

NOTICE OF ANNUAL GENERAL MEETING 2017

Notice is hereby given that the Annual General Meeting of the Padstow RSL Club Limited A.B.N 22001034126 will be held in the clubs premises at 24-28 Howard road Padstow at 7pm on Wednesday, 18th October 2017. The members will be asked to consider and if thought fit pass the Ordinary and Special Resolutions set out below:

BUSINESS

1. Declare the meeting open.
2. Apologies.
3. To confirm the minutes of the last Annual General Meeting held on Wednesday 26th October 2016.
4. To receive and consider the reports of:
 - a) President's;
 - b) General Manager's;
 - c) Directors;
 - d) Auditors;
5. To receive and consider the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows.
6. To consider any Special Resolutions whereby due notice has been received.
7. To consider any Ordinary Resolutions whereby due notice has been received.
8. Transact any General Business in accordance with the Club's Constitution and which written notice has been given.
9. Declare the meeting closed.

FIRST ORDINARY RESOLUTION

That pursuant to the Registered Clubs Act, 1976:

- (a) The Members hereby agree to approve expenditure by the Club of a sum not exceeding \$30,000 excluding any GST until the next Annual General Meeting of the Club for the following activities of Directors:
 - (i) The reasonable cost of a meal and beverage for each Director before or immediately after a Board or Committee meeting on the day of that meeting where such meeting coincides with a normal meal time
 - (ii) The reasonable expenses incurred by Directors travelling to and from duly constituted meetings as approved by the Board from time to time on production of documentary evidence of such expenditure
 - (iii) The provision of Corporate Attire to Directors, and cleaning expense of same, so that whilst on duty and on official occasions they can represent the corporate image of the Club.
 - (iv) The reasonable costs (including travel and accommodation expenses) of Directors attending the Registered Clubs Association of NSW (ClubsNSW) Annual General Meeting or similar organisations' Annual General Meetings as determined by the Board from time to time.
 - (v) The reasonable costs of Directors attending ClubsNSW Association Meetings, Western

- (vi) Metropolitan Region Meetings or similar organisations' Meeting as determined by the Board from time to time.
The reasonable costs of Directors attending the Clubs NSW Directors Institute, Educational Meetings, Gaming Conferences, Seminars, Trade Displays, Visitation to other Registered Clubs for the purpose of observing and assessing their methods of operation and facilities to enable the Board to be kept abreast with current trends and developments which may have significant bearing on the conduct of the Club.
- (vii) The reasonable costs of Directors attending any Club, Charity or Community Function as the representatives of the Club and authorised by the Board to do so.
- (viii) The reasonable costs associated with the attendance of Directors' spouses/partners where that attendance is appropriate and required to represent the Club as determined by the Board from time to time.
- (ix) The reasonable expenses incurred by Directors either within the Club or elsewhere in relation to such other duties including entertainment of special guests or dignitaries of the Club and other promotional activities performed by Directors which activities and the expenses there from are approved by the Board before payment is made, on production of documentary evidence of such expenditure.
- (x) The reasonable costs of Directors and their spouses or partners, Life Members and their spouses or partners and invited guests attending the Directors' Dinner and the Life Members' Dinner and authorised by the Board to do so.
(b) The Members acknowledge that the benefits in paragraph (a) are not available to Members generally, but only for those who are Directors of the Club or in respect of paragraphs (a) (viii) Directors' spouses/partners, (a) (ix) special guests or dignitaries of the Club, (a) (x) guest of the Club, Directors' spouses/partners – Life Members and their spouses/partners and invited guests.

NOTES TO MEMBERS ON THE ORDINARY RESOLUTIONS

1. The First Ordinary Resolution is to have Members at the Annual General Meeting approve the expenditure by Club of not exceeding \$35,000 in relation to duties performed by the Directors and in certain cases spouses/partners of Directors, Life Members, their spouses/partners, special guests, dignitaries and invited guests.
2. The resolutions cannot be amended or added to by motions from the floor and must be passed or rejected in their entirety.

