

CABRAMATTA BOWLING AND RECREATION CLUB LIMITED

ABN 48 000 976 894

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE is hereby given that an Extraordinary General Meeting of the Members of **CABRAMATTA BOWLING AND RECREATION CLUB LIMITED** will be held on **Thursday 8th November 2018** commencing at **6:00pm** in the premises of the Club, Cabramatta Rd & Fairview Rd, Cabramatta NSW 2166.

BUSINESS TO BE CONSIDERED

The business of the General Meeting will be as follows:

1. General discussion regarding the proposed amalgamation of Cabramatta Bowling & Recreation Club Limited and Malua Bay Bowling and Recreation Club Limited.
2. Members to consider and, if thought fit, pass the Ordinary Resolution set out below.
3. Members to consider and, if thought fit, pass the Special Resolutions set out below.

PROCEDURAL MATTERS FOR RESOLUTIONS

1. **Ordinary Resolution** - To be passed the Ordinary Resolution requires votes from a simple majority (50% plus one) of those members who being eligible to do so are present and vote on the Ordinary Resolution at the meeting.
2. **Voting on Ordinary Resolution** - All members of the Club (except for Junior Sporting, Honorary, Temporary and Provisional members) can vote on the Ordinary Resolution.
3. **Special Resolution** - To be passed the Special Resolution requires votes from not less than three quarters of those members who being eligible to do so, vote in person on the Special Resolution at the meeting
4. **Voting on Special Resolution** - Only Life members and Bowling members can vote on the Special Resolution.
5. Under the *Registered Clubs Act*, employees are not eligible to vote and proxy voting is prohibited.
6. The Board of the Club unanimously recommends that the members vote in favour of the Ordinary Resolution and Special Resolution.

ORDINARY RESOLUTION

That the members hereby:

1. approve in principle the amalgamation of Cabramatta Bowling and Recreation Club Limited ABN 48 000 976 894 ("**Cabra Bowls**") with Malua Bay Bowling and Recreation Club Limited ABN 87 082 572 361 ("**Club Malua**"), such an amalgamation to be effected by:
 - (a) the continuation of Cabra Bowls (as the amalgamated club) and the dissolution of Club Malua;
 - (b) the transfer of Club Malua's assets to Cabra Bowls; and
 - (c) the transfer of the club licence of Club Malua to Cabra Bowls;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 Club Malua to Cabra Bowls for the purposes of such an amalgamation.

EXPLANATORY MESSAGE REGARDING THE ORDINARY RESOLUTION

1. On 13 February 2018, the Board of Club Malua called for expressions of interest from other registered clubs in an amalgamation with Club Malua.
2. Club Malua received responses from Cabramatta Bowling & Recreation Club Limited (**the Club**), Penrith RSL Club Limited and Milton Ulladulla Ex-Servos Club Limited.
3. The Board of Club Malua resolved to proceed with an amalgamation with the Club.
4. Club Malua and the Club have entered into a Memorandum of Understanding (**MOU**) and a Deed of Amalgamation (**Deed**) which set out the terms of the amalgamation.
5. Copies of the MOU and Deed are displayed on the Club's website (www.cabrabowls.com.au) and the Club's Noticeboard. Further copies may be obtained on request from the Chief Executive Officer or from reception at either premises of the Club.
6. Members are encouraged to carefully read the terms of the MOU and Deed and, if they have any questions or are seeking clarification of any matter relating to the amalgamation or what is contained in the MOU and the Deed, they should direct their enquiries to the Chief Executive Officer.
7. What follows in these notes is a summary of the Ordinary Resolution and some of the principle features of the MOU and Deed and the steps that need to be followed in the amalgamation process.

Summary of Ordinary Resolution

8. The Ordinary Resolution seeks to obtain member approval for the amalgamation of the Club and Club Malua and the clubs making an application to the Authority to obtain approval for the amalgamation.

Summary of MOU and Deed

Dissolution of Club Malua

9. The amalgamation will be effected by the dissolution of Club Malua and the continuation of the Club as the corporate vehicle of the Amalgamated Club.

Premises of the Amalgamated Club

10. Club Malua's premises (**Club Malua Premises**) will become additional licensed premises of the club.
11. The Club will trade from the Club Malua Premises and the Club's existing premises in Cabramatta and Bundeena.

Traditions, Amenities and Community Support

12. The traditions, amenities, culture, bowling facilities, bowling activities and memorabilia of Club Malua will be maintained by the Amalgamated Club at the Club Malua Premises.
13. The Amalgamated Club will continue to support the community that was supported by Club Malua and maintain the same level of community support provided by the Club Malua.

