximum delay between the fault or report incident being initially reported to the Monitoring Licensee's help desk and a Monitoring Licensee representative contacting the caller by telephone, and based on the following levels of response:

- (a) Call acknowledged, being the time elapsed from the initial inbound call for the help desk personnel, to answering the call and advising the caller of registration and reference details;
- (b) Response or call-back, being the time elapsed from the initial inbound call for the help desk personnel to providing an immediate resolution that will result in service restoration, or advising the caller of the status of the reported incident; and
- (c) Service restoration, being the time elapsed from the initial inbound call to implement the resolution, and verify service is restored, and inform the caller of the status.

12. The maximum response time must be within the parameters defined in the following table:

Priority	Call Acknowledged		Response or Call-back		Service Resolution		Service Restoration	
	90%	100%	90%	100%	90%	100%	90%	100%
1	5 min	15 min	5 min	15 min	15 min	30 min	2 hrs	4 hrs
2			5 min	15 min	15 min	30 min	8 hrs	24 hrs
3			30 min	60 min	2 hrs	24 hrs	24 hrs	72 hrs
4			30 min	60 min	12 hrs	24 hrs	72 hrs	7 days

Service level reporting

13. During the Monitoring Term, the Monitoring Licensee must provide a daily report to the Commission (in a form acceptable to the Commission) that contains the following information as a minimum:

- (a) The number of reported incidents categorised by a status equivalent to opened (acknowledged and responded), resolved, escalated, unresolved, closed, re-opened or rejected reported incidents for a selected date range;
- (b) The number of reported incidents that are assigned and not assigned for resolution; and
- (c) The mean time for acknowledgement, response, resolution, restoration of service and closure of reported incidents.

14. During the Monitoring Term, the Monitoring Licensee must immediately notify the Commission upon:

- (a) the occurrence of any Significant Event; and

- (b) any need to rely on the Disaster Recovery System to provide the Monitoring Services due to a failure of the Monitoring System.

Schedule 4 - Preparatory Action

- 1 The Monitoring Licence authorises the Monitoring Licensee to undertake the following Preparatory Action in relation to use of the Legacy Systems. Should the Monitoring Licensee require the use of some or all of the Legacy Systems, the Monitoring Licensee may negotiate with the Gaming Operators to:
 - (a) organise the specification of the full hardware and software interface from the Legacy Systems to the Monitoring Licensee's Monitoring System and participate with the Gaming Operators in the testing of the interface (where the Monitoring Licensee requires an interface to some or all of the Legacy Systems);
 - (b) arrange access to the Gaming Operators' testing equipment, Gaming Machines, Communication Protocols, relevant procedures and documentation;
 - (c) arrange for the transfer of key data from the Gaming Operators to the Monitoring Licensee's Monitoring System;
 - (d) undertake anything else required to achieve Monitoring Readiness; and
 - (e) undertake any other Preparatory Action specified in the Implementation Plan to be developed by the Monitoring Licensee in accordance with the Related Agreement and approved by the Commission.

- 2 In addition to matters relating to the Legacy Systems, the Monitoring Licence authorises the Monitoring Licensee to undertake the following Preparatory Action:
 - (a) develop, test and establish the Monitoring System and Monitoring Services;
 - (b) develop operating procedures and manuals for the installation and operation of the Monitoring System and Monitoring Services and any necessary provision of these to Participating Venues;
 - (c) prepare to undertake all services in respect of the operation of the Monitoring System and the Monitoring Services, including:
 - (i) developing, testing, establishing and operating (for testing purposes) the Monitoring System;
 - (ii) conducting the Monitoring Services for testing purposes;
 - (iii) providing all Monitoring Services for testing purposes;
 - (iv) doing all things to ensure that the Monitoring System will generate reports for the State on what payments are to be made to the State, including taxes and other amounts payable to the Treasurer of the State of Victoria; and

- (v) arranging any other services reasonably necessary in preparation for the conduct of Monitoring Services and the operation of the Monitoring System;
- (d) establish data connections for supply and receipt of signals from Gaming Machines for the Monitoring System and the Monitoring Services and establishing communication data connections to Participating Venues and the Commission;
- (e) develop telephone service desk (including help desk) facilities to support the Monitoring System and the Monitoring Services;
- (f) install the venue located components of the Monitoring System at Participating Venues;
- (g) develop or obtain a licence to use all Intellectual Property Rights (including all Intellectual Property Rights in the Software and Monitoring System Documentation) necessary for the provision of Monitoring Services and the operation of the Monitoring System;
- (h) develop and distribute to Participating Venues all necessary Monitoring Equipment (including without limitation equipment necessary to facilitate Linked Jackpot Arrangements and Multiple Venue Linked Jackpot Arrangements) and Monitoring System Documentation and information regarding the Monitoring System and the Monitoring Services;
- (i) obtain all necessary approvals (for example, approval of initial Monitoring System and communications equipment and links);
- (j) develop appropriate regulatory and compliance processes and procedures;
- (k) establish the Disaster Recovery System and the Disaster Recovery Site;
- (l) appoint Agents and engage Contractors who will provide goods and services to the Monitoring Licensee in the provision of Monitoring Services;
- (m) appoint and liaise with a Tester for the purpose of formal testing of the Monitoring System in accordance with this Related Agreement;
- (n) engage and train all necessary and appropriate personnel for the provision of the Monitoring Services;
- (o) engage the Commission and Participating Venue Operators in the conduct of live trials of the Monitoring System as approved by the Commission;
- (p) sell, supply or possess Monitoring Equipment for the purposes set out in section 3.4.4(1)(c) of the Act that is appropriate for the establishment of the Monitoring System and for its connection to Gaming Machines at Participating Venues;
- (q) undertake anything else to achieve Monitoring Readiness; and

- (r) undertake any other Preparatory Action specified in the Implementation Plan to be developed by the Monitoring Licensee in accordance with the Related Agreement and approved by the Commission.
- 3 Monitoring Readiness includes, without limitation, the completion of the following items:
- (a) Venue Monitoring Service Agreements signed with all Venue Operators that request to enter into such agreements and are willing and able to enter into such agreements;
 - (b) all Site Surveys, installation plans established for all Participating Venues and all gaming and jackpot parameters established;
 - (c) negotiations and entered into agreements with the Gaming Operators for the short and long-term use of the Legacy Systems and components;
 - (d) obtained all Intellectual Property Rights necessary for the provision of Monitoring Services and the operation of the Monitoring System;
 - (e) established Communication Links to the Commission and all Participating Venues;
 - (f) developed, tested, established and operated for testing purposes the Monitoring System (including policies and procedures for the operation of the Monitoring System), that has met the requirements of the Technical Standards and has been approved by the Commission;
 - (g) established links to the Gaming Operators' test systems (where the Monitoring Licensee requires an interface to some or all of the Legacy Systems);
 - (h) transferred data detailing signature files and liquor licence hours from the Gaming Operators to the Monitoring System;
 - (i) implemented all agreed Communication Protocol(s);
 - (j) installed all Monitoring Equipment in all Participating Venues;
 - (k) successfully completed a live trial that demonstrates the Monitoring System's technical capability and system adequacy including but not limited to:
 - (i) outcome-based scenarios (or, user-based scenarios) that represent identifiable Monitoring Services, including procedures representative of start up, ongoing operation and shutdown of Monitoring Services during a gaming day;
 - (ii) configurations consisting of:
 - (A) participation of a range of Venues in metropolitan and non-metropolitan areas;
 - (B) New Venues;

- (C) Existing Venues with Gaming Machines using Legacy Systems;
 - (D) Existing Venues with Gaming Machines using the Monitoring System and not using the Legacy System (other than Re-Used Legacy System Components);
 - (E) each Gaming Machine type;
 - (F) each Gaming Machine Communication Protocol;
 - (G) each jackpot type, including parameters, display equipment and participating Gaming Machines;
 - (H) links to the Commission; and
 - (I) operational procedures and user guides;
- (iii) a range of gaming transactions, including but not limited to:
- (A) game play transactions; and
 - (B) jackpot transactions;
- (iv) positive and negative test scenarios;
- (v) each of the Significant Event types; and
- (vi) verification of service desk (including help desk) and other support arrangements.

Schedule 5 - Monitoring Licence Transition Out Requirements

1 Success criteria and measures

1.1 Success criteria

- (a) The Monitoring Licensee and the Incoming Licensee are required to manage the Monitoring Licence Transition Out as smoothly and cooperatively as possible, so as to protect the interest of the public, the industry and players and reduce any risk of loss of revenue payable to the State.
- (b) The TSC will determine the success criteria for the Monitoring Licence Transition Out having regard to the Monitoring Licence Transition Out Requirements and such criteria may include:
 - (i) Cost - Expenditure for the Monitoring Licence Transition Out is within budgetary estimates;
 - (ii) Business Continuity - The Monitoring Licence Transition Out process involves minimal interruption to the provision of the Monitoring Services; and
 - (iii) Schedule - The Monitoring Licence Transition Out is completed within specified timelines.

1.2 Measurement of success criteria

The TSC will specify the measurements and required standards and actions if required for the success criteria set out in clause 1.1 of this Schedule 5.

2 Responsibilities of the Outgoing Monitoring Licensee

2.1 General responsibilities

Without limitation, the Monitoring Licensee is responsible for:

- (a) preparing the Transition Plans and cooperating with the Incoming Licensee to jointly prepare Project Plans;
- (b) participating in planning and workshop sessions;
- (c) providing information of any type whatsoever and assistance in the planning process or to the Incoming Licensee; and
- (d) providing appropriate resources and personnel for the purposes of efficiently carrying out Monitoring Licence Transition Out related activities.

2.2 Responsibilities during Monitoring Licence Transition Out

Without limiting the foregoing, the Monitoring Licensee may be required, as part of the Monitoring Licence Transition Out to do whatever is necessary to:

- (a) assist the Minister to sub-licence intellectual property to the Incoming Licensee;
- (b) provide any historical or other data and information necessary for the operation and maintenance of the Systems to provide the Monitoring Services that must be transitioned to the Incoming Licensee;
- (c) comply with the Project Plan and Transition Plan,
- (d) if required by the Project Plan, undertake the orderly removal of the Monitoring Licensee's equipment; and
- (e) maintain and provide access to any records whatsoever relating to the Monitoring Licence Transition Out.

3 Management of the Monitoring Licence Transition Out

The Monitoring Licence Transition Out will adhere to the management structure indicated below.

3.1 TSC

- (a) The TSC will be responsible for managing and overseeing the implementation of the Monitoring Licence Transition Out.
- (b) Without limiting this Related Agreement, the TSC may:
 - (i) in its absolute discretion, determine the responsibilities and obligations of each relevant stakeholder to the Monitoring Licence Transition Out, including any specific activities, tasks or requirements;
 - (ii) determine the scope of the work relating to the Monitoring Licence Transition Out;
 - (iii) impose specific requirements in the Project Plan and require the Incoming Licensee and Monitoring Licensee to amend the Project Plan to take into account those specific requirements;
 - (iv) establish the project management and work group structure under which the Monitoring Licence Transition Out will operate;
 - (v) issue binding directions, requirements or recommendations to the Incoming Licensee, the Monitoring Licensee, or any of the work groups it establishes;
 - (vi) determine protocols and procedures to deal with management of the Monitoring Licence Transition Out and relationships between the relevant stakeholders;

- (vii) facilitate resolution of disputes between stakeholders; and
- (viii) in carrying out its functions under this clause, impose binding requirements as to time, place or circumstances, which must be followed by the Monitoring Licensee and the Incoming Licensee.

3.2 Composition and quorum of the TSC

- (a) The TSC must have a minimum of 6 members, being:
 - (i) the Independent Chairperson;
 - (ii) a representative nominated by the Minister;
 - (iii) a representative nominated by the Commission;
 - (iv) a representative nominated by the Department of Treasury and Finance;
 - (v) a representative nominated by the holder of the Monitoring Services Provider or Incoming Licensee; and
 - (vi) a representative nominated by the Monitoring Licensee.
- (b) The representatives from the Monitoring Licensee and the Incoming Licensee will be executive officers having the ability to bind their respective entities.
- (c) Representatives of the TSC must appoint alternate members capable of acting as their delegates.
- (d) Each member and alternate member of the TSC may attend a TSC meeting, subject to the representative and alternate member:
 - (i) having the entitlement to just one vote between them at the meeting; and
 - (ii) counting as one TSC member for the purpose of determining the quorum for the meeting.
- (e) The quorum of each TSC meeting is 4 members, subject to the requirement that the quorum must include the Independent Chairperson and representatives of both the Monitoring Licensee and the Incoming Licensee or Monitoring Services Provider (whichever is applicable) (or their respective alternate members).
- (f) The TSC may by resolution increase its quorum but may not alter the requirement that the Independent Chairperson, and representatives of the Incoming Licensee or Monitoring Services Provider (whichever is applicable) and the Monitoring Licensee (or their respective alternate members) must be included in the quorum.
- (g) The TSC may invite additional parties at its sole discretion to provide advice on any specific issues relating to the Monitoring Licence Transition Out.

3.3 Operation of the TSC

- (a) Subject to the Related Agreement and these Monitoring Licence Transition Out Requirements:
 - (i) the TSC may meet for the despatch of business and adjourn and otherwise regulate its meetings as it sees fit;
 - (ii) the TSC may not meet unless each member of the TSC has been given at least 24 hours written notice of the meeting or has otherwise consented to a shorter notice period;
 - (iii) the TSC will meet in Melbourne in the State of Victoria;
 - (iv) all decisions and resolutions passed by the TSC must be:
 - (A) in writing; and
 - (B) passed by a unanimous vote cast by members of the TSC present and entitled to vote on the resolution; and
- (b) it is intended that the TSC will meet on a weekly basis, with the date, time and location of the next meeting to be determined at each meeting.

3.4 Dissolution of the TSC

The TSC may only be dissolved by passing a unanimous resolution to that effect after the Monitoring Licence Transition Out has been successfully completed.

4 Project Plan

4.1 Preparation of Project Plan

- (a) On request by the TSC, the Monitoring Licensee and Incoming Licensee must (in consultation with the TSC) develop and prepare a draft Project Plan for the Monitoring Licence Transition Out.
- (b) The Monitoring Licensee and Incoming Licensee must submit the draft Project Plan to the TSC within the timeframe specified by the TSC. For the avoidance of doubt, the Monitoring Licensee and Incoming Licensee may submit the draft Project Plan jointly.
- (c) The TSC will review the draft Project Plan and may approve or reject the draft Project Plan. If the TSC rejects the draft plan in any respect, the Monitoring Licensee and the Incoming Licensee must negotiate in good faith with the TSC in an endeavour to settle the plan. The plan once accepted or finalised will constitute the Project Plan.
- (d) The Monitoring Licensee and the Incoming Licensee must (jointly and severally) use all reasonable endeavours to ensure that the proposed Project Plan is approved by the TSC within 20 Business Days after the date the TSC requested the preparation of the Project Plan.
- (e) It is intended that no variations will occur in respect of an approved Project Plan – including to transition costs, transition times or

transition activities. If variations are required, then the variations must be approved by the TSC.

4.2 Content of the Project Plan

- (a) In general the Project Plan must:
 - (i) comply with requirements of this Related Agreement and these Monitoring Licence Transition Out Requirements;
 - (ii) specify the cost of the Monitoring Licence Transition Out activities;
 - (iii) be consistent with the Transition Plan;
 - (iv) have regard to any transition plans prepared by the Incoming Licensee;
 - (v) include such other information and items as required by the TSC; and
 - (vi) be in a form as required by the TSC.
- (b) The Project Plan should, without limitation, address each of the following issues:
 - (i) the project methodology used to manage the Monitoring Licence Transition Out;
 - (ii) the schedule, milestones and project plan for the Monitoring Licence Transition Out activities and required resources;
 - (iii) the Required Monitoring Licence Transition Date;
 - (iv) the approach to be taken to ensure all relevant stakeholders are kept informed of project progress, changes, issues and risks;
 - (v) the key meetings associated with the coordination and control of the Monitoring Licence Transition Out; and
 - (vi) the regular meetings of the Monitoring Licensee, Incoming Licensee and the State, to discuss, among other things:
 - (A) the provision of a highlight report indicating the progress made in Monitoring Licence Transition Out against that forecast in the Project Plan;
 - (B) review of risks and issues; and
 - (C) change management.
- (c) The Project Plan should require the Monitoring Licensee and Incoming Licensee to produce a “Change Management Report” and a “Highlight Report” on a weekly basis.
 - (i) The “Highlight Report” should report on the satisfaction of deliverables against the forecast schedule (as specified in the Project Plan).

- (ii) The “Change Management Report” should report on any approved changes to the scope, cost or timetable of Monitoring Licence Transition Out.
- (d) The Project Plan should include a change management process in relation to how the Monitoring Licensee and the Incoming Licensee will manage changes to the scope, cost or timetable of Monitoring Licence Transition Out. The description should identify both process and tools. The Project Plan must record all changes to the approved Project Plan including the nature of the change, the date and the source of authorisation.
- (e) The Project Plan should require the Monitoring Licensee and Incoming Licensee to keep an “Issue Register” to manage issues impacting the Monitoring Licence Transition Out. The Project Plan should identify both the process and tools of management that will be used with the Issue Register. The Issue Register must be kept up-to-date and must be made available to the TSC upon request.
- (f) The Project Plan should require the Monitoring Licensee and Incoming Licensee to keep a risk register. The Project Plan should include the process that the Monitoring Licensee and Incoming Licensee will employ to manage transition risk, including both process and tools to inform the risk register:
 - (i) as a preliminary step, the Monitoring Licensee and Incoming Licensee must also document within the Project Plan those risks that exist from the outset of Monitoring Licence Transition Out and how they propose to manage these risks; and
 - (ii) thereafter, the Monitoring Licensee and Incoming Licensee will regularly reassess technical, operational and commercial risks to the success of Monitoring Licence Transition Out, update the risk register and make the information available to the TSC at the designated weekly meeting.
- (g) The Project Plan must clearly define the audit process and schedules to provide the TSC with assurance that the Monitoring Licence Transition Out activities are conducted in accordance with these Monitoring Licence Transition Out Requirements and the Related Agreements.
- (h) The Project Plan should include a quality management program, including both processes and tools that will be adopted by the Monitoring Licensee and Incoming Licensee as a means of ensuring the various aspects of the Monitoring Licence Transition Out are appropriately documented and discharged.
- (i) The Project Plan should identify any insurance policies that the Monitoring Licensee or Incoming Licensee must take out and maintain to insure against any liability arising in connection with the Monitoring Licence Transition Out.

5 Relationship between the stakeholders

5.1 Agents and Contractors of the Monitoring Licensee and the Incoming Licensee

- (a) The Monitoring Licensee and Incoming Licensee must require and use all reasonable endeavours to ensure that their respective Agents and Contractors are able to comply with the obligations under the Related Agreements and the Monitoring Licence Transition Out Requirements.
- (b) If the Incoming Licensee or its Agents or Contractors wishes to make direct contact with an existing Agent or Contractor of the Monitoring Licensee, then the Incoming Licensee must approach the Monitoring Licensee in writing before any such contact is made to enable the necessary protocols to be determined.

5.2 The Commission

The TSC is expected to consider the prospective timing and nature of any inspection to be undertaken by the Commission under the Act in the context of the Monitoring Licence Transition Out.

6 Incoming Licensee Preparatory Action

The Monitoring Licensee must facilitate and provide in the Transition Plans for the Preparatory Action that the Incoming Licensee must include in its implementation plan, without limitation, the following:

- (a) developing, testing and establishing the Incoming Licensee's Monitoring System;
- (b) developing operating procedures and manuals for operation and maintenance of the Incoming Licensee's Monitoring System and equipment and provision of these to Participating Venues;
- (c) developing systems for the permanent recording and storage of all data captured by the Incoming Licensee's Monitoring System in relation to the Incoming Licensee's Monitoring System and Gaming Machines, including the detection of Significant Events and Significant Game Play Transactions, by an appropriate means, and presenting the data in a format suitable for the disclosures to, and reporting requirements, of the Minister and the Commission;
- (d) developing systems for the permanent recording and storage of data recording revenue generated from each Gaming Machine connected to the Incoming Licensee's Monitoring System;
- (e) preparing to undertake all services in respect of the provision of the Monitoring Services, including:
 - (i) financial resources;
 - (ii) staffing and related resources;
 - (iii) communications and networks;

- (iv) arrangements with Venue Operators;
 - (v) an assurance system regarding the implementation of, and ongoing compliance with, the Monitoring Services;
 - (vi) arranging for payments to the State, including duties and other amounts payable to the Treasurer; and
 - (vii) arranging any other services reasonably necessary for the provision of the Monitoring Services;
- (f) establishing data lines for supply or receiving of signals for operation and maintenance of the Incoming Licensee's Monitoring System and establishing communication data lines to Participating Venues;
 - (g) developing telephone help desk facilities in relation to provision of monitoring services;
 - (h) installing equipment at outlets in relation to provision of monitoring services;
 - (i) developing intellectual property;
 - (j) developing and distributing to Participating Venues all necessary equipment and information regarding the Incoming Licensee's Monitoring System obtaining all necessary approvals;
 - (k) developing appropriate regulatory and compliance processes and procedures; and
 - (l) any other preparatory action specified in its implementation plan including but not limited such matters referred to in Schedule 4 as are necessary to properly effect the transition in.

Schedule 6- Determination of Liability of the Monitoring Licensee

The Minister has after consultation with the Treasurer of the State of Victoria, made the following determination under section 3.4.48E of the Act as to the liability of the Monitoring Licensee in damages for an act or omission in the provision of the Monitoring Services.

The scope of liability of the Monitoring Licensee for any act of omission in the provision of Monitoring Services has been determined in anticipation of the amendment of section 3.4.48C of the Act by the *Gambling Regulation Amendment (Licensing) Bill 2011* and the following reflects the intended effect of this determination in the context of that amendment.

1 **Scope**

1.1 The State's intended outcome is as follows:

- (a) The Monitoring Licensee's liability for a failure of a gaming machine to operate due to an act or omission in the provision of monitoring services is limited to damages calculated in accordance with clause 2 of this Schedule 6.
- (b) The liability of the Monitoring Licensee with respect to any other act or omission in the provision of the Monitoring Services will not be limited in any way, including, without limitation, as follows:
 - (i) The Monitoring Licensee shall be liable for any injury loss or damage to persons or property arising from an act or omission in the provision of Monitoring Services.
 - (ii) The Monitoring Licensee shall be liable to re-provide services or to replace, maintain, repair, install and service equipment that the Monitoring Licensee was required to provide under the Venue Monitoring Services Agreement (Re-provide Goods and Services). If the Monitoring Licensee is obliged to Re-provide Goods and Services, then the Monitoring Licensee must Re-provide Goods and Services in addition to any damages payable to the Participating Venue Operator otherwise under this Schedule 6. If the Monitoring Licensee fails to Re-provide Goods and Services it shall be liable to the relevant Participating Venue Operator in damages for the cost of the provision of such goods and services.
 - (iii) The Monitoring Licensee shall be liable to pay damages to a Participating Venue Operator for the loss or damage incurred by the Participating Venue Operator due to an act or omission in the provision of Monitoring Services that does not result in a failure of a gaming machine to operate.

2 Liability to Participating Venue Operators

2.1 Commencement of damages and cap on Liability

For the purposes of clause 1.1(a), the Monitoring Licensee shall, from the Commencement Date, be liable to pay damages to Participating Venue Operators for an act or omission by the Monitoring Licensee in the provision of Monitoring Services to Participating Venue Operators (including without limitation the failure by the Monitoring Licensee to connect Available Machines in accordance with this Related Agreement) which for any reason, other than for the circumstances set out in this Schedule 6, results in a Participating Venue Operator not being able to continuously operate an Available Machine or a Connected Machine (**Failure Event**) as follows:

- (a) the maximum amount in aggregate (**Maximum Amount Payable**) that may be payable in damages by the Monitoring Licensee:
 - (i) shall be no more than \$9,570,000 in the 12 month period ending on the first year after the Commencement Date (**First Annual Period**); and
 - (ii) shall in any 12 month period subsequent to the First Annual Period be the amount equivalent to the annual revenue from Monitoring Fees excluding fees for facilitating Linked Jackpot Arrangements and Multiple Venue Linked Jackpot Arrangements received by the Monitoring Licensee in the preceding 12 month period;
- (b) where a Participating Venue Operator experiences a Failure Event in respect of an Available Machine or a Connected Machine that would have been operating but for the Failure Event, the amount claimable by a Participating Venue Operator (**Single Damages Claim**) shall be calculated in accordance with the following formula:

$$T \times V$$

Where:

T = subject to the exception in item 3 of this Schedule 6, the number of hours that the Monitoring Services were not provided to the Connected Machine or Available Machine during the hours when the Venue was lawfully open for Gaming, rounded down to the nearest whole number of hours.

