

NOTICE OF ANNUAL GENERAL MEETING

CASTLE HILL R.S.L. CLUB LIMITED
ACN 001 043 910
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the
Castle Hill R.S.L. Club Limited ACN 001 043 910 (Club) will be held in the
Phoenix Room of the Club's premises at 77 Castle Street, Castle Hill at 8:00pm on

Tuesday, 27 October 2015

BUSINESS

1. Apologies.
2. To receive and confirm the minutes of the previous Annual General Meeting held on Tuesday 28 October 2014.
3. To receive and consider the financial accounts for the year ended 30 June 2015 together with the Director's report, Director's statement and Auditor's report thereon. Specific questions relating to the financial accounts must be received not less than 48 hours prior to the meeting.
4. To consider and if thought fit, to pass the resolution under Rule 22 of the Club's Constitution conferring Life membership on members whose nomination has been approved by the Board.
5. To consider, and if thought fit, to pass the Ordinary Resolutions set out under the heading "Ordinary Resolutions".
6. To consider, and if thought fit, to pass the Special Resolution set out under the heading "Special Resolution".
7. To consider and if thought fit, pass an ordinary resolution for the purposes of Rule 41 of the Club's Constitution confirming the following existing holders of the office of Patron of Castle Hill RSL Club will be returned, namely:
 - (a) The Federal Member for Mitchell for the duration of the office;
 - (b) The State Member for Castle Hill for the duration of office;
 - (c) The State Member for Hawkesbury for the duration of the office;
 - (d) The Statement Member for Baulkham Hills for the duration office; and
 - (e) The Mayor of the Hills Shire Council for the duration of office.
8. To consider and if thought fit, pass an ordinary resolution for the purposes of Rule 41 of the Club's Constitution confirming the following existing holders of the office of Patron of Parramatta RSL Club will be returned (paragraphs (a) to (c) below) and the appointment of a new Patron of Parramatta RSL Club (paragraph (d) below), namely:
 - (a) State Member for Parramatta for the duration of office;
 - (b) Federal Member for Parramatta for the duration of office;
 - (c) Lord Mayor of Parramatta for the duration of office; and
 - (d) State Member for Seven Hills for the duration of office.
9. Any other business of which due notice has been given.

LIFE MEMBERSHIP RESOLUTION

"That the nomination of Mr Don Tait, membership number 7, for Life membership of Castle Hill RSL Club Limited (**Club**) is accepted and that pursuant to Rule 27 of the Club's Constitution, he is elected to Life membership of the Club."

Explanatory Note to Members regarding the Life Membership Resolution

1. The Life Membership Resolution must be passed as a whole and cannot be amended from motions from the floor of the meeting or divided into two or more separate resolutions.
2. To be passed, the Life Membership Resolution must receive votes in its favour from not less than a two-thirds majority of the following classes of members, who vote in person at the meeting:
 - (a) Financial Category 1 members;
 - (b) Financial Category 2 members;
 - (c) Financial Parramatta RSL members;
 - (d) Financial Parramatta RSL Sub-Branch members; and
 - (e) Financial Lynwood Country Club members (who have attained the age of 18 years).

ORDINARY RESOLUTIONS

Members will be asked to consider, and if thought fit, to pass the following resolutions, which are proposed as Ordinary Resolutions:

ORDINARY RESOLUTION NO. 1

- "(a) That until the next Annual General Meeting, pursuant to the provisions of the Corporations Act 2001 (Cth) and section 10(6)(b) of the Registered Clubs Act 1976 (NSW), the members authorise the payment from the Club's funds of a total sum not exceeding \$115,000 (excluding any Goods and Services Tax) as honoraria, this amount is to include all superannuation guarantee levy payments entitled to be paid to the eligible Directors in accordance with the law, such sum being distributed amongst the members of the Board as follows:
- (i) As to the President: \$15,667 Honorarium
 - (ii) As to each of the Vice Presidents and the Treasurer: \$13,580 Honorarium
 - (iii) As to each of the other Directors: \$11,490 Honorarium
- (b) The members acknowledge that the benefits in paragraph (a) above are not available to members generally but only for those who are Directors of the Club."