PROCEDURAL MATTERS IN RELATION TO THE ORDINARY RESOLUTIONS

- (a) For Ordinary Resolutions to be passed, they must receive votes in favour from not less than a simple majority (50% +1) of those members present and, being eligible to do so, vote in person on the Ordinary Resolutions at the meeting.
- (b) Under the Registered Clubs Act, members who are employees of the Club are not eligible to vote.
- (c) Proxy voting is prohibited by the Registered Clubs Act.
- (d) Amendments (other than grammatical or clerical errors or minor typographical corrections which do not change the substance or effect of the ordinary resolutions) will not be permitted from the floor of the meeting.
- (e) The Board of the Club recommends the ordinary Resolutions to the Members.

SPECIAL RESOLUTIONS

PROCEDURAL MATTERS

- 1. To be passed a Special Resolution must receive votes in its favour from not less than three quarters (75%) of those members who being eligible to do so vote in person on the Special Resolution at the meeting.
- 2. Each Special Resolution should be read in conjunction with the notes to members which follow each Special Resolution.
- 3. Only Life members and financial Ordinary members are eligible to vote on the special resolutions.
- 4. under the Registered Clubs Act:
 - (a) Members who are employees of the Club are not entitled to vote; and
 - (b) Proxy voting is prohibited.
- 5. Amendments to a Special Resolution (other than minor typographical corrections which do not change the substance or effect of the Special Resolution) will not be permitted from the floor of the meeting.
- 6. The Board of the Club recommends both Special Resolutions to members.

FIRST SPECIAL RESOLUTION

[The First Special Resolution is to be read in conjunction with the notes to members set out below.] That with effect from and for the purposes of the Annual General Meeting of the Club to be held in 2018 and all Annual General Meetings thereafter, the Constitution of Padstow RSL Club Limited be amended by:

- (a) Deleting the definition of "Biennial General Meeting" from Rule 5(a).
- (b) Deleting Rule 52(a) (which provides that the entire Board is elected every 2 years) and in

lieu thereof inserting the following new Rule 52(a):

- "(a) The Board shall be elected triennially in accordance with Rule 52 and Schedule 4 of the Registered Clubs Act (which is set out below) and the first meeting under the triennial rule will be the Annual General Meeting held in 2018.

SCHEDULE 4

Definitions

- 1. In this Schedule - "General meeting" means a meeting of the members of the club at which members of the governing body are to be elected; "Triennial rule" means the rule of the club that provides for the election of members of the governing body in accordance with this Schedule; "Year" means the period between successive general meetings.
- 2. Repealed.

First general meeting under triennial rule

- 3. (1) the members elected to the governing body at the first general meeting at which the triennial rule applies shall be divided into 3 groups.
 - (2) **The groups -**
 - (a) Shall be determined by drawing lots; and
 - (b) Shall be as nearly as practicable equal in number; and
 - (c) Shall be designated as group 1, group 2 and group 3.
 - (3) Unless otherwise disqualified, the members of the governing body -
 - (a) In group 1 shall hold office for 1 year; and
 - (b) In group 2 shall hold office for 2 years; and
 - (c) In group 3 shall hold office for 3 years. Subsequent general meetings
- 4. At each general meeting held while the triennial rule is in force (other than the first such meeting) the number of the members required to fill vacancies on the governing body shall be elected and shall, unless otherwise disqualified, hold office for 3 years.

CASUAL VACANCIES

5. (1) A person who fills a casual vacancy in the office of a member of the governing body elected in accordance with this Schedule shall, unless otherwise disqualified, hold office until the next succeeding general meeting.
- (2) The vacancy caused at a general meeting by a person ceasing to hold office under subclause (1) shall be filled by election at the general meeting and the person elected shall, unless otherwise disqualified, hold office for the residue of the term of office of the person who caused the casual vacancy initially filled by the person who ceased to hold office at the general meeting.

RE - ELECTION

6. A person whose term of office as a member of the governing body under the triennial rule expires is not for that reason ineligible for election for a further term.