V = \$1.25 per Connected Machine or Available Machine per hour.

2.2 Adjustment of cap based on CPI

On each anniversary of the Commencement Date (**Adjustment Date**) the amount of "V" as set out in clause 1.1(b) of this Schedule 6 shall be adjusted to reflect the percentage change in the CPI since the Commencement Date and on each subsequent anniversary of that date the amount of "V" shall be adjusted to reflect the percentage change in the CPI since the last Adjustment Date as follows:

CPI Adjustment shall be an adjustment to V calculated in accordance with the following formula:

$$\text{New V} = \text{Current V} \times (\text{CPI} \div \text{CPI}_{\text{X}})$$

Where:

- New V = the amount of V after the Adjustment Date
- Current V = the amount of V applicable immediately before the Adjustment Date
- CPI = the CPI number published for the quarter ending immediately before the current Adjustment Date
- CPIX = the CPI number published for the quarter ending immediately before the Adjustment Date, immediately preceding the current Adjustment Date or, where there is no earlier Adjustment Date, the quarter ending immediately before the Commencement Date.

3 Exceptions to Liabilities

- 3.1 If at any time during the Monitoring Term the Monitoring Licensee fails to continuously provide Monitoring Services to a **“Communicating Machine”**, the Monitoring Licensee is not required to pay damages to Participating Venue Operators in accordance with this Schedule 6 in respect of the first 24 hours in which the Monitoring Licensee failed to continuously provide Monitoring Services to that Communicating Machine (Outage Period). For the purposes of this clause, a “Communicating Machine” means a Connected Machine which allows the continuation of Gaming throughout the Outage Period and from which all required data is still being collected on a device approved by the Commission and sent to the central Monitoring System before the end of the Outage Period in accordance with the requirements of clause 3.1(bb) of Schedule 7.
- 3.2 The liability to pay damages imposed on the Monitoring Licensee in this Schedule 6 does not apply:
 - (a) to the extent that such damages are caused or contributed to by an act or omission of the Participating Venue Operator;
 - (b) to a Gaming Machine that does not operate due to a Force Majeure Event; or
 - (c) to a Gaming Machine during any period of Scheduled Downtime.

4 Determination of payment per annum

- 4.1 In each 12 month period no claim by a Participating Venue Operator shall be paid out before the end of the 12 month period in which the claim is made. If the total amount required to satisfy all claims made in any 12 month period exceeds the Maximum Amount Payable for that 12 month period then the entitlement of each Participating Venue Operator to damages on each claim made in that 12 month period shall be calculated on a pro-rata basis in accordance with the following formula:

A/B

Where:

A = the aggregate of all Single Damages Claims for that Participating Venue Operator in that 12 month period

B = C/D

Where:

C = the aggregate of all Single Damages Claims for all Participating Venue Operators in that 12 month period

D = the Maximum Amount Payable for that 12 month period

- 4.2 The Commission shall determine the pro-rata payments required to be made by the Monitoring Licensee in each year in accordance with the formula in clause 4.1.

5 Validation of a Failure Event

- 5.1 For the purposes of determining the damages pursuant to clause 2.1(b) of this Schedule 6, the Commission will issue a certificate verifying the:
- (a) occurrence of each Failure Event; and
 - (b) duration of each Failure Event.
- 5.2 A certificate issued by the Commission under clause 5.1 shall be conclusive evidence of the occurrence of each Failure Event and the duration of each Failure Event.
- 5.3 The Participating Venue Operator and Monitoring Licensee are required to provide to the Commission, such information as the Commission may require.
- 5.4 For the purposes of certification under clause 5.1, the Commission may invite all necessary parties to make submissions relevant to the matters that are to be certified.

Schedule 7 - Scope of Services

1 Overview

The Monitoring Licensee shall undertake the licensed activities set out in clause 3.4.4(1) of the Act by carrying on the activities set out in this Scope of Services for the Monitoring Term (in this Related Agreement referred to as the Monitoring Services) and otherwise in accordance with the Act, the Monitoring Licence and Related Agreements.

Without limiting the above, the Monitoring Licensee shall operate and maintain an electronic Monitoring System approved by the Commission and use it and the other Monitoring Equipment to conduct monitoring for the purposes of:

- (a) detecting Significant Events in relation to the Monitoring System, a Gaming Machine, linked jackpot equipment or a communications system or device associated with the Monitoring System, a Gaming Machine or linked jackpot equipment;
- (b) continuously recording, monitoring and controlling significant game play transactions and recording revenue generated from each Gaming Machine connected to the Monitoring System;
- (c) facilitating Linked Jackpot Arrangements; and
- (d) providing Jackpot Financial Administration Services.

Other components of the monitoring activities to be conducted by the Monitoring Licensee are set out in clause 3.4.4(1) of the Act.

The State's primary objective with respect to the Monitoring Services and the Monitoring System is to ensure the accurate and uninterrupted monitoring of Gaming Machine transactions and Linked Jackpot Arrangements and the capture of Data and information with respect to Gaming Machines for regulatory, taxation, research and related purposes.

The Monitoring Licensee must implement a computerised Monitoring System and other Monitoring Equipment capable of monitoring all Gaming Equipment and related gaming activities within all Participating Venues and for the purpose of facilitating Linked Jackpot Arrangements.

The Monitoring Licensee must, throughout the Monitoring Term, operate and maintain the approved Monitoring System and must provide, operate and maintain all hardware, software and infrastructure necessary to conduct the monitoring of Gaming Machines, including relevant venue equipment, networks and facilities.

The Monitoring Licensee must provide Monitoring Services to each Participating Venue for all Available Machines.

The Monitoring System must ensure the integrity of Gaming Machine transactions in Participating Venues, identify and report Significant Events, provide Data and information on Gaming Machines for regulatory, taxation, research and related purposes and provide systems and mechanisms that implement responsible gambling measures for the conduct of gaming when directed to do so by the Minister.

Under the Act it is a requirement for all Available Machines to be connected online, to a monitoring system. The Monitoring Licensee must connect all Available Machines to the Monitoring System in accordance with this Related Agreement and communicate required Data to and from Participating Venues and the Commission. The communications must be in real time using protocols approved by the Commission except that with respect to such machines that use a Gaming Machine Communication Protocol approved by the Commission that does not provide such data in real time, the requirement for real time recording and reporting need not be met, provided data is collected and recorded to meet the requirements approved by the Commission. The Monitoring System must record all Gaming Machine data and Significant Events (as required by the Commission) and report on gaming revenue, return to player and enable taxation payments to be calculated and verified.

The Monitoring Licensee's Monitoring System must provide support for all Gaming Machine Communication Protocols that operate in Victoria (outside the Melbourne casino) and ensure that, on the Commencement Date, all Available Machines that use the then current Gaming Machine Communication Protocols are connected to and will interface with the Monitoring System.

The computer system(s) at the Monitoring System central site, which participate in provision of Monitoring Services, must operate 24 hours a day, 7 days a week throughout the Monitoring Term in order to ensure that Available Machines can be connected to the Monitoring System and that the operation of those machines can be continuously monitored in accordance with the Act, the Licence and the Related Agreements.

The Monitoring System must provide for the operation of up to 27,500 Gaming Machines in venues existing throughout Victoria. The Monitoring Licensee must enter into a Venue Monitoring Services Agreement with each Venue Operator that holds Gaming Machine Entitlements in order to enable the Gaming Machines required by the Venue Operator to be connected to the Monitoring System.

2 Access to Legacy Assets

The Monitoring Licensee must have its Monitoring System installed, approved by the Commission and ready to operate by the Monitoring Readiness Date. The Monitoring Licensee may, on obtaining the necessary access, utilise the Legacy Systems until the Implementation Completion Date for the purpose of providing the Monitoring Services. At the Implementation Completion Date, the Monitoring Licensee may only use the Re-Used Legacy System Components of the Legacy System(s) as part of its Monitoring System.

The Monitoring System must be able to communicate with all Available Machines (current and new technology). The Monitoring Licensee may need access to current Gaming Machines Communication Protocols (see section 3.4(k) to 3.4(n) of this Schedule 7 for further details) to communicate with

Existing Machines if the Monitoring Licensee is required to use those Gaming Machines Communication Protocols to ensure the uninterrupted operation of Gaming Machines on and from the Commencement Date. The Monitoring Licensee is required to negotiate access with the owner of those Gaming Machine Communication Protocols.

The Monitoring Licensee must commission the Monitoring System (which may utilise Legacy Systems on the Monitoring Licensee obtaining the necessary access for that purpose) no later than the Monitoring Readiness Date in accordance with its Implementation Plan as approved by the Commission.

If the Monitoring Licensee wishes to use the Legacy Systems for the purpose of delivering the Monitoring Services at the Commencement Date, the Monitoring Licensee may do so but must cease to use all components of the Legacy System(s) (other than those components and infrastructure forming part of the Re-Used Legacy System Components approved by the Commission as part of the ongoing Monitoring System) by the Implementation Completion Date.

All reporting to the Commission must be in the form required by the Commission and must include the provision of data including that generated or collected by the Legacy System(s) to the extent that those systems, or any one of those systems, are used for the purpose of delivering the Monitoring Services.

The Monitoring Licensee must provide a seamless method for transition out of the Legacy Systems by the Implementation Completion Date.

The Monitoring Licensee may continue to use or rely upon, in whole or in part, those components of the Legacy Systems beyond the Implementation Completion Date, known as Re-Used Legacy System Components.

The Monitoring Licensee must do all that it is required to do under the Act, Licence and Related Agreements to enable the State to achieve its objective of ensuring the continued, uninterrupted operation of gaming at all Participating Venues from the Commencement Date and for the Monitoring Term, including by meeting the State's monitoring connection requirements (as outlined in clause 19.2 of the Related Agreement) for all Available Machines.

To the extent that the Legacy Systems are used to provide Monitoring Services, from the Commencement Date up to the Implementation Completion Date, compliance with the following provisions of this Schedule 7 is only required within the technical limitations of the relevant Legacy System:

- (a) clause 3.1(bb);
- (b) clause 3.2(b); and
- (c) clause 3.4(r)(xiii).

3 Monitoring Services and System

The Monitoring System must comply with the requirements of all applicable Law and the Technical Standards, as amended from time to time by the Commission.

The Monitoring Licensee must provide Monitoring Services to each Participating Venue in accordance with the Act and the Monitoring Licence and Related Agreements including, as relevant, any Venue Monitoring Services Agreement, Jackpot Financial Administration Services Agreement and Trust Deed.

In order to operate a Gaming Machine Venue Operators must acquire the Monitoring Services set out in paragraph 3.1 below and the Monitoring Licensee must enter into a Venue Monitoring Services Agreement with Venue Operator's that request to enter into such agreements.

Participating Venue Operators who wish to operate single venue Linked Jackpot Arrangements and/or Multiple Venue Linked Jackpot Arrangements must acquire the Monitoring Services set out in paragraph 3.2 below subject to the Participating Venues and the Monitoring Licensee entering into a Venue Monitoring Services Agreement and, if applicable, a Jackpot Financial Administration Services Agreement. In addition, Participating Venue Operators who wish to conduct gaming through a Multiple Venue Linked Jackpot Arrangements must also acquire the financial administration services set out in paragraph 3.3 below and with respect to those services must also enter into a Trust Deed.

The Monitoring Licensee must develop, test and establish the Monitoring System which can throughout the Monitoring Term provide the Monitoring Services (including all components necessary to provide that part of the Monitoring Services referred to as the facilitation of Linked Jackpot Arrangements).

3.1 Monitoring Services

The Monitoring Licensee must provide Monitoring Services in accordance with the Act and the Licence and Related Agreement(s) to each Participating Venue.

As part of the Monitoring Services the Monitoring Licensee must:

- (a) develop and install at Participating Venues all necessary Monitoring Equipment for the purpose of delivering the Monitoring Services and provide necessary information regarding the Monitoring System, Monitoring Equipment and the facilitation of Linked Jackpot Arrangements including Multiple Venue Linked Jackpot Arrangements;
- (b) establish Data connections to supply or receive signals from Gaming Machines for the Monitoring System and establish communication Data connections to Participating Venues and the Commission;
- (c) install the venue based components of the Monitoring Equipment at Participating Venues;
- (d) connect all Available Machines to the Monitoring System at Commencement Date in accordance with this Related Agreement;
- (e) meet the ongoing requirements of Participating Venue Operators to connect Available Machines to the Monitoring System (including as Participating Venue Operators turn over Gaming Machines within their venues during the Monitoring Term);

- (f) log, search and report Significant Events;
- (g) collect individual device, jackpot Data, financial and meter Data;
- (h) provide the capability for the Participating Venue Operator to reconcile meter Data against funds contained within the Gaming Machine;
- (i) configure Gaming Equipment;
- (j) record an audit log of any unauthorised entry to the Licensee's computer rooms (including those at the Disaster Recovery Site) and provide an alert when unauthorised entry to these computer rooms is detected;
- (k) provide real time commands to Gaming Equipment;
- (l) provide validation of Gaming Equipment in the field including the location of the Gaming Equipment and (as appropriate) the operating software used;
- (m) provide continuous online real time recording and reporting on revenue meter Data, including return to player rates and jackpot values for all Available Machines except that with respect to such machines that use a Gaming Machine Communication Protocol approved by the Commission that does not provide such data in real time, the requirement for real time recording and reporting need not be met, provided data is collected and recorded to meet the requirements approved by the Commission;
- (n) calculate the taxation for each Participating Venue and provide information to each Participating Venue Operator and the Commission of the tax required to be remitted to the State per calendar month;
- (o) provide performance reporting as specified from time to time by the Commission;
- (p) maintain current and historical (all data throughout the duration of the Monitoring Licence) Data for the Monitoring Term;
- (q) facilitate, monitor and report on Linked Jackpot Arrangements including:
 - (i) Gaming Machine and system determined jackpots;
 - (ii) mystery jackpots;
 - (iii) support for in venue arrangements and Multiple Venue Linked Jackpot Arrangements;
 - (iv) suitable variable parameters, including but not limited to:
 - (A) start-up amounts;
 - (B) increment percentages;
 - (C) maximum amounts, where appropriate; and

(D) Participating Venue(s) / Gaming Machines.

- (v) prize tables that can be variable or fixed, cash or merchandise; and
- (vi) a range of Gaming Machines that can participate in jackpots;
- (r) provide a service desk (including help desk) facility for Participating Venues to log problems, dispute and maintenance calls, and resolve these issues within a reasonable period;
- (s) enable Participating Venue Operators to efficiently effect changes to the Gaming Machine and/or jackpot parameters / configuration held by the Monitoring System within Commission's approval guidelines and the Technical Standards;
- (t) implement a full host hardware and software interface to the existing Gaming Machines in Victoria (outside the Melbourne casino), which may mean the three existing Gaming Machine Communication Protocols and the ability to access the intellectual property of these Gaming Machine Communication Protocols;
- (u) provide a system design such that a single component failure of the computer system(s) at the Monitoring System central site, which participate in provision of Monitoring Services, will not prevent on-going operation of the Monitoring System or provision of the Monitoring Services;
- (v) provide products for delivering application services, including but not limited to application and client platforms, portal technologies, web services, business logic, and data storage;
- (w) provide a network and application security solution, including but not limited to identity management, cryptography, auditing, logging, and alerting;
- (x) facilitate a range of jackpots commensurate to those operating in Victoria immediately before the Commencement Date;
- (y) implement, in accordance with the Act and this Related Agreement, new Gaming Machine Communication Protocol(s) as they are approved for use in Victoria to enable new gaming products (for example server based gaming systems) as they are introduced into Victoria;
- (z) provide physical and logical security and control of the operation of the proposed Monitoring System, and its related facilities and infrastructure, that will ensure a high level of system and data integrity at all times;
- (aa) monitor system performance using adequate tools and techniques and maintain data integrity;
- (bb) provide Monitoring Equipment to Participating Venues that allows the continuation of Gaming (subject to the implementation and configuration of jackpots) for a period of up to 24 hours on Gaming Machines when the link from the site to the central point of the Monitoring System is not operational and ensure that all required data

is still being collected on a device approved by the Commission during this period;

- (cc) recover or restore lost metering data in the circumstance of a Significant Event, including but not limited to unexpected critical memory clears in Gaming Equipment;
- (dd) provide online, read only continuous access for the Commission to the Monitoring Licensee's Monitoring System for financial Data, Significant Events, Gaming Machine locations and game software in use and jackpot configurations and financials.
- (ee) provide a live feed of Significant Event Data to the Commission; and
- (ff) provide gaming data to each Participating Venue, specific to that Participating Venue, the content, method of delivery, access and period of which to be approved by the Commission.

3.2 The facilitation of Linked Jackpot Arrangements

To facilitate Linked Jackpot Arrangements the Monitoring Licensee must:

- (a) ensure its Monitoring System enables Participating Venues (who have entered into the relevant agreements) to operate Linked Jackpot Arrangements throughout the Monitoring Term within the Commission's approval guidelines and in compliance with the Technical Standards. The Monitoring Licensee must provide a Monitoring System that includes all computer systems, software, jackpot controllers, networks, gaming machine interface cards, display interfaces and any other device (other than a Gaming Machine, jackpot meter or jackpot display) necessary to enable Participating Venue Operators to conduct gaming through a Linked Jackpot Arrangements;
- (b) provide a system capability to enable Participating Venue Operators to establish, configure, alter or remove all Linked Jackpot Arrangements within Commission approval guidelines and in compliance with the Technical Standards;
- (c) provide maintenance of all Data relating to jackpot system pools and amounts;
- (d) provide identification of winning event(s) for system determined jackpots through algorithms and formulas approved by the Commission;
- (e) provide calculation of the jackpot win amount through algorithms and formulas approved by the Commission;
- (f) advise Participating Venue Operators of a winning jackpot amount;
- (g) provide data relating to jackpot amounts, wins and other information for Gaming Machines and jackpot displays, including the jackpot player return information required to support the player information display on Gaming Machines (to meet the regulatory and Technical Standards requirements);

- (h) provide secure communication transmission to Gaming Equipment on or through which Linked Jackpot Arrangements are implemented including enhancements to achieve additional security such as encryption or authentication (such as a special interface card) where the Gaming Machine Protocol does not naturally support the required security;
- (i) provide information to Participating Venue Operators of the types of jackpot displays to which the Monitoring System will implement a full hardware and software interface and the associated Communications Protocol; and
- (j) provide venue specific statistical and financial information to all Participating Venue Operators participating in Linked Jackpot Arrangements and to the Commission.

3.3 The financial administration of Multiple Venue Linked Jackpot Arrangements

The Monitoring Licensee must provide Participating Venue Operators with Jackpot Financial Administration Services, but only for those Participating Venues that are operating Multiple Venue Linked Jackpots Arrangements. This financial administration will not extend to paying out jackpot prizes to players. Participating Venue Operators will retain this responsibility.

The Monitoring Licensee must ensure that it meets the requirements of the Act with respect to the establishment and operation of the Trust Accounts for this purpose. The Monitoring Licensee must also ensure that, prior to a Multiple Venue Linked Jackpot Arrangements being facilitated it has also entered into a Jackpot Financial Administration Services Agreement and Trust Deed with the relevant Participating Venues which have been approved by the Commission.

3.4 Monitoring System

- (a) The Monitoring Licensee must implement, as part of the Monitoring System, a Central Monitoring and Control System (CMCS) capable of monitoring all Gaming Equipment and activities of all Participating Venues. The Monitoring System must ensure the integrity of Gaming Machine transactions in Participating Venues, identify and report Significant Events, provide Data and information on Gaming Machines for regulatory, taxation, research and related purposes, and provide systems and mechanisms that implement responsible gambling measures for the conduct of Gaming when directed to do so by the Minister.
- (b) The Monitoring System must be and must throughout the Monitoring Term operate in accordance with:
 - (i) the requirements of the Act and Regulations;
 - (ii) all directions given by the Minister and/or the Commission;
 - (iii) the Technical Standards; and

- (iv) the Monitoring Licence and Related Agreement(s) including the Performance Standards and the Scope of Services.
- (c) The Monitoring System will comprise:
 - (i) any instrument, contrivance or computer hardware or software and related processes, controls and protocols;
 - (ii) Data management, Data security and Data integrity processes, controls and protocols; and
 - (iii) any other equipment that the Monitoring Licensee proposes to use, or will cause or permit to be used, in connection with the provision of the Monitoring Services (including for the purpose of facilitating Linked Jackpot Arrangements, Multiple Venue Linked Jackpot Arrangements and the Jackpot Financial Administration Services).
- (d) The Monitoring Licensee must maintain all of the components of the Monitoring System to enable it to function and perform in accordance with the Act, the Regulations, the Technical Standards and the Monitoring Licence and Related Agreement(s).
- (e) The Monitoring System must provide for the following at a minimum:
 - (i) The connection of all Available Machines to the Monitoring System at Commencement Date;
 - (ii) A separate, secure test system to enable new software to be tested by an approved Tester in an appropriate environment that does not put at risk the production system or production Data; and
 - (iii) Other requirements and standards as detailed in the Monitoring Licence and this Related Agreement and the Technical Standards.

Technology

- (f) The Monitoring System must be computer based with sufficient capacity (processing, memory, communications interfaces and hard disk storage) and redundancy to connect, maintain connection and efficiently monitor all Gaming Machines within all Participating Venues throughout the Term of the Monitoring Licence, meeting the connection obligations outlined in clause 19.2 of the Related Agreement. The computer system(s) at the Monitoring System central site, which participate in provision of Monitoring Services, must operate 24 hours a day, 7 days a week.
- (g) The Monitoring Licensee must provide all equipment required for the operation of the Monitoring System, including all venue-based equipment and all computer systems, software, jackpot controllers

and jackpot display interfaces to support the Linked Jackpot Arrangements. The Monitoring Licensee is also required to ensure the ongoing maintenance and provision of this equipment.

- (h) The Monitoring System must be flexible and scalable in order to cater for changes in requirements and standards (as determined from time to time by the State and the Commission), new and emerging technology (for example to cater for server based gaming) and to cater for growth in transactions and expansion of gaming products and services.
- (i) The Monitoring Licensee must ensure that the Monitoring System remains in Victoria throughout the Term and that the Disaster Recovery Site remains in Australia throughout the Term.

Gaming Machine Communication Protocols

- (j) The Monitoring System must communicate with all Available Machines on and from the Commencement Date. The Monitoring System must support, at a minimum, the three different Gaming Machine Communication Protocols that have been approved by the Commission and are in use prior to Commencement Date (these protocols are the two variations of the VLC Gaming Machine Protocols and the QCOM Gaming Machine Protocols).
- (k) The State and the Commission will consult with the Monitoring Licensee and the relevant industry stakeholders in relation to which other Gaming Machine Communication Protocol(s) will be supported by the Monitoring System. The Monitoring Licensee must introduce such new protocols as approved by the Commission and provided for in the Technical Standards made by the Commission under the Act.
- (l) The Monitoring System must provide a full host hardware and software interface for all approved Gaming Machine Communication Protocols from the Commencement Date.
- (m) The Monitoring Licensee must ensure that the Monitoring System provides adequate security which meet the Technical Standards and that any Gaming Machine Communication Protocol used has the prior approval of the Commission.

Wireless Communication

- (n) Wireless communication may be considered for LAN communications within Participating Venues and/or WAN communication between Participating Venues and the Monitoring System as may be approved by the Commission.
- (o) If wireless communication is to be used, there must be appropriate security measures in place which meet the standards set out for wireless communication in the Australian Government Information

and Communications Technology Security Manual and as approved by the Commission.

- (p) Wireless communication and other technical requirements in the Technical Standards must be met by the Monitoring Licensee in the provision of the Monitoring System and Monitoring Services.

Information and Communication Technology (ICT) Service Management Framework

- (q) The Monitoring Licensee must establish, implement and maintain policies and procedures for the development, implementation and operation of the Monitoring System. This must provide for but is not limited to the experience and resources, or ability to harness the necessary experience and resources for:
 - (i) a service desk (including a help desk);
 - (ii) incident management;
 - (iii) problem management;
 - (iv) change management;
 - (v) release management;
 - (vi) configuration management;
 - (vii) application management;
 - (viii) availability management;
 - (ix) capacity management;
 - (x) service level management;
 - (xi) financial management;
 - (xii) service continuity management;
 - (xiii) security management; and
 - (xiv) ICT infrastructure management.