ORDINARY RESOLUTION NO. 2

- "(a) That until the next Annual General Meeting, pursuant to the provisions of the Corporations Act 2001 (Cth) and sections 10(6)(d) and 10(6A) of the Registered Clubs Act 1976 (NSW), the members hereby approve and agree to the expenditure by the Club of a sum not exceeding \$80,000 (excluding any

Goods and Services Tax) for the professional development and education of any Director, and the Chief Executive Officer, if the Chief Executive Officer is a member of the Club at the relevant time, as the Directors shall by resolution approve where such sum is:

- (i) applied in or towards the reasonable cost of food, travel, accommodation, registration fees or subscriptions incurred in attending such trade shows or displays, seminars, conferences, meetings, or visiting the premises of other registered clubs, gaming venues and hospitality venues to view or assess their facilities or operational systems, domestically and/or abroad; and
 - (ii) approved by resolution of Directors as being reasonably incurred for the betterment of the Club.
- (b) The members acknowledge that the benefits in paragraphs (a) above are not available to members generally but only for those who are Directors of the Club and those persons who are members of the Club and directly involved in the above activities."

ORDINARY RESOLUTION NO. 3

- "(a) That until the next Annual General Meeting, pursuant to the sections 10(6)(b), 10(6)(d) and 10(6A) of the Registered Clubs Act 1976 (NSW), the members approve the continuation of, and the provision of, the following rights and benefits to Directors, and such other persons if those persons are members of the Club at the relevant time, as from time to time the Directors shall authorise or approve:
- (i) the provision of designated/reserved car parking spaces for the exclusive use of Directors, including Life members, disabled persons (being members or guests of members), or such other persons as the Directors may, by resolution, from time to time authorise;
 - (ii) each member of the Board be provided with the necessary tools of trade to professionally facilitate their roles and responsibilities as a Director;
 - (iii) the use and enjoyment of the Club Boardroom and Bar therein for Directors and to entertain guests of the Club in such Boardroom and that all beverages served therein be at the Club's expense;
 - (iv) the right to provide any member elected as a Life member in accordance with the Club's Constitution, with a Club blazer upon their election to Life membership;
 - (v) the provision from Club funds of the reasonable cost of providing for each Director, the Chief Executive Officer and such employees as the Board shall from time to time approve, a Club uniform, blazer, tie and Club formal wear to be worn at Club functions and whilst attending to or carrying out any duties in relation to the Club whether at the premises of the Club or elsewhere;
 - (vi) the provision from Club funds of the reasonable cost of Directors, the Chief Executive Officer and authorised employees attending, at the Club or elsewhere as representatives of the Club, such community, charity, special functions or occasions as the Board shall from time to time authorise and determine as being reasonably incurred in the course of their respective duties in relation to the Club;
 - (vii) the provision from Club funds of tickets to be issued without charge and for the reasonable expenditure on provision of food and beverages provided to Directors and their guests (which expression shall include a Club member and a partner), where the Directors and their guests attend the Club in any function room including the Boardroom for any Anzac Day celebrations or any other purposes in relation to the Club as the Directors shall, by resolution, approve upon production of such documentary evidence as the Directors deem sufficient in support of such expenditure being reasonably incurred in relation to the Club;

- (viii) the provision from Club funds of the reasonable expenditure on meals and beverages provided for each Director both immediately before or after any meeting of Directors including any sub-committee and in the case of meals where such meeting corresponds with a normal meal time and upon production of or in accordance with such invoices, vouchers, receipts or other properly written records evidencing the same and which is authorised by a current resolution of the Board as being reasonably incurred;
 - (ix) the provision to each and every Director and Life Member of the Club for use without charge the facilities of the Club's C2K Fitness Centre; and
 - (x) the provision to each and every Director of the Club for use without charge of the other sports facilities of the Club.
- (b) The members acknowledge that the benefits in paragraph (a) above are not available to members generally but only for those who are Directors of the Club and those persons who are members of the Club and directly involved in the above activities."

ORDINARY RESOLUTION NO. 4

"That until the next Annual General Meeting, pursuant to section 10(6A) of the Registered Clubs Act 1976 (NSW), the members approve the provision of an annual dinner for Life and/or Veteran members at both Castle Hill RSL Club and Parramatta RSL Club and an invited guest without charge for the reasonable expenditure of food and beverage."

ORDINARY RESOLUTION NO. 5

"That until the next Annual General Meeting, pursuant to section 10(6A) of the Registered Clubs Act 1976 (NSW), the members approve that, in respect of Life Members who have passed away and whose wake is held at the Club, the estate of the relevant Life Member will be entitled to up to \$500 contribution towards the cost of the same."

