

ASHFIELD BOWLING CLUB LIMITED
ACN 000 260 659

NOTICE OF SPECIAL RESOLUTIONS FOR
ANNUAL GENERAL MEETING

NOTICE is hereby given that at the Annual General Meeting of **ASHFIELD BOWLING CLUB LIMITED** to be held on **Sunday 26th October, 2008** commencing at the hour of 10.30 **am** at the premises of the Club, Ashfield Park, Cnr Parramatta Road and Orpington Street, Ashfield, New South Wales the members will be asked to consider and if thought fit pass the following resolutions which are proposed as Special Resolutions:

The Special Resolutions contained in this Notice propose to make a number of amendments to the Club's Constitution.

If passed:

- The **First Special Resolution** will amend the method of electing directors so that members will elect a Chairperson and seven (7) Directors. The Board would, from amongst the seven (7) Directors, elect a Deputy Chairperson, Honorary Treasurer and Greens Director.
- The **Second Special Resolution** proposes to introduce the Triennial Rule for the election of Directors, whereby Directors are elected to serve three (3) year terms with an election for approximately one-third of the positions on the Board being held each year.
- The **Third Special Resolution** will alter requirements for people to be elected to Life membership.
- The **Fourth Special Resolution** will amend the names of categories of membership in the Constitution to provide for Playing membership and Junior membership.
- The **Fifth Special Resolution** will make a number of amendments to the Constitution to bring the document into line with recent changes to relevant legislation.

Each Special Resolution will be considered separately. Further explanatory notes regarding each Special Resolution are contained at the end of this Notice.

FIRST SPECIAL RESOLUTION

That the Constitution of Ashfield Bowling Club Limited be amended by:

(a) **deleting** Rule 50 and in lieu thereof **inserting** the following new Rule 50:

“(a) *Subject to paragraph (b) of this Rule 50, the Board shall consist of a Chairperson, a Deputy Chairperson, Honorary Treasurer, Greens Director and four (4) ordinary Directors.*

(b) *The Board shall be elected annually prior to or at the Annual General Meeting of the Club in accordance with this Constitution, provided that:*

(i) *the Chairperson and seven (7) Directors shall be elected in accordance with Rule 53 of this Constitution;*

(ii) *the Deputy Chairperson, Honorary Treasurer and Greens Director shall be elected by the Board in accordance with Rule 53A of this Constitution.”*

- (b) **deleting** Rule 53(k) and in lieu thereof **inserting** the following new Rule 53(k):

“If a member who has been nominated for more than one office is elected to a senior office, the member shall be eliminated from election for the junior office. For the purposes of this Rule 53, the order of seniority shall be:

- (i) Firstly – Chairperson*
- (ii) Secondly – Director.”*

- (c) **inserting** the following new Rule 53A immediately after Rule 53:

“(a) As soon as practicable after the Annual General Meeting the directors will meet for the purposes of electing from their number a Deputy Chairperson, an Honorary Treasurer and a Greens Director who shall be the Deputy Chairperson, Honorary Treasurer and Greens Director respectively of the Club.

(b) The directors elected to the positions of Deputy Chairperson, Honorary Treasurer and Greens Director shall hold office until the conclusion of the next Annual General Meeting of the Club following their election to those offices.

(c) The Chairperson shall not be entitled to be elected as Deputy Chairperson, Honorary Treasurer or Greens Director.

(d) Any Director may be nominated for more than one position referred to in paragraph (a) of this Rule 53A but shall only be entitled to hold one such position. The order of seniority for such positions shall be:

- (i) Firstly – Deputy Chairperson;*
- (ii) Secondly – Honorary Treasurer;*
- (iii) Thirdly – Greens Director.*

(e) The Secretary shall, as soon as practicable after the Board has elected a Deputy Chairperson, Honorary Treasurer and Greens Director, prominently post the names of the Directors elected to those offices on the Club Notice Board.”

- (d) **deleting** Rule 53(aa) and in lieu thereof **inserting** the following new Rule 53AA:

“The Board shall have the power to make By-laws regulating all matters in connection with the election of the Board not inconsistent with Rule 50, Rule 53 or Rule 53A.”

SECOND SPECIAL RESOLUTION

That with effect from and for the purposes of the Annual General Meeting of the Club to be held in 2008 and thereafter, the Constitution of Ashfield Bowling Club Limited be amended by:

- (a) **inserting** the following new Rule 50(c) immediately after Rule 50(b):

“(c) For the purposes of the Annual General Meeting to be held in 2008 and every Annual General Meeting thereafter, the Board shall hold office in accordance with the Triennial Rule set out in Rule 51A.”

