



Tatts Lotteries SA Pty Ltd
ABN 41 146 245 007

FRANCHISE INFORMATION KIT

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TATTS LOTTERIES SA FRANCHISE INFORMATION KIT

Limited Purpose of this Kit

This kit is intended to serve as an introductory insight into becoming a Tatts Lotteries SA franchisee. There is no guarantee that it deals with every aspect of the franchise that may be of interest to you.

This kit is not intended as a substitute for the seeking of your own professional advice in relation to the acquisition of a franchised business. The obtaining of such advice is recommended.

The content of this kit is current as at the date of this kit. However, that content will not necessarily remain current, and should not be relied upon to do so, as it relates to a business that is subject to change from time to time e.g. changes in policies, procedures, prices, strategic direction.

Confidentiality & Ownership

This kit remains the property of Tatts Lotteries SA. It is not to be used for any other purpose. It is not to be copied. It is not to be disclosed to others except to your professional advisers in the course of, and for the sole purpose of, seeking advice in relation to your application for a Tatts Lotteries SA outlet.

Chief Operating Officer's Message

Tatts Lotteries SA is part of Australia's largest lottery operator, Tatts Lotteries. Tatts Lotteries has the licence to sell lottery products in seven jurisdictions. As Australia's leading and most capable lottery operator, our products are regularly purchased by a majority of the adult population.

SA Lotteries has been operating in South Australia providing entertaining games of chance since 1967 and recently appointed Tatts Lotteries SA Pty Ltd to act as its Franchisor for the sale of lottery products in South Australia. Tatts Lotteries SA is a wholly owned subsidiary of Tatts Group Limited which also owns the lottery operators which conduct lotteries in Queensland, Victoria, New South Wales, ACT, Tasmania and the Northern Territory. Tatts Lotteries has a proud history of providing exciting and innovative gaming entertainment. Being a Tatts Lotteries SA franchisee represents an outstanding opportunity for your business to become a part of this unique world of lotteries and benefit from some of Australia's most recognised and well regarded brands.

Being a Tatts Lotteries SA franchisee also requires a shared commitment to the vision and direction of the business. It requires the highest standards of customer service and integrity, and a desire to sell products that are innovative, exciting and widely played. In return, franchisees are recognised and rewarded for their contribution and support.

Should you require further assistance with any aspect of your application, I invite you to contact the Retail Franchise Co-ordinator at Tatts Lotteries SA.

Sue van der Merwe
Chief Operating Officer (Australia)
Tatts Lotteries

Vision Statement

Vision

To be the world's best gambling group

World leading in brands, innovation and technology

Loved by customers, partners and the community

Amazing people, products and workplace

TATTS GROUP BRAND BOOK 2014

Tatts Lotteries SA - A Brief History and Introduction to our Games

A brief summary of Tatts Lotteries SA history and introduction to each game is outlined at www.tatts.com/salotteries.

Franchising Code of Conduct

The Franchising Code of Conduct is a compulsory code of conduct designed to provide certain safeguards to franchisees. Tatts Lotteries SA understands that its network is covered by that compulsory code and based on that understanding (a) considers itself to be bound by the obligations placed on franchisors in that code; and (b) considers that its franchisees are entitled to the rights and to the safeguards provided to franchisees in that code; and (c) considers that in the event of any inconsistency between the code and the Franchise Agreement it is the code that prevails to the extent necessary to resolve that inconsistency.

One of the obligations placed on a franchisor under the Franchising Code of Conduct is that prospective franchisees are to be provided with, amongst other things, a copy of the code at least 14 days prior to certain events occurring (e.g. entry into a Tatts Lotteries SA Franchise Agreement).

Buying a Franchise Pre-Entry Franchise Education Program

We recommend if you are thinking about entering a franchise business you look at the Griffith University Pre-Entry Franchise Education Program. This is a free e-program covering areas such as:

- What is a franchise;
- Advantages and disadvantages of a franchise;
- The Franchising Code of Conduct;
- Role of the ACCC;
- Understanding Franchise disclosure;
- Franchise fees and royalties;
- Support Services, site selection and leasing;
- Franchising intellectual property;
- Franchise Operations Manual;
- Dispute resolution;
- Questions to ask;
- Due diligence;
- Useful business skills; and
- Assessing your suitability as a franchisee.