Explanatory Notes to Members regarding Ordinary Resolutions Nos. 1 to 5

1. Ordinary Resolution No. 1 is to have the members approve a sum not exceeding \$115,000 (excluding GST) for the expenditure by the Club until the next Annual General Meeting in relation to Directors' honoraria. A sum of money paid to a member in respect of his services as a member of the Club's Board has to be approved by a resolution passed at a General Meeting at which the persons entitled to vote are the same as those entitled to vote on the election of Directors.

At the last Annual General Meeting, the sum of \$115,000 was approved to cover Directors' honoraria.

An increase of 1.5% (being an increase in accordance with CPI) has been applied to the honorarium of each director approved at the 2014 Annual General Meeting.

2. Ordinary Resolution No. 2 is to have the members approve a sum not exceeding \$80,000 (excluding GST) for the expenditure by the Club until the next Annual General Meeting for Directors, and the Chief Executive Officer and other authorised employees (if those persons are members of the Club), to attend trade shows, displays, seminars, conferences, meetings, and to attend other registered clubs, gaming venues and hospitality venues to assess their facilities or operations, all of which enable the Board to keep abreast of current trends and developments which may have a significant bearing on the nature and way in which the Club conducts its business.
3. Ordinary Resolution No. 3 is to have the members approve certain additional rights and benefits to

Directors and such other persons (if those persons are members of the Club) as the Directors may authorise or approve. These additional rights and benefits are directly related to the operation of the Club and to the activities of Directors incurred in relation to the Club.

4. Ordinary Resolution No. 4 is to have members approve certain additional rights and benefits to Life and/or Veteran members that are not extended to any other member or class of membership unless they are a Life or a Veteran member.
5. Ordinary Resolution No. 5 is to have members approve certain additional rights and benefits to Life members who pass away that are not extended to any other member or class of membership unless they are a Life member.
6. All categories of members of the Club present at the Annual General Meeting, who may vote on the election of Directors, will be entitled to vote on Ordinary Resolutions Nos. 1 to 5 inclusive proposed at the Annual General Meeting.
7. Each of the Ordinary Resolutions must be passed as a whole and cannot be amended from motions from the floor of the meeting or divided into two or more separate resolutions.
8. To be passed each Ordinary Resolution must receive votes in its favour from not less than a simple majority of those members, who being entitled to do so, vote in person at the meeting.

ORDINARY RESOLUTION NO. 6

"That pursuant to section 41J of the Registered Clubs Act 1976 (NSW) the members declare the land comprised in Lot 1 in Deposited Plan 1019888 and known as 7 Macquarie Street, Parramatta, New South Wales 2150, not to be core property of Castle Hill RSL Club Limited."

Explanatory Notes to Members regarding Ordinary Resolution No. 6

1. Presently the land comprised in Lot 1 in Deposited Plan 1019888 and known as 7 Macquarie Street, Parramatta 2150 is primarily used as a car park (**Parramatta Car Park Site**). Also situated on the land are retail shops/office suites.
2. Members will be aware the Club has development approval from Parramatta City Council to redevelop the Parramatta RSL Club premises located at 2 Macquarie Street, Parramatta 2150 (being Lot 352 in Deposited Plan 752058) (**Parramatta RSL Club Site**).
3. The redevelopment of the Parramatta RSL Club Site will involve:
 - (a) Construction of a two storey clubhouse building over 3 levels of basement car parking (having a capacity for approximately 622 cars);
 - (b) Demolition of the existing buildings and removal of the bowling greens;
 - (c) Construction of an on grade/surface car park having a capacity for approximately 77 cars. The total car parking capacity of the redeveloped Parramatta RSL Club Site will be approximately 699 cars.
4. Following completion of the redevelopment of the Parramatta RSL Club Site there will be no need for the car parking facilities located in the Parramatta Car Park Site. The Parramatta Car Park Site will be redeveloped to include construction of any one or combination of residential, commercial or retail premises which will be sold and/or leased by the Club to third parties. Although there are no immediate plans for development of the Parramatta Car Park Site, the declaration of that Site as non-core property at this time will facilitate early planning of its development and maximise the Board's ability to take advantage of an appropriate commercial opportunity as it arises.

