

DUBBO RSL MEMORIAL CLUB LTD
ABN 18 000 965 355

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, 7 February 2025 at 6pm.**

BUSINESS

1. To consider and if thought fit, pass the First Ordinary Resolution approving in principle an amalgamation of DRSL with Manning Point Bowling Club Ltd ABN 15 001 024 817 (**MPBC**).
2. If the First Ordinary Resolution is passed, to consider and if thought fit, pass the First Special Resolution to amend DRSL's Constitution for the purposes of the proposed amalgamation with MPBC and the amalgamation provisions of the *Registered Clubs Act 1976* (NSW) (**Registered Clubs Act**).
3. To consider and if thought fit, pass the Second Ordinary Resolution approving in principle and amalgamation of DRSL with Lake Cathie Bowling & Recreation Club Ltd ABN 65 000 995 595 (**LCBRC**).
4. If the Second Ordinary Resolution is passed, to consider and if thought fit, pass the Second Special Resolution to amend DRSL's Constitution for the purposes of the proposed amalgamation with LCBRC and the amalgamation provisions of the Registered Clubs Act.
5. To consider and if thought fit, pass the Third, Fourth and Fifth Special Resolutions to amend DRSL's Constitution unrelated to the abovementioned amalgamations and for reasons set out in the explanatory notes to the Special Resolutions.

FIRST ORDINARY RESOLUTION

"That the members hereby:

1. *approve in principle the amalgamation of Manning Point Bowling Club Ltd ABN 15 001 024 817 (MPBC) 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 MPBC;*
 - (b) *the transfer of MPBC's assets (including land and water access licence) to DRSL; and*
 - (c) *the transfer of the club licence of MPBC to DRSL;*

and

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

Explanatory notes regarding the First Ordinary Resolution

General and how the amalgamation will be effected

- 1 The amalgamation of two registered clubs must be effected pursuant to the provisions of Division 1A of Part 2 of the Registered Clubs Act.
- 2 Both DRSL and MPBC 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.
- 3 The transfer of the club licence of MPBC 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).

- 4 This means that the Ordinary Resolution must be passed before the Authority will approve the transfer of the club licence of MPBC to DRSL and for the amalgamation to proceed.
- 5 A special/extraordinary general meeting of members of MPBC has been called for 2 February 2025. At that meeting, members of MPBC will consider, and if thought fit, approve a similar ordinary resolution.
- 6 The amalgamation is completed when the assets (including land) and club licence are transferred by the Authority from MPBC to DRSL (**Amalgamation Completion**). If each club passes the resolutions at their relevant general meetings (and if DRSL passes the First Special Resolution below), application will be made to the Authority for its approval and for transfer of MPBC's assets and club licence to DRSL.
- 7 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 MPBC will be dissolved.
- 8 The land and clubhouse building of MPBC located at Manning Street, Manning Point NSW 2430 (**MPBC Premises**) will become the additional trading premises of the Amalgamated Club.
- 9 If the First 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)

- 10 The terms of the amalgamation are set out in a Memorandum of Understanding (**MOU**) which has been entered into between DRSL and MPBC. 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.
- 11 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://dubborssl.com.au/> and on DRSL's notice boards.
- 12 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 MPBC Premises - Minimum Period and afterwards

- 13 Except in the limited circumstances contained in the MOU, the MPBC Premises may not be sold or otherwise disposed and the Amalgamated Club must trade from the MPBC Premises (as core property under section 41E of the Registered Clubs Act) during the "**Minimum Period**", defined as 3 years after Amalgamation Completion.
- 14 The MPBC 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.
- 15 After the expiry of the Minimum Period, DRSL may cease trading from the MPBC 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 MPBC 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 MPBC Premises is not in the best interests of the Amalgamated Club because trading from the MPBC Premises is not financially viable or because the overall financial viability of the Amalgamated Club is threatened by

continuing to trade from the MPBC 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 MPBC 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 MPBC 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