Other Requirements

- (r) The Monitoring Licensee must meet the following requirements throughout the Term:
 - (i) have and utilise sufficient suitable technical personnel with appropriate technical experience and knowledge of the development of the proposed Monitoring System in the fields of programming, electrical engineering and Data

communication, and also sufficient suitable backup staff in these required specialised areas;

- (ii) have and utilise sufficient suitable management personnel to oversee the design, development, testing, implementation, installation and operation of the proposed Monitoring System;
- (iii) have and utilise adequate management resources to be available to deal with regular operations and crisis scenarios or other unexpected circumstances in the course of the operation of the Monitoring System;
- (iv) have access to personnel with Monitoring Systems operating experience that is appropriate and adequate to maintain systems reliability, auditability and security;
- (v) have and implement adequate methodology to meet the requirements of ISO 9000 or equivalent in maintaining quality assurance control;
- (vi) have and implement adequate methodology to meet the requirements of ISO 27000 or equivalent, in maintaining information security control;
- (vii) have and implement a project implementation plan that would support the Monitoring Licence requirements to deliver an adequate system and ensure the business continuity of the system to avoid any implementation risks (including, but not limited to issues of project management, change management, release management, supplier management, technical capability, resources and system support);
- (viii) have and implement a mechanism to identify and address all obvious development, implementation and operational risks in the proposed Monitoring System;
- (ix) have and implement a strategy for migration of relevant Data and information from the Legacy Systems to ensure that the Monitoring System continues to operate and Monitoring Services continue to be provided without disruption;
- (x) have and utilise adequate technical capability for the proposed system development including planning, analysis, design, build and testing within the required timeframe.
- (xi) have and implement a suitable approach to the provision of support to users during transition and ongoing operation of the proposed Monitoring System, including support for the monitoring of Existing Machines in Victoria;

- (xii) have and implement a suitable strategy for the development and retention of technical resources and expertise within the Monitoring Licensee's business; and
- (xiii) have mean time between failure (MTBF) of Monitoring System components of at least three (3) years.

Continuity of Supply and Monitoring Services

- (s) The Monitoring Licensee is required to ensure continuity of Monitoring Services over the Monitoring Term by:
 - (i) the ongoing supply of the key components of its Monitoring System;
 - (ii) asset life-cycle management and the maintenance of Monitoring System components;
 - (iii) the development and retention of technical resources and expertise within the Monitoring Licensee, including technical resources and expertise of contractors; and
 - (iv) the provision of support to network users.
- (t) The Monitoring Licensee must have a disaster recovery capability and a business continuity capability in place that meets the requirements of the Technical Standards and the Monitoring Licence and Related Agreement(s).
- (u) Key elements of the disaster recovery plan are to include at a minimum:
 - (i) A Disaster Recovery Site which is physically separated from the primary site of the Monitoring System;
 - (ii) A Disaster Recovery System which is of the same configuration as the Monitoring System;
 - (iii) Computer room and help desk facilities commensurate with the Monitoring System;
 - (iv) Offline storage of Data and software backups;
 - (v) The ability to recover critical data, defined below, in the event of a disaster such as the total failure of the Monitoring System; and
 - (vi) Plans to frequently verify the utility of the Disaster Recovery Site/Disaster Recovery System in advance of any failure.
- (v) No critical data may be lost, even in the instance of a total failure of the Monitoring System.

- (w) Critical data, which must be recovered in situations where a restart/recovery is required, must consist of, but not be limited to:
 - (i) Significant Events;
 - (ii) Metering and other data necessary for calculating taxation;
 - (iii) Jackpot configuration, pools, wins, tickets and metering;
 - (iv) Cash tickets, included those that have been validated;
 - (v) Gaming machine and Venue configuration information/data; and
 - (vi) Configuration change information.

- (x) Key elements of the business continuity capability must include at a minimum:
 - (i) The ability to resume full operations at a Disaster Recovery Site should there be a failure of the Monitoring System;
 - (ii) The ability to switch communication lines to Participating Venues and the Commission to be connected to the Disaster Recovery System; and
 - (iii) The ability to automatically switch the help desk calls to the Disaster Recovery Site.

Schedule 8 - Call Option Deed

**The Minister for Gaming for and on behalf of the Crown in right of
the State of Victoria**

and

Intralot Gaming Services Pty Ltd
ACN 136 875 673

Call Option Deed

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1 4 NOV 2011

This DEED is made on the day of 2011

BETWEEN

The Minister for Gaming for and on behalf of the Crown in right of the State of Victoria (the "Grantee")

and

Intralot Gaming Services Pty Ltd, ACN 136 875 673 of Level 1, 283 Normanby Road, Port Melbourne 3207 ("Grantor")

BACKGROUND

- A The Grantor owns the Property.
- B The Grantor has agreed to grant to the Grantee an option to purchase all or part of the Property from the Grantor on the terms set out in this Deed.

1 Definitions and interpretation

1.1 Definitions

In this Deed, unless the contrary intention appears, each capitalised term has the meaning given to it in the Monitoring Licence or the Related Agreement or as defined below:

"**Act**" means the *Gambling Regulation Act 2003* (Vic) and Regulations, as amended from time to time.

"**Business Day**" means a day that is not a Saturday, Sunday or any other day that is a public holiday or a bank holiday in the State of Victoria.

"**Call Option**" has the meaning given to it in clause 2(a).

"**Call Option Exercise Notice**" means written notice given by the Grantee to the Grantor stating:

- (a) that the Grantee wishes to exercise the Call Option;
- (b) the Property comprising the Call Option Property; and
- (c) the Payment Due Date.

"**Call Option Property**" has the meaning given to that term in clause 2(b).

"**Corporations Act**" means the *Corporations Act 2001* (Cth).

"**Deed**" means this call option deed.

"**Effective Date**" means the date of this Deed.

"**Encumbrance**" means any mortgage, right, interest, lien, hypothecation, charge (whether fixed or floating), bill of sale, caveat, pledge, claim, trust arrangement, preferential right, right of set-off, title retention or other form of encumbrance other than a Permitted Encumbrance.

“Exercise Period” means a 1 year period beginning on the date that is the earlier of the date:

- (a) that the Monitoring Licence is cancelled by the Minister or surrendered in accordance with the Related Agreement;
- (b) of commencement of the Monitoring Licence Transition Out Period; and
- (c) that the State determines that the Grantor is not required to provide Monitoring Services for the full Term of the Monitoring Licence due to the expiry of gaming machine entitlements allocated under the Act to Venue Operators.

“Fixed and Floating Charge” means the Fixed and Floating Charge between the Grantee and the Grantor dated on or about the date of this Deed.

“Government Agency” means:

- (a) a government or government department;
- (b) a governmental, semi-governmental, regulatory or judicial entity or authority; or
- (c) a person (whether autonomous or not) who is charged with the administration of a law.

“GST” has the meaning given to that term in the GST Act.

“GST Act” means the Act known as *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

“Liability” means any debt or other monetary liability, indebtedness, penalty, fine or payment or any damages, losses, costs, charges, outgoings or expenses of whatever description whether contingent or determined, consequential or otherwise.

“Monitoring Licence” means the licence issued by the Grantee to the Grantor pursuant to the *Gambling Regulation Act 2003* (Vic).

“Monitoring Licence Transition Out Period” has the meaning given to that term in the Related Agreement.

“Nominee” means any person or body corporate nominated by the Grantee as being entitled to exercise the Call Option.

“Notice” has the meaning given to that term in clause 11.1.

“Payment Due Date” means:

- (a) if the Exercise Period is triggered due to cancellation or surrender of the Monitoring Licence or as a consequence of the occurrence of the event specified in paragraph (c) of the definition of Exercise Period, then the date that is no later than 90 days after the date a Call Option Exercise Notice is given to the Grantor; or
- (b) if the Exercise Period is triggered due to the commencement of the Monitoring Licence Transition Out Period, then the date that is no later than the date of expiry of the Monitoring Licence.

“Permitted Encumbrance” means:

- (a) each Security; and
- (b) any other Encumbrance agreed in writing by the Grantee to be a Permitted Encumbrance.

“Property” means all the Grantor’s rights, assets, property and undertaking of whatever kind and wherever situated, whether present or future including, without limitation, all Intellectual Property Rights (including any unpaid share premiums) for the time being, the goodwill of its business, all its freehold and leasehold property, plant, equipment, chattels, machinery, furniture, moneys and fixed assets, all of its Intellectual Property, Rights, all of its right, title and interest in the Software and Software Package and in any contract, licence and agreement, its choses in action and the proceeds of any activity carried on by the Grantor.

“Purchase Price” has the meaning given to it in clause 3.2.

“Related Agreement” means the Monitoring Licence Related Agreement entered into by the Grantor pursuant to the *Gambling Regulation Act 2003 (Vic)* with the Grantee dated on or about the date hereof.

“Related Body Corporate” has the meaning given to it in the Corporations Act.

“Security” has the meaning given to that term in the Fixed and Floating Charge.

“Security Interest” means any mortgage, pledge, lien or charge or any security or preferential interest or arrangement of any kind and includes:

- (a) anything which gives a creditor priority to other creditors with respect to any asset; and
- (b) retention of title other than in the ordinary course of day-to-day trading and a deposit of money by way of security.

“Tax” means any tax, levy, impost, duty, charge, deduction, compulsory loan or withholding of whatever kind (together with any related interest, penalty, fine or expense) that is imposed by law or any Government Agency.

“Term” has the meaning given to it in the Monitoring Licence.

“Transaction Document” means each of:

- (a) this Deed;
- (b) the Monitoring Licence;
- (c) the Related Agreement;
- (d) the Fixed and Floating Charge;
- (e) the Security;
- (f) each Tripartite Deed;
- (g) any other document or agreement that the parties agree is a Transaction Document; and
- (h) any document entered into or given under or in connection with or for the purpose of amending or novating any Transaction Document.

“Tripartite Deed” has the meaning given to it in the Monitoring Licence.

“Valuer” means a person appointed by the Grantee who is:

- (a) independent of all parties; and
- (b) experienced and qualified in relation to the valuation of the type of property that is to be valued.

Venue Operator has the same meaning as set out in section 1.3 of the Act.

1.2 Interpretation

In this Deed, unless the context requires otherwise:

- (a) the singular includes the plural and vice versa;
- (b) words denoting any gender include all genders;
- (c) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (d) a reference to a party, clause, paragraph, schedule or annexure is a reference to a party, clause, paragraph, schedule or annexure to or of this Deed;
- (e) a reference to this Deed includes any schedules or annexures;
- (f) headings are for convenience and do not affect interpretation;
- (g) the background or recitals to this Deed are adopted as and form part of this Deed;
- (h) a reference to any document or agreement includes a reference to that document or agreement as amended, novated, supplemented, varied or replaced from time to time;
- (i) a reference to "\$", "A\$" or "dollar" is a reference to Australian currency;
- (j) a reference to a time is a reference to Australian Eastern Standard Time;
- (k) a reference to a party includes its executors, administrators, successors, substitutes (including persons taking by novation) and permitted assigns;
- (l) a reference to writing includes any method of representing words, figures or symbols in a permanent and visible form;
- (m) words and expressions denoting natural persons include bodies corporate, partnerships, associations, firms, governments and governmental authorities and agencies and vice versa;
- (n) a reference to any legislation or to any provision of any legislation includes:
 - (i) any modification or re-enactment of the legislation;
 - (ii) any legislative provision substituted for, and all legislation, statutory instruments and regulations issued under, the legislation or provision; and
 - (iii) where relevant, corresponding legislation in any Australian State or Territory;
- (o) no rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this Deed or any part of it; and
- (p) the words "including", "for example", "such as" or other similar expressions (in any form) are not words of limitation.

1.3 Other rules of interpretation

In this Deed, unless expressly provided otherwise:

- (a) **(method of payment)** any payment of money by one party to another will be made in Australian currency by bank cheque;
- (b) **(consents and approvals)** if the doing of any act, matter or thing requires the consent, approval or agreement of any party, that consent, approval or agreement may be given conditionally or unconditionally or withheld in that party's absolute discretion;

- (c) **(joint and several liability)** a promise, representation or warranty given by or in favour of two or more persons under this Deed is given by them or for their benefit jointly and severally;
- (d) **(Business Days)** if:
 - (i) the day on or by which any act, matter or thing is to be done is a day other than a Business Day, the act, matter or thing will be done on the next Business Day; and
 - (ii) any money falls due for payment on a date other than a Business Day, that money will be paid on the next Business Day (without interest or any other amount being payable in respect of the intervening period); and
- (e) **(inconsistency within Deed)** if a clause of this Deed is inconsistent with a schedule or annexure of this Deed, the clause prevails to the extent of the inconsistency.

2 Grant of Call Option

- (a) In consideration for a payment of \$10, receipt of which is acknowledged by the Grantor, the Grantor irrevocably grants a call option to the Grantee (or its Nominee) allowing the Grantee or its Nominee to purchase any or all of the Property, free from any Encumbrances, for the Purchase Price during the Exercise Period on the terms and conditions set out in this Deed ("**Call Option**").
- (b) At the discretion of the Grantee or its Nominee, the Call Option can be exercised in respect of all or any part of the Property (the portion of the Property to be purchased is the "**Call Option Property**").

3 Valuation of Property

3.1 Valuation by Valuer

- (a) A valuation of all Property shall be conducted by the Valuer:
 - (i) if the Exercise Period is triggered due to cancellation or surrender of the Monitoring Licence or as a consequence of the occurrence of the event specified in paragraph (c) of the definition of Exercise Period, within 90 days of the commencement of the Exercise Period; or
 - (ii) if the Exercise Period is triggered due to the commencement of the Monitoring Licence Transition Out Period, then when requested by the Grantee but no later than 90 days prior to the expiry of the Monitoring Licence.
- (b) The valuation must be conducted in accordance with the principles set out in the Annexure to this Deed.
- (c) Each of the Grantor and the Grantee shall be entitled to make submissions to the Valuer at such time and in such manner as the Valuer sees fit, to assist the Valuer in determining the valuation.
- (d) Each of the Grantor and the Grantee will act in good faith to cooperate with the Valuer in assessing the valuation.

3.2 Calculation of Purchase Price

The purchase price for the Call Option Property shall be an amount equal to the fair market value of the Call Option Property as determined by the Valuer's valuation in accordance with clause 3.1 after deduction of the amount of any Liabilities secured by

any Encumbrance or Security Interest over the Call Option Property (the “**Purchase Price**”).

4 Exercise of Call Option

4.1 Exercise of Call Option

The Grantee or its Nominee may exercise the Call Option by:

- (a) delivering to the Grantor a Call Option Exercise Notice during the Exercise Period; and
- (b) paying the Purchase Price to the Grantor on the Payment Due Date.

4.2 Revocability of Call Option Exercise Notice

- (a) The Grantee, at its sole discretion can revoke the Call Option Exercise Notice or amend the composition of the Call Option Property anytime:
 - (i) after issuing a Call Option Exercise Notice; and
 - (ii) before the Payment Due Date,in which event, the Grantee shall not be obligated to pay the Purchase Price determined by the Valuer in relation to any excluded Call Option Property or revoked Call Option Exercise Notice.
- (b) If the Grantee revokes a Call Option Exercise Notice in accordance with clause 4.2(a), then the provisions of this Deed will continue and remain in full as if the revoked Call Option Exercise Notice had never been issued.

5 Completion of sale and purchase under Call Option

5.1 Completion

Subject to any revocation in accordance with clause 4.2, if the Grantee or its Nominee has given a Call Option Exercise Notice then, on the Payment Due Date:

- (a) simultaneously:
 - (i) the Grantee or its Nominee must pay the Purchase Price to the Grantor; and
 - (ii) the Grantor will transfer the Call Option Property to the Grantee or its Nominee free from any Encumbrances and repeating the warranties set out in clause 7.1; and
- (b) the Grantor must duly execute any and all requisite documents and do all other things necessary to transfer full unencumbered and unfettered ownership in the Call Option Property to the Grantee or its Nominee.

5.2 Appointment of attorney

For the purposes of this Deed, the Grantor irrevocably appoints the Grantee as its attorney to do anything (including executing any document) necessary for the transfer of the Call Option Property and the completion of any transaction contemplated by this Deed.

6 Right of Set-Off

The parties acknowledge and agree that any monies owed by a party under this Deed may be set-off against any monies owed to the other party under any Transaction Document.

7 Representations and Warranties

7.1 Grantor

The Grantor represents and warrants that:

- (a) **(status)** it is a body corporate duly incorporated under the laws of the place of its incorporation;
- (b) **(power)** it has full legal capacity and power to:
 - (i) own the Property and carry on its business; and
 - (ii) enter into and perform its obligations under this Deed;
- (c) **(authorisations)** it has taken all corporate and other action required and obtained or been granted all consents, approvals, permissions and authorisations, whether internal or external, necessary to enable it to enter into and perform its obligations under this Deed;
- (d) **(binding obligations)** this Deed constitutes a valid and legally binding obligation of it in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally);
- (e) **(no contravention)** the execution, delivery and performance of this Deed will not contravene:
 - (i) any law, regulation, order, judgment or decree of any court or Government Agency which is binding on it or any of its property;
 - (ii) any provision of its constitution or equivalent documents; or
 - (iii) any agreement, undertaking or instrument which is binding on it or any of its property;
- (f) **(no litigation)** no litigation, arbitration, mediation, conciliation, criminal or administrative proceedings are current, pending or (to the knowledge of any of its officers after due inquiry) threatened which, if adversely determined, could have a material adverse effect on its ability to perform its obligations under this Deed;
- (g) **(assets free of Security Interests)** its assets are free of any Security Interests other than any Permitted Encumbrance;
- (h) **(no untrue statements of fact)** no representation, warranty or other information provided by it contains any untrue statement of material fact or omits to state a material fact necessary to ensure that the representation, warranty or information is not misleading as at the date it is given;
- (i) **(information accurate)** all information provided by it to the Grantee in connection with the Transaction Documents is accurate in all material respects and not deficient, misleading or deceptive in any material respect (whether by its inclusion or by the omission of other information) as at the date it was provided;
- (j) **(no breach of representation or warranty)** the Grantor is not in breach of any representation, warranty or covenant provided in any Transaction Document; and
- (k) **(no trust)** it is not entering into this Deed as the trustee of any trust or settlement and does not act as a trustee of any trust or settlement in any other capacity.

7.2 Reliance

The Grantor acknowledges that it has not entered into this Deed in reliance on any representation, warranty, promise or statement made by the Grantee or any person on behalf of the Grantee.

7.3 Representations and warranties repeated

Each representation and warranty in this Deed:

- (a) is repeated at the time of the sale and purchase of the Call Option Property; and
- (b) applies in its current form when repeated, despite any contrary disclosure by a Grantor or any other person, unless the Grantee agrees to waive it.

7.4 Breach of representation or warranty

A breach of any representation or warranty under this Deed constitutes a contravention of this Deed.

8 Indemnity

8.1 General indemnity

The Grantor will indemnify and hold harmless the Grantee and its Nominee against any and all Liability in connection with any breach of this Deed by the Grantor.

8.2 Continuing indemnity and evidence of loss

- (a) Each indemnity contained in this Deed is a continuing obligation of the Grantor, despite:
 - (i) any settlement of account; or
 - (ii) the occurrence of any other thing.
- (b) Each indemnity of the Grantor contained in this Deed is an additional, separate and independent obligation of the Grantor and no one indemnity limits the generality of any other indemnity.
- (c) Each indemnity of the Grantor contained in this Deed survives the termination of this Deed.
- (d) A certificate signed by an officer of the Grantee detailing the amount of any loss covered by any indemnity in this Deed is conclusive evidence of such loss, unless the contrary is proved.

9 Undertakings of the Grantor

9.1 Property

- (a) From the Effective Date until the termination of this Deed, the Grantor must maintain, preserve and protect the Property and must, without limitation:
 - (i) remedy every defect in its title to any part of the Property;
 - (ii) take or defend all legal proceedings or other action necessary or desirable for the protection or recovery of any of the Property;
 - (iii) take out, maintain and keep in force any and all insurance required under the Related Agreement;
 - (iv) fully and punctually comply with and observe all applicable laws, all requirements and orders of any Government Agency where non-compliance or non-observance would or might impose some Encumbrance or restriction, disability or material liability, on any of the Property or prejudicially affect any power; and
 - (v) keep the Property valid and subsisting and free from liability to forfeiture, enforcement, cancellation, avoidance or loss.

- (b) The Grantor must not:
- (i) deal with, sell or otherwise dispose of or part with possession of;
 - (ii) create, permit, suffer to exist, or agree to, any Security Interest or Encumbrance, other than a Permitted Encumbrance in favour of the Grantee over; or
 - (iii) attempt to do anything listed in clause 9.1(b)(i) and (ii) in respect of, any of the property, rights, undertaking or assets of the Grantor other than in accordance with the Monitoring Licence or the Related Agreement, save for consumables, equipment or chattels to the extent that they need to be replaced as a consequence of a breakdown or fair wear and tear.

9.2 Term of undertakings

Each of the Grantor's undertakings in this clause 9 continue in full force and effect from the date of this Deed.

10 Termination

10.1 Termination

This Deed will terminate upon:

- (a) the written agreement of the parties;
- (b) completion of the purchase and sale of the Call Option Property;
- (c) the expiry of the Monitoring Licence, either via passage of time or by agreement between the parties;
- (d) the end of the Exercise Period; or
- (e) as otherwise provided for in this Deed.

10.2 Effect of termination

Termination of this Deed is without prejudice to any accrued rights and remedies of any party.

10.3 Clauses surviving termination

The parties' rights and obligations under clauses 1, 6, 7, 8, 10 and 12 survive the termination of this Deed.

11 Notices

11.1 Method

All notices, requests, demands, consents, approvals, offers, agreements or other communications ("**Notices**") given by a party under or in connection with this document must be:

- (c) in writing;
- (d) signed by a person duly authorised by the sender;
- (e) directed to the intended recipient's address (as specified in clause 11.3 or as varied by any Notice); and
- (f) hand delivered, sent by prepaid post or transmitted by facsimile to that address.

11.2 Receipt

A Notice given in accordance with this clause is taken as having been given and received:

- (g) if hand delivered, on delivery;
- (h) if sent by prepaid post:
 - (i) within Australia, on the second Business Day after the date of posting;
 - (ii) to or from a place outside Australia, on the seventh Business Day after the date of posting; or
- (i) if transmitted by facsimile, at the time recorded on the transmission report indicating successful transmission of the entire Notice,

but if the delivery or transmission is not on a Business Day or is after 5.00 pm (recipient's time) on a Business Day, the Notice is taken to be received at 9.00 am (recipient's time) on the next Business Day.

11.3 Address of parties

Unless varied by Notice, the parties' addresses and other details are:

Party: **Grantor**
Attention: Company Secretary
Address: Level 1, 283 Normanby Road, Port Melbourne 3207
Facsimile: +30 2 106 106 800

Party: **Grantee**
Attention: Minister for Gaming
Address: Level 16, 1 Spring Street, Melbourne 3000
Facsimile: +61 3 9938 5962
Copy to: Executive Director, Gaming and Racing, Department of Justice
Address: Level 29, 121 Exhibition Street, Melbourne
Facsimile: +61 3 8684 1977

12 Tax, costs and expenses

12.1 Tax

The Grantor:

- (a) must pay or reimburse the Grantee on demand for any Tax in respect of the Grantee, in respect of the execution, delivery, performance, release, discharge, amendment, enforcement or attempted enforcement or otherwise in respect of any of the following:
 - (i) this Deed;
 - (ii) any agreement or document entered into or signed under this Deed; and
 - (iii) any transaction contemplated under this Deed or any agreement or document described in clause 12.1(a)(ii); and
- (b) must pay any fine, penalty or other cost in respect of a failure to pay any Tax described in clause 12.1(a) except to the extent that the fine, penalty or other

cost is caused by the Grantee's failure to lodge money or documents received from that party at least 10 Business Days before the due date for lodgement.

12.2 Costs and expenses

Unless otherwise agreed in writing, the Grantor must pay all costs and expenses of the Grantee and any employee, officer, agent or contractor of the Grantee in relation to:

- (a) the enforcement, protection or waiver, or attempted or contemplated enforcement or protection, of any rights under this Deed or any agreement or document described in clause 12.1(a);
- (b) any consent, approval, inspection, calculation, waiver, release or discharge given under this Deed or any agreement or document described in clause 12.1(a);
- (c) any enquiry by any Government Agency involving the Grantor or any Related Body Corporate of the Grantor,

including any administration costs of the Grantee in connection with the matters referred to in clause 12.2(a) and 12.2(c) and any legal costs and expenses and any professional consultant's fees for any of the above on a full indemnity basis.