- (b) **inserting** the following new Rule 51A immediately after Rule 51:

“51A. The Board of Directors shall:

- (a) *hold office in accordance with the triennial rule in 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 the year 2008; and*
- (b) *be elected in the manner described in Rule 53 and Rule 53A.*

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.*

Revocation of triennial 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) **deleting** the introductory paragraph of Rule 53 and in lieu thereof **inserting** the following new introductory paragraph of Rule 53:

“Elections for vacancies on the Board of Directors created by the Triennial Rule shall take place annually in the following manner:”

- (d) **deleting** from Rule 53(b), the words “for office” and in lieu thereof **inserting** the words “for the vacancies on the Board of Directors”.
- (e) **inserting** into Rule 53(f), immediately after the words “for more than one office” the words “for which an election is being held in any one year”.
- (f) **inserting** into Rule 53(g) immediately after the words “for each position on the Board” the words “for which an election is being held in any one year”.
- (g) **inserting** into Rule 53(h) immediately after the words “for the various positions on the Board” the words “for which an election is being held in any one year”.
- (h) **inserting** into Rule 53(i) immediately after the words “for the various positions” the words “for which an election is being held in any one year”.
- (i) **inserting** into Rule 53(j) immediately after the words “nominated for any position” the words “for which an election is being held in any one year”.
- (j) **inserting** into Rule 53(m) immediately after the words “the ballot paper for each position” the words “for which an election is being held in any one year”.
- (k) **deleting** the second sentence of Rule 81 and in lieu thereof **inserting** the following new sentence:

“The member so appointed shall hold office in accordance with the Triennial Rule set out in Rule 51A.”

- (l) **deleting** Rule 85(c) and in lieu thereof inserting the following new Rule 85(c):

“to:

- (i) *conduct an election to fill the vacancies on the Board caused by the operation of the Triennial Rule set out in Rule 51A; or*

- (ii) *declare the results of such an election and conduct any further election of directors that may be necessary.*”

THIRD SPECIAL RESOLUTION

That the Constitution of Ashfield Bowling Club Limited be amended by **deleting** Rule 24(b) and in lieu thereof **inserting** the following new Rule 24(b):

“Life membership may only be conferred:

- (i) *at a General Meeting of the Club (including an Annual General Meeting); and*
- (ii) *on a member who has been a member of the Club for at least fifteen (15) continuous years immediately prior to the date of the General Meeting or Annual General Meeting at which their election to Life membership shall be considered and determined provided that this requirement shall not apply to or affect any Life member who was elected to life membership prior to the Annual General Meeting of the Club held in 2008.”*

FOURTH SPECIAL RESOLUTION

That the Constitution of Ashfield Bowling Club Limited be amended by:

- (a) **deleting** from Rule 5 the definition of “Playing member”;
- (b) **deleting** from Rule 5 the definition of “Junior member”
- (c) **deleting** Rule 18 and in lieu thereof **inserting** the following new Rule 18:
- “The Full membership of the Club shall be divided into the following categories:*
- (a) *Playing members;*
- (b) *Social members;*
- (c) *Junior members;*
- (d) *Life members.”*
- (d) **deleting** Rules 21(a) and 21(b) and in lieu thereof **inserting** the following new Rules 21(a) and 21(b):
- “(a) Playing members shall be persons who have attained the age of eighteen (18) years and who:*
- (i) *were recorded in the Club’s register of members as Playing members (Male) or Playing members (Female) as at the date of the Club’s Annual General Meeting held in 2008; or*
- (ii) *are elected to Playing membership of the Club in accordance with this Constitution at any time after the Annual General Meeting of the Club held in 2008.*
- (b) *Deleted.”*
- (e) **deleting** Rules 23(a) and 23(b) and in lieu thereof **inserting** the following new Rules 23(a) and 23(b):
- “(a) Junior members shall be persons under the age of eighteen (18) years and who:*

- (i) *were recorded in the Club's register of members as Junior members (Male) or Junior members (Female) as at the date of the Club's Annual General Meeting held in 2008; or*
- (ii) *are elected to Junior membership of the Club in accordance with this Constitution at any time after the Annual General Meeting of the Club held in 2008.*

(b) *Deleted.*"

FIFTH SPECIAL RESOLUTION

That the Constitution of Ashfield Bowling Club Limited be amended by:

- (a) **inserting** into Rule 5(a) the following definitions in alphabetical order with the other definitions in that Rule:

*"**the Gaming Machines Act**" means the Gaming Machines Act 2001. When any provision of the Gaming Machines Act is referred to the reference is to that provision as modified by any law for the time being in force.*