- 16 Other obligations of the Amalgamated Club regarding general operations and naming of the MPBC Premises, Advisory Committee and traditions continue during the Minimum Period. In summary, these obligations are to:
 - (a) maintain the traditions, amenities and memorabilia of MPBC at the MPBC Premises;
 - (b) undertake the following upgrades, repairs, replacements, refurbishments and renovations to the MPBC Premises and facilities:
 - (i) superficial/basic roof and ceiling repairs to the Clubhouse building within 12 months after Amalgamation Completion;
 - (ii) major roof repairs to the Clubhouse (including replacing sections of the roof as may be necessary) within the Minimum Period;
 - (iii) replace carpet floor coverings in the bar area as soon as practicable following Amalgamation Completion;
 - (iv) update TV screens throughout the Clubhouse and introduce Foxtel;
 - (v) update the gaming machines in the gaming area of the Clubhouse; and
 - (vi) major renovations to the Clubhouse necessary for compliance with emergency evacuation requirements of relevant laws and Authorities within the Minimum Period;
 - (c) introduce its existing members benefits programs at the MPBC Premises; and
 - (d) establish an Advisory Committee, at least during the Minimum Period, comprising of 3 members of MPBC who join the Amalgamated Club, as well as DRSL's CEO (or their delegate) and the manager appointed by DRSL after Amalgamation Completion to manage the MPBC Premises (see below) and 3 MPBC members elected to the Advisory Committee. The Advisory Committee will remain in force and effect while the MPBC Premises are trading.
- 17 The three members of MPBC 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 MPBC (being the MPBC's President, Senior Vice President and Junior Vice President) or if they are not willing to be appointed, such other MPBC members who join the Amalgamated Club. Thereafter, the MPBC members of the Advisory Committee will be elected biennially.
- 18 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 MPBC Premises;

- (b) ClubGRANTS to be made by the Amalgamated Club that are attributable to the MPBC Premises;
 - (c) membership matters at the MPBC Premises (including member disciplinary matters); and
 - (d) the engagement and relationships with community clubs and sponsored sporting clubs).
- 19 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 MPBC members and the MPBC 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 MPBC Premises

- 20 All assets of MPBC will become assets of the Amalgamated Club. The assets of MPBC include:
- (a) the MPBC Premises at Manning Street, Manning Point (being "core property" for the purposes of section 41E of the Registered Clubs Act);
 - (b) club licence, including 25 gaming machine entitlements attached to the club licence of MPBC; and
 - (c) plant, fixtures and fittings.
- 21 The Amalgamated Club will be governed by the Board of DRSL on and from Amalgamation Completion.

Employees

- 22 Subject to the requirements of the clause 9.1 of the MOU, the employees of MPBC 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 MPBC (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.
- 23 Employment of existing DRSL employees will not be affected.

Members of MPBC to be invited to become members of DRSL

- 24 Members of MPBC 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.
- 25 MPBC 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 MPBC but only in respect of the MPBC Premises (i.e. they will not be Life members of DRSL/Amalgamated Club).

Reasons for amalgamation

- 26 The facilities at the MPBC Premises include the following:
- (a) 2 bowling greens and clubhouse;
 - (b) Bars;
 - (c) Bistro;
 - (d) Beer garden and BBQ facilities;
 - (e) Functions areas;

- (f) Car parking; and
 - (g) Gaming machines, TAB and Keno.
- 27 Following Amalgamation Completion, the above facilities will become facilities of the Amalgamated Club for all members to enjoy.
- 28 The Board of DRSL believe that with the management and resources available to DRSL and its ability to invest in the MPBC Premises, those premises can trade viably following Amalgamation Completion.
- 29 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 MPBC.
- 30 Like DRSL, MPBC is a registered club which has sporting and recreation facilities and supports its local community.
- 31 For the financial year ending 30 June 2024, MPBC's financial position is summarised as follows (and as contained in its audited financial reports):
- (a) Revenue of \$1,051,184;
 - (b) Total assets having a value of \$1,307,244 (with net asset value of \$1,205,372 after deducting liabilities below);
 - (c) Total liabilities of \$101,872.
- 32 The Board of DRSL therefore believes that an amalgamation with MPBC is in the best interests of DRSL and its members.