12.3 GST

- (a) Notwithstanding any other provision of this Deed, in the event that the Grantee must pay any GST on any supply made by it to the Grantor under or in connection with this Deed, the Grantee may, in addition to any amount or consideration payable under this Deed, recover from the Grantor an additional amount on account of that GST, such amount to be calculated by multiplying the relevant amount or consideration payable by the recipient for the relevant supply by the prevailing GST rate.
- (b) Notwithstanding any other provisions of this Deed, in the event that the Grantee must pay any GST in relation to a taxable supply that is made to it under or in connection with this Deed, the Grantee may in addition to any other amounts, recover from the Grantor that GST less the amount of any input tax credit to which the indemnitee is entitled in respect of that payment.
- (c) The Grantee must issue a tax invoice to the recipient of a supply referred to in clause 12.3(a) no later than 10 Business Days after payment by the recipient of the GST inclusive consideration for that supply.
- (d) Any additional amount on account of GST recoverable from the Grantor pursuant to clause 12.3(a) or clause 12.3(b) shall be calculated without any deduction or set-off of any other amount and is payable by the Grantor upon demand by the Grantee whether such demand is by means of an invoice or otherwise.

13 Unfettered discretion

The parties acknowledge and agree that:

- (a) nothing in a Transaction Document will in any way unlawfully restrict or otherwise unlawfully affect the unfettered discretion of the State to exercise any of its functions or powers pursuant to any legislation;
- (b) without limiting clause 13(a), anything which the State does, fails to do or purports to do pursuant to its functions and powers under any legislation will not be deemed to be an act or omission by the State under the Transaction Documents;
- (c) without limiting any express obligation of the State under the Transaction Documents, notwithstanding anything contained or implied in the Transaction Documents to the contrary, the parties expressly acknowledge and agree that the

State is not obliged in performing any of its duties and obligations under the Transaction Documents to exercise a power, function or duty which is granted to or within the responsibility of a Government Agency in the proper exercise and performance of its legal duties and functions;

(d) If there is any statement in the Transaction Documents that the State will:

- (i) act "reasonably";
- (ii) use "reasonable endeavours";
- (iii) take "reasonable steps";
- (iv) provide "reasonable assistance"; or
- (v) otherwise act in a reasonable manner,

in relation to an outcome, it means that the State will take steps to bring about the relevant outcome so far as it is reasonably able to do so, having regard to its resources and other responsibilities, but:

(vi) the State cannot guarantee the relevant outcome and no breach of the Transaction Documents will occur as a consequence of the outcome not occurring; and

(vii) the State does not agree to:

- (A) interfere with or influence the exercise of any statutory power or discretion by any body, including a Government Agency;
- (B) exercise a power or direction or otherwise act in a manner that promotes the objectives and expected outcomes of the Transaction Documents if the State regards that exercise as not in the public interest;
- (C) change, develop or implement policy or legislation in the future in a manner that is only consistent with the objectives and expected outcomes of the Transaction Documents; or
- (D) exercise a power or discretion or otherwise act in a manner that the State regards as not being in the public interest; and

(e) any term of the Transaction Documents which do or purport (in whole or part) to bind the State to exercise any of its executive powers or its functions or powers pursuant to any legislation must be interpreted subject to this clause 13.

14 General

14.1 Entire agreement

This document constitutes the entire agreement between the parties in relation to its subject matter. All prior discussions, undertakings, agreements, representations, warranties and indemnities in relation to that subject matter are replaced by this document and have no further effect.

14.2 No merger

The provisions of this document will not merge on completion of any transaction contemplated in this document and, to the extent any provision has not been fulfilled, will remain in force.

14.3 Attorneys

Each person who executes this document on behalf of a party under a power of attorney warrants that he or she has no notice of the revocation of that power or of any fact or

circumstance that might affect his or her authority to execute this document under that power.

14.4 Amendment

This document may not be amended or varied unless the amendment or variation is in writing signed by all parties.

14.5 Assignment

No party may assign, transfer or otherwise deal with this document or any right under this document without the prior written consent of each other party.

14.6 Severability

Part or all of any provision of this document that is illegal or unenforceable will be severed from this document and will not affect the continued operation of the remaining provisions of this document.

14.7 Waiver

Waiver of any power or right under this document:

- (a) must be in writing signed by the party entitled to the benefit of that power or right; and
- (b) is effective only to the extent set out in that written waiver.

14.8 Rights, remedies additional

Any rights and remedies that a person may have under this document are in addition to and do not replace or limit any other rights or remedies that the person may have.

14.9 Further assurances

Each party must do or cause to be done all things necessary or reasonably desirable to give full effect to this document and the transactions contemplated by it (including, but not limited to, the execution of documents).

14.10 Costs

Each party must bear its own legal, accounting and other costs for the preparation and execution of this document.

14.11 Counterparts

This document may be executed in any number of counterparts and all counterparts taken together will constitute one document.

14.12 Governing law and jurisdiction

This document will be governed by and construed in accordance with the laws in force in the State of Victoria and each party submits to the exclusive jurisdiction of the courts of that State.

14.13 Electronic delivery of documents

If a party delivers an executed counterpart of this Deed or any other document executed in connection with it ("**Relevant Document**") by facsimile or other electronic means:

- (a) the delivery will be deemed to be an effective delivery of an originally executed counterpart; and
- (b) the party will still be obliged to deliver an originally executed counterpart, but the failure to do so will not affect the validity or effectiveness of the Relevant Document.

ANNEXURE - VALUATION PRINCIPLES

The Valuer shall determine the value that a willing purchaser would pay for the item, taking into account the written down value of the:

- (a) item as disclosed in the most recent audited accounts of the Monitoring Licensee;
and
- (b) the residual value of the item as calculated using the Pricing Model set out in Schedule 12 of the Related Agreement as at the date of valuation,

but not taking into account any premium that might be paid having regard to the unique nature of the asset as a part of the system for the provision of Monitoring Services in Victoria.

SIGNED SEALED and DELIVERED by the)
Minister for Gaming, the Honourable)
Michael O'Brien MP, for an on behalf of)
the Crown in the right of the State of
Victoria in the presence of



Signature of witness

LUKE TOBIN

Name of witness (print)



SIGNED SEALED and DELIVERED by)
Intralot Gaming Services Pty Ltd ACN)
136 875 673 in accordance with section)
127 of the Corporations Act 2001



Signature of director/secretary

ATHANASIOS BAOSTANOS

Name of director/secretary (print)



Signature of director/secretary

CRAIG RICHARD DURHAM

Name of director/secretary (print)

Schedule 9 - Fixed and Floating Charge

The Minister for Gaming for and on behalf of the Crown in right of the State of Victoria

and

Intralot Gaming Services Pty Ltd

ACN 136 875 673

Fixed and Floating Charge

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THIS DEED is made on

17 OCT 2011

2011

PARTIES

The Minister for Gaming for and on behalf of the Crown in right of the State of Victoria
of Level 16, 1 Spring Street, Melbourne, 3000
("Chargee")

and

Intralot Gaming Services Pty Ltd
ACN 136 875 673
of Level 1, 283 Normanby Road, Port Melbourne 3207,
("Chargor")

BACKGROUND

- A The Chargor is the legal and beneficial owner of the Charged Property.
- B The Chargor has agreed to charge the Charged Property to the Chargee to secure payment of the Secured Moneys and performance of the Chargor's Obligations.

AGREED TERMS

1 Interpretation

1.1 Definitions

Unless the contrary intention appears, any capitalised terms have the meaning given to those terms in the Monitoring Licence or Related Agreement or as defined below:

"Act" means the *Gambling Regulation Act 2003* (Vic) and Regulations, as amended from time to time.

"Attorney" means each attorney appointed by the Chargor under clause 9.

"Authorisation" includes:

- (a) any consent, registration, filing, agreement, notarisation, certificate, licence, approval, permit, authority or exemption from, by or with a Government Agency; or
- (b) any consent or authorisation regarded as given by a Government Agency due to the expiration of the period specified by a statute within which the Government Agency should have acted if it wished to proscribe or limit anything already lodged, registered or notified under that statute.

"Authorised Officer" means:

- (a) in respect of the Chargee or the Chargor, any person, or any person holding any position, from time to time nominated as an Authorised Officer by the Chargee or the Chargor by notice in writing from a director or secretary of the Chargee or the Chargor to the other, such notice to be accompanied by certified copies of signatures of all persons so appointed; and

- (b) in respect of the Chargee or the Chargor, any person whose title of office includes the word Manager, President or Director or cognate expressions (including any person acting in any such office).

“Bank” means a corporation authorised by law to carry on the general business of banking in Australia.

“Business Day” means a day on which Banks are open for general banking business in Melbourne, excluding Saturdays, Sundays and public holidays.

“Call Option Deed” means the Call Option Deed between the Chargor and the Chargee dated on or about the date of this Deed.

“Charge” means the security created by this Deed.

“Charged Property” means all the Chargor’s rights, assets, property and undertaking of whatever kind and wherever situated whether present or future including, without limitation, its uncalled and called but unpaid capital (including any unpaid share premiums) for the time being, the goodwill of its business, all its freehold and leasehold property, plant, equipment, chattels, machinery, furniture, moneys and fixed assets, all of its Intellectual Property, Rights, all of its right, title and interest in the Software and Software Package and in any contract, licence, and agreement, its choses in action and the proceeds of any activity carried on by the Chargor;

“Chargor’s Obligations” means any and all of the obligations owed to the Chargee under any Transaction Document.

“Collateral Security” means any present or future guarantee, Encumbrance, Security Interest or other document or agreement given to or held by the Chargee which secures or purports to secure the performance of any of the Chargor’s Obligations or payment of the whole or any part of the Secured Moneys.

“Controller” means, in relation to a person's property:

- (a) a receiver or receiver and manager of that property; or
- (b) anyone else who (whether or not as agent for the person) is in possession, or has control of that property to enforce an Encumbrance.

“Corporations Act” means the *Corporations Act 2001* (Cth).

“Deed” means this deed of charge.

“Encumbrance” means any mortgage, lien, hypothecation, charge (whether fixed or floating), bill of sale, caveat, pledge, claim, trust arrangement, preferential right, right of set-off, title retention or other form of encumbrance.

“Enforcing Party” means the Chargee or any Receiver, agent, administrator, Attorney or Controller appointed under this Deed or any applicable law.

“Event of Default” means the suspension or cancellation of the Monitoring Licence in accordance with the Act and the Related Agreement or the purported surrender of the Monitoring Licence without the prior written consent of the Minister.

“Finally Paid” means payment of the Secured Moneys in full to the satisfaction of the Chargee.

“Government Agency” means:

- (a) a government or government department;

- (b) a governmental, semi-governmental, regulatory or judicial entity or authority; or
- (c) a person (whether autonomous or not) who is charged with the administration of a law.

“Guarantee” means any guarantee, indemnity, bond, suretyship, letter of credit, letter of comfort, undertaking or any other obligation or irrevocable offer (whatever called and of whatever nature):

- (a) to provide funds (whether by the advance or payment of money, the purchase of or subscription for shares or other securities, the purchase of assets or services, or otherwise) for the payment or discharge of;
- (b) to indemnify any person against the consequences of default in the payment of; or
- (c) to be responsible for,

any debt, obligation or Liability of a Security Provider or the assumption of any responsibility or obligation in respect of the insolvency or the financial condition of any other person.

“Insolvency Event” means the occurrence of any of the following events in relation to any person:

- (a) the person becomes insolvent as defined in the Corporations Act, states that it is insolvent or is presumed to be insolvent under an applicable law;
- (b) the person is wound up, dissolved, struck off or deregistered or declared bankrupt;
- (c) the person becomes an insolvent under administration as defined in the Corporations Act;
- (d) a liquidator, provisional liquidator, Controller, administrator, trustee for creditors, trustee in bankruptcy or other similar person is appointed to, or takes possession or control of, any or all of the person’s assets or undertaking;
- (e) the person enters into or becomes subject to:
 - (i) any arrangement or composition with its creditors generally or any assignment for the benefit of its creditors generally; or
 - (ii) any re-organisation, moratorium, deed of company arrangement or other administration involving one or more of its creditors;
- (f) an order is made or resolution passed to wind up the person;
- (g) the person is taken, under section 459F(1) of the Corporations Act, to have failed to comply with a statutory demand;
- (h) the person suspends payment of its debts, ceases or threatens to cease to carry on all or a material part of its business or becomes unable to pay its debts when they fall due; or
- (i) anything occurs under the law of any jurisdiction which has a substantially similar effect to any of the other paragraphs of this definition,

“Liability” means any debt or other monetary liability or penalty, fine or payment or any damages, losses, indebtedness, costs, break costs, charges, outgoings or expenses of whatever description.

“Loss” means a loss, claim, action, damage, liability, cost, charge, expense, penalty, compensation, fine, outgoing or payment suffered, paid or incurred.

“Monitoring Licence” means the Licence issued by the Chargee to the Chargor pursuant to the Act.

“Officer” has the meaning given to that term by section 9 of the Corporations Act.

“Permitted Encumbrance” means:

- (a) each Security; and
- (b) any other Encumbrance agreed in writing by the Chargee to be a Permitted Encumbrance.

“Power” means any right, power, authority, discretion, opinion or remedy conferred on an Enforcing Party by this Deed or any applicable law.

“Receiver” means any receiver or manager appointed under this Deed.

“Related Agreement” means the Monitoring Licence Related Agreement entered into by the Chargee pursuant to the *Gambling Regulation Act 2003 (Vic)* with the Chargor.

“Related Body Corporate” has the meaning given to that term by section 9 of the Corporations Act.

“Secured Moneys” means all moneys which the Chargor either alone or with any other person presently or in the future becomes actually prospectively or contingently liable to pay (whether as principal debtor or surety or otherwise) to or for the account of the Chargee, the State and/or the Commission whether jointly, severally or jointly and severally on any account whatsoever under or in relation to or in connection with any Transaction Document (including without limitation by way of fees, costs, charges, expenses, indemnity or damages).

“Security” means:

- (a) this Charge;
- (b) this Deed;
- (c) the Deed of Guarantee;
- (d) any Guarantee; and
- (e) any other Collateral Security.

“Security Interest” means any mortgage, pledge, lien or charge or any security or preferential interest or arrangement of any kind. It includes:

- (a) anything which gives a creditor priority to other creditors with respect to any asset; and
- (b) retention of title other than in the ordinary course of day-to-day trading and a deposit of money by way of security.

“Security Licence” means all the right, title and interest (to the extent assignable) of the Chargor in all or any Authorisations granted or issued to, or otherwise held by, it in relation to or in connection with the Charged Property.

“Security Provider” means each of:

- (a) the Chargor;
- (b) any person who provides a Guarantee; and

- (c) any other person who provides a Security in favour of the Chargee from time to time.

“**Subsidiary**” has the meaning given to that term by section 9 of the Corporations Act.

“**Tax**” means any tax, levy, impost, duty, charge, deduction, compulsory loan or withholding of whatever kind (together with any related interest, penalty, fine or expense) that is imposed by law or any Government Agency.

“**Title Document**” means any present or future original, duplicate or counterpart:

- (a) certificate or document of title;
- (b) certificate or document relating to title; or
- (c) certificate or document relating to use, possession, disposition, devolution or acquisition of property,

including, but not limited to, any real property certificate of title, grant, conveyance, assurance, deed, map, plan, survey, will, probate, abstract of title, insurance policy, certificate of currency, valuation or report relating to the Charged Property.

“**Transaction Document**” means:

- (a) this Charge;
- (b) the Monitoring Licence;
- (c) the Related Agreements;
- (d) the Call Option Deed;
- (e) each Tripartite Deed;
- (f) any Security;
- (g) any other document or agreement that the parties agree is a Transaction Document; and
- (h) any document entered into or given under or in connection with or for the purpose of amending or novating any Transaction Document.

“**Tripartite Deed**” means each tripartite deed entered into by the Chargee, the Chargor and a third party from time to time.

1.2 Words and expressions

In this Deed, unless the context requires otherwise:

- (a) the singular includes the plural and vice versa;
- (b) words denoting any gender include all genders;
- (c) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (d) a reference to a party, clause, paragraph, schedule or annexure is a reference to a party, clause, paragraph, schedule or annexure to or of this Deed;
- (e) a reference to this Deed includes any schedules or annexures;
- (f) headings are for convenience and do not affect interpretation;
- (g) the background or recitals to this Deed are adopted as and form part of this Deed;

- (h) a reference to any document or agreement includes a reference to that document or agreement as amended, novated, supplemented, varied or replaced from time to time;
- (i) a reference to "\$", "A\$" or "dollar" is a reference to Australian currency;
- (j) a reference to a time is a reference to Australian Eastern Standard Time;
- (k) a reference to a party includes its executors, administrators, successors, substitutes (including persons taking by novation) and permitted assigns;
- (l) a reference to writing includes any method of representing words, figures or symbols in a permanent and visible form;
- (m) words and expressions denoting natural persons include bodies corporate, partnerships, associations, firms, governments and governmental authorities and agencies and vice versa;
- (n) a reference to any legislation or to any provision of any legislation includes:
 - (i) any modification or re-enactment of the legislation;
 - (ii) any legislative provision substituted for, and all legislation, statutory instruments and regulations issued under, the legislation or provision; and
 - (iii) where relevant, corresponding legislation in any Australian State or Territory;
- (o) no rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this Deed or any part of it; and
- (p) the words "including", "for example", "such as" or other similar expressions (in any form) are not words of limitation.

1.3 Other rules of interpretation

In this Deed, unless expressly provided otherwise:

- (a) **(method of payment)** any payment of money by one party to another will be made in Australian currency by bank cheque;
- (b) **(consents and approvals)** if the doing of any act, matter or thing requires the consent, approval or agreement of any party, that consent, approval or agreement may be given conditionally or unconditionally or withheld in that party's absolute discretion;
- (c) **(joint and several liability)** a promise, representation or warranty given by or in favour of two or more persons under this Deed is given by them or for their benefit jointly and severally;
- (d) **(Business Days)** if:
 - (i) the day on or by which any act, matter or thing is to be done is a day other than a Business Day, the act, matter or thing will be done on the next Business Day; and
 - (ii) any money falls due for payment on a date other than a Business Day, that money will be paid on the next Business Day (without interest or any other amount being payable in respect of the intervening period); and
- (e) **(inconsistency within Deed)** if a clause of this Deed is inconsistent with a schedule or annexure of this Deed, the clause prevails to the extent of the inconsistency.

1.4 Number

The singular includes the plural and vice versa.

1.5 Headings

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of this Deed.

2 Charge

2.1 Charge

The Chargor charges all of its interest in the Charged Property to the Chargee as security for:

- (a) the due and punctual payment of the Secured Moneys; and
- (b) the due and punctual performance of the Chargor's Obligations.

2.2 Priority

Subject to the Permitted Encumbrances, if any, the parties intend that the Charge take priority over all other Encumbrances over the Charged Property.

2.3 Nature of Charge

The Charge is:

- (a) a fixed charge over the following Charged Property:
 - (i) any freehold or leasehold property or any other interest in real property, fixtures, plant and equipment (other than stock in trade);
 - (ii) any uncalled or called but unpaid capital or premiums of the Chargor;
 - (iii) any Encumbrance over any real or personal property or any Guarantee;
 - (iv) any Title Document and any other documents evidencing a right to the possession of any real or personal property;
 - (v) any joint venture interest in which the Chargor is a joint venturer;
 - (vi) any insurance policy in relation to the Charged Property including, but not limited to, any proceeds from that insurance policy;
 - (vii) any marketable securities;
 - (viii) any Intellectual Property Rights;
 - (ix) the Software;
 - (x) the Software Package;
 - (xi) any Security Licence;
 - (xii) the Records;
 - (xiii) any book debt or other debt (but not the proceeds of those debts);
 - (xiv) any other property, rights, undertaking or assets of the Chargor save for consumables, equipment or chattels to the extent that they need to be replaced as a consequence of a breakdown or fair wear and tear; and
- (b) a floating charge over all other Charged Property.

2.4 Crystallisation

The floating charge created in clauses 2.1 and 2.3(b) automatically and immediately crystallises and becomes fixed:

- (a) without the Chargee giving any notice to the Chargor:
 - (i) the occurrence of an Event of Default;

- (ii) when the law provides that the floating charge becomes a fixed charge;
 - (iii) when a Receiver or any other Controller is appointed in respect of any of the Charged Property;
 - (iv) when the Charge or any other Encumbrance over any of the Charged Property is enforced in any other way;
 - (v) when a notice under Subdivision 260-A of Schedule 1 of the *Taxation Administration Act 1953* (Cth) or under similar legislation in respect of the Chargor is signed by, or on behalf of, the Commissioner of Taxation or the Deputy Commissioner of Taxation;
 - (vi) when an Insolvency Event occurs in relation to the Chargor;
 - (vii) when the Chargor breaches clause 5.6;
 - (viii) in respect of an item of Charged Property, when any step is taken (including, without limitation, signing a notice) to create, issue, levy or enforce any distress, attachment, execution, statutory assignment, statutory charge or other similar right or process against or upon that Charged Property;
 - (ix) in respect of an item of Charged Property, when any Encumbrance over any of that Charged Property is, or becomes capable of being, enforced or any floating Encumbrance over any of that Charged Property crystallises or otherwise becomes a fixed Encumbrance; or
- (b) in respect of the proceeds of any book debt or other debt or other moneys now or in the future payable to the Chargor and which are the subject of the floating charge, when notice in respect of any of those proceeds or moneys is given to the Chargor by the Chargee upon or at any time after the occurrence of an Event of Default; or
 - (c) in respect of any asset forming part of the Charged Property when the Chargee gives notice in respect of that asset to the Chargor upon or at any time after the occurrence of an Event of Default; or
 - (d) if at any time after the Chargee gives the Chargor notice, the Chargee is of the reasonable opinion that any of the Charged Property may be at risk of being seized, sold or becoming the subject of any Encumbrance, distress or execution.

2.5 De-crystallisation

- (a) Where an asset has become subject to a fixed charge under clause 2.4, the Chargee may release the asset from that fixed charge by notice in writing to the Chargor.
- (b) When an asset is released from the fixed charge under clause 2.5(a), the asset will again be subject to:
 - (i) the floating charge under clauses 2.1 and 2.3; and
 - (ii) the further operation of clause 2.4.

2.6 Prospective liability

- (a) For the purposes only of fixing priorities under section 282(3) of the Corporations Act, the maximum amount of the prospective liability secured by this Deed is \$30,000,000.
- (b) The Chargee may from time to time lodge a notice under section 268(2) of the Corporations Act on behalf of the Chargor specifying an increase in the maximum amount of the prospective liability referred to in clause 2.6(a) and from the date of lodgement the amount specified in clause 2.6(a) is to be regarded as varied to the amount specified in that notice.

- (c) Neither clause 2.6(a) nor clause 2.6(b) in any way affects or limits the actual amount of Secured Moneys which may in fact be secured by the Charge.
- (d) Clauses 2.6(a), 2.6(b) and 2.6(c) are to be construed independently of each other.

3 Discharge of the Charge

- (a) At the written request of the Chargor, the Chargee must discharge the Charge if:
 - (i) the Secured Moneys have been Finally Paid; and
 - (ii) the Chargor has fully observed and performed all of the Chargor's Obligations.
- (b) Clause 3(a) overrides any other clause to the contrary in this Deed.
- (c) The parties intend that clause 3(a) or any part thereof be severed from this Deed if clause 3(a) or any part thereof, is void or unenforceable under applicable law.
- (d) The parties do not intend clause 3(c) to exclude the general law of severance from applying to this Deed.