Further information about the program can be found at <http://www.franchise.edu.au/pre-entry-franchise-education.html>.

Benefits to Franchisees

Tatts Lotteries SA places great emphasis on working together with franchisees to ensure both Tatts Lotteries SA and franchisees benefit through better business performance.

The considerable benefits in becoming a Tatts Lotteries SA franchisee include the following:

- Increased business opportunities
- Comprehensive training
- Marketing support
- Operational and technical support
- Commissions

Franchise Criteria

Proposed Tatts Lotteries SA Franchisees are assessed against the following three (3) criteria:

(1) Suitability of the Applicant

Relevant considerations include:

- a) Creditworthiness;
- b) Business skills;
- c) Management skills;
- d) Communication skills;
- e) Criminal history;
- f) Understanding and ability to work in a high demanding customer service environment;
- g) Professional presentation; and
- h) Suitability and ability to conduct the Franchised Business in accordance with Tatts Lotteries SA procedures and in a strictly government regulated business environment. Relevant considerations include, but are not limited to:
 - i. Retail and customer service experience;
 - ii. Development and implementation of operational / business plans;
 - iii. Goal setting and achievement;
 - iv. Business administration / time management and organisational skills;
 - v. Financial management;
 - vi. Computer skills;
 - vii. Staff management, recruitment, training and development; and
 - viii. English Language Proficiency– reading, speaking and listening.

(2) Suitability of the Business

Relevant considerations include:

- a) Whether the host business:
 - i. Fits with and can support the integrity and values that are associated with Tatts Lotteries SA branding;
 - ii. Can accommodate Tatts Lotteries SA Retail Image standards;
 - iii. The hours of operation of the host business;
- b) Whether the communication links to the proposed site will be compatible with Tatts Lotteries SA systems and regulatory requirements;
- c) The security of tenure in respect of the proposed site; and
- d) The ability of the host business to support a broadband internet connection.

(3) Ability to Generate a Sufficient Financial Return for Tatts Lotteries SA

Relevant considerations include:

- a) The anticipated quantum of sales, incremental sales and incremental profit returns for Tatts Lotteries SA from the network as a whole. In considering this issue the following factors may be taken into account, including but not limited to:
 - i. The physical location of the proposed site;
 - ii. The pedestrian and vehicle traffic flow and parking;
 - iii. The actual or likely customer traffic flow of the host business;
 - iv. The population in the area and/or any immediate demonstrable potential growth in population;
 - v. The actual or likely potential retail turnover of the host business;
 - vi. The number, type and mix of surrounding businesses; and
 - vii. Environmental factors such as any future development or material changes in the area which will impact on the proposed site.
- b) Tatts Lotteries SA may substitute the above criteria relating to incremental sales and profits with the preservation of existing sales and profits where it considers it desirable to do so for the purpose of preserving existing network sales. For example, it may do so where:
 - i. The proposed outlet is to be located in a new or existing shopping complex; and
 - ii. The shopping complex is considered by Tatts Lotteries SA to be likely to attract substantial custom from customers who have traditionally frequented other commercial premises containing a Tatts Lotteries SA outlet or outlets.

Supervisor Criteria

Proposed Tatts Lotteries SA Supervisors are assessed against the following criteria:

(1) Suitability of the Supervisor

Relevant considerations include, but are not limited to:

- ii. Retail and customer service experience
- iii. Goal setting and achievement
- iv. Business administration / time management and organisational skills
- v. Financial management
- vi. Computer skills
- vii. Staff management, recruitment, training and development
- viii. English Language Proficiency– reading, speaking and listening

Application Process

Site Evaluation

When an application is received for a new site, Tatts Lotteries SA reviews the business and site location to determine if the franchise criteria can be met. Tatts Lotteries SA will perform a site evaluation to verify details contained within the application and to gather any other relevant information.