REVOCAION OF THE TRIENIAL RULE

7. **If the triennial rule is revoked –**
 - (a) at a general meeting – all the members of the governing body cease to hold office; or
 - (b) At a meeting other than a general meeting – all the members of the governing body cease to hold office at the next succeeding general meeting, and an election shall be held at the meeting to elect the members of the governing body.”
 - (c) **Inserting** the words “References to the election of the Board in this Rule 52 refer to positions on the Board to be elected in any one (1) year in accordance with the triennial rule set out in Rule 52(a)” at the beginning of Rule 52(b).
 - (d) **Deleting** the word “Biennial” where it appears in Rules 52(d) (i) and (ii) and in lieu thereof **inserting** the word “Annual”.
 - (e) **Inserting** the following new Rule 52(e)

“(e) For the purposes of the election of the Board to be conducted in 2018 and all elections of the Board thereafter until changed by special resolution:

(i) members shall elect directors to the vacancies on the Board caused by the operation of the triennial rule set out in Rule 52(a) which shall be 7 vacancies in 2018 when the triennial rule is introduced ; and

(ii) as soon as reasonably practicable after each Annual General Meeting, the Board shall elect from amongst themselves a President, a Senior Vice President and a Vice President.

(iii) The directors elected to the positions of President, Senior Vice President and Vice President shall, subject to this Constitution, hold those offices until the conclusion of the next Annual General Meeting.”

- (f) **Deleting** from Rule 80 the words “Biennial General Meeting” and in lieu thereof **inserting** the words “Annual General Meeting in accordance with the triennial rule set out in Rule 52.” at the end of Rule 80.

- (g) **Deleting** Rule 84(c) and in lieu thereof inserting the following new Rule 84(c):

“(c) To declare the results of the election of directors to the vacancies on the Board caused by the operation of the triennial rule referred to in Rule 52.”

Notes to Members on First Special Resolution

1. The First Special Resolution seeks to amend the provisions of the Constitution relating to the election of directors and the method of electing the President, Senior Vice President and Vice President.

Introduction of Triennial Rule

2. At present, directors are elected Biennially
3. If the First Special Resolution is passed, directors will be elected in accordance with the “Triennial Rule” contained in Schedule 4 of the Registered Clubs Act (which is set out in the Special Resolution).
4. **If the First Special Resolution is passed, the Triennial Rule will take effect from the Annual General Meeting in 2018 and the Directors elected to office at the Annual General Meeting in 2018 will be the first directors elected under the Triennial Rule.**
5. If the First Special Resolution is **not** passed, then the current two (2) year term for directors will continue to apply and the directors declared elected to office at Annual General Meeting in 2018 will be elected for a two (2) year term.
6. The Triennial Rule provides for three (3) year terms of office for directors, with one Second of the Board to be elected each year.

7. For this purpose, the directors are divided into three (3) groups. As the Board consists of seven (7) directors, there will be two (2) groups of two (2) directors and one (1) group of three (3) directors.
8. In each year, a different group retires. Group 1 retires in the first year, Group 2 retires in the Second year, Group 3 retires in the Third year, and Group 1 retires in the fourth year, Group 2 in the fifth year and so on.
9. In the first year of the triennial rule's operation, lots are drawn to determine which group a director falls into. Those directors allotted to Group 1 will only hold office for one year. Directors allotted to Group 2 will only hold office for two years. Directors allotted to Group 3 will be the only directors who, in the first year, are elected to office for three years.
10. Directors whose term of office has come to an end are, subject to the Constitution, eligible for re-election for a further three year term.

Why does the Board recommend the introduction of the Triennial Rule?

11. The laws relating to registered clubs are becoming far more complex. The Club operates under the provisions of the *Corporations Act, Registered Clubs Act, Liquor Act, Gaming Machines Act* and their associated Regulations as well as many other laws. It is becoming increasingly difficult for a director to acquire the requisite knowledge without guidance from more experienced directors and from educational programs.
12. The Triennial Rule provides for continuity and greater stability on the Board while still allowing for a Second of the Board to change each year.
13. The Triennial Rule also provides the opportunity to pass valuable knowledge between directors.