4 Representations and warranties

4.1 Chargor

The Chargor represents and warrants that:

- (a) **(status)** it is a body corporate duly incorporated under the laws of the place of its incorporation;
- (b) **(power)** it has full legal capacity and power to:
 - (i) own property and carry on its business; and
 - (ii) enter into and perform its obligations under this Deed;
- (c) **(authorisations)** it has taken all corporate and other action required and obtained or been granted all consents, approvals, permissions and authorisations, whether internal or external, necessary to enable it to enter into and perform its obligations under this Deed;
- (d) **(binding obligations)** this Deed constitutes a valid and legally binding obligation of it in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally);
- (e) **(no contravention)** the execution, delivery and performance of this Deed will not contravene:
 - (i) any law, regulation, order, judgment or decree of any court or Government Agency which is binding on it or any of its property;
 - (ii) any provision of its constitution or equivalent documents; or
 - (iii) any agreement, undertaking or instrument which is binding on it or any of its property;
- (f) **(no litigation)** no litigation, arbitration, mediation, conciliation, criminal, civil or administrative proceedings are current, pending or (to the knowledge of any of its officers after due inquiry) threatened which, if adversely determined, would or could have a material adverse effect on its ability to perform its obligations under any Transaction Document;

- (g) **(assets free of Security Interests)** its assets are free of any Security Interest other than any Permitted Encumbrance;
- (h) **(no untrue statements of fact)** no representation, warranty or other information provided by it contains any untrue statement of material fact or omits to state a material fact necessary to ensure that the representation, warranty or information is not misleading;
- (i) **(information accurate)** all information provided by it to the Chargee in connection with the Transaction Documents is accurate in all respects and not deficient, misleading or deceptive in any respect (whether by its inclusion or by the omission of other information);
- (j) **(no breach of representation or warranty)** the Chargor is not in breach of any representation, warranty, covenant or obligation provided in any Transaction Document; and
- (k) **(no trust)** it does not act as a trustee of any trust or settlement or as nominee of any partnership, joint venture, entity or other person.

4.2 Reliance

The Chargor acknowledges that it has not entered into this Deed in reliance on any representation, warranty, promise or statement made by the Chargee or any person on behalf of the Chargee.

4.3 Representations and warranties repeated

Each representation and warranty in this Deed:

is repeated, with reference to the facts and circumstances at the time on each day on which there are outstanding obligations of the Chargor under any Transaction Document which has not been satisfied; and

applies in its current form when repeated, despite any contrary disclosure by a Chargor or any other person, unless the Chargee agrees to waive it.

5 Undertakings of the Chargor

5.1 Secured Moneys & Chargor's Obligations

The Chargor must:

- (a) pay the Secured Moneys in accordance with the Transaction Documents; and
- (b) perform or ensure performance of each of the Chargor's Obligations.

5.2 Charged Property

The Chargor must maintain, preserve and protect the Charged Property and must, without limitation:

- (a) remedy every defect in its title to any part of the Charged Property;
- (b) take or defend all legal proceedings or other action necessary or desirable for the protection or recovery of any of the Charged Property;
- (c) fully and punctually comply with and observe all applicable laws, all requirements and orders of any Government Agency where non-compliance or non-observance would or might impose an Encumbrance or restriction, disability or material liability, on any of the Charged Property or prejudicially affect any Power; and
- (d) keep the Charged Property valid and subsisting and free from liability to forfeiture, enforcement, cancellation, avoidance or loss.

5.3 Further security

- (a) The Chargor must, whenever requested by the Chargee, do or cause to be done anything which:
 - (i) more satisfactorily (in the reasonable opinion of the Chargee) secures the priority of this Charge; or
 - (ii) is necessary in the exercise of any Power of the Chargee, including, but not limited to, the execution of any document, the delivery of Title Documents or the execution and delivery of blank transfers.
- (b) Without limiting the generality of clause 5.3(a), at the request of the Chargee, the Chargor must execute a legal or statutory mortgage over any real property now held or acquired by the Chargor on or after the date of this Deed.
- (c) The Chargor must register any mortgage executed under clause 5.3(b).
- (d) Any mortgage executed under clause 5.3(b) must:
 - (i) be in favour of the Chargee; and
 - (ii) be in the form and substance required by the Chargee.

5.4 Title Documents

- (a) The Chargor must deposit with the Chargee, or as the Chargee directs, all the Title Documents in respect of any of the Charged Property which is subject to the fixed charge created in clauses 2.1 and 2.3:
 - (i) on the date of this Deed in respect of the Charged Property that is held by the Chargor on the date of this Deed;
 - (ii) immediately upon the acquisition of any asset which forms part of the Charged Property and is subject to the fixed charge created in clauses 2.1 and 2.3; and
 - (iii) on the crystallisation and fixing for any reason of the floating charge created in clauses 2.1 and 2.3.
- (b) Subject to clause 5.4(c), the Chargee may retain the Title Documents until the Charge in respect of all the Charged Property is discharged under clause 3.
- (c) If the Charge is enforced by the Chargee, an Enforcing Party is entitled:
 - (i) to deal with the Title Documents as if it was the absolute and unencumbered owner of the Charged Property to which the Title Documents relate; and
 - (ii) in exercising a power of sale, to deliver any Title Document to a purchaser of the Charged Property to which it relates.

5.5 Registration and protection of security

- (a) The Chargor must ensure that this Deed is registered and filed in all registers in all jurisdictions in which it must be registered and filed to ensure enforceability, validity and priority against all persons and to be effective as a security.
- (b) Whenever any part of the Charged Property is transferred to or retained in a place where this Deed, because of an increase in the Secured Moneys or otherwise, bears insufficient stamp duty or is not registered or recorded or for any other reason, is of limited or of no force or effect, unenforceable, inadmissible in evidence or of reduced priority, the Chargor must within 10 Business Days after that transfer or retention ensure that this Deed is:
 - (i) stamped to the satisfaction of the Chargee;

- (ii) in full force and effect, enforceable, admissible in evidence and not of reduced priority; and
- (iii) registered in that place, or that part of the Charged Property is removed from that place.

5.6 Negative pledge

- (a) Subject to clause 5.6(b), the Chargor must not:
 - (i) deal with, sell or otherwise dispose of or part with possession of;
 - (ii) create, permit, suffer to exist, or agree to, any Security Interest or Encumbrance, other than a Permitted Encumbrance in favour of the Chargee over; or
 - (iii) attempt to do anything listed in clause 5.6(a)(i) and (ii) in respect of, any of the Charged Property including, but not limited to, any book debt or other debt without the prior written consent of the Chargee, save for the replacement of any equipment, chattels and consumables where necessary as a consequence of breakdown, repair or fair wear and tear.
- (b) The Chargor may, only in the ordinary course of its ordinary business, deal with, sell or otherwise dispose of or part with possession of any of the Charged Property which is subject to the floating charge created in clauses 2.1 and 2.3.
- (c) The Chargor must not, without the prior written consent of the Chargee, acquire an asset to form part of the Charged Property which is subject to an existing Encumbrance, or which will become subject to an Encumbrance (except in favour of the Chargee) when the Chargor acquires the asset.
- (d) The Chargor must not, without the prior written consent of the Chargee, enter into or become bound by any agreement, contract, undertaking or arrangement with any person other than the Chargee in relation to the Charged Property which:
 - (i) is on similar terms or has a similar effect (whether broader or more restrictive) to clause 5.6(a) or clause 5.6(c); or
 - (ii) if complied with, would prevent the Chargor or any other person from complying with all of its obligations under this Deed.

5.7 Term of undertakings

Each of the Chargor's undertakings in this clause 5 continue in full force and effect from the date of this Deed until the Charge in respect of all the Charged Property is discharged under clause 3.

6 Enforcement

6.1 When enforceable

- (a) Upon the occurrence of an Event of Default:
 - (i) the Charge is immediately enforceable; and
 - (ii) the Secured Moneys are immediately due and payable by the Chargor.
- (b) Subject to clause 2.5, the right of the Chargor to deal, for any purpose, with any of the Charged Property, other than by or through a Receiver appointed under this Deed, immediately ceases on the crystallisation of the Charge in respect of all of the Charged Property.
- (c) Subject to clause 2.5, the right of the Chargor to deal, for any purpose, with any asset which forms part of the Charged Property, other than by or through a

Receiver appointed under this Deed, immediately ceases on the crystallisation of the Charge in respect of that asset.

6.2 Assistance in realisation

After the Charge has become enforceable, the Chargor must take all action required by an Enforcing Party to assist that Enforcing Party to realise the Charged Property and exercise any Power including, but not limited to:

- (a) executing all transfers, conveyances, assignments and assurances of any of the Charged Property;
- (b) doing anything necessary or desirable under the law in force in any place where the Charged Property is situated;
- (c) giving all notices, orders, directions and consents which an Enforcing Party thinks expedient; and
- (d) doing anything necessary:
 - (i) for a call to be made on the uncalled capital of the Chargor; or
 - (ii) to collect all called but unpaid capital of the Chargor.

7 Receiver

7.1 Appointment of Receiver

Upon or at any time after the occurrence of an Event of Default, the Chargee may:

- (a) appoint any person or any two or more persons jointly, or severally, or jointly and severally to be a Receiver or a receiver and manager of the Charged Property;
- (b) remove any Receiver and on the removal, retirement or death of any Receiver, appoint another Receiver; and
- (c) fix the remuneration and direct payment of that remuneration and any costs, charges and expenses of the Receiver out of the proceeds of any realisation of the Charged Property.

7.2 Agency of Receiver

- (a) Subject to clause 7.5, each Receiver is the agent of the Chargor.
- (b) The Chargor is responsible for the acts, defaults and remuneration of the Receiver.

7.3 Powers of Receiver

Subject to any express exclusion by the terms of the Receiver's appointment, the Receiver has, in addition to any powers conferred on the Receiver by applicable law, power to do any of the following whether or not in possession of the Charged Property or any part of it:

- (a) **(manage, possession or control)** to manage, enter into possession or assume control of any of the Charged Property and deal with or dispose of any of the Charged Property as it deems necessary;
- (b) **(lease or licence)** to accept the surrender of, determine, grant or renew any lease or licence in respect of the use or occupation of any of the Charged Property:
 - (i) on any terms or special conditions that the Chargee or Receiver thinks fit; and

- (ii) in conjunction with the sale, lease or licence of any other property by any person;
- (c) **(sale)** to sell or concur in selling any of the Charged Property to any person:
 - (i) by auction, private treaty or tender;
 - (ii) on such terms and special conditions as the Chargee or the Receiver thinks fit;
 - (iii) for cash or for a deferred payment of the purchase price, in whole or in part, with or without interest or security;
 - (iv) in conjunction with the sale of any property by any other person; and
 - (v) in one lot or in separate parcels;
- (d) **(grant options to purchase)** to grant to any person an option to purchase any of the Charged Property;
- (e) **(acquire property)** to acquire any interest in any property, in the name or on behalf of the Chargor, which on acquisition forms part of the Charged Property;
- (f) **(carry on business)** to carry on or concur in carrying on any business of the Chargor in respect of the Charged Property;
- (g) **(borrowings and security)**
 - (i) to raise or borrow any money, in its name or the name or on behalf of the Chargor, from the Chargee or any person approved by the Chargee in writing; and
 - (ii) to secure money raised or borrowed under clause 7.3(g)(i) by an Encumbrance over any of the Charged Property, ranking in priority to, equal with, or after, the Charge or any other Security;
- (h) **(maintain or improve Charged Property)** to do anything to maintain, protect or improve any of the Charged Property including, but not limited to, completing, repairing, erecting a new improvement on, demolishing or altering any of the Charged Property;
- (i) **(income and bank accounts)** to do anything to manage or obtain income or revenue from any of the Charged Property including, but not limited to, operating any bank account which forms part of the Charged Property or opening and operating a new bank account;
- (j) **(access to Charged Property)** to have access to any of the Charged Property, the premises at which the business of the Chargor is conducted and any of the administrative services of the business of the Chargor;
- (k) **(insure Charged Property)** to insure any of the Charged Property;
- (l) **(sever fixtures)** to sever fixtures in respect of any of the Charged Property;
- (m) **(compromise)** to make or accept any compromise or arrangement;
- (n) **(surrender Charged Property)** to surrender or transfer any of the Charged Property to any person;
- (o) **(exchange Charged Property)** to exchange with any person any of the Charged Property for any other property whether of equal value or not;
- (p) **(employ or discharge)** to employ or discharge any person as an employee, contractor, agent, professional advisor or auctioneer for any of the purposes of this Deed;
- (q) **(delegate)** to delegate to any person any Power of the Receiver;

- (r) **(perform or enforce documents)** to observe, perform, enforce, exercise or refrain from exercising any right, power, authority, discretion or remedy of the Chargor under, or otherwise obtain the benefit of:
 - (i) any document, agreement or right which attaches to or forms part of the Charged Property; and
 - (ii) any document or agreement entered into in exercise of any Power by the Receiver;
- (s) **(receipts)** to give effectual receipts for all moneys and other assets which may come into the hands of the Receiver;
- (t) **(take proceedings)** to commence, discontinue, prosecute, defend, settle or compromise in its name or the name or on behalf of the Chargor, any proceedings including, but not limited to, proceedings in relation to any insurance in respect of any of the Charged Property;
- (u) **(insolvency proceedings)** to make any debtor bankrupt, wind-up any company, corporation or other entity and do all things in relation to any bankruptcy or winding-up which the Receiver thinks necessary or desirable including, but not limited to, attending and voting at creditors' meetings and appointing proxies for those meetings;
- (v) **(execute documents)** to enter into and execute any document or agreement in the name of the Receiver or the name or on behalf of the Chargor including, but not limited to, bills of exchange, cheques or promissory notes for any of the purposes of this Deed;
- (w) **(make calls)** to make calls on any member of the Chargor in respect of uncalled capital of the Chargor;
- (x) **(vote)** to exercise any voting rights or powers in respect of any part of the Charged Property;
- (y) **(collect called capital)** to collect or enforce payment of any called but unpaid capital of the Chargor whether or not the calls were made by the Receiver;
- (z) **(ability of Chargor)** to do anything the Chargor could do in respect of the Charged Property to the exclusion of the Chargor;
- (aa) **(lend)** to lend money or provide financial accommodation;
- (bb) **(vary and terminate agreements)** to vary, rescind or terminate any document or agreement;
- (cc) **(promote companies)** to promote the formation of companies with a view to purchasing any of the Charged Property or assuming the obligations of the Chargor or otherwise;
- (dd) **(other outgoings)** to pay any outgoings or indebtedness of the Chargor or any other person;
- (ee) **(Encumbrances)** to redeem any Encumbrance or acquire it and any debt secured by it;
- (ff) **(insurance claims)** to make, enforce, compromise and settle all claims in respect of insurance;
- (gg) **(Authorisation)** to apply for, renew or obtain any Authorisation; and
- (hh) **(incidental power)** to do anything necessary or incidental to the exercise of any Power of the Receiver.

7.4 Nature of Receiver's Powers

The Powers of the Receiver must be construed independently and no one Power limits the generality of any other Power. Any dealing under any Power of the Receiver will be on the terms and conditions the Receiver thinks fit.

7.5 Status of Receiver after commencement of winding-up

- (a) The power to appoint a Receiver under clause 7.1 may be exercised even if at the time an Event of Default occurs or is subsisting or if at the time a Receiver is appointed, an order has been made or a resolution has been passed for the winding-up of the Chargor.
- (b) If for any reason, including, but not limited to operation of law, a Receiver:
 - (i) appointed in the circumstances described in clause 7.5(a); or
 - (ii) appointed at any other time,ceases to be the agent of the Chargor upon or by virtue of, or as a result of, an order or a resolution being passed for the winding-up of the Chargor, then the Receiver immediately becomes the agent of the Chargee.

7.6 Powers exercisable by the Chargee

- (a) Whether or not a Receiver is appointed under clause 7.1, the Chargee may, on or after the occurrence of an Event of Default which is subsisting and without giving notice to any person, exercise any Power of the Receiver in addition to any Power of the Chargee.
- (b) The exercise of any Power by any Enforcing Party does not cause or deem such Enforcing Party:
 - (i) to be a mortgagee in possession;
 - (ii) to account as mortgagee in possession; or
 - (iii) to be answerable for any act or omission for which a mortgagee in possession is liable.

7.7 Notice of exercise of rights

An Enforcing Party is not required:

- (a) to give notice of the Charge or any other Security to any debtor or creditor of the Chargor or to any other person;
- (b) to enforce payment of any money payable to the Chargor including, but not limited to, any of the debts or monetary liabilities charged by this Deed or by any other Security; or
- (c) to obtain the consent of the Chargor to any exercise of a Power.

7.8 Termination of receivership and possession

The Chargee may, at any time, terminate the appointment of a Receiver and may, at any time, give up possession of any of the Charged Property.

8 Application and receipts of money

8.1 Order of application

At any time after this Charge is enforceable, all money received by an Enforcing Party or any other person acting on its behalf under this Deed or any Collateral Security must be appropriated and applied as follows:

- (a) **(first)** towards satisfaction of amounts (if any) which become owing or payable by the Chargor to an Enforcing Party under this Deed or any Collateral Security (except the Receiver's remuneration);
- (b) **(second)** if a Receiver is appointed, towards satisfaction of the Receiver's remuneration;
- (c) **(third)** towards satisfaction of the Secured Moneys in the manner and order which the Chargee determines in its absolute discretion; and
- (d) **(fourth)** to the extent not otherwise applied, to the Chargor or any other person entitled to it. In particular, the Chargee may pay the balance of the money to a person with a subsequent Encumbrance over the Charged Property whether registered or not, or may pay it into court by way of interpleader without incurring liability to the Chargor.

8.2 Interest on money available for application

Money available for application under clause 8.1(c) will not bear interest. The Enforcing Party may discharge its liability to account for it by crediting it to an account in its books in the name of the person to whom it is payable, or by paying it into court.

8.3 Moneys credited only moneys actually received

In applying any money towards satisfaction of the Secured Moneys, the Chargor is to be credited only with so much of the money which is available for that purpose (after deducting any GST imposed) and which is actually received by the Enforcing Party. The credit dates from the time of receipt.

8.4 Amounts contingently due

- (a) If, at the time of a distribution of any money under clause 8.1, any part of the Secured Moneys is contingently owing to the Chargee, the Enforcing Party may retain an amount equal to the amount contingently owing or any part of it.
- (b) If an Enforcing Party retains any amount under clause 8.4(a), it must place that amount on interest bearing deposit until the amount contingently owing becomes actually due and payable or otherwise ceases to be contingently owing at which time the Enforcing Party must:
 - (i) pay to the Chargee the amount which has become actually due to it; and
 - (ii) apply the balance of the amount retained, together with any interest on the amount contingently owing, in accordance with clause 8.1.

8.5 Conversion of Currencies

In making any application under clause 8.1, the Enforcing Party may itself or through its bankers purchase one currency with another, whether or not through an intermediate currency, whether spot or forward, in the manner and amounts and at the times it thinks fit.

9 Power of attorney

9.1 Appointment of Attorney

In consideration of the Chargee entering into this Deed, the Chargor irrevocably appoints each Enforcing Party and each Authorised Officer of the Chargee severally its attorney for the purposes set out in clause 9.2.

9.2 Purposes of appointment

An Attorney may, in its name or in the name of the Chargor, Chargee or Receiver, at any time after, do any of the following:

- (a) do any thing which can be done by the Chargor under or in connection with this Deed, except the Attorney may not amend this Deed;
- (b) exercise any right, power, authority, discretion or remedy of, or perform any obligation of, the Chargor under:
 - (i) this Deed; or
 - (ii) any agreement forming part of the Charged Property,
- (c) do any thing which in the opinion of the Attorney is necessary or expedient for securing or perfecting the Charge and any other Security;
- (d) execute in favour of the Chargee any legal mortgage, transfer, assignment and any other assurance of any of the Charged Property;
- (e) execute Deeds of assignment, composition or release;
- (f) sell or otherwise part with the possession of any of the Charged Property; and
- (g) generally, do any other thing, whether or not of the same kind as those set out in clauses 9.2(a) to 9.2(f), which in the opinion of the Attorney is necessary or expedient to more satisfactorily secure to the Chargee the payment of the Secured Moneys.

9.3 Delegation and substitution

An Attorney may, at any time, for any of the purposes in clause 9.2, appoint or remove any substitute or delegate or sub-attorney.

10 Protection

10.1 Protection of third parties

- (a) No person dealing with an Enforcing Party is:
 - (i) bound to enquire whether:
 - (A) the Charge has become enforceable;
 - (B) an Enforcing Party is duly appointed; or
 - (C) any Power has been properly or regularly exercised; or
 - (ii) affected by express notice that the exercise of any Power was unnecessary or improper.
- (b) The irregular or improper exercise of any Power is, as regards the protection of any person, regarded as authorised by the Chargor and this Deed, and is valid.

10.2 Protection of Enforcing Party

- (a) An Enforcing Party is not liable for any loss or damage including, but not limited to, consequential loss or damage arising directly or indirectly from:
 - (i) any omission or delay in the exercise or non-exercise of any Power; or
 - (ii) the neglect, default or dishonesty of any manager, Officer, employee, agent, accountant, auctioneer or solicitor of the Chargor or any Enforcing Party.
- (b) Clause 10.2(a) does not apply:
 - in respect of the Enforcing Party, to any loss or damage which arises from fraud, gross negligence or illegal acts of the Enforcing Party.

11 Indemnities

11.1 General indemnity

The Chargor indemnifies the Chargee against any Loss or Liability which an Enforcing Party or an Attorney pays, suffers, incurs or is liable for, in respect of any of the following:

- (a) the payment, omission to make payment or delay in making payment of an amount referred to in clause 12;
- (b) the occurrence of any Event of Default;
- (c) an Enforcing Party exercising its Powers consequent upon or arising out of the occurrence of any Event of Default;
- (d) the non-exercise, attempted exercise, exercise or delay in the exercise by any Enforcing Party of any Power;
- (e) any act or omission of an Enforcing Party or any of its Officers, employees or agents;
- (f) the dealing with or ownership of any of the Charged Property by the Chargor or any of its Officers, employees or agents;
- (g) any divestiture of the Charged Property; or
- (h) any other thing in respect of a secured or any Charged Property;

except, in each case, to the extent caused by the Enforcing Party's gross negligence, wilful misconduct or fraud or by an illegal act of the Enforcing Party.

11.2 Stamp duty indemnity

- (a) Without limiting the generality of clauses 11.1 and 12.2 the Chargor indemnifies the Chargee and each of its Officers, employees and contractors (each an "**Indemnified Party**") against any loss or Liability which the Chargee pays, suffers, incurs or is liable for in connection with:
 - (i) the stamping of, or any stamp duty payable on, any of the following:
 - (A) this Charge;
 - (B) any agreement or document entered into or signed under, or the performance or exercise of any right or obligation under, this Charge; and
 - (C) any transaction contemplated under this Charge or under any agreement or document described in clause 11.2(a)(i)(B);
 - (ii) any enquiry by a Government Agency (including any stamp duty or state revenue office) in connection with the assessment for stamp duty of the documents referred to in clause 11.1(a) involving the Indemnified Party;
 - (iii) any litigation or administrative proceedings (including any objection made to a stamp duty or state revenue office) taken against or involving the Indemnified Party in connection with the assessment for stamp duty of the documents or transactions referred to in clause 11.1(a); and
 - (iv) any future, or any change in any present or future, stamp duty law or regulation or stamp duty or state revenue office practice (with which, if not having the force of law, compliance is in accordance with the practice of responsible bankers and financial institutions in the jurisdiction concerned),

including any administration costs of an Indemnified Party in connection with the matters referred to above, any legal costs and expenses and any professional consultant's fees for any of the above on a full indemnity basis.

- (b) The Chargee must give notice to the Chargor as soon as it becomes aware of any of the following events:
 - (i) any enquiry by a Government Agency referred to in clause 11.2(a)(ii) involving it; or
 - (ii) any litigation or administrative proceedings taken against or involving it as contemplated by clause 11.2(a)(iii).
- (c) The Chargee agrees, at the Chargor's cost, to assist the Chargor in responding to, and the Chargor's participation in, any enquiry by a Government Agency referred to in clause 11.2(a)(ii).

11.3 Continuing indemnities and evidence of loss

- (a) Each indemnity of the Chargor contained in this Deed is a continuing obligation of the Chargor, despite:
 - (i) any settlement of account; or
 - (ii) the occurrence of any other thing,and remains in full force and effect until:
 - (iii) the Secured Moneys are Finally Paid; and
 - (iv) each Security in respect of all the Charged Property subject to each Security has been finally discharged.
- (b) Each indemnity of the Chargor contained in this Deed is an additional, separate and independent obligation of the Chargor and no one indemnity limits the generality of any other indemnity.
- (c) Each indemnity of the Chargor contained in this Deed survives the termination of this Deed.
- (d) A certificate signed by an Officer of the Chargee detailing the amount of any Loss covered by any indemnity in this Deed is conclusive evidence unless the contrary is proved.

