

ADMINISTRATION OF GAMBLING ON TRACKS LIMITED

CONDITIONS OF SALE FOR ONLINE AUCTIONS OF BOOKMAKERS' LIST POSITIONS

Online Auctions are conducted on behalf of Administration of Gambling on Tracks Limited (AGT) and are subject to the following Conditions of Sale: -

1. DEFINITIONS

In these Conditions of Sale the following expressions shall have the following meanings: -

- 1.1.1 "Auctioneers" means AGT acting for itself or through its agents via its website. The Auctioneers act as agent for the Vendor and any sale will result in a contract made directly between the Vendor and the Purchaser.
- 1.1.2 "Bookmakers' List" means the list of bookmakers for the racecourse to which the List Position relates as at 30 June 2009 supplied by AGT and updated to recognise subsequent transfers made in accordance with the relevant transfer policy from time to time.
- 1.1.3 "Licence" has the meaning given in clause 3.4.1.
- 1.1.4 "Licensed Operator" means a Licensed Operator who holds a valid operating licence from the Gambling Commission in accordance with Part 5 of the Gambling Act 2005, who has registered with AGT for an Identification Card and who has registered a user name and password for access to the AGT website.
- 1.1.5 "List Position" means a Licensed Operator's position on the Bookmakers' List.
- 1.1.6 "Lot" means the List Position offered for sale via the Online Auction.
- 1.1.7 "Online Auction" means the auction of List Positions conducted by AGT via the website: www.agt-ltd.co.uk.
- 1.1.8 "Purchaser" means the Licensed Operator who makes the highest bid for a Lot accepted by the Auctioneers.
- 1.1.9 "Racecourse Commission" means an amount equal to the percentage set out in the relevant Licence of the winning bid (plus applicable Value Added Tax where set out in the relevant Licence) payable to the relevant racecourse in respect of a transfer of a List Position in accordance with clause 9.3.
- 1.1.10 "Transfer Value" means the Winning Bid amount payable to AGT for the relevant Lot sold, together with any interest due, plus Value Added Tax where applicable.
- 1.1.11 "Transfer Registration Fee" means the fee payable in accordance with the terms of the relevant Licence direct to AGT for the registration by AGT of a List Position in accordance with clause 9.3 of these Conditions of Sale.
- 1.1.12 "Vendor" means the Licensed Operator selling the List Position in the Online Auction.

1.1.13 "Winning Bid" means the highest bid for a Lot that is placed and successfully executed prior to the end of the Online Auction, measured in pounds sterling and exclusive of Value Added Tax, where applicable.

1.2 In these Conditions of Sale: -

1.2.1 The expression "person" shall include a body corporate and words importing gender include both genders.

1.2.2 Expressions in the singular shall include the plural and vice versa where applicable.

2. QUALIFYING LIST POSITIONS FOR SALE

2.1 Online Auctions are restricted to any List Position as detailed on the Bookmakers' List. The sale of any List Position which is offered as a Lot in error will be declared null and void.

3. EXCLUSION OF LIABILITY

3.1 Save as set out expressly in these Conditions of Sale, the Auctioneers give no guarantee or warranties to the Vendor or the Purchaser and any implied warranties or conditions are excluded (save in so far as such obligations cannot be excluded by statute).

3.2 Any representations, written or oral and including those in any report or commentary in relation to a List Position are those of the Vendor, may be revised prior to the commencement of the Online Auction. No employee of the Auctioneers, nor any agent or director shall be liable for any errors or omissions in any such representations.

3.3 Where there is a dispute outstanding in respect of the status of any List Position on a Bookmakers' List, it is the responsibility of the Purchaser to satisfy himself whether the outcome of any dispute may affect the List Position or any other List Position on the relevant Bookmakers' List.

3.4 The Vendor and Purchaser both acknowledge and agree that entry to any racecourse is subject to:

3.4.1 the Purchaser signing and completing a licence with the owner or operator of that racecourse ("**Licence**");

3.4.2 the Purchaser complying with the Licence;

3.4.3 the Purchaser complying with the applicable racecourses terms and conditions of entry including Special Conditions E in force from time to time, which are available for reference at every badge box and are posted on the AGT website at (www.agt-ltd.co.uk);

3.4.4 the Purchaser paying the Transfer Value;

3.4.5 the payment of the transfer registration fee;

3.4.6 the Vendor paying the Racecourse Commission.

