

NOTICE OF FILING

This document was lodged electronically in the FEDERAL COURT OF AUSTRALIA (FCA) on 3/04/2019 6:42:10 PM AEDT and has been accepted for filing under the Court's Rules. Details of filing follow and important additional information about these are set out below.

Details of Filing

Document Lodged: Affidavit - Form 59 - Rule 29.02(1)
File Number: NSD309/2019
File Title: JACK DE BELIN v AUSTRALIAN RUGBY LEAGUE COMMISSION
LTD ACN 003 107 293 & ANOR
Registry: NEW SOUTH WALES REGISTRY - FEDERAL COURT OF
AUSTRALIA



A handwritten signature in blue ink, reading 'Warwick Soden'.

Dated: 3/04/2019 6:42:15 PM AEDT

Registrar

Important Information

As required by the Court's Rules, this Notice has been inserted as the first page of the document which has been accepted for electronic filing. It is now taken to be part of that document for the purposes of the proceeding in the Court and contains important information for all parties to that proceeding. It must be included in the document served on each of those parties.

The date and time of lodgment also shown above are the date and time that the document was received by the Court. Under the Court's Rules the date of filing of the document is the day it was lodged (if that is a business day for the Registry which accepts it and the document was received by 4.30 pm local time at that Registry) or otherwise the next working day for that Registry.



Form 59
Rule 29.02(1)

Affidavit

No. NSD309/2019

Federal Court of Australia
District Registry: New South Wales
Division: General

Jack de Belin

Applicant

Australian Rugby League Commission Ltd ACN 003 107 293 and another

Respondents

Affidavit of: **Andrew Abdo**
Address: Driver Avenue, Moore Park
Occupation: Chief Commercial Officer.
Date: 3 April 2019

Contents

I Andrew Abdo say on oath:

1. I refer to the first of my affidavits sworn in these proceedings on 2 April 2019.
2. In paragraph 16 of that affidavit I identified the main sources of revenue of the second respondent (NRL). In this affidavit I provide additional information as to the revenue that is generated by the NRL from its operation of the NRL Competition and the distribution of that revenue.
3. The Clubs that participate in the NRL Competition do so pursuant to an NRL Club Licence Agreement into which they enter with the NRL. The Licence Agreement entered into by St George Illawarra Rugby League Football Club Limited, the Club for which the

Filed on behalf of (name & role of party) Australian Rugby League Commission Ltd & National Rugby League Limited Respondents

Prepared by (name of person/lawyer) Tony O'Reilly

Law firm (if applicable) Kardos Scanlan

Tel 02 91465290 Fax _____

Email tony.oreilly@kardosscanlan.com.au

Address for service Level 5/151 Castlereagh Street, Sydney, NSW 200
(include state and postcode)

applicant plays, and the NRL is contained in the affidavit of Robert John Tassell sworn 8 March 2019 (at Exhibit RT-2 pages 10-45).

4. Pursuant to the Club Licence Agreement the first respondent (ARLC), the owner of the NRL Competition, has:
 - (a) the exclusive right to exploit all intellectual property rights in the NRL Competition (see clause 4) including the:
 - i. broadcasting rights to all matches in the NRL Competition;
 - ii. naming rights to the NRL Competition;
 - iii. marketing and sponsorship rights to the NRL Competition, including merchandising.
 - (b) the exclusive use of the field of play for signage at all matches in the NRL Competition, as well as certain additional ground signage rights (see Schedule 3);
 - (c) the right to all ticketing and other revenue from the matches in the NRL Finals series, including the NRL Grand Final (see clause (d)).
5. The Club Licence Agreement reserves to each Club a limited number of revenue rights, being:
 - (a) the right to use certain intellectual property in advertising and promoting the Club and its sponsors; and
 - (b) the rights to ticketing and sponsorship revenue at its matches that are played at its home ground in the regular season.
6. The Club is also entitled under the Club Licence Agreement to certain income distributions from the NRL. These principally are:
 - (a) the right to receive from the NRL a funding grant (see clause 8(b) and Schedule 2);
 - (b) a share of revenue generated by the NRL from centralised merchandising and marketing activities (see clauses 16.1, 16.2 and 16.3);
 - (c) the right to receive prize money (see clause 8(e)).
7. The NRL also funds the approved travel and accommodation costs that the Clubs incur in participating in the NRL Competition.
8. Schedule 2 of the Club Licence Agreement provides that the minimum amount of the grant that the NRL is required to pay to each NRL Club is \$3.85 million.
9. In 2018, pursuant to an agreement that was reached between the NRL and the NRL Clubs, the NRL paid each Club that participated in the NRL Competition a grant of \$12.6



million. This payment in aggregate is recorded in the copy of the 2018 NRL Annual Report at [5] of Exhibit AA1 of my first affidavit at page 511 of the Exhibit. The total distributions to the Clubs by the NRL in 2018 amounted to \$223 million. This is approximately 45% of the total operating revenue of the NRL for 2018 (\$497 million) and approximately 66% of the funds that were available for distribution (\$339 million). These details are set out at page 522 of the Exhibit.

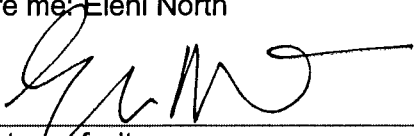
- 10. Pursuant to an agreement reached between the NRL and the NRL Clubs, the amount of the grant that the NRL will pay each Club for the 2019 NRL season is \$12.8 million.
- 11. There is a considerable range in the amount of total revenue that each Club generates from their participation in the NRL Competition. If the grant that each Club receives from the NRL is included, the total revenue Clubs receive ranges from approximately \$20 million to \$45 million with the average total revenue for a Club being \$26 million. The total revenue of the St George Illawarra Rugby League Football Club sits at about the average of the 16 Clubs.
- 12. The grant that the NRL provides is therefore a very significant part of the revenue that each Club generates from its participation in the NRL Competition.
- 13. Each Club that participates in the NRL Competition is subject to a salary cap, which is the maximum amount that the Club is permitted to pay its players. This amount is set by agreement between the NRL and the Rugby League Players Association (RLPA) in the Collective Bargaining Agreement (CBA). A term sheet reflecting the terms of the CBA is contained in the affidavit of Robert John Tassell sworn 8 March 2019 (at Exhibit RT-2 pages 106-134). The relevant provisions are at pages 112, 116 and 133 of the Exhibit.
- 14. The amount of the base salary cap that was agreed between the NRL and the RLPA for the 2019 season is \$9.3 million. This is recorded on page 133 of Exhibit RT-2.
- 15. The CBA also requires the NRL to guarantee the playing contracts of each NRL player under his NRL Contract. The terms of this guarantee are set out on page 119 of Exhibit RT-2.

Sworn by the deponent
 at Sydney
 in New South Wales
 on 3 April 2019
 Before me: Eleni North

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Signature of deponent



Signature of witness

Name: Eleni North

Address: Rugby League Central, Driver Ave Moore Park NSW 2021

Capacity / Qualification of witness: Legal Practitioner