12 Tax, costs and expenses

12.1 Tax

The Chargor:

- (a) must pay or reimburse the Chargee on demand for any Tax in respect of the Chargee, in respect of the execution, delivery, performance, release, discharge, amendment, enforcement or attempted enforcement or otherwise in respect of any of the following:
 - (i) this Deed;
 - (ii) any agreement or document entered into or signed under this Deed;
 - (iii) any other Transaction Document;
 - (iv) any transaction contemplated under a Transaction Document or any agreement or document described in clause 12.1(a)(ii); and
- (b) must pay any fine, penalty or other cost in respect of a failure to pay any Tax described in clause 12.1(a) except to the extent that the fine, penalty or other cost is caused by the Chargee's failure to lodge money or documents received from that party at least 10 Business Days before the due date for lodgement.

12.2 Costs and expenses

Unless otherwise agreed in writing, the Chargor must pay all costs and expenses of the Chargee and any employee, Officer, agent or contractor of the Chargee in relation to:

- (a) the enforcement, protection or waiver, or attempted or contemplated enforcement or protection, of any rights under this Deed or any agreement or document described in clause 12.1(a);
- (b) any consent, approval, inspection, calculation, waiver, release or discharge given under this Deed or any agreement or document described in clause 12.1(a);
- (c) any enquiry by any Government Agency involving the Chargor or any Related Body Corporate of the Chargor,

including any administration costs of the Chargee in connection with the matters referred to in clause 12.2(a) and 12.2(c) and any legal costs and expenses and any professional consultant's fees for any of the above on a full indemnity basis.

12.3 GST

- (a) Notwithstanding any other provision of this Deed, in the event that the Chargee must pay any GST on any supply made by it to the Chargor under or in connection with this Deed, the Chargee may, in addition to any amount or consideration payable under this Deed, recover from the Chargor an additional amount on account of that GST, such amount to be calculated by multiplying the relevant amount or consideration payable by the recipient for the relevant supply by the prevailing GST rate.
- (b) Notwithstanding any other provisions of this Deed, in the event that the Chargee must pay any GST in relation to a taxable supply that is made to it under or in connection with this Deed, the Chargee may in addition to any other amounts, recover from the Chargor that GST less the amount of any input tax credit to which the indemnitee is entitled in respect of that payment.
- (c) The Chargee must issue a tax invoice to the recipient of a supply referred to in clause 12.3(a) no later than 10 Business Days after payment by the recipient of the GST inclusive consideration for that supply.
- (d) Any additional amount on account of GST recoverable from the Chargor pursuant to clause 12.3(a) or clause 12.3(b) shall be calculated without any deduction or set-off of any other amount and is payable by the Chargor upon demand by the Chargee whether such demand is by means of an invoice or otherwise.

13 Third party provisions

13.1 Independent obligations

This Deed is enforceable against the Chargor:

- (a) whether or not the Chargee has:
 - (i) made demand upon the Chargor;
 - (ii) given notice to the Chargor or any other person in respect of any thing; or
 - (iii) taken any other steps against the Chargor or any other person;
- (b) whether or not any Secured Moneys are due; and
- (c) despite the occurrence of any event described in clause 13.2.

13.2 Unconditional nature of obligations

- (a) The Charge and the obligations of the Chargor under this Deed are absolute, binding and unconditional in all circumstances.

- (b) The obligations of the Chargor under this Deed are not released, discharged or otherwise affected by anything which but for this provision might have that effect, including but not limited to:
- (i) the grant to any person of any time, waiver, covenant not to sue or other indulgence;
 - (ii) the release (including a release as part of any novation) or discharge of any person;
 - (iii) the liquidation of any person;
 - (iv) any arrangement, composition or compromise entered into by the Chargee or any person;
 - (v) any document or agreement being in whole or in part illegal, void, voidable, avoided, unenforceable or otherwise of limited force or effect;
 - (vi) any extinguishment, failure, loss, release, discharge, abandonment, impairment, compound, composition or compromise, in whole or in part, of any document or agreement;
 - (vii) any Collateral Security being given to the Chargee by any person;
 - (viii) any alteration, amendment, variation, supplement, renewal or replacement of any document or agreement;
 - (ix) any moratorium or other suspension of any Power;
 - (x) any Enforcing Party exercising or enforcing, delaying or refraining from exercising or enforcing, or being not entitled or unable to exercise or enforce, any Power;
 - (xi) any Enforcing Party obtaining a judgment against any person for the payment of any of the Secured Moneys;
 - (xii) any transaction, agreement or arrangement that may take place with the Chargee or any other person;
 - (xiii) any payment to any Enforcing Party, including any payment which at the payment date or at any time after the payment date is, in whole or in part, illegal, void, voidable, avoided or unenforceable;
 - (xiv) any failure to give effective notice to any person of any default under any document or agreement;
 - (xv) any legal limitation, disability or incapacity of any person;
 - (xvi) any breach of any document or agreement;
 - (xvii) the acceptance of the repudiation of, or termination of, any document or agreement;
 - (xviii) any Secured Moneys being irrecoverable for any reason;
 - (xix) any disclaimer by any person of any document or agreement;
 - (xx) any assignment, novation, assumption or transfer of, or other dealing with, any Powers or any other rights or obligations under any document or agreement;
 - (xxi) the opening of a new account of any person (whether alone or with others) with the Chargee or any other person or any transaction on or relating to the new account;
 - (xxii) any prejudice (including material prejudice) to any person as a result of:
 - (A) any thing done, or omitted to be done, by the Chargor, any other Enforcing Party or any person;

- (B) any Enforcing Party or any other person selling or realising any property the subject of a Collateral Security at less than the best price;
- (C) any failure or neglect by any Enforcing Party or any other person to recover the Secured Moneys from any person or by the realisation of any property the subject of a Collateral Security; or
- (D) any other thing;
- (xxiii) the receipt by the Chargee of any dividend, distribution or other payment in respect of any liquidation; and
- (xxiv) any other act, omission, matter or thing whatsoever, whether negligent or not:
 - (A) any document or agreement not being valid or executed by, or binding on, any person; and
 - (B) any increase in the Secured Moneys for any reason (including as a result of anything referred to above).
- (c) Clauses 13.2(a) and 13.2(b) apply irrespective of:
 - (i) the consent or knowledge or lack of consent or knowledge, of the Chargee or any person of any event described in clause 13.2(b); or
 - (ii) any rule of law or equity to the contrary.

13.3 No competition

- (a) Until the Secured Moneys have been fully and Finally Paid to the Chargee's satisfaction and the Charge has been finally discharged under clause 3, the Chargor is not entitled to:
 - (i) be subrogated to the Chargee;
 - (ii) claim or receive the benefit of:
 - (A) any Encumbrance, Guarantee or other document or agreement of which the Chargee has the benefit;
 - (B) any moneys held by the Chargee; or
 - (C) any Power;
 - (iii) accept, procure the grant of, or allow to exist any Encumbrance over any of the relevant Charged Property granted by it; or
 - (iv) raise any defence or counterclaim in reduction or discharge of its obligations under this Deed.
- (b) The Chargor must not do or seek, attempt or purport to do anything referred to in clause 13.3.

14 Saving provisions

14.1 Amounts payable on demand

If any amount payable by the Chargor under this Deed is not expressed to be payable on a specified date that amount is payable by the Chargor on demand by the Chargee.

14.2 Statutory powers

- (a) The powers of the Chargee under this Deed or any Collateral Security are in addition to any powers the Chargee has under applicable law.

- (b) To the extent not prohibited by law, before enforcing the Charge or any Collateral Security, or exercising any Power, an Enforcing Party is not required to give any notice or allow the expiration of any time to any person.

14.3 Continuing security

This Charge is a continuing security notwithstanding any settlement of account or any other thing until the Chargee has given a discharge of the Charge in respect of all the Charged Property under clause 3.

14.4 No merger of security

- (a) Nothing in this Deed merges, extinguishes, postpones, lessens or otherwise prejudicially affects:
 - (i) any Encumbrance in favour of the Chargee at any time;
 - (ii) any indemnity in favour of the Chargee contained in any document or agreement; or
 - (iii) any right, power, authority, discretion or remedy which the Chargee may have against the Chargor or any other person at any time.
- (b) No other Encumbrance including, but not limited to, any Collateral Security, held by the Chargee in any way prejudicially affects any right, power, authority, discretion or remedy of the Chargee under this Deed.

14.5 Exclusion of moratorium

To the extent not excluded by law, a provision of any legislation which at any time directly or indirectly:

- (a) lessens or otherwise varies or affects in favour of the Chargor any obligations under this Deed; or
- (b) stays, postpones or otherwise prevents or prejudicially affects the exercise of any Power,

is negated and excluded from this Deed, and all relief and protection conferred on the Chargor by or under that legislation is also negated and excluded so far as is permitted by law.

14.6 Conflict

Where any Power of an Enforcing Party under this Deed or any Collateral Security is inconsistent with the powers conferred by applicable law then, to the extent not prohibited by that law, the powers conferred by applicable law are regarded as negated or varied to the extent of the inconsistency.

14.7 Completion of blank securities

At any time after the Charge has become enforceable, the Enforcing Party or any Officer of the Chargee may complete, in favour of the Chargee, any appointee of the Chargee or any purchaser, any instrument executed in blank by or on behalf of the Chargor and deposited with the Chargee as security under this Deed.

14.8 Principal obligations

This Charge and each Collateral Security is:

- (a) a principal obligation and is not ancillary or collateral to any other Encumbrance (other than another Collateral Security) or other obligation however created; and
- (b) independent of, and unaffected by, any other Encumbrance or other obligation however created which the Chargee may hold at any time in respect of the Secured Moneys.

14.9 No obligation to marshal

- (a) The doctrine of marshalling does not apply to the Chargee or to the Chargor or in relation to the exercise of any Power.
- (b) The Chargee is not required before or after it enforces the Charge:
 - (i) to enforce any Encumbrance or Collateral Security held, at any time, by the Chargee; or
 - (ii) to appropriate or recover any moneys or assets that the Chargee, at any time, holds or is entitled to receive.

14.10 Non-avoidance

If any payment by the Chargor to the Chargee is at any time avoided for any reason including, but not limited to, any legal limitation, disability or incapacity of or affecting the Chargor or any other thing, and whether or not:

- (a) any transaction relating to the Secured Moneys was illegal, void or substantially avoided; or
- (b) anything was or ought to have been within the knowledge of the Chargee, the Chargor:
- (c) as an additional and independent obligation, indemnifies the Chargee against that avoided payment; and
- (d) acknowledges that any liability of the Chargor under this Deed and any Power is the same as if that payment had not been made.

14.11 Certificates

- (a) A certificate signed by any Officer of a Chargee stating:
 - (i) the amount of the Secured Moneys due and payable; or
 - (ii) the amount of the Secured Moneys, whether currently due and payable or not,is as regards the Chargor prima facie evidence of that amount at the date stated on the certificate or failing that as at the date of that certificate.

14.12 Mortgagee's receipts

- (a) The receipt of any Officer of the Chargee for any money payable to or received by the Chargee under this Deed exonerates the payer from all liability to enquire whether any of the Secured Moneys have become due and payable.
- (b) Every receipt of an Officer of the Chargee effectually discharges the payer from:
 - (i) any future liability to pay the amount specified in the receipt; and
 - (ii) being concerned to see the application of, or being answerable or accountable for any loss or misapplication of, the amount specified in the receipt.

14.13 Further assurances

The Chargor must do all things and execute all further documents necessary to give full effect to this Deed.

15 Notices

15.1 Method

All notices, requests, demands, consents, approvals, agreements or other communications authorised or required to be made to or by a party under or in connection with this Deed shall be in writing and may be given by facsimile or hand to or upon the recipient to such address as is specified in this Charge, or the registered or principal office of the recipient or as it may have notified the sender and may be signed by the sender or an officer or authorized representative of the sender.

16 Unfettered discretion

The parties acknowledge and agree that:

- (a) nothing in a Transaction Document will in any way unlawfully restrict or otherwise unlawfully affect the unfettered discretion of the State to exercise its executive powers or any of its functions or powers pursuant to any legislation;
- (b) without limiting clause 16(a), anything which the State does, fails to do or purports to do pursuant to its executive powers or its functions and powers under any legislation will not be deemed to be an act or omission by the State under the Transaction Documents;
- (c) without limiting any express obligation of the State under the Transaction Documents, notwithstanding anything contained or implied in the Transaction Documents to the contrary, the parties expressly acknowledge and agree that the State is not obliged in performing any of its duties and obligations under the Transaction Documents to exercise a power, function or duty which is granted to or within the responsibility of a Government Agency in the proper exercise and performance of its legal duties and functions;
- (d) If there is any statement in the Transaction Documents that the State will:
 - (i) act "reasonably";
 - (ii) use "reasonable endeavours";
 - (iii) take "reasonable steps";
 - (iv) provide "reasonable assistance"; or
 - (v) otherwise act in a reasonable manner,

in relation to an outcome, it means that the State will take steps to bring about the relevant outcome so far as it is reasonably able to do so, having regard to its resources and other responsibilities, but:

- (vi) the State cannot guarantee the relevant outcome and no breach of the Transaction Documents will occur as a consequence of the outcome not occurring; and
- (vii) the State does not agree to:
 - (A) interfere with or influence the exercise of any statutory power or discretion by any body, including a Government Agency;
 - (B) exercise a power or direction or otherwise act in a manner that promotes the objectives and expected outcomes of the Transaction Documents if the State regards that exercise as not in the public interest;

- (C) change, develop or implement policy or legislation in the future in a manner that is only consistent with the objectives and expected outcomes of the Transaction Documents; or
- (D) exercise a power or discretion or otherwise act in a manner that the State regards as not being in the public interest;
- (e) any term of the Transaction Documents which does or purport (in whole or part) to bind the State to exercise any of its executive powers or its functions or powers pursuant to any legislation must be interpreted subject to clause 16(a).
- (f) the Minister shall be entitled to enforce the Charge on behalf of himself, the State and/or the Commission.

17 General

17.1 Confidential information

An Enforcing Party may, for the purpose of exercising any Power or if required by any law, Government Agency or stock exchange, disclose to any person any documents or records of, or information about, the Chargor, the Charged Property or the Chargor's business or affairs, whether or not confidential and whether or not the disclosure would be in breach of any law or of any duty owed to the Chargor.

17.2 Performance of the Chargor's obligations

If the Chargor defaults in fully and punctually performing any obligation contained or implied by this Charge, the Chargee may, without prejudice to any Power, do all things necessary or desirable, in the opinion of the Chargee, to make good or attempt to make good that default to the satisfaction of the Chargee.

17.3 Chargor to bear cost

Anything which must be done by the Chargor under this Deed, whether or not at the request of the Chargee, is to be done at the cost of the Chargor. Each party must bear its own legal, accounting and other costs for the preparation and execution of this Deed.

17.4 Governing law and jurisdiction

This Deed will be governed by and construed in accordance with the laws in force in the State of Victoria and each party submits to the exclusive jurisdiction of the courts of that State.

17.5 Prohibition and enforceability

Any provision of, or the application of any provision of, any Power which is prohibited in any jurisdiction is, in that jurisdiction, ineffective only to the extent of that prohibition.

17.6 Waivers

- (a) Waiver of any right arising from a breach of this Deed or of any Power arising upon default under this Deed or upon the occurrence of an Event of Default must be in writing and signed by the party granting the waiver.
- (b) A failure or delay in exercise, or partial exercise, by the Chargee or any other Enforcing Party of:
 - (i) a right arising from a breach of this Deed or the occurrence of an Event of Default; or
 - (ii) a Power created or arising upon default under this Deed or upon the occurrence of an Event of Default,does not result in a waiver of that right or Power.

- (c) The Chargor is not entitled to rely on a delay in the exercise or non-exercise of a right or Power arising from the occurrence of an Event of Default as constituting a waiver of that right or Power.
- (d) The Chargor may not rely on any conduct of an Enforcing Party as a defence to exercise of a right or Power by that Enforcing Party.
- (e) This clause may not itself be waived except by writing.

17.7 Variation

A variation of any term of this Deed must be in writing and signed by the parties.

17.8 Cumulative rights

The Powers are cumulative and do not exclude any other right, power, authority, discretion or remedy of any Enforcing Party.

17.9 Assignment

- (a) The Chargee may assign its rights under this Deed without the consent of the Chargor.
- (b) The Chargor may not assign any of its rights under this Deed without the prior written consent of the Chargee.

17.10 Execution as Deed

It is the intention of the parties that this Charge be executed as a Deed.

EXECUTED as a DEED

SIGNED SEALED AND DELIVERED by)
the Honourable Michael O'Brien MP,)
Minister for Gaming for and on behalf of
the Crown in right of the State of Victoria



Signature of Minister



Signature of Witness

MICHAEL O'BRIEN

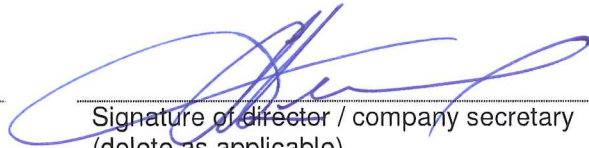
michale Croves

Name of Witness

EXECUTED by Intralot Gaming Services)
Pty Ltd in accordance with section 127 of)
the Corporations Act 2001



Signature of director



Signature of director / company secretary
(delete as applicable)

ATHANASIOS BAUSTANOS

Name of director (print)

CRAIG RICHARD DURHAM

Name of director / company secretary (print)

Schedule 10 – Deed of Guarantee

and

The Minister for Gaming for and on behalf of the Crown in right of the State of Victoria

Deed of Guarantee

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PARTIES

INTRALOT S.A. INTEGRATED LOTTERY SYSTEMS AND SERVICES

Greek Registration Number 27074/06/B/92/9
of 64 Kifissias Avenue and 3 Premetis Street, Maroussi Athens 15125 Greece
("Guarantor")

and

THE MINISTER FOR GAMING FOR AND ON BEHALF OF THE CROWN IN RIGHT OF THE STATE OF VICTORIA

of Level 16, 1 Spring Street, Melbourne, 3000
("Minister")

BACKGROUND

A The Guarantor has agreed to guarantee all of the obligations of the Monitoring Licensee under the Transaction Documents in accordance with the terms set out in this Deed.

AGREED TERMS

1 Definitions and interpretation

1.1 Definitions

Unless the contrary intention appears, any capitalised terms have the meaning given to those terms in the Monitoring Licence or Related Agreement or as defined below:

"**Guaranteed Obligations**" has the meaning given to that term in clause 2.

"**Monitoring Licence**" means the Licence granted by the Minister to the Monitoring Licensee pursuant to the *Gambling Regulation Act 2003 (Vic)*.

"**Related Agreement**" means the Monitoring Licence Related Agreement entered into by the Minister pursuant to the *Gambling Regulation Act 2003 (Vic)* with the Monitoring Licensee.

"**Transaction Documents**" means:

- (a) this Guarantee;
- (b) the Monitoring Licence;
- (c) the Related Agreements;
- (d) the Fixed and Floating Charge
- (e) the Call Option Deed;
- (f) each the Tripartite Deed;
- (g) any Guarantee (as defined in the Fixed and Floating Charge);
- (h) any Collateral Security (as defined in the Fixed and Floating Charge);

- (i) any other document or agreement that the parties agree is a Transaction Document; and
- (j) any document entered into or given under or in connection with or for the purpose of amending or novating any Transaction Document.

“**Void Transaction**” has the meaning given to that term in clause 2.

1.2 Words and expressions

In this document, unless the context requires otherwise:

- (a) the singular includes the plural and vice versa;
- (b) words denoting any gender include all genders;
- (c) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (d) a reference to a party, clause, paragraph, schedule or annexure is a reference to a party, clause, paragraph, schedule or annexure to or of this document;
- (e) a reference to this document includes any schedules or annexures;
- (f) headings are for convenience and do not affect interpretation;
- (g) the background or recitals to this document are adopted as and form part of this document;
- (h) a reference to any document or agreement includes a reference to that document or agreement as amended, novated, supplemented, varied or replaced from time to time;
- (i) a reference to “\$”, “A\$” or “dollar” is a reference to Australian currency;
- (j) a reference to a time is a reference to Australian Eastern Standard Time or Australian Eastern Daylight Time, whichever is appropriate;
- (k) a reference to a party includes its executors, administrators, successors, substitutes (including persons taking by novation) and permitted assigns;
- (l) a reference to writing includes any method of representing words, figures or symbols in a permanent and visible form;
- (m) words and expressions denoting natural persons include bodies corporate, partnerships, associations, firms, governments and governmental authorities and agencies and vice versa;
- (n) a reference to any legislation or to any provision of any legislation includes:
 - (i) any modification or re-enactment of the legislation;
 - (ii) any legislative provision substituted for, and all legislation, statutory instruments and regulations issued under, the legislation or provision; and
 - (iii) where relevant, corresponding legislation in any Australian State or Territory;
- (o) no rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this document or any part of it; and
- (p) the words “including”, “for example”, “such as” or other similar expressions (in any form) are not words of limitation.

1.3 Other rules of interpretation

In this document, unless expressly provided otherwise:

- (a) **(method of payment)** any payment of money by one party to another will be made in Australian currency by bank cheque or by credit of cleared funds to a bank account specified by the recipient;
- (b) **(consents and approvals)** if the doing of any act, matter or thing requires the consent, approval or agreement of any party, that consent, approval or may be given conditionally or unconditionally or withheld in that party's absolute discretion;
- (c) **(Business Days)** if:
 - (i) the day on or by which any act, matter or thing is to be done is a day other than a Business Day, the act, matter or thing will be done on the next Business Day; and
 - (ii) any money falls due for payment on a date other than a Business Day, that money will be paid on the next Business Day (without interest or any other amount being payable in respect of the intervening period); and
- (d) **(inconsistency within document)** if a clause of this document is inconsistent with a schedule or annexure of this document, the clause prevails to the extent of the inconsistency.

2 Guarantee and indemnity

2.1 Guarantee

The Guarantor guarantees to the Minister the due and punctual payment, performance and observance by the Monitoring Licensee of all of its liabilities and obligations (whether in favour of the Minister, the State or the Commission) under or in connection with the Transaction Documents ("**Guaranteed Obligations**").

2.2 Indemnity

As a separate and additional obligation, the Guarantor indemnifies the Minister against:

- (a) all liability, loss, damage, cost and expense which the Minister may sustain or incur; and
- (b) all actions, proceedings, claims or demands made against the Minister, as a result of:
 - (c) any default by the Monitoring Licensee in the payment, performance and observance of the Guaranteed Obligations; or
 - (d) the Guaranteed Obligations or any part of them being or becoming illegal, void, voidable or unenforceable.

2.3 Payment on demand

Any money payable by the Guarantor under clauses 2.1 or 2.2 will be paid on demand to, or as directed by, the Minister.

2.4 Nature of obligations

The obligations of the Guarantor under this clause 2:

- (a) are principal obligations and will not be treated as ancillary or collateral to any other right or obligation; and
- (b) may be enforced against the Guarantor without the Minister first being required to exhaust any remedy it may have against the Monitoring Licensee or to enforce any security it may hold with respect to the Guaranteed Obligations.

2.5 Obligations absolute and unconditional

The obligations of the Guarantor under this clause 2 are absolute, unconditional and irrevocable. The liability of the Guarantor under this clause 2 extends to and will not be affected by any circumstance, act, omission or thing which, but for this clause 2.5, might otherwise affect it at law or in equity including, but not limited to:

- (a) the variation (including a variation which alters, increases or extends the duration of the Guaranteed Obligations) replacement, renewal, supplement, extinguishment, unenforceability, failure, loss, release, discharge, abandonment or transfer, either in whole or in part, of this document or any other document or agreement relating to the Guaranteed Obligations;
 - (b) the grant to Monitoring Licensee or any other person of any time, waiver or other indulgence or concession;
 - (c) the delay or failure by the Minister to exercise any of the rights, powers or remedies conferred on it by law or by this or any other agreement;
 - (d) any dealings, in whole or in part, with any security now or in the future held by the Minister from the Monitoring Licensee, the Guarantor or any other person, including, but not limited to, the enforcement, discharge or release of any such security;
 - (e) any transaction or arrangement that may take place between the Minister and Monitoring Licensee, the Guarantor or any other person;
 - (f) the Guaranteed Obligations or the obligations of the Guarantor or any other person under this Deed or any other document or agreement being or becoming, in whole or in part, illegal, void, voidable or unenforceable;
 - (g) the failure by the Minister to give notice to the Guarantor of any default by the Monitoring Licensee under this Deed or to disclose any other information;
 - (h) any legal limitation, disability, incapacity or other circumstances related to Monitoring Licensee, the Minister or any other person; or
 - (i) the occurrence of any other circumstance, act, omission or thing,
- regardless of whether the Guarantor is aware of or consents to any of these matters.