Tatts Lotteries SA franchisees are not granted exclusive territories.

The appointment process is normally completed within 30-60 working days, however in some instances and areas this process may take longer.

Tatts Lotteries SA continues to monitor growth areas. Where an area is identified as not serviced or under-serviced, Tatts Lotteries SA may do one or more of the following:

- Invite the nearest existing franchisee to discuss the opportunity to provide an increased level of service;
- Seek expressions of interest from other interested parties;
- Consider applications from current businesses in the under-serviced area to become a Tatts Lotteries SA outlet; and/or
- Approach current businesses in the under-serviced area to become a Tatts Lotteries SA outlet.

Applicant Assessment

To assess the suitability and ability of the applicant as outlined in the franchise criteria, applicants are required to attend a face to face interview.

Supervisor Assessment

To assess the suitability and ability of the supervisor they are required to attend a face to face interview.

Transfer of Ownership

Tatts Lotteries SA reserves the right to refuse transfer of ownership on reasonable grounds, which include:

- The assignee or transferee does not meet the franchise criteria; or
- The assignee or transferee has not agreed in writing to comply with the Franchise Agreement or Outlet Procedures Manual.

Lease Requirements

The entity entering into the Franchise Agreement must have the right to occupy the outlet by lease or sub lease. The entity entering into the Agreement must be the same entity noted on the Lease Agreement.

Outlet Relocation

Where a franchisee wishes or is forced to relocate the Outlet to a new location, franchisees must apply to Tatts Lotteries SA to relocate the Outlet.

Relocation of an Outlet is at the discretion of Tatts Lotteries SA which will be exercised taking into account many factors including but not limited to the following:

- The proposed new location is a short distance from the Outlet's existing location;

- The proposed location is within the same catchment area and will service substantially the same customers;
- The Franchisee will be able to maintain or improve existing lottery sales levels at the proposed location; and
- The proposed Retail Image for the new premises meets Tatts Lotteries SA Retail Image requirements.

The definition of “short distance” will be at the discretion of Tatts Lotteries SA. The definition of “catchment area” is the geographical area from which Tatts Lotteries SA determines an Outlet predominantly draws its customers.

If Tatts Lotteries SA determines that any of the criteria outlined above are not met and rejects the relocation application, the franchisee may still move the host business to the proposed location however the Tatts Lotteries SA Outlet will not be transferred to that location. The franchisee may then submit an application for a new Tatts Lotteries SA Outlet at the new location. Any application received under these circumstances will be assessed against Tatts Lotteries SA franchise criteria for the appointment of new Outlets, together with any other applications sought or received by Tatts Lotteries SA for that area.

Lottery equipment must not be moved without the prior knowledge of Tatts Lotteries SA. This applies to equipment movements resulting from Outlet relocations or layout alterations.

Granting of Temporary Closures

All requests for temporary closure must be received in writing. Tatts Lotteries SA will then give consideration to the request for temporary closure of the Outlet. Examples of circumstances in which such consideration will be given are as follows:

- minor changes to building structure which may give rise to Work Place Health and Safety issues;
- temporary loss of utility services such as electricity and water; and / or
- centre redevelopments and only on the understanding that at the time of the request, a lease exists to re-establish the business when the redevelopment has been completed.

In all of the above circumstances it is expected that the request for a temporary closure would be for a very limited period and that all approvals will be at the discretion of Tatts Lotteries SA.

Where approval for a temporary closure is granted the franchisee will be required to ensure there is adequate signage advising customers when the outlet will be reopening, as well as signage displaying the addresses of the closest outlets.

Training Requirements

A minimum of two prospective franchisees and / or supervisors are required to successfully complete the Tatts Lotteries SA Training prior to settlement and / or commencement of selling lottery products.

The New Retailer Program is a two week competency based program.

