

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

Notice is hereby given that an Extraordinary General Meeting of Dubbo RSL Memorial Club Ltd ("**DRSL**" or "**Club**") will be held at the premises of the Club at 178-188 Brisbane Street, Dubbo NSW 2830 on **Friday, 17 May 2024 at 6:45pm.**

If the Club's Annual General Meeting scheduled for 6:00pm on Friday, 17 May 2024 is not concluded by the time scheduled above for the start of this Extraordinary General Meeting, the commencement of this Extraordinary General Meeting will be delayed until the conclusion of the Annual General Meeting, and will commence immediately after the conclusion of the Annual General Meeting.

**BUSINESS**

1. To consider and if thought fit, pass the Ordinary Resolution approving in principle an amalgamation of DRSL with Wingham District Memorial Services Club Ltd ABN 15 000 982 730 (**WSC**).
2. If the Ordinary Resolution is passed, to consider, and if thought fit, pass the Special Resolution to amend DRSL's Constitution for the purposes of the proposed amalgamation with WSC and the amalgamation provisions of the *Registered Clubs Act 1976* (NSW) (**Registered Clubs Act**).

**ORDINARY RESOLUTION**

*"That the members hereby:*

1. *approve in principle the amalgamation of Wingham District Memorial Services Club Ltd ABN 15 000 982 730 (**WSC**) with Dubbo RSL Memorial Club Ltd ABN 18 000 965 355 (**DRSL**) such an amalgamation to be effected by:*
  - (a) the continuation of DRSL (as the amalgamated club) and the dissolution of WSC;*
  - (b) the transfer of WSC's assets (including land) to DRSL; and*
  - (c) the transfer of the club licence of WSC to DRSL;*

*and*
2. *approve in principle the making of an application to the Independent Liquor and Gaming Authority for the transfer of the club licence of WSC to DRSL for the purposes of such an amalgamation."*

**Explanatory notes regarding the Ordinary Resolution**

*General and how the amalgamation will be effected*

- 1 The Extraordinary General Meeting has been called to consider a resolution approving the proposed amalgamation of DRSL with WSC.
- 2 The amalgamation of two registered clubs must be effected pursuant to the provisions of Division 1A of Part 2 of the Registered Clubs Act.
- 3 Both DRSL and WSC hold club licences under the *Liquor Act 2007 (NSW)* (**Liquor Act**). Under section 17AB of the Registered Clubs Act, an amalgamation occurs when the club licence of one club is transferred to the other club, under section 60 of the Liquor Act.
- 4 The transfer of the club licence of WSC to DRSL is subject to approval by the Independent Liquor and Gaming Authority (**Authority**). Under section 17AEB of the Registered Clubs Act, the Authority may not approve the transfer unless it is satisfied that the proposed amalgamation has been approved in principle at separate extraordinary general meetings of the ordinary members of both clubs proposing to amalgamate (being in each case an approval supported by a majority of the votes cast at the meeting).
- 5 This means that the Ordinary Resolution must be passed before the Authority will approve the transfer of the club licence of WSC to DRSL and for the amalgamation to proceed.
- 6 A special/extraordinary general meeting of members of WSC has been called for Thursday, 16 May 2024. At that meeting, members of WSC will consider, and if thought fit, approve a similar ordinary resolution.

- 7 The amalgamation is completed when the assets (including land) and club licence are transferred by the Authority from WSC to DRSL (**Amalgamation Completion**). If each club passes the resolutions at their relevant general meetings (and if DRSL passes the Special Resolution below), application will be made to the Authority for its approval and for transfer of WSC's assets and club licence to DRSL.
- 8 If the amalgamation is approved by both clubs and the Authority, DRSL will continue as the corporate vehicle as the amalgamated club (**Amalgamated Club**) and WSC will be dissolved.
- 9 The land and clubhouse building of WSC located at 28-34 Bent Street, Dubbo NSW 2830 (**WSC Premises**) will become the additional trading premises of the Amalgamated Club.
- 10 If the Ordinary Resolution is approved, the members will be authorising the making of the application to the Authority for approval of the amalgamation.

*Terms of the Amalgamation contained in the Memorandum of Understanding (MOU)*

- 11 The terms of the amalgamation are set out in a Memorandum of Understanding (**MOU**) which has been entered into between DRSL and WSC. The MOU deals with matters which must be addressed pursuant to the Registered Clubs Act and *Registered Clubs Regulation 2015* (NSW). The MOU also deals with commercial and other matters connected to the amalgamation.
- 12 A copy of the MOU may be obtained from the DRSL reception upon request. A copy of the MOU is also available on the DRSL webpage at <https://dubborsl.com.au/> and on DRSL's notice boards.
- 13 The Board of DRSL recommends to members that they carefully read the MOU before attending the Extraordinary General Meeting.