*"**the Liquor Act**" means the Liquor Act 2007. When any provision of the Liquor Act is referred to the reference is to that provision as modified by any law for the time being in force.*

*"**the Registered Clubs Act**" means the Registered Clubs Act 1976. When any provision of the Registered Clubs Act is referred to the reference is to that provision as modified by any law for the time being in force.*

*"**the Registered Clubs Regulation**" means the Registered Clubs Registration 1996. When any provision of the Registered Clubs Regulation is referred to the reference is to that provision as modified by any law for the time being in force.*

- (b) **deleting** from Rule 6(o) the words "a Certificate of Registration of the Club under the Registered Clubs Act 1976" and in lieu thereof **inserting** the words "a club licence for the Club under the Liquor Act".

- (c) **deleting** Rule 15 and in lieu thereof **inserting** the following new Rule 15:

"A director of the Club shall not receive from the Club remuneration or other benefit in money or monies worth in relation to his or her duties as a director except by way of:

- (a) *an honorarium in accordance with section 10(6)(b) of the Registered Clubs Act; and*
- (b) *repayment of out of pocket expenses in accordance with section 10(6)(d) of the Registered Clubs Act."*

- (d) **deleting** from Rule 45(a) the words "section 67A of the Registered Clubs Act" and in lieu thereof **inserting** the words "section 77 of the Liquor Act".

- (e) **inserting** at the end of Rule 45(a)(iii) the words "or the Liquor Act".

- (f) **deleting** Rule 45(a)(vii) and in lieu thereof **inserting** the following new Rule 45(a)(vii):

"whom the Club, under the conditions of its club licence or according to a term (of the kind referred to in section 134 of the Liquor Act) of a Local

Liquor Accord, is authorised or required to refuse access to the licensed premises.”

- (g) **deleting** from Rule 45(c) the words “section 67A of the Registered Clubs Act” and in lieu thereof **inserting** the words “section 77 of the Liquor Act”.
- (h) **deleting** Rules 71, 72, 73 and 74 and in lieu thereof **inserting** the following new Rules 71, 72, 73 and 74:
- “71. *The Secretary shall, in accordance with the Registered Clubs Regulation, keep a declaration of disclosures, declarations and returns made to the Club pursuant to Rule 70 and any other disclosure, declaration or return made pursuant to the Registered Clubs Act or Registered Clubs Regulation.*
72. *Rules 70 and 71 do not limit the provisions of the Registered Clubs Act or the Registered Clubs Regulation referred to in those Rules.*
73. *Deleted.*
74. *Deleted.*”
- (i) **deleting** Rule 99 and in lieu thereof **inserting** the following Rule 99:
- “The Board shall cause proper accounts and records to be kept with respect to the financial affairs of the Club in accordance with the Act, the Registered Clubs Act and the Registered Clubs Regulation and cause those statements to be provided to the Board in accordance with the requirement of the Act, the Registered Clubs Act and Registered Clubs Regulation.”*
- (j) **deleting** Rules 101 and 102 and in lieu thereof **inserting** the following new Rules 101 and 102:
- “101. *The Board shall, not less than twenty one days before each Annual General Meeting and in any event within four months of the end of the financial year of the Club report to members in accordance with Division 4 of Part 2M of the Act.*
102. *In accordance with section 317 of the Act, the Board shall lay before the Annual General Meeting in respect of the financial year ending on the last day of June immediately prior to the Annual General Meeting:*
- (a) *the financial report of the Club;*
- (b) *the directors’ report; and*
- (c) *the auditor’s report on the financial report.”*

Dated: 30th September 2008

By direction of the Board

Michael Wilson
Secretary Manager

NOTES TO MEMBERS

First Special Resolution

1. The First Special Resolution proposes to change the method of election of the Board.
2. Currently, the members directly elect the Chairperson, Deputy Chairperson, Honorary Treasurer and Greens Director and four Ordinary Directors.
3. **If the First Special Resolution is passed:**
 - (a) **the members shall elect the Chairperson and seven (7) directors; and**
 - (b) **as soon as practicable after each Annual General Meeting, the directors elected at that meeting shall meet and elect from amongst their number a Deputy Chairperson, Treasurer and Greens Director.**
4. The Board shall continue to comprise a total of eight directors, being the Chairperson, Deputy Chairperson, Honorary Treasurer, Greens Director and four (4) Ordinary Directors and a director will not be able to hold more than one office. However, the changes will allow the Board to take into account the directors who have been elected to the Board when electing the Deputy Chairperson, Honorary Treasurer and Greens Director.
5. **The First Special Resolution will be considered prior to this year's election of the Board during the Annual General Meeting.**
6. Members will be able to nominate for election as Deputy Chairperson, Honorary Treasurer and Greens Director for this year's Annual General Meeting because, if the First Special Resolution is not passed, members will continue to directly elect these offices.
7. **However, if the First Special Resolution is passed, the changes will take effect immediately. Accordingly, any member who nominates for election as Deputy Chairperson, Honorary Treasurer or Greens Director needs to remember that if the First Special Resolution is passed, the members will not directly elect those offices; they will vote to elect the Chairperson and seven (7) directors. Accordingly, members who nominate for those other positions should also nominate for election as an Ordinary Director.**

