



Integrity Policy

This policy outlines the integrity matters to be considered by Racing Victoria (RV) in assessing applications made by domestic and international wagering service providers (WSPs), to publish or use Victorian thoroughbred race fields as required under Chapter 4, Part 2, Division 1A of the *Gambling Regulation Act 2003* (Vic) (Act). Additional integrity policy matters may be formulated as the operations of WSPs change and develop and as a result of RV's ongoing review of the operations of WSPs.

Where a WSP seeks an approval to publish or use Victorian thoroughbred race fields, the WSP must provide details of the following to RV:

- 1) the background and corporate structure of the WSP business (including its directors and other associates (as defined in the application form));
- 2) a copy of the WSP's wagering licence and details of the regulatory environment in which the WSP operates;
- 3) any past, current, pending or threatened regulatory investigations involving the WSP, its officers and/or its shareholders;
- 4) any prior dealings with RV or involvement in RV integrity matters;
- 5) the wagering offering the WSP intends to provide on VTR product (bet types etc);
- 6) the WSP's customer identification and AML/CTF processes;
- 7) the WSP's responsible gambling practices;
- 8) details of the WSP's bet recording and reporting capability, any relevant privacy obligations that RV should be aware of, and how they intend to share information with RV (on request);
- 9) a copy of the WSP's Terms & Conditions and betting rules;
- 10) any other matter described in the application form; and
- 11) any other information which RV believes is relevant or necessary in accordance with section 4.2.3B of the Act.

Under section 4.2.3C(2) of the Act, RV must consider the "prescribed matters" and may consider any other matters that it considers relevant. RV notes that there are currently "no prescribed matters" under the Act.

Whilst none of the above matters are conclusive in relation to the question of whether the WSP ought to be granted a race fields approval, or granted subject to special conditions, they are issues which RV considers may give rise to integrity-related concerns and include:

- 1) where the WSP does not operate under the adequate supervision of a regulatory body;



- 2) where the WSP does not have adequate internal mechanisms for verifying account holders or for identifying suspect betting transactions whether made by or on behalf of account holders or by any other person;
- 3) where the WSP is not able to demonstrate adequate provision of access to betting information for RV stewards;
- 4) where the WSP's business may be in breach of a law in Victoria or another jurisdiction (including another Australian State or Territory);
- 5) where a related entity of the WSP that uses Victorian thoroughbred race fields fails to comply with any applicable laws or obligations imposed on it by RV;
- 6) where the WSP has a history of integrity breaches;
- 7) where the WSP, its directors and other Associates has prior criminal convictions;
- 8) where a director or other Associate of the WSP is not a Fit and Proper Person;
- 9) where the WSP accepts bets or wagers from, or makes bets or wagers with, a Non-Approved WSP;
- 10) where the WSP operates a betting exchange which may facilitate access to off-shore betting exchange operators who are Non-Approved WSPs;
- 11) where the WSP is not of sound and stable financial background. This includes whether the WSP does not have or is not able to obtain financial resources that are adequate to ensure the financial viability of the business;
- 12) where the WSP does not have or is not able to obtain the services of persons who have sufficient experience in the management and operation of the business;
- 13) where the WSP refuses to engage in a requested interview;
- 14) where the WSP refuses to provide additional information requested during the review and processing of their application;
- 15) where the following bet types are offered:
 - a) spread betting that allows profit from the poor performance of a horse; or
 - b) lay type betting where "lay" means the offering or placing of a bet on a horse:
 - i) to lose a race;
 - ii) to be beaten by any other runner or runners;
 - iii) to be beaten by any margin or range of margins; or
 - iv) that it will not place in a race in accordance with the provisions of AR 157.



The bet types or product offerings identified above, as a general proposition, may raise integrity concerns for Victorian thoroughbred racing.

While the bet types are identified as giving rise to integrity concerns generally, this does not necessitate a conclusion that RV will be unable to adequately ensure the integrity of Victorian thoroughbred racing in respect of the operations of WSP's who offer the bet type. Any WSP that proposes to offer the bet types will have the opportunity to assuage the identified integrity concerns through their application, subject always to RV's unfettered discretion.

RV's integrity related role is important in performing its statutory function under the Act. For example:

- RV's Constitution sets out its objects which includes at clause 3(c): *"integrity: Victorian thoroughbred racing general, and race meetings in particular, are managed and conducted to ensure the highest integrity, building continuously on the reputation and integrity of Victorian thoroughbred racing."*
- The intention of the race fields regime in the Act is to protect the integrity of Victorian racing by ensuring that betting activities on Victorian racing can take place only in an environment in which they can be effectively monitoring by a racing regulator, such as RV.¹

Interview of new applicants

1. RV interviews all prospective applicants for race field approval from WSPs who have not held race fields approval before. This may include directors of a WSP corporation, individual WSPs, or members of a WSP partnership.
 2. RV may, in their absolute discretion, interview WSPs who have previously held race fields approval and are applying for a renewal of the approval.
 3. RV records these interviews and retains them in accordance with its privacy statement and privacy collection notice contained in the application form.
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Other Matters

1. Without limiting the discretion of RV, in its consideration of any application for approval under section 4.2.3C of the Act, RV may consider:
 - 1.1. the WSP's past compliance with Publication and Use Approvals granted by RV in relation to prior periods; and

¹ See Second Reading Speech, *Gambling Legislation (Problem Gambling and Other Measures) Bill 2007*, Hon R. Hulls MLA, p 4053-4 Hansard, 22 November 2007.