*Future direction, operation and retention of WSC Premises - Minimum Period and afterwards*

- 14 Except in the limited circumstances contained in the MOU, the WSC Premises may not be sold or otherwise disposed and the Amalgamated Club must trade from the WSC Premises (as core property under section 41E of the Registered Clubs Act) during the "**Minimum Period**", defined as 3 years after Amalgamation Completion.
- 15 The WSC Premises must be preserved for at least the Minimum Period (i.e. for at least 3 years) after Amalgamation Completion and not sold, transferred or otherwise disposed during that time subject to certain events that may prevent it from doing so set out in the MOU.
- 16 After the expiry of the Minimum Period, DRSL may cease trading from the WSC Premises in the following circumstances:
  - (a) *for the fourth and fifth years after Amalgamation Completion:* if the Earnings before Interest, Tax, Depreciation and Amortisation (**EBITDA**) attributable to the WSC Premises is below 9% in a financial year of the Amalgamated Club;
  - (b) *for the sixth year and subsequent years after Amalgamation Completion:* if the Board determines that continued trading from the WSC Premises is not in the best interests of the Amalgamated Club because trading from the WSC Premises is not financially viable or because the overall financial viability of the Amalgamated Club is threatened by continuing to trade from the WSC Premises. Financial viability will be determined at the discretion of the Board, but may, among other things, take into account the registered club industry standard of financial viability, which is currently EBITDA of 15% for each venue or for a club group of venues in a financial year of the Amalgamated Club. This EBITDA of 15% is a generally accepted measure of financial viability for registered club premises; or
  - (c) *generally:* if an order by a court or government authority requires the closure of the WSC Premises or they are partly or wholly destroyed by fire, flood, storm or similar event such that they cannot be lawfully operated except where appropriate insurance cover is available to reinstate or rebuild the WSC Premises, including the Clubhouse, to at least the same level and standard they were in at Amalgamation Completion, or where it is otherwise economically viable to do so.

*Traditions, amenities, community support, upgrades and maintenance and Advisory Committee*

- 17 Other obligations of the Amalgamated Club regarding general operations and naming of the WSC Premises, Advisory Committee and traditions continue during the Minimum Period. In summary, these obligations are to:
- (a) maintain the traditions, amenities and memorabilia of WSC at the WSC Premises;
  - (b) undertake necessary upgrades, repairs, replacements, refurbishments and renovations to the WSC Premises and facilities (including the Clubhouse, and surrounding areas which constitute members and guests facilities);
  - (c) endeavour to ensure the WSC Premises is relevant to its membership and its local community and will maintain operating hours which are no less than its existing operating hours;
  - (d) endeavour to improve the trading and revenue of the WSC Premises and work towards operating the WSC Premises 7 days per week, subject to the requirements of any relevant laws and government agencies;
  - (e) introduce its existing members benefits programs at the WSC Premises;
  - (f) establish an Advisory Committee, at least during the Minimum Period, comprising of three WSC members who join the Amalgamated Club, as well as DRSL's CEO and the manager appointed by DRSL after Amalgamation Completion to manage the WSC Premises (see below). After expiry of the Minimum Period, the Board of the Amalgamated Club will review annually the continuation or otherwise of the Advisory Committee, in consultation with the Advisory Committee; and
  - (g) give serious consideration in the first year after Amalgamation Completion, to continuation of any existing sponsorship arrangements of WSC, including to Wingham Tigers Rugby League Football Club and Wingham Junior Rugby League.
- 18 The three members of WSC on the Advisory Committee will initially, for the first year after Amalgamation Completion, be appointed by the Board of the Amalgamated Club from the current Board of WSC (being the WSC's President, Senior Vice President and Junior Vice President) or if they are not willing to be appointed, such other WSC members who join the Amalgamated Club. Thereafter (from 2025 onwards), the WSC members of the Advisory Committee will be elected biennially.
- 19 The Advisory Committee may make recommendations to the Board of the Amalgamated Club regarding matters set out in the MOU, but will have no governance or management powers. The matters on which it can make recommendations are the following:
- (a) operations of the WSC Premises;
  - (b) ClubGRANTS to be made by the Amalgamated Club that are attributable to the WSC Premises;
  - (c) membership matters at the WSC Premises (including member disciplinary matters); and
  - (d) the engagement and relationships with community clubs and sponsored sporting clubs).
- 20 The Board of the Amalgamated Club will consider delegating its powers under rules 45 and 46 of DRSL's Constitution to the Advisory Committee to determine disciplinary matters relating to WSC members and the WSC Premises, subject to such terms and conditions, including as to reporting to the Board, or for such period as the Board determines.

