

*East of Scotland Bookmakers Association
29 Fowler Terrace
Edinburgh EH11 1DB*

30 September 2007

RECEIVED
22 OCT 2007

Mr Tim Moore
NJPC Limited
2B Kings Hall
St Ives Business Park
St Ives
Cambs PE27 4WY

Dear Mr Moore

NEWCO

On behalf of the ESBA may I outline our responses to the working party's consultation document (our membership has little confidence in the former NJPC Chief Executive).

The ESBA is one of 9 regional bookmakers' associations affiliated to the NAB. Two others, like ourselves, are located in Scotland.

Our Association supports the reasoning and ultimate goals of NEWCO and commend the working party for its haste in formulating these proposals which broadly speaking should reassure everyone connected within the racing industry. However, we are greatly concerned that the working party consultation paper fails to cover what will be the makeup of the NEWCO board and its Directors. We understand from attending the Scottish consultation meeting that it is proposed that three bookmakers' associations, the RBA, ARB and NAB will form the basis of the NEWCO board with one seat each. Other independent directors are to be announced but we are unclear as to their number and on whose authority they will be appointed.

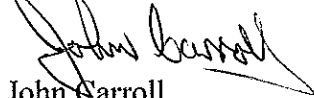
We believe the ARB membership to be in the region of 100 and the RBA membership close to 50, whilst the membership of the NAB is currently 500, give or take a few. How then, with these membership figures at their disposal can it be called fair and equitable when an association with 75% representation could be outvoted on any issue by two associations with only 25% in total. In similar vein, it will be the same 75% that will pay the bulk of the initial budget (£750,000) by virtue of their £20 per day NEWCO fee.

Furthermore, if seats on the board are allocated on the existence of individual associations alone, any regional association could resign from the NAB with the hope of being granted a position on the board.

To avoid any unforeseen delays informing NEWCO, we advocate that you allocate 5 bookmakers seats plus 2 independents making a total of 7 board members. 3 bookmakers seats would be filled immediately, one each to the RBA, ARB and NAB, with the remaining 2 bookmakers seats to be allocated after a fact finding exercise by the non-bookmakers members of the working party. They would collate information from the 3 associations regarding respective memberships, names and addresses plus any other relevant data. This information could then be verified after which the final 2 seats would be allocated on a basis of representation.

The DCMS has correctly identified that a consultation exercise must take place prior to NEWCO being finalised and it is absolutely essential that the working party recognise and take into account the issues raised by the major stakeholders during this consultation period. On that basis, I suggest the working party give further serious thought to the makeup of the NEWCO board. Their current proposals are inherently unfair to the 75% and urgent revision is required.

Yours faithfully

A handwritten signature in black ink, appearing to read 'John Carroll', written over a horizontal line.

John Carroll
Secretary ESBA

FIFE & DISTRICT BOOKMAKERS ASSOCIATION

28 September 2007

Tim Moore
NJPC Ltd
2b Kings Hall
St Ives Business Park
St Ives
Cambridgeshire PE27 4WY

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- 1 OCT 2007

Dear Mr Moore,

NEWCO

I write in reply to your request for responses to the Working Party's Consultation Document.

Our association is one of three Scottish Bookmakers Associations affiliated to the NAB along with six other regional bookmakers' associations.

Can I say at the outset that we are wholly supportive of the *raison d'être* and aims of NEWCO and commend the Working Party for its speed in formulating these proposals which in the main, are entirely sensible and will provide reassurance to Bookmakers, the Racing Industry and Racegoers alike.

We note however that the WP Consultation document is extremely sparse when it comes to outlining what will be the makeup of the NEWCO Board and where exactly and on what basis, authority will rest for appointing or dismissing Directors. We understand from others and from attending the Scottish Consultation meeting, that it is proposed that three bookmakers' associations, the RBA, ARB and NAB will form the basis of the NEWCO Board with one seat each. Other independent Directors are to be announced but we are unclear as to their number and on whose authority they will be appointed.