- 3.6 AGT, the Racecourse Association and the owners or operators of any racecourse exclude any liability for any loss or damage arising in connection with the transactions that take place as a result of this Online Auction.
- 3.7 A List Position transfer shall not be completed and AGT shall not update the relevant Bookmakers' List until:
- 3.7.1 the Purchaser has signed and completed the Licence;
- 3.7.2 the Transfer Value has been received in cleared funds by AGT Ltd;
- 3.7.3 the Transfer Registration Fee has been received in cleared funds by AGT Ltd; and
- 3.7.3 the Racecourse Commission has been received in cleared funds by AGT Ltd.
- 3.8 Completion of the Licence is subject to the completion of the procedure for contracting out of the security of tenure provisions in the Landlord and Tenant Act 1954 (**LTA**). The procedure is described below to ensure the Purchaser is aware of the time-table for completing the process and signing the Licence. The owner or operator of the racecourse will serve a notice with the standard form reference "LTBT1" on the purchaser stating that sections 24 to 28 of the LTA 1954 will not apply together with the Licence. The purchaser then needs to acknowledge receipt of form LTBT1, which may be done by either:
- 3.8.1 making a simple declaration using the standard form with the reference "LTBT2", note that the Purchaser has to wait **at least 14 days after the date that the LTBT1 is received by the Purchaser before completing form LTBT2 and signing the Licence** (and therefore being allowed entry to the racecourse); or
- 3.8.2 if the Purchaser does not or cannot wait **at least 14 days** to complete the Licence, the bookmaker has to swear a statutory declaration in the standard form with the reference "LTBT3" in front of an independent solicitor or commissioner for oaths instead of a simple declaration (form LTBT2).
- 3.9 AGT, The Racecourse Association and the owners or operators of any racecourse exclude any liability for any loss or damage sustained as a result of direct payments made between the Purchaser and Vendor.
- 3.10 Only Licensed Operators may bid for a Lot. All other bidders are hereby excluded unless permitted under the provisions of clause 6.4 of these Conditions of Sale. All bids by persons who are not Licensed Operators will be disregarded and AGT shall not be liable in any way for such bids.

4. CONDUCT OF SALE

- 4.1 The Vendor may, prior to the Online Auction, notify the Auctioneers in writing of any reserve price for the relevant Lot. The Vendor shall be entitled at any time up until two working days after the end of the Online Auction to instruct the Auctioneers to waive any such reserve price and accept bids at below such reserve price. For example, if an Online Auction ends on a Monday at 3pm, this entitlement shall persist until Wednesday at 3pm.

- 4.2 The Auctioneers may withdraw a Lot from the Online Auction without any liability if they reasonably believe that there is any dispute as to the relevant List Position.
- 4.3 The person who makes the Winning Bid shall be deemed to be the Purchaser provided that, in the event that the Vendor has specified a reserve price and has not waived such reserve price within the time specified in clause 4.1 above, the highest bid exceeds or matches such reserve price.
- 4.4 The Auctioneers will commence and advance the bidding in levels as pre-determined on the AGT website, having regard to the value of the Lot in the Online Auction, and of competing bids.
- 4.5 The Auctioneers have absolute discretion at any time during the course of the Online Auction without giving any reason to: -
 - 4.5.1 withdraw any Lot;
 - 4.5.2 re-offer a Lot for sale if the Auctioneers reasonably believe that there is an error or dispute; and/or
 - 4.5.3 take such other action as they reasonably think fit in the circumstances.
- 4.6 During the Online Auction, current highest bidders and any party who enters the Winning Bid will remain anonymous.
- 4.7 The Auctioneers reserve the right to publicise the results of the Online Auction. In particular, the Auctioneers are obliged to inform the owner or operators of the relevant racecourse and The Racecourse Association of the details of the sale of the List Position including the Transfer Value to The Racecourse Association, the owner or operators of racecourses and other bookmakers.

5. VENDORS

- 5.1 By submitting a List Position for sale via the Online Auction using the prescribed entry form, Vendors signify unconditionally that they accept and will comply with these Conditions of Sale.
- 5.2 Each Lot submitted will attract an advance entry fee of £20 plus Value Added Tax. The entry fee is not refundable under any circumstances.
- 5.3 No Lot may be withdrawn from the Online Auction by the Vendor once the sale has commenced on the AGT website.
- 5.4 AGT will make payment to the Vendor once cleared funds of the Transfer Value are received from the Purchaser and AGT shall pay the relevant racecourse the Racecourse Commission.
- 5.5 If cleared funds of the Transfer Value have not been received within 14 days of the Online Auction, AGT will not make any payment to the Vendor or the relevant racecourse pursuant to clause 5.4 and will invoke one or more of the provisions of clause 10 of these Conditions of Sale.