*Future management of WSC Premises*

- 21 All assets of WSC will become assets of the Amalgamated Club. The assets of WSC include:
- (a) the WSC Premises known as 28-34 Bent Street, Wingham (being "core property" for the purposes of section 41E of the Registered Clubs Act);
  - (b) shops and residential premises located on the same title as the WSC Premises and known as 36-38 Bent Street, Wingham (being non-core property for the purposes of section 41E of the Registered Clubs Act);

- (c) club licence, including 50 gaming machine entitlements attached to the club licence of WSC; and
- (d) plant, fixtures and fittings.

22 The Amalgamated Club will be governed by the Board of DRSL on and from Amalgamation Completion.

*Employees*

23 The employees of WSC will all be offered employment with DRSL (as the Amalgamated Club) and those employees will receive continuity of employment. Their accrued entitlements during employment with WSC (holiday pay, long service leave and other entitlements) will be preserved and will be honoured by DRSL as if those employees had been employees of DRSL.

24 Employment of existing DRSL employees will not be affected.

*Members of WSC to be invited to become members of DRSL*

25 Members of WSC will be invited to become members of DRSL. The *Corporations Act 2001* (Cth) requires applications for membership and the Registered Clubs Act prescribes a process for admissions to membership – members cannot simply be "transferred" from one registered club to another registered club.

26 WSC Life Members will not be required to pay an annual subscription for membership of DRSL/Amalgamated Club and will continue to be recognised as Life members of WSC but only in respect of the WSC Premises (i.e. they will not be Life members of DRSL/Amalgamated Club).

*Reasons for amalgamation*

27 The facilities at the WSC Premises include the following:

- (a) Bars;
- (b) Café and restaurant;
- (c) Functions areas;
- (d) Car parking; and
- (e) Gaming machines, TAB and Keno.

28 Following Amalgamation Completion, the above facilities will become facilities of the Amalgamated Club for all members to enjoy.

29 The Board of DRSL believe that with the management and resources available to DRSL and its ability to invest in the WSC Premises, those premises can trade viably following Amalgamation Completion.

30 If the amalgamation proceeds and is completed, the assets will be transferred to DRSL and the debts will be absorbed by DRSL, including advances made by DRSL under its loan and security agreements with WSC.

31 WSC is similar to DRSL, in that it is of RSL origin and has similar objects.

32 The Board of DRSL therefore believes that an amalgamation with WSC is in the best interests of DRSL and its members.

**SPECIAL RESOLUTION (TO BE CONSIDERED ONLY IF THE ORDINARY RESOLUTION IS PASSED)**

*"That on the date on which the Independent Liquor and Gaming Authority transfers the club licence of Wingham District Memorial Services Club Ltd ABN 15 000 982 730 (WSC) with Dubbo RSL Memorial Club Ltd ABN 18 000 965 355 (DRSL), the Constitution of DRSL be amended by:*

- inserting the following new rule 20(e):  
“(e) Wingham Services Club members.”
- inserting new rule 23(e):

**"(e) Wingham Services Club members**

*Wingham Services Club members shall be those persons who are full members (as defined in the Registered Clubs Act) and are not Junior members of Wingham District Memorial Services Club Ltd ABN 15 000 982 730 and who were admitted to membership of the Club pursuant to Rule 34A for the purposes of the amalgamation between the Club and Wingham District Memorial Services Club Ltd."*

- Deleting rule 25 and inserting instead the following new rule 25:

*"25. Only Life members, financial R.S.L members, financial Associate members, financial Dubbo City Bowling Club members and financial Wingham Services Club members are entitled (subject to any further restriction in this Constitution):*

- (a) to attend and to vote at all General Meetings (except that Associate members, Dubbo City Bowling Club members and Wingham Services Club members are not entitled to vote on any Special Resolution to alter or amend this Constitution);*
- (b) to vote at the election of the Board; and*
- (c) to be nominated for, elected to and hold office on the Board."*

- Inserting new rule 34A(e) immediately after existing rule 34A(d):

*"(e) Whenever the Club, as the continuing club or parent club, completes an amalgamation with another registered club as the dissolving or child club (**Amalgamating Club**) under the Registered Clubs Act and Liquor Act, each full member (as defined by the Registered Clubs Act) of the Amalgamating Club who is admitted as a Full member of the Club pursuant to the amalgamation and whilst they continue to be a Full member of the Club, must for the purposes of section 17AC(2) of the Registered Clubs Act be identified in the Club's records by a descriptor chosen by the Board that identified them as a former member of the Amalgamating Club."*

- Deleting rule 50(b) and inserting instead the following new rule 50(b):