Second Special Resolution

8. The Second Special Resolution also proposes to amend the provisions of the Club's Constitution relating to the election of the Board so that the Board will be elected in accordance with the **Triennial Rule**.
9. Currently the Board is elected annually. That is, an election is held for all positions on the Board every year and the directors who are elected serve a term of office of approximately one year.

10. If the Second Special Resolution is passed, the Board will be elected and will hold office in accordance with the "Triennial Rule" set out in Schedule 4 of the Registered Clubs Act.
11. **The Triennial Rule provides for three year terms of office for directors. However, approximately one third of the directors retire each year and an election is conducted to fill the vacancies thereby created.**
12. **The Second Special Resolution will be considered prior to this year's election of the Board during the Annual General Meeting. If the Second Special Resolution is passed, it will take effect immediately which will mean that, the directors elected this year would hold office in accordance with the Triennial Rule set out in the Schedule in the Second Special Resolution and also explained in the following paragraphs.**
13. For the purposes of the Triennial Rule the directors are divided into three almost equal groups. In each year, one of the groups retires. As the Board consists of eight (8) directors, there would be the two (2) groups of three (3) and one (1) group of two (2) directors.
14. The directors in Group 1 retire in the first year, those in Group 2 retire in the second year, those in Group 3 retire in the third year, and so on by rotation
15. The Triennial Rule takes two years to be completely phased in.
16. In the first year of the Triennial Rule (i.e. the election to be held in 2008 if the Second Resolution is passed), eight (8) directors will be elected.
17. After that election, lots will be drawn to determine which group a director falls into.
18. The directors allotted to Group 1 will only hold office for one year. The directors allotted to Group 2 will only hold office for two years. The directors allotted to Group 3 will be the only directors who in the first year are elected for three years.
19. Directors whose term of office comes to an end under the Triennial Rule are (subject to the Constitution) eligible for re-election for a further three year term.
20. The Triennial Rule provides for continuity and greater stability on the Board while still allowing for a third of the Board to change each year.
21. The Triennial Rule provides the opportunity to pass valuable knowledge between directors.
22. The laws relating to Registered Clubs are becoming far more complex. The Club operates under the provisions of the Corporations Act, Liquor Act, Registered Clubs 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. The Triennial Rule will allow a three year period for directors to acquire knowledge and experience before facing another election.

Interaction between the First and Second Special Resolutions

23. As noted above, members currently directly elect the Chairperson, Deputy Chairperson, Honorary Treasurer, Greens Director and four (4) ordinary Directors.
24. If the First Special Resolution is passed, members will elect the Chairperson and seven (7) directors and the Board will elect, from the seven (7) directors, the Deputy Chairperson, Honorary Treasurer and Greens Director.

25. **If the First Special Resolution and Second Special Resolution are both passed:**
- (a) **The year in which members will next elect the Chairperson will depend on the drawing of lots referred to in paragraph 17 and 18 of these Notes to Members.**
 - (b) **The Board will still meet after each Annual General Meeting to elect from the seven (7) directors who then comprise the Board the Deputy Chairperson, the Honorary Treasurer and Greens Director who would serve in those offices until the conclusions of the next Annual General Meeting.**
26. For example, if the person who is elected Chairperson at the 2008 Annual General Meeting is allotted to Group 1, that person will hold office for one year (along with the other directors in Group 1). Accordingly the next election for the position of Chairperson in that example will occur in 2009. If the person who is elected Chairperson was allotted to Group 3, the next election for Chairperson would occur at the Annual General Meeting where the directors in Group 3 retire and an election is held for those positions, that is 2011.
27. **If the First Special Resolution is not passed but the Second Special Resolution is passed, members will still directly elect the Deputy Chairperson, Honorary Treasurer and Greens Director in addition to directly electing the Chairperson. The year in which members will elect different office holders will depend upon the drawing of lots referred to in paragraphs 17 and 18 above.**
28. For example, if the First Special Resolution is not passed but the Second Special Resolution is passed, and the Deputy Chairperson is allocated to group 2, that person will hold office as Deputy Chairperson until the conclusion of the Annual General meeting held in 2010. The members would then vote for the Deputy Chairperson in 2010, and subsequently in 2013, 2016 and so on.