5. Demolition and development of the Parramatta Car Park Site will not occur until completion of substantial completion of the development of the Parramatta RSL Club Site.
6. The Parramatta Car Park Site is presently "core property" for the purposes of the Registered Clubs Act 1976 (NSW) (**Registered Clubs Act**).
7. Under section 41J of the Registered Clubs Act, "core property" includes:
 - (a) the (licensed) premises of the Club;
 - (b) any facility provided by the Club for the use of its members and their guests; or
 - (c) any other property declared, by a resolution passed by a majority of the members present at a general meeting of the ordinary members of the Club, to be core property,unless it has been declared not to be core property by resolution of the ordinary members of the Club in General Meeting.
8. Under section 41J of the Registered Clubs Act, "core property" cannot be disposed of (which includes by sale, a lease or a licence) unless:
 - (a) the property has been valued by a registered valuer within the meaning of the Valuers Act 2003 (NSW);
 - (b) the disposal has been approved at a general meeting of the ordinary members of the Club at which a majority of the votes cast supported the approval; and
 - (c) any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer,except in circumstances specified in the Registered Clubs Regulation 2009 (NSW), which are unlikely to cover all aspects of a redevelopment project.
9. By way of example only, if any redevelopment project for the Parramatta Car Park Site were to include residential, commercial and/or retail facilities, then the Club will need to enter into a range of transactions and agreements to give effect to the project. For example, it might need to sell or lease units (and associated rights to use car parking and common facilities) or parts of the land and it would not be practical to have each such sale or lease approved by the members of the Club on an individual basis.
10. The classification of the Parramatta RSL Club Site will remain "core property" for the purposes of section 41J of the Registered Clubs Act. If Ordinary Resolution No. 6 is passed, there will be no change to that classification and there is no intention to sell any part of the Parramatta RSL Club Site. Ordinary Resolution No. 6 only pertains to the Parramatta Car Park Site.
11. If Ordinary Resolution No. 6 is passed, then:
 - (a) the whole of the Parramatta Car Park Site will be classified as "non-core property" of the Club; and
 - (b) the Board will be able to deal with (for example by way of subdivision, sale and/or lease) the whole or any part of the Parramatta Car Park Site, as necessary to manage the Club's investment in any future project, without needing to call further General Meetings to obtain any further approval under the Registered Clubs Act.
12. Pursuant to the Registered Clubs Act, all Full Members of the Club (i.e. all financial Ordinary Members and Life Members) are eligible to vote on Ordinary Resolution No. 6.

SPECIAL RESOLUTION

Members will be asked to consider, and if thought fit, to pass the following resolution, which is proposed as a Special Resolution:

SPECIAL RESOLUTION

"That the Constitution of Castle Hill RSL Club Ltd be amended by deleting Rule 49 and inserting instead the following new Rule 49:

"49 (a) Subject to Rules 49(b) to 49(e) and any other restriction or qualification contained in this Constitution, only the following classes of members are eligible to be nominated for, elected to and hold office on the Board:

- (i) Category 1 members;
- (ii) Life members;
- (iii) Category 2 members;
- (iv) Veteran members;
- (v) Parramatta RSL members;
- (vi) Parramatta RSL Sub-Branch members; and
- (vii) Lynwood Country Club members (who have attained the age of 18 years).

(b) The following classes of members must have been Full Members for at least three (3) continuous years immediately prior to their nomination to a position on the Board:

- (i) Category 1 members;
- (ii) Life members (who were Category 1 members immediately before becoming Life members);
and
- (iii) Veteran members (who were Category 1 members immediately before becoming Veteran members).

(c) At any one time, up to two (2) members of the Board may be:

- (i) Category 2 members;
- (ii) Life members (who were Full members in any class other than Category 1 membership immediately before becoming Life members);
- (iii) Veteran members (who were Full members in any class other than Category 1 membership immediately before becoming Veteran members);
- (iv) Parramatta RSL members;
- (v) Parramatta RSL Sub-Branch members; or
- (vi) Lynwood Country Club members.

For the avoidance of doubt, the aforementioned members (in any combination) may hold no more than two (2) positions on the Board at any one time.

