



AGM NOTICE

SHOALHAVEN
EX-SERVICEMEN'S
CLUB LIMITED

A.B.N. 81 000 845 358

2019

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AGM NOTICE

2019

NOTICE is hereby given of the Annual General Meeting of **SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED** which is to be held on **Sunday 30th June 2019** commencing at **10 am** at the premises of the Club 157 Junction Street, Nowra New South Wales:

AGENDA

1. Opening – Apologies
2. Minutes of the 72nd Annual General Meeting.
3. Business Arising from the minutes.
4. Correspondence.
5. Annual Report by President.
6. Treasurer's Report and Adoption of Financial Report, Director's Report and Auditor's Report for the year ended 31st March 2019. (See Notes 1 and 2).
7. Election of Board of Directors.
8. To consider and if thought fit to pass the following Ordinary Resolutions:-

Ordinary resolutions as follows:

- **Associate Life Membership** nomination for Mr John Newbold (#18) Nominated by Alan Bird (Life Member #11) seconded by Mr Neville Whalan (Life Member #7) approved at Board meeting 27th march 2019 Moved Alan Bird seconded Bill Garrick CARRIED
- **Service Life Membership** nomination (posthumous) for Mr Kevin Bryson (#517) Nominated by Alan Bird (Life Member #11) Seconded by Mr Chris Allen (Life Member #1) approved at Board meeting 27th March 2019 Moved Alan Bird seconded Bill Garrick CARRIED

"That pursuant to Section 10(1) (i) of the Registered Club's Act, which states as follows:-

- "(i) A member of the Club whether or not he or she is a member of the governing body, or of any committee, of the Club shall not be entitled, under the rules of the Club or otherwise, to derive, directly or indirectly, any profit, benefit or advantage from the Club that is not offered equally to every full member of the Club."

the members of the Shoalhaven Ex-Servicemen's Club Limited approve that the Board of Directors and Senior Management, during the 12 month period following the 2019 Annual General Meeting, receive the following benefits:-

- a) The Provision of reasonable meals and beverages at Board meetings.
- b) The provision of reasonable expenses in travelling to and from Board meetings or any other constituted meetings or duties as approved by the Board from time to time on the production of invoices, receipts or other proper documentary evidence of such expenditure.
- c) The provision to the Board of Directors and invited guests with two Board dinners per annum.
- d) The reasonable cost of Directors attending the Annual General Meeting of Clubs NSW and the RSL and Services Clubs Association.
- e) The reasonable cost of Directors attending seminars, lectures, trade displays, organised study tours, fact finding tours and other similar events as may be approved by the Board from time to time.
- f) The provision of a uniform consisting of a suit, shirts and a tie for Directors and Life Members.
- g) The provision of a Christmas bottle of Scotch or equivalent to Directors and Life Members.
- h) The provision to the Board of Directors and invited guests with a Certificate of Merit Presentation function.
- i) The provision of reasonable expenditure on food and refreshments for Directors and Senior Management officers attending and/or entertaining dignitaries and/or guests of the Club at functions (whether on Club premises or otherwise) including the Presidents ANZAC Day Luncheon, The Annual Corporate Suppliers Golf Day and other marketing or promotional events or activities provided such expenditure is approved by the Board from time to time as being reasonable and properly incurred.
- j) That all Club Directors receive, upon retiring from the Board and after having completed a minimum of five years continuous service, a farewell gift of appreciation to the value of \$500.00 and an extra \$100.00 per annum for each full year completed thereafter up to a maximum of \$3,000.00 in recognition of conspicuous service rendered to the Club."

And the members acknowledge that by passing this resolution the benefits listed above are not available to members generally.

9. To consider, and if thought fit to, pass the two (2) Special Resolutions as per attached.
10. Any other General Business the meeting may approve.

NOTE 1.

The Corporations Act does not require the Club to post out the Financial Reports, Director's Reports and Auditor's Reports to members unless they elect in writing, to receive a hard copy or electronic copy and to this end the reports are available electronically on the Club's website at:- <http://www.exservos.com.au/reports/> or alternatively a hard copy may be obtained for collection or posted out from the office at the Club's Junction Street premises.

NOTE 2.

Members are requested to advise the Secretary Manager, in writing, seven (7) days prior to the date of the Annual General Meeting of any query relating to the Financial Accounts on which information may be required. Such information will be extracted from the records and be available at the Annual General Meeting.