*"(b) The Officers of the Board are the President, two (2) Vice Presidents and four (4) Ordinary Members of the Board. The President, two (2) Vice Presidents and one (1) Ordinary Member of the Board must be Life members or RSL members. The remaining three (3) Ordinary Members of the Board must be Life members, Associate members, Dubbo City Bowling Club members or Wingham Services Club members."*

- Deleting rule 51(d) and inserting instead the following new rule 51(d):

*"(d) A person must not be nominated for or elected to or hold office as a member of the Board unless he or she is a Life member, R.S.L member, Associate member, Dubbo City Bowling Club member, or Wingham Services Club member."*

- Deleting rule 52(a) and inserting instead the following new rule 52(a):

*"(a) Nominations for election of person who are Life members or R.S.L members must be made in writing and signed by 2 members who must be Life members or R.S.L members. Nominations for election of persons who are Associate members, Dubbo City Bowling Club members or Wingham Services Club members must be made in writing and signed by 2 members who must be Life members, R.S.L members or Associate members. The nominee must signify his or her consent to the nomination in writing."*

### **Explanatory notes regarding the Special Resolution**

1. The Special Resolution will only be considered by the Extraordinary General Meeting if the Ordinary Resolution has been passed by the meeting. In order for DRSL to proceed with the amalgamation with WSC, the members must approve the Special Resolution.
2. Section 17AC(2) of the Registered Clubs Act requires that before registered clubs amalgamate, the parent club (in this case, DRSL) must under its rules (the constitution) establish the members of the dissolved club (i.e. WSC) as a separate class of members for the purposes of identification. Accordingly, all persons joining DRSL who were formerly members of WSC will be identified as former members of WSC on DRSL's register.
3. Proposed new rule 34A(e) to DRSL's Constitution will satisfy the requirements of section 17AC(2) of the Registered Clubs Act.

4. In addition to the mandatory requirement of section 17AC(2) of the Registered Clubs Act to recognise WSC members who join the Amalgamated Club on or from Amalgamation Completion for identification purposes, under the proposed changes to the DRSL Constitution, a new class of "Wingham Services Club members" will be created from Amalgamation Completion.
5. Proposed new rules 20(e) and 23(e) and proposed replacement rules 25, 50(b), 51(d) and 52(a) to DRSL's Constitution are in order to accommodate the creation of the new ordinary class of Wingham Services Club membership.
6. Wingham Services Club members will have the same rights under DRSL's/Amalgamated Club's Constitution as Dubbo City Bowling Club members.
7. The Wingham Services Club membership will be a closed class, so that only those adult Full members of WSC (i.e. adult ordinary and life members of WSC) at Amalgamation Completion will be able to join that class. Junior members of WSC can join the Junior Sporting membership class of membership of DRSL.
8. After Amalgamation Completion, adult persons in or around Wingham can, subject to eligibility, join DRSL/Amalgamated Club as Associate members or RSL members.
9. All members of WSC must apply for membership of the Amalgamated Club in order to be admitted to membership of the Amalgamated Club. Unless they seek membership to a different class of membership (if eligible), they will be admitted to either Wingham Services Club membership or Junior Sporting membership.

## **GENERAL NOTES REGARDING THE ORDINARY AND SPECIAL RESOLUTIONS**

### *Ordinary Resolution*

1. In accordance with section 17AEB(d) of the Registered Clubs Act, all ordinary (and life) members of DRSL are eligible to attend the Extraordinary General Meeting and vote on the Ordinary Resolution.
2. To be passed the Ordinary Resolution requires votes from a simple majority (i.e. 50% plus 1) of those members who, being eligible to do so, are present and vote on the Ordinary Resolution at the meeting.

### *Special Resolution*

3. Pursuant to Rules 25(a) and 101 of DRSL's Constitution, only Life members and financial RSL members may vote on the Special Resolution.
4. Pursuant to sections 9 and 136 of the Corporations Act and rule 101 of the Club's Constitution, to be passed the Special Resolution must receive votes in its favour from not less than three quarters of those members, who being entitled to do so, vote in person at the meeting.
5. As a result of the special resolution provisions of the Corporations Act, the Special Resolution must be considered as a whole and cannot be altered in substance by motions from the floor of the meeting.

### *Both resolutions*

6. Members who are employees of the Club are not entitled to vote.
7. Proxy voting is prohibited by the Registered Clubs Act.
8. The Board recommends the Ordinary and Special Resolution to the Extraordinary General Meeting.
9. Please direct any questions about the Ordinary Resolution and Special Resolution to the General Manager, if possible at least 7 days before the Extraordinary General Meeting.

## **By order of the Board**

**Gus Lico**  
**General Manager**

22 April 2024