Week 1: Comprises of five days (Monday to Friday) classroom based training held at Tatts Lotteries SA in Adelaide. This week introduces franchisees and / or supervisors to Tatts Lotteries SA products, procedures and equipment. The training also covers information regarding accounts and reconciliation, legal and compliance requirements, sales development and promotions.

Week 2: The following week comprises of 40 hours over six days (Monday to Saturday) at a Tatts Lotteries SA nominated Endorsed Training Outlet (ETO). This training is conducted in a working Outlet, providing practical experience in Outlet procedures under the guidance of an existing Tatts Lotteries SA Franchisee. Tatts Lotteries SA will determine the ETO placement for New Retailer Program participants.

Staff

For staff to acquire the necessary skills and knowledge they must complete training which is conducted by Tatts Lotteries SA.

Responsible Gambling Training

Tatts Lotteries SA is committed to providing lottery games in a safe, secure and friendly environment and in a responsible manner. All franchisees and staff must be trained in responsible gambling. It is a requirement of SA Lotteries that franchisees, on joining the network must:

- complete a three hour face to face Responsible Gambling training session organised by Tatts Lotteries SA and read and complete the self-paced *SA Lotteries Responsible Gambling Advanced Training Manual*;
- and complete the assessment associated with the above;
- train their staff as soon as possible using the SA Lotteries Responsible Gambling Advanced Training Manual or supervisors and managers and the SA Lotteries Responsible Gambling Basic Training Manual for all other staff. The appropriate assessment must be completed by all staff who are trained.

For staff who have completed the required training, the Retailer is obliged to ensure refresher training is conducted between March and May every two years from 2014 (ie 2016, 2018, 2020 etc), using either the *SA Lotteries Responsible Gambling Advanced or Basic Training Manual* (whichever is appropriate). Once trained and assessment completed, the Retailer must ensure the staff training register is completed and kept up to date.

There is a specific module for any staff under the age of 18. These staff will first need to complete either the Advanced or Basic Training (as appropriate) and then complete the under 18 module including the questions asked in the module.

Change of Ownership of an Existing Outlet

Upon the sale of an existing Outlet, the Franchise Agreement does not automatically transfer to the purchaser. The purchaser must apply to Tatts Lotteries SA (prior to settlement) to become a Tatts Lotteries SA franchisee. Tatts Lotteries SA will only appoint a purchaser as a franchisee if the purchaser meets Tatts Lotteries SA franchisee criteria.

Changes of Business Structure (Directors, Shareholders and / or Partners)

Franchisees must notify Tatts Lotteries SA of any of the following types of proposed changes to their business prior to implementing them:

- Addition or removal of a partner;
- Appointment or resignation of a director;
- Appointment or resignation of a shareholder;
- Change of company details;
- Change of trust details (name and / or trustee);
- Change of ABN; and
- Any combination of the above.

Any changes to the business structure as referred to above will require a new application to be submitted to Tatts Lotteries SA for assessment against the franchise criteria. If Tatts Lotteries SA approves the application, a new Franchise Agreement may be issued or the existing agreement may be transferred to the new entity or partnership. You may be required to complete Tatts Lotteries SA training prior to entering into the new agreement.

Tatts Lotteries SA Fees and Charges

Application Fee

An application fee is payable for all new, change of ownership or transfer applications and relocations made to Tatts Lotteries SA.

This fee is to cover administrative expenses associated with assessing the application.

- Change of Ownership - \$330 (incl GST)
- Change of Business Structure - \$110 (incl GST)
- Change of Ownership & Relocation – \$330 (incl GST)
- New Site - \$330 (incl GST)
- Relocation – No charge

Training Fees

The first week costs \$495 per person (incl GST) and is payable prior to attending the New Retailer Program.

The second week costs \$825 per person (incl GST) and is payable directly to the Endorsed Training Outlet (ETO).

Establishment Fee

The Change of ownership Establishment Fee is 1.1% (incl GST) of lottery sales for the previous 12 months or \$5,500 whichever is greater.