Third Special Resolution

29. The Third Special Resolution proposes to change the requirements for Life membership. If passed, only members who have been members of the Club for at least fifteen (15) continuous years immediately prior to the date of the Annual General Meeting or General Meeting at which the nomination for Life membership is to be considered will be eligible to be elected to Life membership.
30. The Board is proposing this amendment to ensure that only members who have been members of the Club for a significant period of time are elected to Life membership.
31. If passed, the Third Special Resolution will not affect anyone who is already a Life Member of the Club.

Fourth Special Resolution

32. The Fourth Special Resolution proposes to amend categories of membership.
33. If the Fourth Special Resolution is passed, the Club's Constitution shall provide that there is:
- (a) Only one category of Playing membership, and not separate categories of Playing membership (Male) and Playing membership (Female) as is currently the case.
 - (b) Only one category of Junior membership, and not separate categories of Junior membership (Male) and Junior membership (Female) as is currently the case.

34. If the Fourth Special Resolution is passed, as at the date of the Annual General Meeting:
- (a) All Playing members (Male) and Playing members (Female) will be transferred to Playing membership.
 - (b) All Junior members (Male) and Junior members (Female) shall be transferred to Junior membership.
35. The Fourth Special Resolution will not change the rights of any members of the Club – it will merely combine categories of membership.

Fifth Special Resolution

36. The Fifth Special Resolution proposes a number of amendments to the Constitution to take into account recent changes in the relevant legislation and to clarify some drafting in the Constitution.
37. Paragraph (a) of the Fifth Special Resolution will insert appropriate definitions of various Acts of Parliament into the Constitution.
38. Paragraph (b) of the Fifth Special Resolution will amend provisions of the Constitution by removing references to a Certificate of Registration and inserting references to the Club's club licence. This is to reflect changes to licensing laws brought about by the *Liquor Act 2007* which commenced on 1 July, 2008.
39. Paragraph (c) of the Fifth Special Resolution makes clear which payments may be made to a director in the course of carrying out the director's duties.
40. Paragraphs (d), (e), (f) and (g) of the Fifth Special Resolution amend Rule 45 (which deals with when a person may be removed from the Club's premises) to bring those provisions into line with the *Liquor Act 2007*.
41. Paragraph (h) of the Fifth Special Resolution amends provisions regarding the register of disclosures, declarations and returns required to be kept by the Club to reflect the current provisions of the *Registered Clubs Act* and the *Registered Clubs Regulation*.
42. Paragraph (h) also deletes Rules 72 and 73 regarding the exhibitions of declarations on the Club's noticeboard and sending particulars of those declarations to the Liquor Administration Board. The sections of the *Registered Clubs Act* on which these Rules were based have been deleted.
43. Paragraph (i) of the Fifth Special Resolution amends provisions regarding the Club's books and accounts and their presentation to the Board to reflect the current provisions of the *Registered Clubs Act* and *Registered Clubs Regulation*.
44. Paragraph (j) of the Fifth Special Resolution amends provisions on the reporting requirements to members. The provisions in the *Corporations Act* regarding the sending of annual reports to members were amended in 2007. That Act now provides that the Club only has to send a copy of the directors' report, auditor's report and financial statements either by post or email to members who request to receive it in one of those forms, so long as the Club complies with certain conditions set out in the *Corporations Act*.
45. The amendments contained in paragraph (j) will allow the Club to send reports to its members in this new manner so long as the Club complies with the requirements of the Act.

46. Paragraph (j) will also delete the requirement currently contained in Rule 95 for the Club to send to members a report pursuant to section 41H of the *Registered Clubs Act* as that section has been deleted from that Act.

Procedural Matters

47. To be passed each Special Resolution requires votes from not less than three quarters of those members who, being eligible to do so, vote in person at the meeting.
48. Only Life members and financial Playing members (male) and Playing members (female) are entitled under the Club's Constitution to vote on each of the Special Resolutions.
49. Under the Registered Clubs Act members who are employees of the Club are not entitled to vote.
50. Proxy voting is prohibited by the Registered Clubs Act.
51. Amendments (other than minor typographical corrections which do not change the substance or effect of a special resolution) will not be permitted from the floor of the meeting.

Dated:

By direction of the Board

Michael Wilson
Secretary Manager