NOTICE OF SPECIAL RESOLUTIONS FOR THE ANNUAL GENERAL MEETING

PROCEDURAL MATTERS

1. To be passed each Special Resolution must receive votes in favour from not less than three quarters (75%) of those members who being eligible to do so vote in person on the Special Resolutions at the meeting.
2. Only Life members, financial Service members and financial Associate members who have been Associate members for at least 5 consecutive years are eligible to vote on the Special Resolutions.
3. Under the Registered Clubs Act, members who are employees of the Club are not entitled to vote and proxy voting is prohibited.
4. Amendments to either of the Special Resolutions (other than minor typographical corrections which do not change the substance or effect of the Special Resolution) will not be permitted from the floor of the meeting.
5. The Board of the Club recommends both Special Resolutions to members.

FIRST SPECIAL RESOLUTION

[The First Special Resolution is to be read in conjunction with the notes to members set out below.]

That the Constitution of Shoalhaven Ex-Servicemen's Club Limited be amended by:

- (a) **deleting** Rule 10.1 and in lieu thereof **inserting** the following new Rule 10.1:
"10.1 Intentionally Deleted."
- (b) **deleting** Rules 31 to 33 inclusive and the headings before those Rules and in lieu thereof **inserting** the following new headings and Rules 31 to 33 inclusive:

- "31. **MATERIAL PERSONAL INTERESTS OF DIRECTORS**
- 31.1 *Any director who has a material personal interest in a matter that relates to the affairs of the Club must, as soon as practicable after the relevant facts have come to the director's knowledge declare the nature of the interest at a meeting of the Board and comply with Rule 31.2.*
- 31.2 *Subject to Section 195 of the Act, a director who has a material personal interest in a matter that is being considered at a meeting of the Board, or of the Directors of the Club:*
- (a) *must not vote on the matter; and*
- (b) *must not be present while the matter is being considered at the meeting.*
32. **Registered Clubs Accountability Code**
- 32.1. *The Club must comply with the requirements of the Registered Clubs Accountability Code (as amended from time to time) and the provisions of this Rule 32.*
- 32.2 *For the purposes of this Rule 32, the terms "close relative", "controlling interest", "manager", "pecuniary interest" and "top executive" shall have the meanings assigned to them by the Registered Clubs Act and Registered Clubs Regulations.*
- Contracts With Top Executives*
- 32.3 *The Club must ensure that each top executive has entered into a written employment contract with the Club dealing with:*
- (a) *the top executive's terms of employment; and*
- (b) *the roles and responsibilities of the top executive;*
- (c) *the remuneration (including fees for service) of the top executive;*
- (d) *the termination of the top executive's employment.*
- 32.4 *Contracts of employment with top executives will not have any effect until they approved by the Board and they must be reviewed by an independent and qualified adviser before they can be approved by the Board.*
- Contracts With Directors Or Top Executives*
- 32.5 *The Club must not enter into a commercial arrangement or a contract with a director or top executive or with a company or other body in which a director or top executive has a pecuniary interest, unless the proposed commercial arrangement or contract is first approved by the Board.*
- 32.6 *A "pecuniary interest" in a company for the purposes of Rule 32.5 does not include any interest exempted by the Registered Clubs Act.*
- Contracts With Secretary And Managers*
- 32.7 *Unless otherwise permitted by the Registered Clubs Act, the Club must not enter into a commercial arrangement or contract with:*
- (a) *the Secretary or a manager; or*
- (b) *any close relative of the Secretary or a manager;*
- (c) *any company or other body in which the Secretary or a manager or a close relative of the Secretary or a manager has a controlling interest .*
- Loans To Directors And Employees*
- 32.8 *The Club must not:*
- (a) *lend money to a director of the Club; and*

- (b) unless otherwise permitted by the Registered Clubs Act and Regulations, the Club must not lend money to an employee of the Club unless the amount of the proposed loan is ten thousand dollars (\$10,000) or less and the proposed loan has first been approved by the Board.

Restrictions On The Employment Of Close Relatives Of Directors And Top Executives

- 32.9 A person who is a close relative of a director or top executive must not be employed by the Club unless their employment is approved by the Board.
- 32.10 If a person who is being considered for employment by the Club is a close relative of a director of the Club, the director must not take part in any decision relating to the person's employment.