New Site Establishment Fee of \$5,500 (incl GST) is payable prior to commencement of trade.

Change of Business Structure (Directors, Shareholders and / or Partners)

For a change of directors, shareholders of a company and / or partners, franchisees must submit an application and go through the application process. An application fee of \$110 (incl GST) is payable. There may also be a change of ownership fee payable (or percentage thereof) for adding partners / directors, which is based on 1.1% the previous 12 months sales of lottery products at the Outlet.

Renewal Fee

\$275 (incl GST) upon each renewal of the Franchise Agreement.

Price of Entries Processed

0.605% (incl GST) levy on turnover per terminal, excluding your Commission and the GST payable in respect of your Commission.

Terminal & Monitor Hire

A terminal hire fee of \$33 (incl. GST) per terminal and a monitor fee of \$5.50 (incl GST) per monitor are payable weekly.

Insurance

Tatts Lotteries SA Outlets must obtain **Professional Indemnity Insurance** which meets Tatts Lotteries SA mandatory insurance requirements prior to the commencement as a Tatts Lotteries SA franchisee.

Instant Scratch-Its stock

An initial order for Instant Scratch-Its tickets will cost approximately \$3,500 - \$6,000.

Commissions

Tatts Lotteries SA Outlets earn 7% (incl GST) for lottery sales, 9% (incl GST) for Keno, 7% (incl GST) for Coin Toss and 7% (incl GST) for Instant Scratch-Its.

Franchise Agreement and Outlet Procedures Manual

Approved applicants who have met all the standards and necessary franchise criteria, are required to enter into a Franchise Agreement which specifies the requirements of both the franchisee and Tatts Lotteries SA. The Franchise Agreement will be for a five year term and within the first six months of the fifth year Tatts Lotteries SA will indicate whether a further term will be offered.

A franchisee must abide by the conditions as outlined in the Franchise Agreement and Outlet Procedures Manual, which contains policies, standards and procedures.

Failure to comply with the Franchise Agreement or Outlet Procedures Manual may result in remedial action being taken by Tatts Lotteries SA. Remedial action will depend on the circumstances and could involve suspension or termination of the Franchise Agreement. The contents of the Outlet Procedures Manual are to be kept confidential and used only for the purpose of managing a Tatts Lotteries SA Outlet.

Tatts Lotteries SA reviews the sales performance and compliance of franchisees under the Franchise Agreement each year. The franchisee will be notified of any areas where their performance could be improved or where they are not meeting the terms of the Franchise Agreement or the standards required by Tatts Lotteries SA.

Sales Requirements

There is a high capital cost involved in the installation, maintenance and ongoing support to maintain an Outlet, therefore new Outlets must deliver a minimum level of incremental sales and incremental profit returns for Tatts Lotteries SA from the network as a whole.

The sales criteria for obtaining an Outlet are only one part of the franchise criteria for the granting of an Outlet. The retention of an Outlet once granted depends not only on meeting the relevant sales criteria, but also on the absence of breaches of the Franchise Agreement which warrant termination of the Franchise Agreement.

Granting of an Outlet

Required minimum sales level criteria for new appointments must be achieved through incremental sales resulting in incremental profits to Tatts Lotteries SA. Tatts Lotteries SA reserves the right to appoint Outlets which-in Tatts Lotteries SA satisfies the franchise criteria.

The reference to “incremental sales” means additional sales for the Tatts Lotteries SA network.

Retention of an Outlet

Each Outlet is required to achieve the Sales Target within each period. Tatts Lotteries SA can amend the Sales Target and periods at any time after discussion with the franchisee and in accordance with established criteria. If the Sales Target is changed, Tatts Lotteries SA will notify the franchisee in writing of any revised Sales Target or period, which will replace any previous Sales Target or period.

Outlet's operating below the Sales Target and period will be placed in Low Volume sales category and set a revised Sales Target and period. The Franchise Agreement may be terminated if revised Sales Target and period are not met.