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

"That on the date on which the Independent Liquor and Gaming Authority transfers the club licence of Manning Point Bowling Club Ltd ABN 15 001 024 817 (MPBC) 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(f):
"(f) Manning Point Bowling Club members."
- inserting new rule 23(f):
"(f) **Manning Point Bowling Club members**
Manning Point Bowling Club members shall be those persons who are full members (as defined in the Registered Clubs Act) and are not Junior members of Manning Point Bowling Club Ltd ABN 15 001 024 817 and who were admitted to membership of the Club pursuant to Rule 34A for the purposes of the amalgamation between the Club and Manning Point Bowling 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, financial Wingham Services Club members and financial Manning Point Bowling 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 Manning Point Bowling 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."*

- 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, Wingham Services Club members or Manning Point Bowling 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, Wingham Services Club member or Manning Point Bowling 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, Wingham Services Club members or Manning Point Bowling 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 First Special Resolution

1. The First Special Resolution will only be considered by the Extraordinary General Meeting if the First Ordinary Resolution has been passed by the meeting. In order for DRSL to proceed with the amalgamation with MPBC, the members must approve the First 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. MPBC) as a separate class of members for the purposes of identification. Accordingly, all persons joining DRSL who were formerly members of MPBC will be identified as former members of MPBC on DRSL's register.
3. In addition to the mandatory requirement of section 17AC(2) of the Registered Clubs Act to recognise MPBC 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 "Manning Point Bowling Club members" will be created from Amalgamation Completion.
4. Proposed new rules 20(f) and 23(f) 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 Manning Point Bowling Club membership.
5. Manning Point Bowling Club members will have the same rights under DRSL's/Amalgamated Club's Constitution as Dubbo City Bowling Club members and Wingham Services Club members. However, note the proposed 2 year consecutive membership qualification period set out in the Fourth Special Resolution regarding new full members of DRSL who join DRSL after the date of this Extraordinary General Meeting and their ability to hold office on the Board.
6. The Manning Point Bowling Club membership will be a closed class, so that only those adult Full members of MPBC (i.e. adult ordinary and life members of MPBC) at Amalgamation Completion will be able to join that class. Junior members of MPBC can join the Junior Sporting membership class of membership of DRSL.
7. After Amalgamation Completion, adult persons in or around Manning Point can, subject to eligibility, join DRSL/Amalgamated Club as Associate members or RSL members.
8. All members of MPBC 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 Manning Point Bowling Club membership or Junior Sporting membership.

SECOND ORDINARY RESOLUTION

"That the members hereby:

2. approve in principle the amalgamation of Lake Cathie Bowling & Recreation Club Ltd ABN 65 000 995 595 (**LCBRC**) with Dubbo RSL Memorial Club Ltd ABN 18 000 965 355 (**DRSL**) such an amalgamation to be effected by:

- (d) the continuation of DRSL (as the amalgamated club) and the dissolution of LCBRC;
- (e) the transfer of LCBRC's assets (including land and leases held by LCBRC) to DRSL; and
- (f) the transfer of the club licence of LCBRC to DRSL;

and

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

Explanatory notes regarding the Second Ordinary Resolution

General and how the amalgamation will be effected

- 1 Explanatory notes 1 to 7 inclusive regarding the First Ordinary Resolution and the proposed amalgamation with MPBC also apply to the Second Ordinary Resolution and the proposed amalgamation with LCBRC. A special/extraordinary general meeting of members of LCBRC has been called for 2 February 2025. At that meeting, members of LCBRC will consider, and if thought fit, approve a similar ordinary resolution.
- 2 If the amalgamation is approved by both DRSL and LCBRC and the Authority, DRSL will continue as the corporate vehicle as the amalgamated club (**Amalgamated Club**) and LCBRC will be dissolved.
- 3 The land and clubhouse building of MPBC located at 45 Evans Street, Lake Cathie NSW 2445 (**LCBRC Premises**) will become the additional trading premises of the Amalgamated Club.
- 4 If the Second 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)