- 5.6 A Vendor may not bid for any Lot offered by the Vendor at the Online Auction. If a Vendor is found to have bid for a Lot offered by the Vendor, including via third parties, the Auctioneers shall have the right to expel the Vendor from future Online Auctions and to disable his log-in details. At the Auctioneers' discretion, members of partnerships who wish to bid on a Lot owned by the partnership may be excluded from this clause on written application.
- 5.7 The Auctioneers will endeavour to advise Vendors of the following events, using automated emails: -
- Your List Position has been listed for Online Auction;
 - Your List Position has been sold; and
 - Your List Position has not been sold.
- 5.8 The Auctioneers accept no responsibility, however, for the provision, accuracy or timeliness of such information.
- 5.9 Vendors must take all reasonable steps to avoid disclosing (whether deliberately or accidentally) their username and password to anyone else. Each Lot entered where the Vendor's username and password have been entered correctly will be regarded as valid, whether or not authorised by the Vendor, and the Auctioneers shall not be liable for any claims in the event that the Vendor discloses their username or password to anyone else.

6. PURCHASERS

- 6.1 By bidding for a List Position in an Online Auction, a Purchaser accepts unconditionally that the Purchaser accepts and will abide by these Conditions of Sale. Bids are binding and may not be retracted, so bidders should take special care to ensure that bids are submitted appropriately. An 'are you sure?' prompt is included in the bidding process for this purpose.
- 6.2 It is the Purchaser's responsibility to undertake all investigations, enquiries and searches to satisfy himself that the List Position offered in a Lot is as described and, in the event of any outstanding dispute affecting a List Position comprising the Lot, or in the event of any dispute affecting the Bookmakers' List on which any List Position in which a prospective Purchaser is interested remains outstanding. Any prospective Purchaser must rely on his own judgement, enquiries and searches as to the effect of any outstanding dispute upon any List Position contained in any Lot in which he is interested. The Purchaser will be deemed to have knowledge of all matters which he could reasonably have been expected to find out given his knowledge as a Licensed Operator and the exercise of due diligence. The Purchaser acknowledges and agrees that the Purchaser has reviewed and agrees to the terms and conditions of the Licence prior to making any bid for a Lot and is aware that any List Position transferred will be subject to the position allocation provisions set out in the Licence.
- 6.3 Each List Position will attract a Transfer Registration Fee of £50 plus applicable Value Added Tax, which is payable to AGT in accordance with the terms of the relevant Licence.

- 6.4 Any person who bids at the Online Auction is deemed to do so as principal and will be held personally and solely liable for that bid unless it has been previously agreed in writing that the bidder does so on behalf of an identified third party acceptable to the Auctioneers. In the circumstances so agreed, both the bidding agent and the third party will be jointly and severally liable for all obligations arising from the bid and the third party shall be bound by the Conditions of Sale by the bidding of his agent in the same way as if he were bidding personally.
- 6.5 Where non-compliant, malicious or otherwise inappropriate Winning Bids are received and subsequently disqualified under the provisions of clause 3.10 or any other clause in these Conditions of Sale, AGT reserves the right to offer the Lot to the next highest bidder, who is a Licensed Operator.
- 6.6 The Auctioneers reserve the right, at their absolute discretion, to refuse to allow any person to participate in Online Auctions.
- 6.7 The Auctioneers will make every attempt to advise bidders of the following events, using automated emails: -
- You are currently the highest bidder;
 - You've been outbid;
 - You won the List Position: and
 - You didn't win the List Position.
- 6.8 The Auctioneers accept no responsibility, however, for the provision, accuracy or timeliness of such information.
- 6.9 Purchasers must take all reasonable steps to avoid disclosing (whether deliberately or accidentally) their username and password to anyone else. All Lots entered where the Purchaser's username and password have been entered correctly will be regarded as valid, whether or not authorised by the Purchaser, and the Auctioneers shall not be liable for any claims in the event that the Purchaser discloses their username or password to anyone else.

7. PAYMENT

- 7.1 Immediately after the end of the relevant Online Auction, during office hours, the Purchaser shall pay AGT by debit/credit card, electronically or by cheque drawn on the Purchaser's account at a United Kingdom bank or building society, in pounds sterling, the Transfer Value and the Vendor shall pay AGT by debit/credit card, electronically or by cheque drawn on the Vendor's account at a United Kingdom bank or building society, in pounds sterling, the Racecourse Commission. Any credit card payment to AGT will attract a surcharge of 2.5% (minimum £1). Payment by debit card will be free of charge. Amex is not accepted. Payment will not be deemed to have been made until AGT has been notified by its bank that it is in receipt of cleared funds. No cash will be accepted unless expressly agreed in advance by AGT staff.

8. TRANSFER OF LIST POSITIONS

- 8.1 Subject to clause 3.4, title to the Lot sold will not pass to the Purchaser until the receipt by AGT Ltd of cleared funds of the Transfer Value and the

Racecourse Commission and the transfer of the relevant List Positions have been registered by AGT.

- 8.2 Subsequent to the registration of the List Position transfer, AGT will confirm the transfer to the Purchaser and Vendor in writing.