GST

Franchisees are liable to pay GST on the commission earned from product sales and player registration. This means that 1/11th of total commissions will represent GST which franchisees should include in the Business Activity Statements in the relevant BAS period sent to the Australian Taxation Office (“ATO”).

Tatts Lotteries SA issues a Recipient Created Tax Invoice (RCTI) to franchisees for commissions on product sales and player registration of which franchisees can rely on as source of support for the calculation of GST.

Paying Prizes

Tatts Lotteries SA Prize Payment Policy states that franchisees must pay prizes up the value of \$500 in cash.

Responsible Play Commitment

Tattersall’s Sweeps Pty Ltd (Tatts), Tatts NT Lotteries (Tatts NT), Golden Casket Lottery Corporation Limited (Golden Casket), New South Wales Lotteries Corporation Pty Ltd (NSW Lotteries) and Tatts Lotteries SA Pty Ltd (Tatts Lotteries SA) collectively referred to as Tatts Lotteries are leaders in providing innovative and socially responsible lottery games in Victoria, Tasmania, NT, ACT, Queensland, New South Wales and South Australia.

Tatts Lotteries runs a Responsible Play Program which is designed to encourage responsible gambling. While recognising that lotteries are a low risk form of gambling, the Tatts Lotteries Responsible Play Program includes a range of measures to encourage responsible play of lotteries.

Responsible play is all about being informed, having fun and players knowing their own limits. Tatts Lotteries and our retail agency network (franchisees) are committed to Responsible Play and to keeping lotteries fun and entertaining.

The cornerstones of the Responsible Play Program are the Tatts Lotteries Responsible Gambling Codes of Conduct applicable to each state or territory. A full copy of the Code relevant to a specific state or territory is available for inspection at the relevant Tatts, NSW Lotteries, Golden Casket or Tatts Lotteries SA outlet or online.

To supplement the codes, new franchisees are trained in Responsible Play and are also provided with a self-paced training Guide or Workbook which provide specific information around the Tatts lotteries Responsible Play Program and the requirements and obligations for franchisees and their staff in a specific State or Territory.

Retail Image

Tatts Lotteries SA is committed to maintaining the highest standards of excellence in our products and customer service. A major part of this involves portraying a highly recognizable and consistent Retail Image that clearly informs our customers about where Outlets are and what games can be played.

The SA Lotteries Retail Image is designed to ensure your Outlet is presented in a way that will:

- Ensure consistency and efficiency in the operation of every Outlet for the benefit of Tatts Lotteries SA, its franchisees and customers;
- Maximise customer brand recognition, selection and purchase of products;
- Maintain a strong identity throughout the network;
- Allow franchisees to benefit from the connection to Tatts Lotteries SA advertising that directs customers to Tatts Lotteries SA Outlets;
- Provide franchisees with a modern and consistent retailing concept; and
- Provide a bright, attractive and effective environment for customers and staff.

The Franchise Agreement requires franchisees to comply with the Retail Image Policy.

Retail Image Policy

Tatts Lotteries SA has a strict set of requirements for the completion of various installations. In addition franchisees are required to comply with Shopfit Design Specifications and any other update or communication from Tatts Lotteries SA in relation to shopfit installations.

New Appointments

Applicants approved for a new Outlet must install the current Retail Image prior to the commencement of selling Lottery products.

Minimum Design Requirements

There are five Retail Image categories:

- **A Category** – based upon A category sales and shopping centre environment
- **B Category** – based upon B category sales and shopping centre environment
- **C Category** – based upon C category sales and shopping centre environment
- **D Category** – based upon D category sales and shopping centre environment
- **Kiosk** – based up shopping centre environment

Fitout Costs for Outlets

The cost of a Retail Image shopfit depends on many variables including individual needs, site requirements, final plan approval and store type. It also depends on the shopfitter and/or contractors selected. To obtain actual fitout costs relevant to your Outlet you must deal with your selected Tatts Lotteries SA Approved shopfitter and/or contractor.