- 1.2. whether the WSP has published Victorian thoroughbred race fields or otherwise used Victorian thoroughbred race fields, on, or in connection with, any Non-Public Website without the consent of RV.
2. All instances of non-compliance (including unpaid fees) under any Publication and Use Approval granted to the WSP must be remedied to the satisfaction of RV, before RV will consider any application by the WSP for approval under section 4.2.3C of the Act for the relevant racing period (commencing each year on 1 July).

Incomplete Applications

1. Without limiting the discretion of RV, in its consideration of any application for approval under section 4.2.3C of the Act, RV may reject any applications that are incomplete or do not contain the requested information.

Timing of Applications

1. In accordance with section 4.2.3B(2)(a) of the Act and the *Gambling Regulations 2015* (Vic) (**Regulations**), any applicant must lodge their application within the following timeframes:
 - 1.1. unless RV decides to grant an extension (i.e., the WSP has a good reason for requiring that extension), not less than 70 days before the day on which the approval is to expire, if the WSP holds a current publication and use approval with RV; or
 - 1.2. not less than 70 days before the day on which the WSP wishes the approval to be granted, if the WSP does not hold a current publication and use approval with RV.
2. In accordance with section 4.2.3C(3)(a) of the Act and the Regulations, RV must determine an application by either granting or refusing publication and use approval within the following times:
 - 2.1. not less than 10 days before the expiry of an approval (if the WSP holds a current approval and has made an application not less than 70 days before that approval is to expire); or
 - 2.2. not more than 60 days after receiving the application in any other case.
3. In practice, RV generally processes complete applications in approximately 3 to 6 weeks. It is not possible for Racing Victoria to consider, process and approve complete applications in a matter of days, regardless of how urgent the application is.



Conditions of approvals

1. In accordance with section 4.2.3C of the Act, RV may grant race field approval subject to *“any conditions the appropriate controlling body [(i.e., RV)] thinks fit.”*
2. Without limiting the discretion of RV, in its consideration of any application for approval under section 4.2.3C of the Act, RVL may elect to do one of the following:
 - 2.1. grant an approval which is subject to the conditions contained in the *Publication and Use of Victorian Thoroughbred Race Fields: Standard Conditions of Approval* as a condition of their approval (**Standard Conditions**). The Standard Conditions includes, amongst other things, the requirement to pay an economic contribution fee and how that fee is calculated; or
 - 2.2. where one or more matters detailed in the Integrity Policy have been identified by RVL:
 - 2.2.1. grant the approval subject to the Standard Conditions *and* request information in accordance with clause 5 of the Standard Conditions at the same time, or shortly after granting the approval;
 - 2.2.2. grant the approval subject to the Standard Conditions *and* additional conditions which may be bespoke to one particular WSP or a particular category of WSP (**Special Conditions**);
 - 2.2.3. grant the approval in the manner described in paragraphs 2.2.1 and 2.2.2; or
 - 2.2.4. reject the application.
3. Please note that nothing in this Race Fields Policy fetters the discretion of RV to request integrity related information in accordance with clause 5.1, 5.2 and 5.3 of the Standard Conditions at any point during the approval period, even if RV specifies “Nil” in Item 10 and 11 of an Approved WSP’s Approval Schedule.

Interpretation

Unless the context requires the contrary, words and expression used in this Policy have the meaning ascribed to them in the *Publication and Use of Victorian Thoroughbred Race Fields: Standard Conditions of Approval*.



Review and Approval

This Policy is reviewed annually and as required. This may occur due to a change of operation, new legislative obligation, government recommendations or recommendations as a result of audits.

Where revisions are required, changes will be tracked in red for review by the relevant Senior Management Team member, and for recommendation to the Racing Victoria Board for approval.

If approved, a tracked, clean (both in Word) and PDF copy of the Policy will be saved, and then sent to Legal, Risk and Compliance. A copy may also be provided to People & Culture for uploading onto Racing Victoria's intranet (the Stable).

Any changes to the Policy are noted in the "version" table below.

Version

Version	Nature of Change	Reviewing Party	Approval date
1.1	Version 1	Sam Prendergast	01/07/2021
1.2	Version 2 - updates to reflect changes to Standard Conditions relating to calculation of Economic Contribution Fee	Sam Prendergast	01/07/2022
1.3	Version 3 - updates to remove Economic Contribution Fee, reinforce integrity related role of RV, insert new indicators of integrity concerns, describe existing processes regarding imposition of conditions, timing of processing applications, interviewing applicants, and rejecting incomplete applications.	Racing Victoria Board	21/06/2024