(d) In relation to:

- (i) Category 2 members;
- (ii) Life members (who were Full members in any class other than Category 1 membership immediately before becoming Life members);
- (iii) Veteran members (who were Full members in any class other than Category 1 membership immediately before becoming Veteran members);

- (iv) Parramatta RSL members;
- (v) Parramatta RSL Sub-Branch members; and
- (vi) Lynwood Country Club members,

those members:

- (vii) must have been Full members for at least three (3) continuous years immediately prior to their nomination to a position on the Board; and
- (viii) are not eligible to hold the offices of President, Vice-President or Treasurer unless they have held the office of Director for at least three continuous (3) years immediately prior to their nomination for any of those positions on the Board.
- (e) No member who was a Staff member or an employee of the Club within the three (3) years immediately preceding their proposed nomination, election or appointment may hold office on the Board and shall be ineligible for such nomination, election or appointment."

Explanatory Notes to Members regarding the Special Resolution

1. Existing rule 49 of the Club's Constitution only permits Category 1 members (and Life or Veteran members who were Category 1 members immediately before becoming Life or Veteran members, who shall for the purpose of convenience in these explanatory notes will be referred to as "**eligible Life and Veteran members**") who have at least three (3) continuous years membership at the time of their nomination as a Director, to hold office on the Board.
2. If the Special Resolution is passed, proposed new rule 49 will permit up to two (2) members of the Board being:
 - (a) Category 2 members;
 - (b) Life members (who were Full members in any class other than Category 1 membership immediately before becoming Life members);
 - (c) Veteran members (who were Full members in any class other than Category 1 membership immediately before becoming Veteran members);
 - (d) Parramatta RSL members;
 - (e) Parramatta RSL Sub-Branch members; or
 - (f) Lynwood Country Club members.

Proposed new rule 49 will require any member from the above listed classes to have:

- (a) at least 3 years full membership of the Club at the time of their nomination; and
 - (b) held office as a Director for at least three (3) continuous years before being eligible to hold office on the Executive (i.e. President, Vice President or Treasurer).
3. Proposed new rule 49 does not reserve any positions on the Board for the above named classes of members. All candidates will need to be among the nine (9) highest polling candidates in an election of the Board in order to be elected to office.
 4. Proposed new rule 49 does not change the existing qualifications required by Category 1 members (and Life or Veteran members who were Category 1 members immediately before becoming Life or Veteran members) to hold office as a Director.
 5. The reasons for the proposed change to rule 49 of the Constitution are as follows:

- (a) the average age of Category 1 members (and eligible Life and Veteran members) and the relatively small percentage of these members in respect of the total Club membership;
 - (b) the likely further reduction in the percentage of Category 1 membership (and eligible Life and Veteran members) in respect of the total Club membership over time,
 - (c) recommendations of the Independent Pricing and Regulatory Tribunal's review of the Registered Clubs Industry (report dated June 2008) pertaining to lessening restrictions on Board membership (in order to widen the range of people who can become Board members); and
 - (d) providing a more balanced representation of the overall Club membership and the likely widening of the range of people who will seek to hold office on the Board.
6. The position of Category 1 members (and eligible Life and Veteran members) of the Club generally in relation to the Club is not considered to be endangered by a Board comprising of up to two (2) members because:
- (a) the Club's objects include promotion of the objects of the Returned and Services League of Australia (rule 10(b) of the Club's Constitution);
 - (b) the majority of the Board positions are retained by Category 1 members (and eligible Life and Veteran members);
 - (c) amendments to the Club's Constitution require a special resolution passed by Category 1 members (and eligible Life and Veteran members) (rule 105 of the Club's Constitution).

General Notes to Members regarding the Special Resolution

1. Pursuant to Rules 24 and 105 of the Club's Constitution, only Category 1 members may vote on the Special Resolution. Veteran members and Life members who were Category 1 members immediately prior to becoming a Veteran Member or a Life Member are also eligible to vote. Other than Life members, a member must be a financial member to be eligible to vote.
2. Pursuant to sections 9 and 136 of the Corporations Act and rule 105 of the Club's Constitution, to be passed the Special Resolution must receive votes in its favour from not less than three quarters of those members, who being entitled to do so, vote in person at the meeting.
3. As a result of the special resolution provisions of the Corporations Act, the Special Resolution must be considered as a whole and cannot be altered by motions from the floor of the meeting.
4. Members who are employees of the Club are not entitled to vote.
5. Proxy voting is prohibited by the Registered Clubs Act.
6. The Board recommends the Special Resolution to the meeting.
7. Please direct any questions about the Special Resolution to the Chief Executive Officer, if possible at least 7 days before the Annual General Meeting.

David O'Neil
Chief Executive Officer
By Order of the Board

24th August, 2015