9. FEES

- 9.1 The Vendor will pay in advance the Online Auction entry fee (£20 plus Value Added Tax). The Online Auction entry fee is not refundable under any circumstances.

- 9.2 The Purchaser will pay the Transfer Value to AGT in accordance with clause 7.1 following receipt of which AGT will pay the Vendor the Transfer Value in accordance with clause 5.4.

- 9.3 The Transfer Registration Fee of £50 plus applicable Value Added Tax for each List Position will be paid to AGT in accordance with the terms of the relevant Licence.

- 9.4 The Vendor will pay the Racecourse Commission to AGT in accordance with clause 7.1 following receipt of which AGT will pay the Racecourse Commission to the relevant racecourse.

- 9.5 The Vendor and Purchaser warrant that the Transfer Value is the full and true price paid for the Lot and that no other consideration of any kind was or is payable in respect of the Lot.

10. REMEDIES FOR FAILURE TO COMPLETE THE TRANSFER OF THE LIST POSITION

If the Purchaser fails to pay the Transfer Value on any Lot in accordance with these Conditions of Sale or is not a Licensed Operator, the Auctioneers may, at their sole discretion and without prejudice to any other rights which the Auctioneers and the Vendor may have, be entitled both on their own behalf, and as agent, for the Vendor to exercise any one or more of the following rights or remedies: -

- 10.1 commence proceedings for damages of breach of contract;
- 10.2 cancel the sale of the Lot or re-offer it for Online Auction;
- 10.3 reject at any future Online Auction any bids made by or on behalf of any Purchaser who has failed to complete the purchase of any List Position at any previous Online Auction;
- 10.4 charge the Purchaser interest at the rate of four percent (4%) per annum above the base lending rate quoted by HSBC from time to time on the Transfer Value to the extent that it remains unpaid more than 14 days after the end date of the Online Auction.

11. WITHDRAWAL OF LOTS

- 11.1 The Auctioneers reserve the right to withdraw a Lot from the sale without any liability to the Vendor where the Auctioneers reasonably believe that there is any doubt as to the entitlement to any List Position or;
- 11.1.1 it is established that any of the Vendor's representations in offering any List Position for sale is inaccurate in any way; or
- 11.1.2 the Vendor is in breach of any of the provisions of the Conditions of Sale in any respect; or
- 11.1.3 the Online Auction at which it was proposed to sell the Lot is materially affected by technical issues for any reason (for instance, but not exhaustively, the online host/server being down for a significant period of the Online Auction or at the time when the Lot is due to end); or
- 11.1.4 the Auctioneers become aware of any matters which would result in the List Position being offered for sale as a Lot being subject to change as a result of an appeal made by the Vendor or by any other Licensed Operator on the relevant Bookmakers' List.

12. VALUE ADDED TAX

- 12.1 Where these Conditions of Sale refer to an obligation to make any payment by a Purchaser or a Vendor, the Purchaser or Vendor (as applicable) shall be liable to pay any Value Added Tax required by law. Where the Conditions of Sale give the Auctioneers a right to receive payment from a Purchaser or a Vendor, such rights should include the right to receive any Value Added Tax due.

13. WHOLE AGREEMENT

- 13.1 These Conditions of Sale form the whole agreement between the Auctioneers, the Purchaser and the Vendor and no variation shall be valid or binding unless specifically agreed in writing by or on behalf of the Auctioneers.

14. DISPUTES

- 14.1 Any dispute arising out of the sale of any Lot made in accordance with these Conditions of Sale shall be a dispute between the Vendor and the Purchaser.

15. GOVERNING LAW

- 15.1 These Conditions of Sale and any amendments and any dispute or claim arising out of or in connection with it or its subject matter, whether of a contractual or non-contractual nature shall be governed by and construed in accordance with English Law. The courts of England shall have exclusive jurisdiction over any disputes arising from these Conditions of Sale or any Online Auction or other transaction conducted pursuant to these Conditions of Sale.

16. NOTICES

- 16.1 Any notices required to be served pursuant to these Conditions of Sale to the Auctioneers must be made in writing and sent by first class post, by facsimile or by e-mail to the offices of AGT.
- 16.2 Any notices required to be given by the Auctioneers to a Purchaser or a Vendor pursuant to these Conditions of Sale shall be sent to the address given on the confirmation of entry or the Memorandum of Purchase Form by first class post, e-mail or facsimile.
- 16.3 Any notice given in accordance with this Condition shall be deemed to be received on the second day after posting or, where the notice is sent by hand or by facsimile, on the day of transmission. E-mailed notices shall be deemed to have been received immediately.

17. AMENDMENTS TO THESE CONDITIONS OF SALE

- 17.1 Nothing in these Conditions of Sale shall limit or restrict AGT's ability to make minor changes and to issue supplementary terms, which shall have immediate effect in relation to all subsequent Online Auctions.