Retail Image components are to be treated with due care and attention. Replacement of any of these components, other than those with six month warranty considerations, will also be at the expense of the franchisee.

Franchisees Responsibilities

Franchisees are responsible for:

- Organising shopfitters, contractors, quotes, plans and all associated costs relevant to the fitout of their Outlet;
- The quoting process of the fit out of the Retail Image;
- The selection of a shopfitter and/or contractors;
- Ensuring the selected shopfitter and/or contractors are appropriately licensed to perform the works quoted and that their licence is still valid;
- Ensuring that all works performed by the shopfitter and/or contractors are in accordance with all required regulations, standards and requirements;
- Negotiation and management of the agreement between the shopfitter and the Retailer for supply and installation of the Retail Image;
- Any fees associated with the fit out of the Retail Image and/or signage;
- Ensuring that the Tatts Lotteries SA Gambling Area incorporating the fit out of the Retail Image is regularly maintained in line with Workplace Health & Safety Standards;
- All costs associated with maintaining any component in whole or in part of the Tatts Lotteries SA Retail Image; and
- Obtaining Tatts Lotteries SA written approval of completion of the Retail Image.

Tatts Lotteries SA Responsibilities

Tatts Lotteries SA responsibilities are limited to the following areas of the fitout process:

- Provide detailed design specifications and constructions drawings to shopfitters as required
- Approval of plans relating to the implementation of the Retail Image; and
- Final inspection, audit and approval to confirm that the fit out is in accordance with the approved plan.

Tatts Lotteries SA Plan Approval

All plans must be submitted to and approved by Tatts Lotteries SA before any works commence to implement the Retail Image.

Shopfitter and Contractor Responsibilities

Tatts Lotteries SA will supply a list of shopfitters that have been approved to install the Retail Image; however Tatts Lotteries SA does not guarantee or make any representations concerning the quality of the work of the shopfitters referred to in this list. Tatts Lotteries SA recommends franchisees obtain three quotes.

Only Tatts Lotteries SA approved technicians are required to move or install lotteries equipment.

It is the Retailer's responsibility to satisfy itself that the selected shopfitter:

- Holds all required licences for the relevant state in which the Outlet is located;
- Has appropriate level of Work Cover Insurance;
- Has appropriate level of Industrial Special Risks Insurance;

- Performs all works in accordance with all necessary regulatory standards and requirements inclusive of the work place Health & Safety regime; and
- Performs all works in accordance with the plans approved by Tatts Lotteries SA for the Retail Image.

Change of Ownership

Where a change of ownership of an Outlet occurs the new Retailer must comply with and maintain the Retail Image standards applicable to that Outlet as determined by Tatts Lotteries SA.

Outlet Relocations

In the case where an Outlet is relocating from one site to another approved site in accordance with Tatts Lotteries SA relocation requirements, the current form of the Retail Image must be installed at the new Outlet prior to the recommencement of operation of the Outlet.

Outlet Ceasing to Trade

In the event of an Outlet ceasing to trade, the outgoing franchisee must ensure all signage, fixtures and promotional elements related to the business are removed.

HOW TO APPLY TO BECOME A FRANCHISEE

By now, a prospective franchisee should have a good idea of the rewards and responsibilities associated with being a Tatts Lotteries SA Outlet.

If prospective franchisees feel they have fully understood and can comply with all the requirements and specified criteria for conducting an Outlet, then they should:

1. Contact Tatts Lotteries SA on (07) 3877 1096 and/or retailerapplications@tattslotteries.com
2. Read and complete the application form. Processing of the application may be delayed if the application is not fully completed, signed and returned with all supporting documentation.
3. Include payment of the required application fee. If paying by cheques please make payable to Tatts Lotteries SA.

Complaint Handling Charter

As part of Tatts Lotteries SA ongoing commitment to customer and franchisee service, Tatts Lotteries SA has a centralised team responsible for the management and resolution of complaints. This allows Tatts Lotteries SA to manage all complaints consistently, fairly and efficiently, ensuring that customers and franchisees that share their concerns with us receive the level of responsiveness they are entitled to. As part of this commitment, this complaint handling charter has been developed which outlines Tatts Lotteries SA role in the complaint handling process and advises people who wish to lodge a complaint of their rights and responsibilities.