Election of President, Senior Vice President and Vice President

14. At present, members directly elect candidates to the positions of President, Senior Vice President and Vice President.
15. If the First Special Resolution is passed: the method of electing the President, the Senior Vice President and the Vice President will change with effect from the board elections to be conducted in 2018.

16. If the First Special Resolution is passed:

- (a) For the purposes of the election of the Board to be conducted in 2018 and all elections of the Board thereafter

- (i) Members will elect directors to the vacancies on the Board caused by the operation of the triennial rule ; and
- (ii) As soon as reasonably practicable after each Annual General Meeting, the Board shall elect from amongst themselves a President, a Senior Vice President and a Vice President.
- (iii) The directors elected to the positions of President, Senior Vice President and Vice President will hold those offices until the conclusion of the next Annual General Meeting.

SECOND SPECIAL RESOLUTION

[The Second Special Resolution is to be read in conjunction with the notes to members set out below.]

That the Constitution of Padstow R.S.L. Club Limited be amended by:

- (a) **Deleting** from Rule 12 the words, "a *Certificate of Registration under Part II of the Registered Clubs Act*" and "such a certificate" and in their place **inserting** the words, "a club license under the *Liquor Act*" and "such a license" respectively.
- (b) **Deleting** from Rule 16(e) the words, "subsection 2(b)" and in lieu thereof **inserting** the words, "subsection 2".
- (c) **Deleting** Rule 17 (a) and inserted, "Deleted".
- (d) **Inserting** into Rule 29 (d) (i) after the words, "the name in full" the words, "or surname and initials".
- (e) **Inserting** into Rule 31 (f) (i) after the words, "the name in full" the words, "or surname and initials".
- (f) **Deleting** Rule 50 (a) and in lieu thereof **Inserting** the following new Rule 50 (e):

"50(a) (i) Subject to Rule 50 (b), the Board shall consist of seven (7) directors who shall comprise a President, a Senior Vice President, a Vice President and four (4) other directors.

(ii)The Board may appoint up to two (2) persons to be members of the Board in addition to the seven (7) directors referred to in Rule 50 (a) pursuant to the Registered Clubs Act and Registered Clubs Regulations.

(iii)The provisions of the Registered Clubs Act and Registered Clubs Regulations shall apply in respect of any person appointed to the Board pursuant to Rule 50 (b).

(iv) Any person appointed by the Board to be a director pursuant to Rule 50 (b) shall only be required to satisfy the requirements of the Registered Clubs Act and Registered Clubs Regulations to be appointed and does not have to satisfy any requirement in this Constitution.”

(g) **inserting** the following new Rule 50 (e):

“Any person who is elected or appointed to the Board, must, unless exempted, complete such mandatory training requirements for directors as required by the Regulations made under the Registered Clubs Act.”

(h) **inserting** the following new Rule 79 (i):

“Fails to complete the mandatory training requirements for directors referred to in Rule 50 (e) within the prescribed period unless exempted.”

(i) **deleting** Rule 82 (b) and in its place **inserting** the following new Rule 82 (b):

“The Board must call and arrange to hold a general meeting of the Club on the request of members with at least five per cent (5%) of the votes that may be cast at a general meeting

(j) **deleting** Rules 98 and replacing it with the following new Rule 98:

“98. The Board shall:

(a) Cause proper accounts and records to be kept with respect to the financial affairs of the Club in accordance with the Act and the Registered Clubs Act.

(b) Prepare, on a quarterly basis, financial statements that incorporate:

(i) The Club’s profit and loss accounts and trading accounts for the quarter; and

(ii) A balance sheet as at the end of the quarter.

(c) cause the financial statements referred to in paragraph (b) of this Rule to be submitted to a meeting of the Board.

(d) Make the financial statements referred to in paragraph (b) of this Rule available to members of the Club within forty-eight (48) hours of the statements being adopted by the Board.

(e) Indicate, by displaying a notice on the Club’s premises and on the Club’s website, how the members of the Club can access the financial statements referred to in paragraph (b) of this Rule.

(f) Provide a copy of the financial statements referred to in paragraph (b) of this Rule available to any member on the written request of the member.”

