

or all race meetings are payable at totalisator agencies or offices may be limited by the Board as it thinks fit and reasonable.

(b) *Telephone and Postal Deposit Investments:* Dividends will be credited to the investor's account. Unless the investor has given instructions that part or all of any credits are to be retained in his account, dividends or any balance thereof will be posted to him on the first convenient day after the day of the race concerned.

(c) *Postal Investments:* Dividends shall be posted to the investor as soon as conveniently possible.

(7) Office Hours of Totalisator Agencies

Totalisator agencies shall open for business at such times and for such periods reasonably convenient to the public as the Board, from time to time, directs.

(8) Refund of Investments

(a) *Scratchings:* Generally where win and place investments on a horse which is scratched or withdrawn from a race are refunded to the Board, or cannot be invested by the Board on account of such scratching or withdrawal, then such investments shall be refunded to the investor except in so far as is otherwise provided in the rules of the Board.

In general the foregoing will apply to investments on the doubles totalisator but subject to the provisions of clause (9) of this Part and to any rules relating specifically to that type of investment.

(b) *Errors—(i) Cash Investments:* The off-course investor will be in the same position as if an error was made in the issue of a ticket from the totalisator on course, that is, unless he rectifies the error at once he is deemed to accept the ticket issued to him.

(ii) Telephone Investments—

(a) Where the error results in an incorrect investment being made: *Prima facie* the investment will be deemed to be that which is recorded so that the investor shall suffer the loss or receive the benefit as the case may be.

Where, however, the error results in a loss to the investor who alleges that the error was due to the mistake or other fault of any servant of the Board, or of an agent or of any servant of the agent, the Board will inquire into the circumstances, and if in its sole discretion the Board is satisfied that such error was due either to the wilful default or to the negligence of such servant or agent, the Board will refund the amount invested but shall not be liable for any dividend which would have been payable had the correct investment been made.

Application for a refund must be made promptly after notice of the error is received or deemed to be received by the investor. Further particulars will be the subject of rules of the Board.

Notwithstanding the foregoing the Board shall have a discretion to pay part, or all, of the dividends which would have been due but for the error.

(b) Where the error results in no investment being made: If at the totalisator agency where the deposit lies there is a record, in writing, of an investment having been made the Board will accept it as such even if the investment has not been transmitted to the totalisator.

(iii) *Postal Investments—*In respect of both investments by post and instructions by post against a deposit or dividends credited thereto, the provisions relating to errors in telephone investments shall apply with any necessary modification.

(c) *Failure to Record Investments on the Totalisator:* Where any investment received or deemed to be received by the Board has not been recorded on the appropriate totalisator by reason of failure in the means of transmission or other failure, the Board shall treat such investment as if in fact it had been recorded on the totalisator.

Nothing in this clause or elsewhere in this scheme or in any rules of the Board is intended to or shall impose on the Board or any of its servants or agents any obligation rendered unenforceable or invalid by the Gaming Act 1908, or any other statutory provision.

(9) Investments at Doubles Totalisator

Primarily off-course investments on the doubles totalisator must be subject to such regulations prescribed for the operation of that totalisator as are made from time to time by the conferences or either of them. While recognising this, it is appreciated that in practice it is not possible to afford the investor off course the same facilities in the nomination of his double or in the replacement of a scratched horse as are available to the investor on course. The off-course investor will be required to nominate his selections in both the first and second race of the double. Having regard to the time available provision will be made in the rules of the Board for the investor to withdraw the investment if a selected horse is scratched or withdrawn from either race of the double.

Where an investment is not withdrawn by the investor in respect of a horse scratched from the first race of the double, the investment will be subject to the provisions of clause 8 governing refunds of investments.

Where an investment is not withdrawn by the investor in respect of a horse scratched from the second race of the double and the horse selected in the first race of the double is the winner of that race, the Board will arrange for the investment to be made in the second race of the double on a substitute horse in such manner as is provided in the rules of the Board.

(10) Methods of Accounting Between Clubs and the Board

Prior to each race meeting or race day the Board will establish with the club concerned, by cheque or other appropriate means, a credit in anticipation of the estimated off-course investments for that race meeting or race day. It shall be the responsibility of each club to deduct and account to the Government for all tax payable in respect of off-course investments recorded on the totalisator.

The investments for the day, the dividends derived, commission, "fractions", and other payments due to or from the Board shall be recorded in the form of an account, final settlement of which shall be made on agreement between the club or its duly appointed agent and the Board.

(11) Adjustment of Differences in Units of Investment Off Course and On Course

The Board will determine from time to time the method of adjustment of differences between the unit of investment on the totalisator and the unit of investment adopted by the Board.

(12) Conditions of Investing at Totalisator Agencies

Any person making an investment at or through a totalisator agency shall be deemed to accept and shall be bound by—

(a) The provisions of Parts I, II, and III of this scheme.

(b) The rules of the Board exhibited in the totalisator agency where the investment is made or of which public notice has been given in the *New Zealand Gazette*.

(c) The rules of racing relating to the entry, acceptance, bracketing, withdrawal or disqualification of horses; to the running of races; to the powers of the stewards or any other tribunal authorised under the rules of racing and to the operation of the totalisator, including the calculations of dividends except in so far as any of these may be in conflict with any of the provisions of this scheme or any variations thereof or with rules of the Board.

Pursuant to the provisions of section 7 of the Act, the Board has made regulations excluding certain classes of persons from any totalisator agency. Any person so excluded who invests at or through a totalisator agency shall forfeit his investment and any dividend payable thereon.

PART IV: FINANCE

(1) Capital and Income

The Capital Fund of the Board has been built up through the $\frac{1}{2}$ per cent levy on totalisator investments, formerly permitted by statute for a period of five years but now withdrawn, from so much of the commission of $7\frac{1}{2}$ per cent retained by the Board and not distributed to clubs and from the assets of the Board accrued since the initial scheme went into operation.

The gross income of the Board is derived primarily from the commission of $7\frac{1}{2}$ per cent deductible by law from the amount of off-course investments. Income will be derived by the Board to a lesser extent from other sources such as the investment of moneys not distributed to the clubs.

In addition, the Board may derive income from any other source incidental to its main purpose and operations.

(2) Distribution of Profits

The Board shall be entitled to retain at its discretion part or all of any profits made in any year.

Any profits not so retained shall be distributed to all totalisator clubs. In determining such distribution the Board may first set aside some proportion of the total amount to be distributed and divide this equally amongst all totalisator clubs. The balance or the full amount as the case may be, shall be distributed to all totalisator clubs on any of the following bases as the Board from time to time may determine.

(a) On the basis of their respective totalisator turnovers on course;

(b) On the basis of their respective totalisator turnovers in respect of off-course investments;

(c) On the basis of the combined on- or off-course investments in each case assessed over such period as the Board may determine.

Pursuant to the provisions of section 9 of the Gaming Amendment Act 1949, I hereby approve of the foregoing scheme for the establishment and operation of totalisator agencies in respect of race meetings.

Dated this 25th day of July 1956.