- 5 The terms of the amalgamation are set out in the separate Memorandum of Understanding (**MOU**) which has been entered into between DRSL and LCBRC. 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.
- 6 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.
- 7 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 LCBRC Premises - Minimum Period and afterwards

- 8 Except in the limited circumstances contained in the MOU, the LCBRC Premises may not be sold or otherwise disposed and the Amalgamated Club must trade from the LCBRC Premises (as core property under section 41E of the Registered Clubs Act) during the "**Minimum Period**", defined as 3 years after Amalgamation Completion.

- 9 The LCBRC 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.
- 10 After the expiry of the Minimum Period, DRSL may cease trading from the LCBRC Premises in the following circumstances:
- (d) *for the fourth and fifth years after Amalgamation Completion:* if the Earnings before Interest, Tax, Depreciation and Amortisation (**EBITDA**) attributable to the LCBRC Premises is below 9% in a financial year of the Amalgamated Club;
 - (e) *for the sixth year and subsequent years after Amalgamation Completion:* if the Board determines that continued trading from the LCBRC Premises is not in the best interests of the Amalgamated Club because trading from the LCBRC Premises is not financially viable or because the overall financial viability of the Amalgamated Club is threatened by continuing to trade from the LCBRC 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
 - (f) *generally:* if an order by a court or government authority requires the closure of the LCBRC 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 LCBRC 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. In addition, in land which is leased from the Crown by LBRC (being the bowling greens), if the Crown leases are terminated or if additional compensation is sought by the Crown for an encroachment of part of the clubhouse onto Crown land and for which LCBRC has already paid such compensation.

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

- 11 Other obligations of the Amalgamated Club regarding general operations and naming of the LCBRC Premises, Advisory Committee and traditions continue during the Minimum Period. In summary, these obligations are to:
- (a) maintain the traditions, amenities and memorabilia of LCBRC at the LCBRC Premises;
 - (b) undertake the following upgrades, repairs, replacements, refurbishments and renovations to the LCBRC Premises and facilities:
 - (i) renovate the functions room area to ensure proper segregation from non-functions areas of the LCBRC Premises within three (3) years after Amalgamation Completion;
 - (ii) install minor kitchen equipment as considered necessary and appropriate within two (2) years after Amalgamation Completion;
 - (iii) renovate the bathrooms in the Clubhouse within three (3) years after Amalgamation Completion;
 - (iv) renovate the front entrance to reception of the Clubhouse located at the LCBRC Premises within three (3) years after Amalgamation Completion;
 - (v) upgrade and replace the gaming machines installed at the LCBRC Premises immediately or as soon as is practicably possible after Amalgamation Completion; and
 - (vi) create a larger outdoor gaming area to accommodate a better installation of gaming machines immediately or as soon as is practicably possible after Amalgamation Completion;

- (c) introduce its existing members benefits programs at the LCBRC Premises; and
 - (d) establish an Advisory Committee, at least during the Minimum Period, comprising of 3 members of LCBRC who join the Amalgamated Club, as well as DRSL's CEO (or their delegate) and the manager appointed by DRSL after Amalgamation Completion to manage the LCBRC Premises (see below) and 3 LCBRC members elected to the Advisory Committee. The Advisory Committee will remain in force and effect for at least the Minimum Period and thereafter its continuation will be reviewed by the Board of the Amalgamated Club in consultation with the Advisory Committee.
- 12 The three members of LCBRC 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 LCBRC (being the LCBRC's Chairperson and two Deputy Chairpersons) or if they are not willing to be appointed, such other LCBRC members who join the Amalgamated Club. Thereafter, the LCBRC members of the Advisory Committee will be elected biennially.
- 13 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 LCBRC Premises;
 - (b) ClubGRANTS to be made by the Amalgamated Club that are attributable to the LCBRC Premises;
 - (c) membership matters at the LCBRC Premises (including member disciplinary matters); and
 - (d) the engagement and relationships with community clubs and sponsored sporting clubs).
- 14 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 LCBRC members and the LCBRC Premises, subject to such terms and conditions, including as to reporting to the Board, or for such period as the Board determines.