The RBA is a relatively small association in terms of numbers although I appreciate some major players are members, whilst the ARB is apparently a Midland's -based association. It is thought that their respective memberships are around 40 and 100, although whether they are actual bookmakers or bookmakers' staff is unknown. Indeed, their exact membership appears shrouded in mystery and fluctuates wildly depending on who you speak to. It is said that some of them also hold dual membership of other bookmakers' associations. Incidentally, I would also add that

Secretary: C. BOWERS, 7 BIGHTY CRESCENT, GLENROTHES, FIFE KY7 5AR TEL: 01592 610009

President: ANDREW WATSON

Vice-President: BILLY FOTHERINGHAM

the Midlands are already well represented by virtue of a Midland's association currently being affiliated to the NAB.

We understand the NAB represents around 500 members which would appear to indicate they represent around 75% of bookmakers. Where therefore, is the logic or equity in proposing they should only appoint one board member to NEWCO along with one each for the RBA and the ARB. Together, the RBA and the ARB can outvote the 75% major stakeholder if they chose to do so. I would suggest this would hardly appear fair or reasonable to any objective observer. Further, it is this same 75% who will pay the bulk of the £750,000 initial budget by virtue of their £20 per day NEWCO "fee" - "taxation without representation" is the phrase which springs immediately to mind.

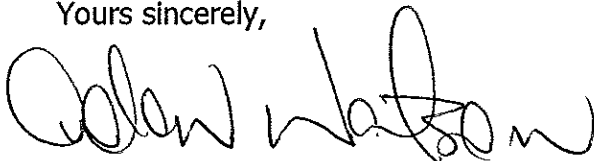
If we are going to allocate seats simply on the basis a bookmaker's association exists, then can we anticipate that if the three Scottish Associations disaffiliate themselves from the NAB, they will be granted seats?

To avoid unnecessary delay in forming NEWCO we propose that you allocate five bookmakers' seats plus two independents making a total of seven board members. Three bookmakers' seats would be filled immediately, one each to the RBA, ARB and NAB with the remaining two bookmakers' seats to be allocated after a simple fact-finding exercise by the non-bookmakers' members of the Working Party. They would request the three associations to provide full details of their respective memberships including names and addresses (or any other relevant information) verify this information, and then allocate the other two seats on a representative basis.

I was a member of the Bookmakers' Committee of the Levy Board for over 10 years until early 2007 and during this period the Committee was reconstituted at least twice. The exercise was fair and transparent in that each association had to produce current membership details for the Home Secretary who then came to a conclusion based on the evidence provided. This is obviously the correct way forward as you end up with a board wholly representative of the stakeholders in the Industry and one which commands the support of all.

The DCMS has correctly identified that a consultation exercise must take place prior to NEWCO being finalised and it is therefore incumbent upon the Working Party to take account of the issues raised by the major stakeholders during this consultation period. On that basis, I suggest the Working Party give further serious thought to the makeup of the NEWCO Board. Their current proposals are grossly unfair to the major stakeholders and are urgently in need of revision on the lines suggested above.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Andrew Watson', written in a cursive style.

Andrew Watson
President Fife & District BA

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DEVON. EX15 3XZ

Mr. T. Moore,
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Cambridgeshire. PE27 4WY.

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16 OCT 2007

PHONE/FAX ~ 01884 - 841859
(www.nab-bookmakers.co.uk)

Registered in London No 265302

CHAIRMAN : GEORGE MOIR
SECRETARY : BRIAN NEWLAND

3rd October 2007.

Dear Mr. Moore,

NEWCO.

I write in reply to your request for responses to the Working Group's Consultation Document.

The NAB was supportive of all sections of the bookmaking industry having input into the Working Group's deliberations. This was the main reason John Stevenson, the NAB member, stepped down to allow Phil Crisp of the ARB to attend, in the knowledge that George Moir, the NAB Chairman was also a member.

This did not however indicate that the NAB agreed the NEWCO Board would eventually consist of equal representation between the NAB, Rails and ARB. We understand, although it is noticeably not detailed in the Working Group paper, that this is indeed the proposal.

The NAB consists of nine regional associations covering the entire UK with 500+ members whilst the Rails and ARB membership together is less than a quarter of this. To accord each of the three organisations equal representation is patently absurd and an affront to the vast majority of the bookmaker stakeholders in the industry. You could conceivably have a position where 25% of the bookmakers plus one independent Director (on the basis of 5 board members) out-vote the remaining 75%. This cannot be right.