(k) **deleting** Rule 101 and **adding in** the following new Rule 101:

“101. **FINANCE – ACCESS TO ANNUAL FINANCE REPORT**

A member of the Club may, by notice in writing to the Chief Executive Officer, elect to receive a hard copy or an electronic copy of the annual financial report. The Chief Executive Officer must send a copy of the annual financial report, free of charge, to each member who has made an election to receive a report.”

Notes to Members on the Second Special Resolution

1. The Second Special Resolution proposes a number of amendments to the Constitution to ensure the Constitution:
 - i. reflects and is consistent with current legislation; and
 - ii. is up to date and in good working order.
2. **Paragraph (a)** deletes references to the certificate of registration which was previously held by the Club and inserts references to the club licence which is now held by the Club.
3. **Paragraph (b)** inserts the appropriate reference to the *Liquor Act*.
4. **Paragraph (c)** deletes rule 17 (a) which repeated a section in the Registered Clubs Act (which has now been deleted) about limitations on Club membership numbers.
5. **Paragraphs (d) and (e)** reflect the wording used in the Registered Clubs Act relating to the information that needs to appear in Honorary and Temporary Member Registers.
6. **Paragraph (f)** inserts a new provision which clarifies that, in accordance with the Registered Clubs Act, the Board has the power to appoint up to two (2) “Board Appointed Directors”

(directors who are appointed by the Board and are not elected by members). In this regard:

7. The Registered Clubs Act was recently amended to provide club boards with the power to appoint up to two (2) "Board Appointed Directors" if the club has a board of seven (7) or less directors.
8. The Board is not required to appoint Board Appointed Directors - but it may do so if it wishes.
9. The Board Appointed Directors that may be appointed to the Board will be in addition to the seven (7) directors elected by members.
10. A Board Appointed Director is only required to satisfy the requirements of the Registered Clubs Act and Registered Clubs Regulations and is not subject to any restriction or limitation that may be contained in the Club's Constitution.
11. If the Board appoints a Board Appointed Director, the Club must, within twenty one (21) days of the appointment, display a notice on the Club's noticeboard and website stating:
 - the reasons for the person's appointment; and
 - the person's relevant skills and qualifications;
 - any payments to be made to the person in connection with his or her appointment (any payments are subject to member approval).
12. **Paragraph (g)** inserts a new provision which requires any person who is elected or appointed to the Board of Directors to complete mandatory training requirements for directors as required by the *Registered Clubs Regulation* (unless exempted).
13. **Paragraph (h)** inserts a new provision relating to vacancies on the Board to bring the Constitution into line with the *Registered Clubs Act*.
14. **Paragraph (i)** amends an existing provision relating to the calling of general meetings on the request of members to bring the Constitution into line with the *Corporations Act*. In this regard:
 - (a) Rule 82 (b) provides that the Board must call and arrange to hold a general meeting of the Club on the request of members with at least five per cent (5%) of the votes that may be cast at the general meeting or one hundred (100) members whichever is the lesser. This reflects the previous requirements contained in the *Corporations Act*.

- (b) The *Corporations Act* has been recently amended and now provides that the Board of Directors is only required to call and arrange to hold a general meeting of the Club on the request of members with at least 5% of the votes that may be cast at the general meeting (and not on the request of one hundred (100) members).

- (c) This paragraph proposes to amend Rule 82 (b), so that it reflects the current requirements of the *Corporations Act*.

15. **Paragraph (j)** updates the Constitution to reflect provisions in the Registered Clubs Act in relation to the financial statements that have to be kept by the Club.

16. **Paragraph (k)** inserts a new provision relating to the Club providing copies of the Annual Financial Report to members to bring the Constitution into line with the *Corporations Act*. In this regard, the *Corporations Act* allows members of the Club to:

- (a) Elect to receive a hard copy or electronic copy of the Annual Financial Report; or
- (b) Opt out of receiving copies of the Annual Financial Report.

Dated: 21st August 2017

By Direction of the Board

Sharon Gammone
General Manager