It is recommended that franchisees attempt to resolve any customer complaints immediately, however if the customer complaint cannot be resolved, customers should be encouraged to telephone Tatts Lotteries SA Contact Centre directly.

At times customer complaints may be passed on to Tatts Lotteries SA complaint handling staff if required and these staff may contact you to obtain more information.

How do I make a complaint?

Making a complaint to Tatts Lotteries SA is simple and easy. You can make the complaint in person, by telephone, letter, fax or email. See below for contact details.

Phone: 1300 556 646

Email: customersupport@salotteries.com.au

Fax: (07) 3877 1140

Mail: Tatts Lotteries SA Complaints Coordinator
Locked Bag 7
COORPAROO DC QLD 4151

NOTE: If you are making the complaint in person or by telephone, Tatts Lotteries SA representatives may ask you to submit your complaint in writing.

What should I include in my complaint?

- Your name, address and contact details;
- Any details of your complaint that will enable Tatts Lotteries SA to assess and process your complaint;
- Where relevant, please provide copies of any documents relating to your complaint;
- Details of any prior contact with Tatts Lotteries SA on the complaint, including the names of any Tatts Lotteries SA employees you may have previously dealt with.

What are my rights when making a complaint?

You have the right to:

- easily lodge a complaint, and where required, seek assistance to lodge it, at no charge from Tatts Lotteries SA;
- have your complaint dealt with in a fair, efficient and courteous manner;
- have information identified by you as confidential, treated as confidential by Tatts Lotteries SA unless it has reasonable grounds for doing otherwise (e.g. a report to the Minister or Regulator);

- seek your own legal advice;
- be informed of the criteria and processes for how your complaint will be dealt with;
- know whether this charter has been followed;
- be informed of Tatts Lotteries SA response, and the reason for this response; and
- provide directly relevant material in support of the complaint.

How will my complaint be handled?

- Tatts Lotteries SA will receive your complaint, record the details, give it fair and genuine consideration and deal with it in an effective way to achieve fair outcomes.
- Tatts Lotteries SA will inquire into your complaint, and consult with relevant Tatts Lotteries SA staff and outlets (where appropriate) within a reasonable timeframe, having regard to the nature and complexity of the complaint.
- Tatts Lotteries SA will keep you and the person complained about (if applicable) informed of progress.
- If appropriate and where possible, Tatts Lotteries SA will recommend changes to remedy the situation, and then inform you of the decision made and the reasons for the decision.
- Tatts Lotteries SA will treat all information with respect and handle personal information in accordance with the Corporation's Privacy Policy.
- Tatts Lotteries SA will take action to resolve the complaint.

Some important points

- Someone else may make a complaint on your behalf, however it may still be necessary for Tatts Lotteries SA to contact you directly.
- If you are experiencing difficulty expressing your complaint, you may seek Tatts Lotteries SA assistance.
- If you make an anonymous complaint, Tatts Lotteries SA capacity to inquire into the issue may be limited. Whilst all attempts will be made to protect your identity, your identity may become apparent during the course of the inquiry.
- Tatts Lotteries SA may request your assistance to enable the Corporation to assess and process your complaint
- Please do not to make complaints that are vexatious or frivolous or that relate to a matter that has been dealt with in a previous complaint.

Feedback about our services

Tatts Lotteries SA is committed to improving the level of service it provides and your feedback is very important.

You can visit, telephone, fax, email or write to us at the addresses above to give us your feedback on our service and the Complaints Handling Charter.

If you would like to make a suggestion about our complaints handling process, it would be helpful if you would first raise the matter with the Tatts Lotteries SA staff member you have been dealing with. If you are not satisfied, please contact Tatts Lotteries SA Contact Centre on 1300 659 971 or contact Tatts Lotteries SA using the details above.