Bowling activities, bowling sub-club and other sub-clubs

- 15 The Amalgamated Club will create the "Lake Cathi Bowling Club" as a sub-club. The Bowling Sub Club will be eligible to affiliate with BowlsNSW or such other bodies controlling bowls in New South Wales. For at least the first two (2) years after Amalgamation Completion:
- (a) the green fees at the LCBRC Premises will remain at \$15.00 per player; and
 - (b) the Bowling Sub Club will retain \$10.00 from each green fees per player.
- 16 After the second anniversary of Amalgamation Completion, any increase in green fees and/or the portion or percentage of the green fees to be retained by the Bowling Sub-Club will be determined by the Board of the Amalgamated Club. However, the Bowling Sub Club will be entitled to retain sufficient funds from the green fees collected at the LCBRC Premises to ensure the proper management, administration and operation of the sub club and its activities.
- 17 The Amalgamated Club will be responsible for the costs for the maintenance and repair of the bowling greens and surrounds (including any upgrades or refurbishments which may be required from time to time).
- 18 The Amalgamated Club will create the fishing and social golf sub clubs at the LCBRC Premises as sub clubs of the Amalgamated Club and it will support the activities of those sub clubs.

Future management of LCBRC Premises

- 19 All assets of LCBRC will become assets of the Amalgamated Club. The assets of LCBRC include:

- (a) the LCBRC Premises at 45 Evans Street, Lake Cathie (being "core property" for the purposes of section 41E of the Registered Clubs Act) and the Crown leases referred to below;
 - (b) club licence, including 36 gaming machine entitlements attached to the club licence of LCBRC; and
 - (c) plant, fixtures and fittings.
- 20 LCBRC owns its clubhouse land and car park land across the street, and leases from the Crown/Department of Lands, its bowling green land. The Crown leases are not limited as to a fixed term, but are subject to the provisions of the *Crown Lands Management Act 2016* (NSW). The annual rent for the Crown lots is presently \$14,500 per annum. The Crown leases are to be transferred to DRSL on Amalgamation Completion (subject to approval of the Department of Lands), together with all other assets of LCBRC including its freehold land. The amalgamation is conditional on, among other things, the transfer of the Crown leases to DRSL on terms acceptable to DRSL in its absolute discretion.
- 21 The Amalgamated Club will be governed by the Board of DRSL on and from Amalgamation Completion.

Employees

- 22 Subject to the requirements of clause 11.1 of the MOU, the employees of LCBRC 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 LCBRC (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.
- 23 Employment of existing DRSL employees will not be affected.

Members of LCBRC to be invited to become members of DRSL

- 24 Members of LCBRC 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.
- 25 LCBRC 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 LCBRC but only in respect of the LCBRC Premises (i.e. they will not be Life members of DRSL/Amalgamated Club).

Reasons for amalgamation

- 26 The facilities at the LCBRC Premises include the following:
- (i) 3 bowling greens and clubhouse;
 - (ii) Bars;
 - (iii) Bistro;
 - (iv) Bowling, fishing and golfing sub-clubs;
 - (v) Functions areas;
 - (vi) Car parking; and
 - (vii) Gaming machines, TAB and Keno.