Club Malua's Premises

14. After completion of the amalgamation, the Club Malua Premises will be continue to be named and promoted as "Club Malua".
15. The Amalgamated Club will:
 - (a) promote the game of bowls at the Club Malua Premises; and
 - (b) maintain and promote the Club Malua Premises, including bowling activities and bowling greens;
 - (c) promote the Club Malua Premises as a community focused venue.
16. The Amalgamated Club will create an Advisory Committee which will make recommendations to the Board of Amalgamated Club on various matters regarding the Club Malua Premises. The Advisory Committee will not have any governance or management powers unless specifically delegated by resolution of the Board and it shall be subject to the overall control and direction of the Board and management of the Amalgamated Club.
17. The Amalgamated Club will spend at least five hundred thousand dollars (\$500,000) plus GST on updating the gaming machines at the Club Malua Premises and refurbishing the interior of the clubhouse within the first twelve (12) months after completion of the amalgamation.
18. The Amalgamated Club will update the point of sale system and computers at the Club Malua Premises and install a cash redemption terminal and other peripheral items at the Club Malua Premises within the first twelve (12) months after completion of the amalgamation.
19. The Amalgamated Club will use reasonable endeavours to develop a site master plan for the Club Malua Premises (which will identify areas that require capital investment, increase patronage and extend or improve the clubhouse) and it will obtain development consent for that purpose within the first four (4) years after completion of the amalgamation.
20. The Amalgamated Club will maintain the Club Malua's sub-clubs (including the existing bowling sub clubs) which existed at the date of the MOU and Deed.

Club Malua's Employees

21. The employees of Club Malua will be offered employment with the Club and those employees will receive continuity of employment. Their accrued entitlements while employees of Club Malua (holiday pay, long service leave and other entitlements) will be preserved and will be honoured by the Club as if those employees had been employees of the Club.
22. Any employee of Club Malua who does not accept the offer of employment with the Club will be paid out their entitlements.
23. The current Secretary Manager of Club Malua will be offered employment by the Amalgamated Club as the manager of the Club Malua Premises.

Intentions regarding core property, cash and investments and poker machine entitlements of the Club Malua

24. The Club Malua Premises is currently core property of the Club Malua and it will be core property of the Amalgamated Club.
25. The cash and investments of Club Malua will be transferred to the Amalgamated Club on completion of the amalgamation other than funds sufficient to pay for the voluntary winding up of the Club Malua.
26. Club Malua currently has thirty (30) poker machine entitlements and operates thirty (30) gaming machines at the Club Malua Premises. The Amalgamated Club will retain the thirty (30) gaming machine entitlements and operate thirty (30) gaming machines at the Club Malua Premises.

Admission of the Club Malua Members to Membership

27. At the General Meeting, eligible members will be asked to vote on a special resolution to amend the Articles of Association (**Articles**) of the Club to take effect from completion of the amalgamation. That Special Resolution is included in this Notice.
28. If passed, the Special Resolution will allow all members of Club Malua to become members of the Club as easily as legally possible. A member of Club Malua who is admitted to membership of the Club will be identified as a separate class called "Club Malua members" and will have the same rights as Club members under the Club's Articles.
29. Life members and Perpetual members of Club Malua will be recognised as a Life members and Perpetual members of the Club Malua Premises only and they will only be required to pay to the Amalgamated Club the minimum annual subscription required by the Registered Clubs Act (currently \$2.00 plus GST).

Cessation of Trade from Club Malua Premises

30. The Amalgamated Club intends to continue to trade at the Club Malua Premises indefinitely following completion of the amalgamation.
31. The Amalgamated Club can only cease trading from the Club Malua Premises in limited circumstances.
32. In this regard, the Amalgamated Club may only cease trading from the Club Malua Premises if:
 - (a) the Club Malua Premises are partially or completely destroyed except where appropriate insurance cover is available to reinstate the Club Malua Premises or where it is otherwise economically viable to do so; or
 - (b) if a government authority lawfully orders the closure of the Club Malua Premises; or
 - (c) if a court or body with jurisdiction to administer the laws in relation to liquor, gaming and registered clubs, orders the closure of the Club Malua Premises; or
 - (d) it is not financially viable to trade from the Club Malua Premises.
33. If the Amalgamated Club determines that it is not financially viable to trade from the Club Malua Premises, the Amalgamated Club cannot cease trading from the Club Malua Premises until it has:
 - (a) called for expressions of interest from other clubs for a "simultaneous de-amalgamation and amalgamation". If the "simultaneous de-amalgamation and amalgamation" occurs, the Club Malua Premises would cease to be licensed premises of the Club and become licensed premises of another club; and
 - (b) made a "de-amalgamation offer" to the Advisory Committee (as representatives of Club Malua). If the de-amalgamation occurs, the Club Malua Premises would cease to be a premises of the Club and it would become a new "stand alone club".