It is this same 75% who will contribute the bulk of the draft NEWCO budget of £750,000 by virtue of their £20 daily NEWCO attendance fee. Further evidence of this, if indeed it were required, is provided by the NJPC attendance figures for 2006 showing Tattersall's attendances compared to Rails attendances.

Again, we would argue you cannot have a situation where the major contributors or stakeholders are being severely disadvantaged in terms of board representation.

THE WEST
Devon & Cornwall BA
West of England BA
Wales BA

THE NORTH
Northern BA

THE SOUTH
Southern BA

THE MIDLANDS
Racecourse & SP BA

SCOTLAND
East of Scotland BA
Fife & District BA
Scottish BA

It has been said that the NAB member, John Stevenson, agreed to the makeup of this new Board but on looking through the 'minutes' of the Working Group, specifically Meetings 7 & 8, there is obviously considerable disagreement between the bookmakers' parties that this is indeed the case.

The fact remains that the NAB does not fully accept the legitimacy of the NEWCO Board as currently structured. The NAB is well aware of the time restraints involved in setting up NEWCO and that it's early implementation is necessary to safeguard its members' livelihoods. On that basis, the NAB has played and will continue to play it's full part in ensuring the success of NEWCO. Nevertheless, this does not prevent us pressing for a wholly legitimate change in the makeup of the Board in order that it accurately reflects the vast majority of the stakeholders in the industry.

We know the board structure and the NAB's iniquitous representation was raised at the Consultation Meetings held on the 19th, 20th & 24th September 2007 and would remind all parties that as well as having a duty to consult, the Working Group is duty bound to take full account of matters arising from such consultation. Further, the Working Group paper does not address the number of Directors who will sit on the Board of NEWCO or who will have the ultimate authority for appointing or dismissing any director(s). These are extremely important issues that require to be resolved.

In conclusion, we believe the NAB case for additional Board representation to be irrefutable and look forward to that and the other issues raised in this letter being addressed at the earliest opportunity.

Yours sincerely,

George Mait.

CHAIRMAN.

c.c. DCMS.

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27 SEP 2007

18 Frank Whymark Hse
Rupack SE.

London
SE16 4JA

25 Sept 07

Dear Mr Moore,

The A.B.S. system should be
veinskated, due to bookmakers
outside the number cannot
hive staff (or equipment).

Not knowing if they are
able to bet is an
impossible way to run
any business.

The A.B.S. enables
pitch holders and non
pitch holders, to plan
P.T.O.

2
attendances sensibly and
helps to create a balance
of bookmakers at courses.

The time will come when
large numbers turn up at
one course while at others
there will be few
bookmakers. This cannot
be satisfactory to courses
income, racgoers or
bookmakers. The R.C.A.
must surely look at
this problem too. P.T.O.

3/ The bed hearings' that
it is not viable financially
No van an abs. and
that bookmakers outside
the numbers cherry
pick' their meetings else
of non starters. (ex. ^{weatherboys}
lists scheme)

Bookmakers in or out
the numbers only attend
any meeting if they
think it is viable.
Staff at the N.J.P.C.
have indicated to
fellow bookmakers and J.T.

4/ They are willing to
continue with the A.B.S. as
they seem to think it
is the only sensible
attendance system.

There are vested interests
on the Working Group
of bookmakers with
the D.N. There are the
same bookmakers who
purport to act in all
bookmakers interests.
Whole through L.P.C's
have cut bookmakers
numbers. P.T.

Furthermore I feel it is a gross restriction of trade to ask bookmakers to hire staff, equipment, fuel costs etc. to raise to courses in the hope of betting. I know of no other business where this is the case, only casual farm workers from the E.U. etc.

Perhaps the bookmakers on the N.S.P.C (tees, wgs and L.G'S (known to you) P.T.O.

6/ Feel that by making it farcical (for bookmakers who previously used the ABS.) to tear up on these terms, are in creating the value + turnover of their own pick numbers.

1/ Restriction of terms + trade

2/ Self Interest

3/ Against the interests of vacacourse, punters + fellow bookmakers

P.T.O.

7/ There are the three main points. I urge you to argue the case for reinstatement of the ABS. (Though I fear the W.G. Bookmakers will not take heed through self interest).

If no reinstatement is made of the ABS.

The only recourse is legal, under E.W. Laws.)

Yours sincerely

Lawrence Bond