- 27 Following Amalgamation Completion, the above facilities will become facilities of the Amalgamated Club for all members to enjoy.
- 28 The Board of DRSL believe that with the management and resources available to DRSL and its ability to invest in the LCBRC Premises, those premises can trade viably following Amalgamation Completion.
- 29 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 LCBRC.
- 30 Like DRSL, LCBRC is a registered club which has sporting and recreation facilities and supports its local community.
- 31 For the financial year ending 31 May 2024, LCBRC's financial position is summarised as follows (and as contained in its audited financial reports):
- (d) Revenue of \$1,892,653;
 - (e) Total assets having a value of \$1,326,018 (with net asset value of \$925,214 deducting liabilities below);
 - (f) Total liabilities of \$400,804.
- 32 The Board of DRSL therefore believes that an amalgamation with LCBRC is in the best interests of DRSL and its members.

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

"That on the date on which the Independent Liquor and Gaming Authority transfers the club licence of Lake Cathie Bowling & Recreation Club Ltd ABN 65 000 995 595 (LCBRC) with Dubbo RSL Memorial Club Ltd ABN 18 000 965 355 (DRSL), the Constitution of DRSL be amended by:

- Inserting a new sub-rule in rule 20 which lists the following new class of Ordinary membership of the Club:
"(g) Lake Cathie Bowling & Recreation Club Members."*
- Inserting a new sub-rule in rule 23 which contains the following regarding eligibility for the new Ordinary class of membership to be known as "Lake Cathie Bowling & Recreation Club Members":
"(g) Lake Cathie Bowling & Recreation Club Members*
Lake Cathie Bowling & Recreation Club members shall be those persons who are full members (as defined in the Registered Clubs Act) and are not Junior members of Lake Cathie Bowling & Recreation Club Ltd ABN 65 000 995 595 and who were admitted to membership of the Club pursuant to Rule 34A for the purposes of the amalgamation between the Club and Lake Cathie Bowling & Recreation Club Ltd."
- Adding in rule 25 among those classes of members eligible to attend at vote at General Meetings, except Special Resolutions, and eligible to vote in elections of the Board and to be nominated for, elected to and hold office on the Board:
"Lake Cathie Bowling & Recreation Club members"
- Adding in rule 50(b) among the classes of members who may hold up to three positions on the Board (excluding the positions of President, two (2) Vice Presidents and one Ordinary Board member), the following:
"Lake Cathie Bowling & Recreation Club members"
- Adding in rule 51(d) among the classes of members who may be nominated to hold office on the Board:
"Lake Cathie Bowling & Recreation Club members"

- Adding in rule 52(a) among the classes of members who may be nominated by Life Members or RSL Members for election to the Board for non-Life Member and non-RSL Member Board positions:

"Lake Cathie Bowling & Recreation Club members"

***Note:** Paragraph/sub-rule numbers to be added to the amended Constitution following completion of the amalgamation with Lake Cathie Bowling & Recreation Club Ltd as there are other separate amalgamations being considered by DRSL and if those amalgamations also proceed to completion, the numbering of the sub-rules may change

Explanatory notes regarding the Second Special Resolution

1. The Second Special Resolution will only be considered by the Extraordinary General Meeting if the Second Ordinary Resolution has been passed by the meeting. In order for DRSL to proceed with the amalgamation with LCBRC, the members must approve the Second Special Resolution.
2. As for the amalgamation with MPBC, 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. LCBRC) as a separate class of members for the purposes of identification. Accordingly, all persons joining DRSL who were formerly members of LCBRC will be identified as former members of LCBRC on DRSL's register.
3. In addition to the mandatory requirement of section 17AC(2) of the Registered Clubs Act to recognise LCBRC 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 "Manning Point Bowling Club members" will be created from Amalgamation Completion.
4. Proposed new rules 20(g) and 23(g) and proposed amendments to 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 Lake Cathie Bowling & Recreation Club membership.
5. Lake Cathie Bowling & Recreation Club members will have the same rights under DRSL's/Amalgamated Club's Constitution as Dubbo City Bowling Club members and Wingham Services Club members (and Manning Point Bowling Club members if that amalgamation is approved and proceeds to completion). However, note the proposed 2 year consecutive membership qualification period set out in the Fourth Special Resolution regarding new full members of DRSL who join DRSL after the date of this Extraordinary General Meeting and their ability to hold office on the Board.
6. The Lake Cathie Bowling & Recreation Club membership will be a closed class, so that only those adult Full members of LCBRC (i.e. adult ordinary and life members of LCBRC) at Amalgamation Completion will be able to join that class. Junior members of LCBRC can join the Junior Sporting membership class of membership of DRSL.
7. After Amalgamation Completion, adult persons in or around Manning Point can, subject to eligibility, join DRSL/Amalgamated Club as Associate members or RSL members.
8. All members of LCBRC 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 Lake Cathie Bowling & Recreation Club membership or Junior Sporting membership.