The Amalgamation Process

34. Each club must hold a meeting of its members to approve the amalgamation in the same terms as the Ordinary Resolution above.
 35. Once the members of both clubs have approved the amalgamation at separate meetings, an application will be made to the Independent Liquor and Gaming Authority for its approval of the amalgamation. The Club will have the carriage of that application.
 36. Once the approval of the Independent Liquor and Gaming Authority to the amalgamation has been obtained (and subject to due diligence and all other necessary steps being completed) there will be a formal commercial settlement. On the day of that commercial settlement the following things (among others) will happen:
 - (a) Club Malua will transfer its assets to the Club, including Club Malua's land and poker machine entitlements;
 - (b) All members of Club Malua who have consented to become members of the Club will be admitted to membership of the Club;
 - (c) The Club Malua employees who accept employment with the Club will become employees of the Club.
 - (d) Club Malua's club licence will be transferred to the Club;
 - (e) Club Malua will become responsible for the management of the Amalgamated Club and will be responsible for the debts and liabilities of the Amalgamated Club from that time on.
 37. After completion of the amalgamation, Club Malua will then proceed to a members' voluntary winding up.
 38. The constitution of the Amalgamated Club will be the constitution of the Club subject to amendments necessary for the purposes of the amalgamation.
 39. The Board of the Amalgamated Club will be the Board of Directors of the Club.
 40. The Chief Executive Officer and Secretary of the Amalgamated Club will be the Chief Executive Officer and Secretary of the Club
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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 Malua Bay Bowling & Recreation Club Limited to Cabramatta Bowling & Recreation Club Limited the Articles of Association of Cabramatta Bowling & Recreation Club Limited be amended by:

- (a) **inserting** the following bullet point at the end of Article 12:
“- *Club Malua members.*”
- (b) **inserting** the following new Article 13(e):
“(e) **“Club Malua Members shall be those persons who are admitted as Club Malua Members in accordance with Article 26B.”**”
- (c) **inserting** the following new Article 15(e):
“(e) **Club Malua Members shall have the same rights and privileges as Club members.**”
- (d) **inserting** the following new heading and new Article 26B:
“ADMISSION TO MEMBERSHIP OF THE CLUB BY MEMBERS OF MALUA BAY BOWLING & RECREATION CLUB LIMITED WHO ARE NOT MEMBERS OF THE CLUB
“26B. (a) *“Club Malua” in this Article 26B means Malua Bay Bowling & Recreation Club Limited.*
(a) *All members of Club Malua, other than any person who has been expelled from membership of the Club, who apply to become members pursuant to the Amalgamation, will be admitted to membership of the Club.*
(b) *All members of Club Malua, other than any person who has been expelled from membership of the Club, will be able to apply for membership of the Club in the manner referred to in sub paragraphs (d) to (f) of this Article 26B.*
(c) *A member of Club Malua will not be required to be proposed or seconded for membership of the Club.*
(d) *After the Club and Club Malua have passed the resolutions approving in principle the Amalgamation, the Club will forward to each member of Club Malua, other than any person who has been expelled from membership of the Club, a written invitation to become a member of the Club.*
(e) *Any member of Club Malua who accepts the invitation referred to in Article 26A(e) and agrees in writing to be bound by these Articles will, (subject to the name of that person being displayed on the noticeboard of the Club for not less than seven (7) days and a period of not less than fourteen (14) days elapsing after the receipt of the acceptance by the Club) be elected by a resolution of the Board to membership of the Club with effect from the date of completion of the amalgamation with Club Malua.*
(f) *The members of Club Malua who are admitted to membership of the Club shall, for the purposes of section 17AC (2) of the Registered Clubs Act, be identified in the Club's register of members as "Club Malua Members".*

NOTES TO MEMBERS ON THE FIRST SPECIAL RESOLUTION

1. The Special Resolution will only be considered if the Ordinary Resolution is passed by members.
2. The amendments contained in the First Special Resolution will not take effect until such time as the amalgamation between the Club and Club Malua is completed in accordance with the Memorandum of Understanding entered into by the clubs.
3. The Special Resolution proposes to amend the Club's Articles to create a new category of membership to be known as "Club Malua Members". It is a requirement of the Registered Clubs Act that a separate category of membership is established for the members from the Club which will not be the continuing club.
4. Club Malua members shall have the same rights and privileges as Club members under the Club's Articles.

Dated:

By direction of the Board



Jay Porter
Chief Executive Officer
16/10/2018