2.6 Continuity

The obligations of the Guarantor under this clause 2 are continuing obligations of the Guarantor and will remain in full force and effect (despite any settlement of account or the occurrence of any other thing) until:

- (a) the Guaranteed Obligations have been irrevocably paid and performed in full; and
- (b) a formal discharge is given by the Minister to the Guarantor.

2.7 Avoidance of payments

If any payment, conveyance, transfer or other transaction relating to or affecting the Guaranteed Obligations is void, voidable or unenforceable in whole or in part or is claimed to be void, voidable or unenforceable and that claim is upheld, conceded or compromised ("**Void Transaction**"):

- (a) the liability of the Guarantor under this clause 2 is the same as if the Void Transaction (or the void, voidable or unenforceable part of it) and any release, settlement or discharge made in reliance on that Void Transaction had not been made; and
- (b) the Guarantor must immediately take all action and sign all documents necessary or required by the Minister to restore to Minister its rights under this clause 2 and any security held by Minister immediately before the Void Transaction.

This clause 2.7 applies whether or not the Minister knew, or ought to have known, of anything referred to in this clause 2.7.

3 Unfettered discretion

The parties acknowledge and agree that:

- (a) nothing in a Transaction Document will in any way unlawfully restrict or otherwise unlawfully affect the unfettered discretion of the Minister to exercise its executive powers or any of its functions or powers pursuant to any legislation;
- (b) without limiting clause 3(a), anything which the Minister does, fails to do or purports to do pursuant to its executive powers or its functions and powers under any legislation will not be deemed to be an act or omission by the Minister under the Transaction Documents;
- (c) without limiting any express obligation of the Minister under the Transaction Documents, notwithstanding anything contained or implied in the Transaction Documents to the contrary, the parties expressly acknowledge and agree that the Minister is not obliged in performing any of its duties and obligations under the Transaction Documents to exercise a power, function or duty which is granted to or within the responsibility of a Government Agency in the proper exercise and performance of its legal duties and functions;
- (d) If there is any statement in the Transaction Documents that the Minister will:
 - (i) act "reasonably";
 - (ii) use "reasonable endeavours";
 - (iii) take "reasonable steps";
 - (iv) provide "reasonable assistance"; or
 - (v) otherwise act in a reasonable manner,in relation to an outcome, it means that the Minister will take steps to bring about the relevant outcome so far as it is reasonably able to do so, having regard to its resources and other responsibilities, but:
 - (vi) the Minister cannot guarantee the relevant outcome and no breach of the Transaction Documents will occur as a consequence of the outcome not occurring; and
 - (vii) the Minister does not agree to:
 - (A) interfere with or influence the exercise of any statutory power or discretion by any body, including a Government Agency;
 - (B) exercise a power or direction or otherwise act in a manner that promotes the objectives and expected outcomes of the Transaction Documents if the Minister regards that exercise as not in the public interest;
 - (C) change, develop or implement policy or legislation in the future in a manner that is only consistent with the objectives and expected outcomes of the Transaction Documents; or
 - (D) exercise a power or discretion or otherwise act in a manner that the Minister regards as not being in the public interest;
- (e) any term of the Transaction Documents which do or purport (in whole or part) to bind the Minister to exercise any of its executive powers or its functions or powers pursuant to any legislation must be interpreted subject to this clause 3(a).

- (f) the Minister shall be entitled to enforce this Deed of Guarantee on behalf of himself, the State and/or the Commission.

4 Notices

4.1 Method

All notices, requests, demands, consents, approvals, offers, agreements or other communications (“**notices**”) given by a party under or in connection with this document must be:

- (a) in writing;
- (b) signed by a person duly authorised by the sender;
- (c) directed to the intended recipient's address (as specified in clause 4.3 or as varied by any notice); and
- (d) hand delivered, sent by prepaid post or transmitted by facsimile to that address.

4.2 Receipt

A notice given in accordance with this clause is taken as having been given and received:

- (a) if hand delivered, on delivery;
- (b) if sent by prepaid post:
 - (i) within Australia, on the second Business Day after the date of posting;
 - (ii) to or from a place outside Australia, on the seventh Business Day after the date of posting;
- (c) if transmitted by facsimile, at the time recorded on the transmission report indicating successful transmission of the entire notice,

but if the delivery or transmission is not on a Business Day or is after 5.00pm (recipient's time) on a Business Day, the notice is taken to be received at 9.00am (recipient's time) on the next Business Day.

4.3 Address of parties

Unless varied by notice in accordance with this clause 4, the parties' addresses and other details are:

Party: **Guarantor**
Attention: Company Secretary
Address: 64 Kifissias Avenue and 3 Premetis Street, Maroussi Athens 15125
Greece
Facsimile: +30 2 106 106 800

Party: **Minister**
Attention: Minister for Gaming
Address: Level 16, 1 Spring Street, Melbourne 3000
Facsimile: +61 3 9938 5962

Copy to:
Attention: Executive Director, Gaming and Racing, Department of Justice
Address: Level 29, 121 Exhibition Street, Melbourne, 3000

Facsimile: +61 3 8684 1977

4.4 Requirement for written notice

For the avoidance of doubt, the requirement in clause 4.1(a) applies to all notices unless expressly excluded and no implication to the contrary is to be drawn from the use of the expressions "written" or "in writing" in relation to some but not all notices.

5 General

5.1 Entire agreement

This document constitutes the entire agreement between the parties in relation to its subject matter. All prior discussions, undertakings, agreements, representations, warranties and indemnities in relation to that subject matter are replaced by this document and have no further effect.

5.2 Paramountcy of document

If this document conflicts with any other document, agreement or arrangement, this document prevails to the extent of the inconsistency.

5.3 No merger

The provisions of this document will not merge on completion of any transaction contemplated in this document and, to the extent any provision has not been fulfilled, will remain in force.

5.4 Attorneys

Each person who executes this document on behalf of a party under a power of attorney warrants that he or she has no notice of the revocation of that power or of any fact or circumstance that might affect his or her authority to execute this document under that power.

5.5 Amendment

This document may not be amended or varied unless the amendment or variation is in writing signed by all parties.

5.6 Assignment

No party may assign, transfer or otherwise deal with this document or any right or obligation under this document without the prior written consent of each other party.

5.7 Severability

Part or all of any provision of this document that is illegal or unenforceable will be severed from this document and will not affect the continued operation of the remaining provisions of this document.

5.8 Waiver

Waiver of any power or right under this document:

- (a) must be in writing signed by the party entitled to the benefit of that power or right; and
- (b) is effective only to the extent set out in that written waiver.

5.9 Rights, remedies additional

Any rights and remedies that a person may have under this document are in addition to and do not replace or limit any other rights or remedies that the person may have.

5.10 Further assurances

Each party must do or cause to be done all things necessary or reasonably desirable to give full effect to this document and the transactions contemplated by it (including, but not limited to, the execution of documents).

5.11 Costs

Each party must bear its own legal, accounting and other costs for the preparation and execution of this document.

5.12 Counterparts

This document may be executed in any number of counterparts and all counterparts taken together will constitute one document.

5.13 Electronic delivery of document

If a party delivers an executed counterpart of this document or any other document executed in connection with it ("**Relevant Document**") by facsimile or other electronic means:

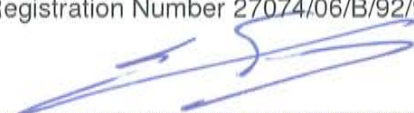
- (a) the delivery will be deemed to be an effective delivery of an originally executed counterpart; and
- (b) the party will still be obliged to deliver an originally executed counterpart, but the failure to do so will not effect the validity or effectiveness of the Relevant Document.

5.14 Governing law and jurisdiction

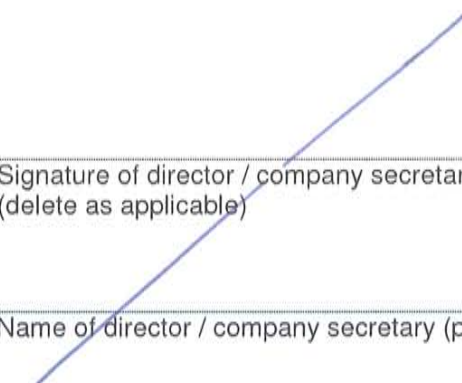
This document will be governed by and construed in accordance with the laws in force in the State of Victoria and each party submits to the exclusive jurisdiction of the courts of that State.

EXECUTED as a DEED

EXECUTED by Intralot S.A. Integrated)
Lottery Systems and Services Greek)
Registration Number 27074/06/B/92/9


Signature of ~~director~~ **Authorised Representative**


EVANGELOS CHRYSAPoulos
Name of director (print)


Signature of director / company secretary
(delete as applicable)

Name of director / company secretary (print)

SIGNED SEALED AND DELIVERED by)
the Honourable Michael O'Brien MP,)
Minister for Gaming for and on behalf of
the Crown in right of the State of Victoria


Signature of Minister


Signature of Witness

LUKE TOBIN
Name of Witness

Schedule 11 - Terms of Venue Monitoring Services Agreement

NOTE: This schedule is an outline only of the principles to be addressed in the Venue Agreement between the Venue Operator and the Monitoring Licensee.

- (a) The Venue Operator must grant the Monitoring Licensee and its representatives the right to enter its premises at any time without notice any time the Venue is open to the public, or with the written consent of the Venue Operator, at any other time for the purpose of inspecting and maintaining the Monitoring Equipment, Gaming Machines and other Gaming Equipment.
- (b) The fees payable to the Monitoring Licensee by a Venue Operator for the provision of Monitoring Services shall be limited to those fees approved by the State under this Related Agreement (as varied from time to time in accordance with this Related Agreement).
- (c) Subject to and in accordance with the Act, the Venue Operator must release the State and the Commission from any and all liability arising from the provision of Monitoring Services under the Act and from all actions or omissions of the State, the Commission or the Monitoring Licensee in relation to the provision of Monitoring Services by the Monitoring Licensee.
- (d) Subject to and in accordance with the Act, the Venue Operator must release the Monitoring Licensee from any and all liability arising from the provision of Monitoring Services under the Act and from all actions or omissions of the Monitoring Licensee in relation to the provision of Monitoring Services to the Venue Operator.
- (e) The liability of the Monitoring Licensee to a Venue Operator for a failure on the part of the Monitoring Licensee to provide the Monitoring Services will be capped and determined in accordance with the terms of Schedule 6 of this Related Agreement.
- (f) Procedures for review of the Venue Monitoring Services Agreement and for the method of changing the agreement including variation to accommodate changes in the Related Agreement.
- (g) Venue Operators that wish to operate Multiple Venue Linked Jackpot Arrangements must enter into a Jackpot Financial Administration Services Agreement and a Trust Deed.
- (h) The Monitoring Licensee must have an obligation to cooperate and provide any reasonable assistance to Venue Operators in relation to the provision of new services for the operation of Gaming Machines including, an obligation to provide reasonable access to the Monitoring System to Ancillary Service providers if such access is required to provide such services. For the avoidance of doubt, the Monitoring Licensee will not be required to do anything to assist the Venue Operators if such conduct would cause it to breach the Monitoring Licence, Related Agreements, the Act or agreements with third parties or that would impair or adversely effect, impair or disrupt the Monitoring Licensee's ability to provide the Monitoring Services.

The Venue Operators must reimburse the Monitoring Licensee for any reasonable costs and expenses incurred in the provision of such services.

Schedule 12 - Pricing Model

This schedule has been redacted with the exception of the following information:

Core Monitoring Fee per Gaming Machine per month (increased for inflation)
\$ 29.00

Single Venue Jackpot Charge per Gaming Machine per month (increased for inflation)
\$10.00

Multi Venue Jackpot Charge (if applicable) per Gaming Machine per month (increased for inflation)
\$ 15.00

Schedule 13 - Not used

Schedule 14 - Escrow Deed

Schedule 14 - Escrow Deed

The Minister for Gaming for and on behalf of the Crown in right of the State of Victoria

and

Assurex Escrow Pty Limited

ACN 008 611 578

and

Intralot Gaming Services Pty Ltd

ACN 136 875 673

Escrow Deed

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PARTIES

THE MINISTER FOR GAMING FOR AND ON BEHALF OF THE CROWN IN RIGHT OF THE STATE OF VICTORIA

of Level 16, 1 Spring Street, Melbourne, 3000
("the Minister")

and

ASSUREX ESCROW PTY LIMITED

ACN 008 611 578
of Suite 93, Level 5, 330 Wattle St, Ultimo NSW 2007
("Escrow Agent")

and

Intralot Gaming Services Pty Ltd

ACN 136 875 673
of Level 1, 283 Normanby Road, Port Melbourne 3207
("Monitoring Licensee")

BACKGROUND

- A The Monitoring Licensee and the Minister have agreed to appoint the Escrow Agent to hold the Escrow Package in escrow.
- B The Monitoring Licensee has agreed to deposit with the Escrow Agent a copy of the Escrow Package and to allow the State to access and use the Escrow Package under certain circumstances.
- C The Escrow Agent agrees to deal with the Escrow Package on the terms and conditions of this Deed.

AGREED TERMS

1 Definitions and interpretation

1.1 Definitions

In this Deed, unless the context otherwise requires otherwise:

"**Act**" means the *Gambling Regulation Act 2003* (Vic) and Regulations, as amended from time to time.

"**Additional Charges**" means the charges set out in part 1(c) of Schedule 1.

"**Annual Fee**" means the annual fees set out in part 1(b) of Schedule 1.

"**Bank**" means a corporation authorised by Law to carry on the general business of banking in Australia.

"Business Day" means a day on which Banks are open for general banking business in Melbourne, excluding Saturdays, Sundays and public holidays.

"Cancellation Notice" has the meaning given to that term in the Monitoring Licence.

"Commission" means the Victorian Commission for Gambling Regulation established under the Act or any successor body.

"Controller" means, in relation to a person's property:

- (a) a receiver or receiver and manager of that property; or
- (b) anyone else who (whether or not as agent for the person) is in possession, or has control of that property to enforce an Encumbrance.

"Corporations Act" means the *Corporations Act 2001* (Cth).

"CPI" means the Consumer Price Index (All Groups) for the City of Melbourne published by the Australian Bureau of Statistics (or any other index published in substitution for this index).

"Deed" means this escrow deed including the recitals, any schedules and any annexures.

"Deposit Form" means the form set out in Schedule 2.

"Encumbrance" means any mortgage, lien, hypothecation, charge (whether fixed or floating), bill of sale, caveat, pledge, claim, trust arrangement, preferential right, right of set-off, title retention or other form of encumbrance.

"Escrow Package" means the most recent version of each component of the Software Package, and each other previous version of each component of the Software Package (if applicable), which have been deposited by the Monitoring Licensee with the Escrow Agent in accordance with this Deed.

"Establishment Fee" means the establishment fee set out in part 1(a) of Schedule 1.

"Insolvency Event" means the occurrence of any of the following events in relation to any person:

- (a) the person becomes insolvent as defined in the Corporations Act, states that it is insolvent or is presumed to be insolvent under an applicable law;
- (b) the person is wound up, dissolved or declared bankrupt;
- (c) the person becomes an insolvent under administration as defined in the Corporations Act;
- (d) a liquidator, provisional liquidator, Controller, administrator, trustee for creditors, trustee in bankruptcy or other similar person is appointed to, or takes possession or control of, any or all of the person's assets or undertaking;
- (e) the person enters into or becomes subject to:
 - (i) any arrangement or composition with one or more of its creditors or any assignment for the benefit of one or more of its creditors; or
 - (ii) any re-organisation, moratorium, deed of company arrangement or other administration involving one or more of its creditors;
- (f) an application or order is made (and, in the case of an application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put

forward, or any other action taken which is preparatory to or could result in any of (b), (c), (d) or (e) above;

- (g) the person is taken, under section 459F(1) of the Corporations Act, to have failed to comply with a statutory demand;
- (h) the person suspends payment of its debts, ceases or threatens to cease to carry on all or a material part of its business or becomes unable to pay its debts when they fall due; or
- (i) anything occurs under the law of any jurisdiction which has a substantially similar effect to any of the other paragraphs of this definition,

unless the event occurs as part of a solvent reconstruction, amalgamation, merger or consolidation that has been approved in writing by the Minister.

"Law" means:

- (a) principles of law or equity established by decisions of courts;
- (b) statutes, regulations, by-laws or other subordinate instruments of a Government Agency;
- (c) the Constitution of the Commonwealth;
- (d) binding requirements and mandatory approvals (including conditions) of a Government Agency which have the force of law; and
- (e) guidelines of a Government Agency which have the force of law.

"Monitoring Licence" means the licence issued by the Minister to the Monitoring Licensee pursuant to the *Gambling Regulation Act 2003 (Vic)*.

"Register" means the register described in clause 4.1(e).

"Related Agreement" means the Monitoring Licence Related Agreement entered into by the Minister pursuant to the *Gambling Regulation Act 2003 (Vic)* with the Monitoring Licensee as it may be amended from time to time.

"Release Fee" means the fee set out in part 1(d) of Schedule 1.

"Release Notice" means the notice issued by the Commission in accordance with clause 6.2.

"Software Package" has the meaning given to that term in the Monitoring Licence.

"State" means the Crown in right of the State of Victoria and includes the Minister.

"Suspension Notice" has the meaning given to that term in the Monitoring Licence.

"Test Release Fee" means the fee set out in part 1(e) of Schedule 1.

"Tester" has the meaning given to it in the Related Agreement.

"Trigger Event" means:

- (a) the Minister has given the Monitoring Licensee a Suspension Notice;
- (b) the Minister has given the Monitoring Licensee a Cancellation Notice;
- (c) the Monitoring Licence has expired;
- (d) the Monitoring Licence is or is purported to be surrendered by the Monitoring Licensee; or

- (e) the Monitoring Licensee is in breach of this Deed, the Minister has given the Monitoring Licensee written notice of such breach, and the Monitoring Licensee has failed to remedy the breach within 10 Business Days of the date of such notice.

"Trigger Event Notice" means the notice issued by the Commission in accordance with clause 6.3(a).

1.2 Interpretation

In this Deed, unless the context requires otherwise:

- (a) the singular includes the plural and vice versa;
- (b) words denoting any gender include all genders;
- (c) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (d) a reference to a party, clause, paragraph, schedule or annexure is a reference to a party, clause, paragraph, schedule or annexure to or of this Deed;
- (e) a reference to this Deed includes any schedules or annexures;
- (f) headings are for convenience and do not affect interpretation;
- (g) the background or recitals to this Deed are adopted as and form part of this Deed;
- (h) a reference to any document or agreement includes a reference to that document or agreement as amended, novated, supplemented, varied or replaced from time to time;
- (i) a reference to "\$", "A\$" or "dollar" is a reference to Australian currency;
- (j) a reference to a time is a reference to Australian Eastern Standard Time or Australian Eastern Daylight Time, whichever is appropriate;
- (k) a reference to a party includes its executors, administrators, successors, substitutes (including persons taking by novation) and permitted assigns;
- (l) a reference to writing includes any method of representing words, figures or symbols in a permanent and visible form;
- (m) words and expressions denoting natural persons include bodies corporate, partnerships, associations, firms, governments and governmental authorities and agencies and vice versa;
- (n) a reference to any legislation or to any provision of any legislation includes:
 - (i) any modification or re-enactment of the legislation;
 - (ii) any legislative provision substituted for, and all legislation, statutory instruments and regulations issued under, the legislation or provision; and
 - (iii) where relevant, corresponding legislation in any Australian Minister or Territory;
- (o) no rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this Deed or any part of it; and
- (p) the words "including", "for example", "such as" or other similar expressions (in any form) are not words of limitation.

1.3 Other rules of interpretation

In this Deed, unless expressly provided otherwise:

- (a) **(method of payment)** any payment of money by one party to another will be made in Australian currency by bank cheque;
- (b) **(consents and approvals)** if the doing of any act, matter or thing requires the consent, approval or agreement of any party, that consent, approval or agreement may be given conditionally or unconditionally or withheld in that party's absolute discretion;
- (c) **(joint and several liability)** a promise, representation or warranty given by or in favour of two or more persons under this Deed is given by them or for their benefit jointly and severally;
- (d) **(Business Days)** if:
 - (i) the day on or by which any act, matter or thing is to be done is a day other than a Business Day, the act, matter or thing will be done on the next Business Day; and
 - (ii) any money falls due for payment on a date other than a Business Day, that money will be paid on the next Business Day (without interest or any other amount being payable in respect of the intervening period); and
- (e) **(inconsistency within Deed)** if a clause of this Deed is inconsistent with a schedule or annexure of this Deed, the clause prevails to the extent of the inconsistency.

2 Term

This Deed commences on its date of execution and remains in force until it is terminated in accordance with the terms of this Deed.

3 Monitoring Licensee's deposit obligations

3.1 Monitoring Licensee to make deposits

The Monitoring Licensee must deposit, accompanied by a completed Deposit form, with the Escrow Agent

- (a) with respect to the initial Software Package, the then finalised and complete version of the Software Package by no later than Monitoring Readiness (as that term is defined in the Related Agreement); and
- (b) with respect to any variation, addition or update to the Software Package, within five Business Days after any variation, addition or update to any part of the Software Package.

3.2 Warranty

The Monitoring Licensee warrants to the State that, to the best of the knowledge of the Monitoring Licensee after having made all relevant enquiries and carrying out all relevant tests, the Escrow Package does not and will not contain any program routine, device, code or instructions (including any code or instructions provided by third parties) or other undisclosed feature, including, without limitation, a time bomb, virus, software lock, drop-dead device, malicious logic, worm, Trojan horse or trap door, that is capable of accessing, modifying, deleting, damaging, disabling, deactivating, interfering with, or otherwise harming the Software Package, any computers, networks, data or other electronically stored information, or computer programs or systems.

3.3 The Tester will test deposits

The Tester will analyse and conduct tests on the Escrow Package to:

- (a) determine whether:
 - (i) the Monitoring Licensee has met its obligations under clause 3.1; and
 - (ii) the Systems comply with the Act, the Monitoring Licence, the Related Agreement and the Technical Standards (as set out in clause 19.3 of the Related Agreement); and
- (b) to verify that the Escrow Package contains all relevant materials.

3.4 Escrow Agent to provide access

- (a) When testing is required under clause 19.3 of the Related Agreement, the Monitoring Licensee must provide at least seven days' written notice to the Escrow Agent that such testing will occur.
- (b) The Escrow Agent will release the Escrow Package to the Tester after receipt of the notice issued by the Monitoring Licensee under clause 3.4(a) to enable testing under clause 3.3 to be carried out and the Escrow Agent will, in the presence and with the oversight of the Monitoring Licensee (if requested by the Monitoring Licensee), allow the Tester to:
 - (i) remove the Escrow Package from the custody of the Escrow Agent;
 - (ii) take copies of the Escrow Package for the purpose of testing;
 - (iii) install, download or copy the Escrow Package onto such computer system or hardware as the Tester may reasonably specify; and
 - (iv) analyse and conduct reasonable tests in relation to the Escrow Package as provided for under clause 3.3.
- (c) Following the testing set out in clause 3.3, the Monitoring Licensee will procure that the Tester will (in the presence of and with the oversight of the Monitoring Licensee if requested by the Monitoring Licensee) ensure that all copies of the Escrow Package are deleted from the computer system or hardware referred to in clause 3.4(b)(iii), and the material referred to in clauses 3.4(b)(i) and 3.4(b)(ii) is promptly returned to the Escrow Agent.
- (d) For the avoidance of doubt, if the Escrow Package is released to the Tester in accordance with this clause 3.4, the Escrow Package will be deemed to still be held at all times in escrow in accordance with this Deed and such a release will not cause this Deed to terminate in accordance with clause 12.2.

3.5 Licence

- (a) The Monitoring Licensee grants to the Escrow Agent a licence to enable the Escrow Agent to deal with the Escrow Package as is necessary to enable the Escrow Agent to comply with its obligations under this Deed.
- (b) The Monitoring Licensee will grant to the Tester a licence to enable the Tester to analyse and conduct tests on the Escrow Package in accordance with this Deed.

3.6 Failure to deposit correct version in escrow

If testing by the Tester reveals that the Escrow Package is incomplete or not up to date, the Monitoring Licensee must, at its own cost, deliver a copy of the correct and complete version of the Escrow Package to the Escrow Agent within two Business Days of the completion of testing and in this respect time is of the essence.