THIRD SPECIAL RESOLUTION

*"That the Constitution of Dubbo RSL Memorial Club Ltd (**Club**) be amended by:*

- In rule 50(c), replacing the reference to rule 52(e) with the reference to rule 52(i), so that rule 50(c) will read as follows:

"(c) Members shall only be entitled to nominate for election to the Board as a director and the President and two (2) Vice Presidents will be elected in accordance with Rule 52(i)."

- Adding at end of the first sentence of 52(i), the words and comma ", subject to Rule 52(j)" so that that rule 52(i) will read as follows:

"(i) As soon as reasonably practicable after an Annual General Meeting, the elected directors shall elect a President and two (2) Vice Presidents from amongst their number, subject to rule 52(j). The directors elected to those positions shall, subject to this Constitution, hold office until the conclusion of the next Annual General Meeting. If, for any reason, any of those positions are vacated, the Board may elect another director to the vacancy and the director so elected shall hold office until the conclusion of the next Annual General Meeting.

- Adding the following new rule 52(j) immediately after rule 52(i):

"(j) Subject to this rule 52(j), a director shall not be eligible for election to the offices of:

- (i) President unless they have been a director for a minimum of 3 consecutive years immediately prior to their election; or*
- (ii) Vice President unless they have been a director for a minimum of 2 years immediately prior to their election.*

However, the qualifications referred to in this Rule 52(j) for the offices of President and Vice Presidents shall not apply if there is no nominee available with those qualifications or because they are unable, ineligible or unwilling to accept such a nomination."

Explanatory notes regarding the Third Special Resolution

1. There is a typographical error in rule 50(c) which incorrectly cross references rule 52(e) when it should refer to rule 52(i). Rule 50(c) says that members are entitled to only nominate for election to the Board as a director and the President and two Vice Presidents are elected in accordance with rule 52(e). However, rule 52(e) refers to receipt of a nomination form by the Club not constituting an acknowledgement that the nomination form has been completed correctly. Rule 52(i) deals with election by the directors from amongst their number the directors to be elected to the positions of President and Vice President and is the correct reference which should be made in rule 50(c).
2. The proposed change to rule 52(i) and proposed new rule 52(j) will require a director seeking to be elected to the position of President or a Vice President position must have been a director for 3 years or 2 years respectively. This is to ensure the President and the Vice Presidents have sufficient understanding of the Board's operations and establish to other Board members they have the required leadership capacity and commitment to the Club. The Vice Presidents will also be adequately prepared to step into the President's role. The qualification periods will enhance Board continuity and reinforce Board leadership.
3. However, if no director holding the required qualifications for election to the positions of President or Vice Presidents is available or because they are unable, ineligible or unwilling to accept the nomination, the qualification period(s) will not be applied. This is a fail-safe to allow a director to be elected into the executive position(s) as may be required.