3.7 Costs

The cost of any test or inspection under clause 3.3 will be borne by the Monitoring Licensee.

4 Escrow Agent's obligations

4.1 Obligations

The Escrow Agent must:

- (a) accept each deposit of the Software Package on the date of delivery in accordance with clause 3.1 and, subject to the terms and conditions of this Deed, hold it on behalf of the Monitoring Licensee and the Minister;
- (b) give the Monitoring Licensee and the Commission written confirmation of receipt of all components of the Software Package that are deposited with the Escrow Agent by the Monitoring Licensee immediately as those components are received by the Escrow Agent;
- (c) take all reasonably necessary steps to ensure the preservation, care, safe custody and security of the Escrow Package whilst it is in the possession, custody or control of the Escrow Agent (including storage in a secure receptacle and in an atmosphere which does not harm the Escrow Package);
- (d) only use, access, copy and release the Escrow Package to the extent necessary to enable the Escrow Agent to comply with its obligations under this Deed;
- (e) establish and maintain a register of deposits of the Escrow Package showing deposit and release dates and to whom each deposit was released (**Register**);
- (f) allow the Monitoring Licensee or the Commission to examine the Register at any time during regular business hours; and
- (g) provide the Monitoring Licensee or the Commission with a copy of the Register within seven days of receiving a request to do so.

4.2 Limit on obligations

The Escrow Agent has no obligation to and is not responsible for:

- (a) verifying the nature, completeness or accuracy of the Escrow Package; or
- (b) any transaction between the parties, other than the performance of the Escrow Agent's obligations under this Deed.

5 Confidentiality

The Escrow Agent must not disclose to any person:

- (a) any part of the Escrow Package;
- (b) any information about the Escrow Package; or
- (c) any information about this Deed,

other than as permitted by this Deed or as required by Law.

6 Release to the Commission

6.1 Release of the Escrow Package

The Escrow Agent will not release, or allow access to, the Escrow Package except in accordance with the provisions of this Deed.

6.2 Release upon written request by Commission

- (a) The Commission may make a written request to the Escrow Agent for the release of the Escrow Package (or any separately deposited part of it) to the Commission, where the Commission has a reasonable need for the Escrow Package (or any part of it) as a result of the Monitoring Licensee being unwilling or unable to perform its obligations under the Monitoring Licence, the Act or the Related Agreement (**Release Notice**).
- (b) Where a Release Notice is made under clause 6.2(a), the Commission is only entitled to be provided with that part of the Escrow Package which is the subject of the written request, unless the requested part of the Escrow Package is not separately deposited, in which case the Commission will be entitled to be provided with the whole of the Escrow Package.

6.3 Release upon Trigger Event

If a Trigger Event occurs and the Commission wishes the Escrow Package to be released to the Commission, the Commission must:

- (a) notify the Escrow Agent and the Monitoring Licensee in writing that a Trigger Event has occurred (specifying the event) and request release of the Escrow Package to the Commission (**Trigger Event Notice**); and
- (b) provide the Escrow Agent, upon its request, with a copy of any notice or documentation issued to the Monitoring Licensee upon the occurrence of the Trigger Event.

6.4 Release of the Escrow Package to the Commission

Notwithstanding clauses 6.3(b) and 8, unless otherwise ordered by a court, the Escrow Agent must release the Escrow Package (or the relevant part thereof) to the Commission immediately upon receipt of a Release Notice or a Trigger Event Notice.

7 Release to Monitoring Licensee

7.1 Release of Escrow Package to Monitoring Licensee

If the Commission has given the Escrow Agent written notice of its consent to the release of the Escrow Package to the Monitoring Licensee, then the Monitoring Licensee may request that the Escrow Agent release the Escrow Package to the Monitoring Licensee, and the Escrow Agent must immediately release the Escrow Package to the Monitoring Licensee.

7.2 No other release to Monitoring Licensee is permitted

Other than as provided for in clauses 7.1, 8 and 12.6(b), the Escrow Agent must not release any Escrow Package to the Monitoring Licensee.

8 Release by agreement, decision or by court order

8.1 Release by agreement

Immediately upon the receipt of a joint notice from the Monitoring Licensee and the Commission requesting release of the Escrow Package, the Escrow Agent must release the Escrow Package in accordance with that notice.

8.2 Release by court order

Each party acknowledges that the Escrow Agent must immediately release the Escrow Package in accordance with, and upon the receipt of, any court order requiring the Escrow Agent to do so.

8.3 Notice to the Commission

The Escrow Agent must immediately notify the Commission and the Monitoring Licensee if it receives any direction by a court (or any document that refers to a court direction being sought) in relation to the Escrow Package.

9 Fees and charges

9.1 Payment of fees

The Monitoring Licensee must pay the Establishment Fee and Annual Fee to the Escrow Agent within 30 days of the Monitoring Licensee's receipt of the invoices referred to in clause 9.3.

9.2 Annual Fee subject to change

The Escrow Agent may increase the Annual Fee for any year by giving 30 days notice to the Monitoring Licensee. An increase must not exceed the increase in the CPI for the previous year.

9.3 Invoices

- (a) The Escrow Agent may issue invoices as follows:
 - (i) for the Establishment Fee, on or after the date of this Deed, to the Monitoring Licensee;
 - (ii) for the Annual Fee, on or after the date of this Deed and thereafter on or after each anniversary of the date of this Deed, to the Monitoring Licensee;
 - (iii) for the Release Fee and for reasonable delivery costs incurred by the Escrow Agent in releasing the Escrow Package, to the party that requested the release;
 - (iv) for the Test Release Fee, on or after the release of the Escrow Package to the Tester pursuant to clause 3.4(b), to the Licensee; and
 - (v) for any Additional Charges, on or after the Monitoring Licensee requests services which incur such Additional Charges.
- (b) All invoices issued by the Escrow Agent must state the basis on which fees are charged and, in respect of amounts invoiced pursuant to clause 9.3(a)(iii), must attach evidence justifying the amounts claimed.

9.4 Escrow Agent's expenses

Subject to clause 9.3(a)(iii), all costs, expenses outgoings and disbursements incurred by the Escrow Agent in connection with this Deed and its obligations under it will be borne wholly and completely by the Escrow Agent.

9.5 Monitoring Licensee's expenses

Subject to clause 11.4, all costs, expenses, outgoings and disbursements incurred by the Monitoring Licensee in connection with this Deed and its obligations under it including, without limitation those under clause 3.3, will be borne wholly and completely by the Monitoring Licensee.

10 GST

10.1 Construction

In this clause 10:

- (a) GST Law has the same meaning given to that expression in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth);
- (b) words and expressions which are not defined in this Deed but which have a defined meaning in GST Law have the same meaning as in the GST Law; and
- (c) references to GST payable and input tax credit entitlement include GST payable by, and the input tax credit entitlement of, the representative member for a GST group of which the entity is a member.

10.2 Consideration GST exclusive

Unless otherwise expressly stated, all sums payable or consideration to be provided under this Deed are exclusive of GST.

10.3 Payment of GST

If GST is payable on any supply made by a party (or any entity through which that party acts) ("**Supplier**") under or in connection with this Deed, the recipient will pay to the Supplier an amount equal to the GST payable on the supply.

10.4 Timing of GST payment

The recipient will pay the amount referred to in clause 10.3 in addition to and at the same time that the consideration for the supply is to be provided under this Deed.

10.5 Tax invoice

The Supplier must deliver a tax invoice or an adjustment note to the recipient before the Supplier is entitled to payment of an amount under clause 10.3. The recipient can withhold payment of the amount until the Supplier provides a tax invoice or an adjustment note, as appropriate.

10.6 Adjustment event

If an adjustment event arises in respect of a taxable supply made by a Supplier under this Deed, the amount payable by the recipient under clause 10.3 will be recalculated to reflect the adjustment event and a payment will be made by the recipient to the Supplier or by the Supplier to the recipient as the case requires.

10.7 Reimbursements

Where a party is required under this Deed to pay or reimburse an expense or outgoing of another party, the amount to be paid or reimbursed by the first party will be the sum of:

- (a) the amount of the expense or outgoing less any input tax credits in respect of the expense or outgoing to which the other party is entitled; and
- (b) if the payment or reimbursement is subject to GST, an amount equal to that GST.

11 Ownership, risk and insurance

11.1 Acknowledgements

Each party acknowledges that:

- (a) title in the physical media on which the Escrow Package is stored passes from the Monitoring Licensee to the State on release of the Escrow Package to the Commission in accordance with this Deed; and
- (b) unless specified in part 2 of Schedule 1, the Escrow Agent will not take out any insurance policies to cover loss of or damage to the Escrow Package or associated media.

11.2 Loss or damage to Escrow Package

Without limiting any rights or remedies that any of the parties may have, if any of the Escrow Package is lost, stolen, damaged or destroyed while in the Escrow Agent's possession, custody or control (including during any testing by the Tester under clause 3.3):

- (a) the Escrow Agent must promptly notify each other party; and
- (b) the Monitoring Licensee must provide the Escrow Agent with a replacement Escrow Package (or the relevant part or parts of the Escrow Package, as appropriate) within five Business Days of receiving such notice from the Escrow Agent.

11.3 Warranty

The Monitoring Licensee warrants and represents that it has the necessary authority to:

- (a) comply with its obligations under this Deed; and
- (b) grant the licences in clause 3.5.

11.4 Act or omission of Escrow Agent

Notwithstanding any other provision of this Deed, if any part or parts of the Escrow Package are lost, stolen, damaged or destroyed while in the Escrow Agent's possession, power or control, (including during any testing by the Tester under clause 3.3) and that loss damage or destruction is caused by:

- (a) the Escrow Agent's breach of this Deed; or
- (b) the negligent, wilful or unlawful act or omission of the Escrow Agent,

then the Escrow Agent must, at its own expense, reimburse the Monitoring Licensee for the cost of replacing the relevant part or parts of the Escrow Package.

12 Termination

12.1 Upon insolvency

This Deed terminates immediately if the Escrow Agent becomes subject to an Insolvency Event.

12.2 Upon release of Escrow Package

- (a) Without derogating in any way from clause 12.7(b), this Deed terminates immediately if the entire Escrow Package is released to the Commission or the Monitoring Licensee in accordance with this Deed.
- (b) If any part of the Escrow Package is released to the Commission or the Monitoring Licensee in accordance with this Deed, the obligations under this

deed will continue to operate with respect to the remaining part Escrow Package in relation to that part.

12.3 Upon provision of notice

- (a) This Deed may be terminated by:
 - (i) the Escrow Agent if either the Monitoring Licensee or the Minister is in breach of this Deed, the Escrow Agent has given the Monitoring Licensee or Minister (as appropriate) written notice of such breach, and the Monitoring Licensee or Minister (as appropriate) has failed to remedy the breach within 10 Business Days of the effective date of such notice;
 - (ii) the Escrow Agent giving 90 days written notice to the Monitoring Licensee and the Minister subject to the pro-rata refund by the Escrow Agent of any advance payment of the Annual Fee;
 - (iii) the Minister giving 90 days written notice to the Monitoring Licensee and the Escrow Agent.
- (b) A notice by the Minister under clause 12.3(a)(iii) shall state that the Minister no longer requires the Escrow Package to be held by the Escrow Agent, if that is the case.

12.4 By the Minister or Monitoring Licensee

The Monitoring Licensee and the Minister may, by giving joint notice to the Escrow Agent, terminate this Deed with immediate effect if:

- (a) the Escrow Agent commits a material breach of this Deed; and
- (b) the breach is not remedied within 10 Business Days of the Escrow Agent receiving a notice detailing the breach and requiring that it be rectified.

12.5 Consequences of an Escrow Agent termination event

Within 14 days after the termination of this Deed under clause 12.1, 12.3(a)(i), 12.3(a)(iii) or 12.4, the Monitoring Licensee must, if the Minister so directs, enter into another escrow deed between the Monitoring Licensee, the Minister and a new escrow service provider nominated by the Minister in a form substantially similar to this Deed.

12.6 Return of Escrow Package on termination

- (a) Subject to clause 12.6(b), if this Deed terminates for any reason other than under clause 12.2, then, unless a new escrow deed is entered into within the period allowed in accordance with clause 12.5, the Escrow Agent must, immediately deliver the Escrow Package to the Commission.
- (b) If the Minister does not notify the Monitoring Licensee that it intends to direct the Monitoring Licensee to enter into a new escrow deed under clause 12.5, and the Minister notifies (or has notified) the Monitoring Licensee and the Escrow Agent that it no longer requires the Escrow Package to be held by the Escrow Agent, then the Escrow Package shall be returned to the Monitoring Licensee within seven days after request by the Monitoring Licensee.
- (c) If this Deed terminates for any reason other than under clause 12.2, then unless otherwise jointly directed by the Minister and the Monitoring Licensee, the Escrow Agent will continue to hold the Escrow Package in escrow in accordance with the terms of this Deed until such time as the Escrow Agent releases the Escrow Package in accordance with clause 12.6(a) or 12.6(b).

12.7 Survival

- (a) If the Escrow Agent is required to continue to hold the Escrow Package after the date of termination of this Deed, then up until the time that the Escrow Agent releases the Escrow Package to either the Minister or the Monitoring Licensee in accordance with this Deed, clauses 3.5, 4, 11 and 14 survive the termination of this Deed.
- (b) In all circumstances, clauses 3.2, 5, 11.1(a), 11.3, 12.5, 12.6, 12.7 and 15 survive the termination of this Deed.

13 Notices

13.1 Method

All notices, requests, demands, consents, approvals, offers, agreements or other communications (“**notices**”) given by a party under or in connection with this Deed must be:

- (a) in writing;
- (b) signed by a person duly authorised by the sender;
- (c) directed to the intended recipient's address (as specified in clause 13.3 or as varied by any notice); and
- (d) hand delivered, sent by prepaid post or transmitted by facsimile to that address.

13.2 Receipt

A notice given in accordance with this clause is taken as having been given and received:

- (a) if hand delivered, on delivery;
- (b) if sent by prepaid post:
 - (i) within Australia, on the second Business Day after the date of posting;
 - (ii) to or from a place outside Australia, on the seventh Business Day after the date of posting; or
- (c) if transmitted by facsimile, at the time recorded on the transmission report indicating successful transmission of the entire notice,

but if the delivery or transmission is not on a Business Day or is after 5.00pm (recipient's time) on a Business Day, the notice is taken to be received at 9.00am (recipient's time) on the next Business Day.

13.3 Address of parties

Unless varied by notice in accordance with this clause 13, the parties' addresses and other details are:

Party: Minister
Address: Level 16, 1 Spring Street, Melbourne, Victoria 3000
Facsimile: +61 3 9938 5962
Copy to: Executive Director, Gaming and Racing, Department of Justice
Address: Level 29, 121 Exhibition Street, Melbourne, 3000
Facsimile: +61 3 8684 1977

Party: Escrow Agent
Attention: Robyn Quigley

Address: Suite 93, Level 5, 330 Wattle St, Ultimo NSW 2007
Facsimile: + 61 2 9211 5940

Party: Monitoring Licensee
Attention: Company Secretary
Address: Level 1, 283 Normanby Road, Port Melbourne 3207
Facsimile: +30 2 106 106 800

13.4 Requirement for written notice

For the avoidance of doubt, the requirement in clause 13.1(a) applies to all notices unless expressly excluded and no implication to the contrary is to be drawn from the use of the expressions "written" or "in writing" in relation to some but not all notices.

14 Assignment

- (a) The Escrow Agent may not assign, novate, transfer or otherwise deal with this Deed or any right under this Deed without the prior written consent of each other party.
- (b) The Monitoring Licensee may only assign, transfer or otherwise deal with this Deed or any right under this Deed:
 - (i) in compliance with clause 18.4(d) of the Related Agreement; or
 - (ii) if the Monitoring Licensee assigns, novates or transfers the Licensed IP in accordance with clause 20.9 of the Related Agreement, in which case, the Minister and the Escrow Agent agree to consent to the Monitoring Licensee assigning or transferring this Deed to the New Owner (as that term is defined in clause 20.9 of the Related Agreement).
- (c) The Minister may assign, transfer or otherwise deal with this Deed or any right or obligation under this Deed without the consent of any other party.

15 General

15.1 Dispute resolution

The dispute resolution proceedings set out in the Related Agreement will apply to this Deed.

15.2 Entire agreement

This Deed constitutes the entire agreement between the parties in relation to its subject matter. All prior discussions, undertakings, agreements, representations, warranties and indemnities in relation to that subject matter are replaced by this Deed and have no further effect.

15.3 Paramountcy of Deed

In the interpretation of this Deed, to the extent that there is any inconsistency between the provisions of this Deed and the provisions of the Licence, the provisions of the Act or the provisions of the Related Agreement then the following descending order of precedence will apply:

- (a) the Act;
- (b) any directions given under the Act;
- (c) the Licence;
- (d) the Related Agreement; and

(e) this Deed.

15.4 No merger

The provisions of this Deed will not merge on completion of any transaction contemplated in this Deed and, to the extent any provision has not been fulfilled, will remain in force.

15.5 Attorneys

Each person who executes this Deed on behalf of a party under a power of attorney warrants that he or she has no notice of the revocation of that power or of any fact or circumstance that might affect his or her authority to execute this Deed under that power.

15.6 Amendment

This Deed may not be amended or varied unless the amendment or variation is in writing signed by all parties.

15.7 Severability

Part or all of any provision of this Deed that is illegal or unenforceable will be severed from this Deed and will not affect the continued operation of the remaining provisions of this Deed.

15.8 Waiver

Waiver of any power or right under this Deed:

- (a) must be in writing signed by the party entitled to the benefit of that power or right; and
- (b) is effective only to the extent set out in that written waiver.

15.9 Rights, remedies additional

Any rights and remedies that a person may have under this Deed are in addition to and do not replace or limit any other rights or remedies that the person may have.

15.10 Further assurances

Each party must do or cause to be done all things necessary or reasonably desirable to give full effect to this Deed and the transactions contemplated by it (including, but not limited to, the execution of documents).

15.11 Costs

Each party must bear its own legal, accounting and other costs for the preparation and execution of this Deed.

15.12 Counterparts

This Deed may be executed in any number of counterparts and all counterparts taken together will constitute one document.

15.13 Electronic delivery of documents

If a party delivers an executed counterpart of this Deed or any other document executed in connection with it ("**Relevant Document**") by facsimile or other electronic means:

- (a) the delivery will be deemed to be an effective delivery of an originally executed counterpart; and
- (b) the party will still be obliged to deliver an originally executed counterpart, but the failure to do so will not effect the validity or effectiveness of the Relevant Document.

15.14 Governing law and jurisdiction

This Deed will be governed by and construed in accordance with the laws in force in the Minister of Victoria and each party submits to the exclusive jurisdiction of the courts of that Minister.

SCHEDULE 1

1 Fees and charges

- (a) **Establishment Fee:** (first year) \$385.00 plus GST.
- (b) **Annual Fee:** (first year and subsequent years (subject to increases under clause 9.2)) \$995.00 plus GST.

Includes controlled retention of deposits and maintenance of audit records and documentary evidentiary support of deposit movements; processing and certification of up to 4 deposits per annum. Deposits in excess of 4 per annum will be charged at the Additional Charges rate set out in item 1(c) below.

Includes one Unit of Escrow Storage (one Unit equals one half cubic foot). Additional Units of Escrow Storage will be charged at the Additional Charges rate set out in item 1(c) below.

- (c) **Additional Charges:**
 - (i) Additional Units of Escrow Storage in addition to those included in the Annual Fee, \$100.00 per annum plus GST; and
 - (ii) Additional deposits in excess of 4 deposits per annum, \$100 per each additional deposit.
- (d) **Release Fee:** \$300 per release, plus GST.
- (e) **Test Release Fee:** \$250.00 per release, plus GST.

2 Insurance

N/A

3 Media information

Medium

Quantity

Label

4 Escrow deposit details

4.1 Compilation

- (a) What hardware is required to compile for each of the components of the Software Application?

- (b) What operating system and version is used in the compilation process for each of the components of the Software Application?

- (c) What development environment (compilers/linkers/other tools) are necessary to compile each of the components of the Software Application?

- (d) List all third party libraries/components that are required to compile each of the components of the software (brand name, version & supplier) and indicate which (if any) are not included in the deposit?

(e) List all non third party libraries/components that are required to compile each of the components of the software.

(f) Detail the steps to follow to compile the source code and produce a version of each of the components of the Software Application that runs.

(g) List all of the files that are created by the compilation process and are needed to successfully run each of the components of the Software Application.

4.2 Running the application

(a) What hardware is required to successfully run each of the components of the Software Application (if identical to item 4.1(a) please leave blank)?

(b) What software (in addition to the operating system) is required to successfully run each of the components of the Software Application?

4.3 Documentation

(a) Please provide an overview of the technical documentation.

(b) Please provide an overview of the user documentation.

(c) Please include a short description on the layout of the deposit.

(d) Please include a full directory listing of the contents of the deposit media.

4.4 General information

(a) What are the main functions performed by the Software Application?

(b) List the additional material (reports, databases, etc.) included with the deposit

(c) Is a copy of the development environment (compilers & third party software) included with the deposit?

(d) Does your company use a formal coding convention (please provide a brief description of the convention used).

5 Remarks

Date

Signature:

Name (please print):

For and on behalf of the Monitoring Licensee

The Monitoring Licensee warrants that the details set out above are correct and complete.

EXECUTED as a DEED

SIGNED SEALED and DELIVERED by
THE MINISTER FOR GAMING, THE
HONOURABLE MICHAEL O'BRIEN MP,
FOR AND ON BEHALF OF THE CROWN
IN THE RIGHT OF THE STATE OF
VICTORIA in the presence of




Signature of witness

The Honourable Michael O'Brien MP

LUKE TOBIN
Name of witness (print)

SIGNED SEALED and DELIVERED on
behalf of **INTRALOT GAMING SERVICES**
PTY LTD ACN 136 875 673 in accordance
with section 127 of the *Corporations Act*
2001

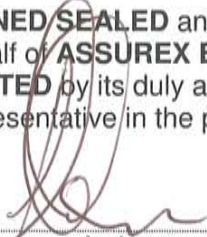

Signature of witness Director



Signature of representative Secretary

ATHANASIOS BAUSTANOS
Name of witness (print) Director

CRAIG RICHARD DURHAM
Name of representative (print) Secretary

SIGNED SEALED and DELIVERED on
behalf of **ASSUREX ESCROW PTY**
LIMITED by its duly authorised
representative in the presence of


Signature of witness


Signature of representative

JOHN Rungley
Name of witness (print)
DIRECTOR

Robyn Rungley
Name of representative (print)
DIRECTOR

Schedule 15 - Required Assets

Site Controllers
Jackpot Controllers
Gaming Machine Interface Cards (Interface Boards)
Jackpot Display Interface Cards
Jackpot System
Monitoring System (CMCS)
LAN Network Equipment
Venue Peripherals

Schedule 16 – Implementation Completion Tasks

The Implementation Completion Tasks, include, without limitation, the following:

- (a) Completion of the replacement of all components of the Legacy System, other than Re-Used Legacy System Components, with new components / infrastructure at the central point of the Monitoring System and at Participating Venues.
- (b) Decommissioning of all replaced components and infrastructure of the Legacy System, other than Re-Used Legacy System Components.
- (c) System capability that allows the continuation of gaming in a Venue for a period of up to 24 hours when the link from the Venue to the central point of the CMCS is not operational.
- (d) System capability to prevent the loss of Soft Meter Data in the field due to malfunctions, including but not limited to unexpected memory clearances of Gaming Machines, Jackpot Controllers, Interface Cards or any other Monitoring Equipment.
- (e) All Monitoring System equipment to meet a mean time between failure (MTBF) requirement of three (3) years.
- (f) Fully operational links to the Commission implemented while the old links from the Legacy Systems are disconnected.

Schedule 17 – Functional Requirements at Commencement Date

The following functional requirements must be achieved on or before Commencement Date:

- (a) Gaming Machines' Metering Baselines are established, including recording the results of Hard Counts;
- (b) Live feeds established between the Monitoring System and Legacy Systems (where the Monitoring Licensee requires an interface to some or all of the Legacy Systems);
- (c) Connection of all Available Machines in accordance with clause 19.2; and
- (d) Connection of Available Machines participating in Linked Jackpot Arrangements and Multiple Venue Linked Jackpot Arrangements to equipment for facilitating Linked Jackpot Arrangements and Multiple Venue Linked Jackpot Arrangements which are required by this Related Agreement.