FOURTH SPECIAL RESOLUTION

That the Constitution of Dubbo RSL Memorial Club Ltd (Club) be amended by adding the following new rule 51(d1) immediately after rule 51(d):

"(d1) Except in the case of an appointment of a director under clause 31 of the Registered Clubs Regulation 2015 (NSW), a person who became a Full Member after the conclusion of the General Meeting at which this sub-rule was adopted shall not be nominated for or be elected to or hold office as a member of the Board unless they have been a Full Member of the Club for a period of at least 2 consecutive years immediately prior to their nomination, election or appointment:"

Explanatory notes regarding the Fourth Special Resolution

1. Proposed new rule 51(d1) will introduce a qualification period of at least 2 years of full membership of the Club for members who join the Club after the conclusion of this Extraordinary General Meeting. The 2 years membership must be consecutively held immediately prior to the nomination, election or appointment to the Board. However, the qualification period will not apply to appointment of a member pursuant to the Registered Clubs Act and will not apply to existing full members.
2. Pursuant to the Registered Clubs Act and *Registered Clubs Regulation 2015* (NSW), the Board can appoint up to 2 members as "independent" directors. This is to allow members with any particular expertise relevant to a specific project to be appointed to the Board. Under the legislation, qualification periods under a registered club's constitution will not apply to such appointments, and therefore the exemption in new rule 51(d1) is for consistency with the legislation.
3. Existing full members will not be affected by the proposed rule change.
4. The purpose of introducing a qualification period for election to the Board is to ensure that nominees are well-acquainted with the Club's operations and values. As the Club undertakes future amalgamations, it is desirable that new members from the amalgamating clubs have a longstanding membership before they are eligible to hold office on the Board.

FIFTH SPECIAL RESOLUTION

That the Constitution of Dubbo RSL Memorial Club Ltd (Club) be amended by deleting rule 30(a) and inserting instead the following new rule 30(a):

"(a) Any visitor whose permanent place of residence is in New South Wales. Subject to any minimum distance as may be prescribed from time to time by the Registered Clubs Act, the Board by By-Law may from time to time determine a minimum distance of residence from the Club's premises and any other requirements for a person to qualify for Temporary membership under this Rule."

Explanatory notes regarding the Fifth Special Resolution

1. In early November 2024 the deemed rule contained in section 30(3B) of the Registered Clubs Act (and which applies to all registered clubs) was amended. Until that amendment in November 2024, persons were only eligible to attend as temporary members of a registered club if they resided a minimum 5 kilometres from the premises of the registered club they were attending (5 kilometre rule for temporary membership).
2. Registered clubs may either retain or remove the 5 kilometre rule for temporary membership, but after 31 December 2025 this will be subject to the contents of their relevant constitution. If a club's constitution retains the 5 kilometre rule after 31 December 2025, then the club must enforce the rule, but if the constitution does not include the 5 kilometre rule after 31 December 2025, then the club will not have to enforce the rule. Regardless of a registered club's constitution up to 31 December 2025, a registered club can choose either to enforce or not enforce the 5 kilometre rule for temporary membership.

3. Existing rule 30(a) of the Constitution is consistent with the provisions of section 30(3B) of the Registered Clubs Act which applied until early November 2024 regarding the then mandatory requirement that temporary members must live outside a radius of 5 kilometre from the Club's premises.
4. Proposed replacement rule 30(a) of the Constitution will allow the Club to admit persons as temporary members who live within a 5-kilometre radius, and subject to other requirements the Board deems fit. The new rule will allow the Board to make by-laws from time to time on any required minimum distance of residence in New South Wales from the Club's premises for temporary membership, and also allows the Board not to require a minimum distance of residence or impose other requirements for temporary membership.

GENERAL NOTES REGARDING THE ORDINARY AND SPECIAL RESOLUTIONS

Ordinary Resolutions

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 Resolutions.
2. To be passed the Ordinary Resolutions require 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 Resolutions at the meeting.

Special Resolutions

3. Pursuant to Rules 25(a) and 101 of DRSL's Constitution, only Life members and financial RSL members may vote on the Special Resolutions.
4. Pursuant to sections 9 and 136 of the Corporations Act and rule 101 of the Club's Constitution, to be passed the Special Resolutions must receive votes in their 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 Resolutions must be considered as a whole and cannot be altered in substance by motions from the floor of the meeting.

All 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 Resolutions 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**

10 January 2025