Disclosures By Directors And Employees Of The Club

- 32.11 A director, top executive or employee of the Club must disclose any of the following matters to the Club to the extent that they relate to the director, top executive or employee:
- (a) any material personal interest that the director has in a matter relating to the affairs of the Club; and
- (b) any personal or financial interest of the director or top executive in a contract relating to the procurement of goods or services or any major capital works of the Club;
- (c) any financial interest of the director or top executive in a hotel situated within forty (40) kilometres of the Club's premises;
- (d) any gift (which includes money, hospitality and discounts) valued at one thousand dollars (\$1,000) or more, or any remuneration (including any fees for service) of an amount of one thousand dollars (\$1,000) or more, received by the director, top executive or employee from an affiliated body of the club or from a person or body that has entered into a contract with the Club.
- 32.12 The Club must keep a register in an approved form containing details of the disclosures made to the Club in accordance with Rule 32.11.

Provision of Information To Members

- 32.13 The Club must:
- (a) make the information required by the Registered Clubs Regulations available to the members of the club within four (4) months after the end of each reporting period to which the information relate; and
- (b) indicate, by displaying a notice on the Club's premises and on the Club's website (if any), how the members of the club can access the information.

33. **INTENTIONALLY DELETED."**

Notes to Members on First Special Resolution

1. The First Special Resolution proposes two (2) amendments to the Club's Constitution to bring the Constitution into line with the *Corporations Act, Registered Clubs Act and Registered Clubs Regulation*.
2. **Paragraph (a)** deletes a provision which is not required. This provision is no longer required because the Registered Clubs Act no longer prescribes a maximum number of members for registered clubs.
3. **Paragraph (b)** amends existing provisions relating to corporate governance and accountability to bring the Constitution into line with the recent and significant amendments to the corporate governance and accountability provisions of the *Registered Clubs Act and Registered Clubs Regulation*.

SECOND SPECIAL RESOLUTION

[The Second Special Resolution is to be read in conjunction with the notes to members set out below.]

That the Constitution of Shoalhaven Ex-Servicemen's Club Limited be amended by:

- (c) **deleting** Rule 27.1 (a) which provides:
- "Subject to Rule 27.1(b) and Rule 35, the Board shall consist of eight (8) directors who shall comprise:*
- (a) *a President (who shall be either a Life member (Service) or a Service member); and*

- (b) two (2) Vice Presidents (one of whom shall be a Life member (Service) or a Service member and one of whom shall be a Life member (Associate) or an Associate member with at least 5 years consecutive membership of the Club);
- (c) a Treasurer (who shall be a Life member (Service), a Life member (Associate) or a Service member or an Associate member with at least 5 years consecutive membership of the Club);
- (d) four (4) other ordinary directors (two of whom shall be Life members (Service) or Service members and 2 of whom shall be Life members (Associate) or Associate members with at least 5 years consecutive membership of the Club)."

and **replacing** it with the following new Rule 27.1 (a):

"Subject to Rule 27.1(b) and Rule 35, the Board shall consist of eight (8) directors who shall comprise a President, two (2) Vice Presidents, a Treasurer and four (4) other ordinary directors."

- (d) **deleting** the following words from Rule 10.9 (c), "except for the position of President" so that Rule 10.9 (c) will appear as follows "Subject to Rule 27.4, nominate for and be elected to hold office on the Board."
- (e) **deleting** the words and number "five (5) years" wherever they appear in Rules 10.9, 10.10, 10.11, 27.3(c) and 28.1(d) and replacing them with the words and number "twenty four (24) months".
- (f) **deleting** the words and number "five (5) consecutive years" from Rules 36.19(c) and 47.1 and replacing them with the words and number, "twenty four (24) consecutive months" so that Rules 36.19(c) and 47.1 will appear as follows:

"36.19 (c) Subject to the Registered Clubs Act and Gaming Machines Act;

(a) Life members,

(b) Service members, and

(c) Associate members who have more than twenty four (24) consecutive months membership at the Club,

are entitled to attend and vote at a general meeting (and an Annual General Meeting) of the Club.

47.1 This Constitution can only be amended by way of Special Resolution passed at a general meeting of the members of the Club. Life members, Service members, and in the case of Associate members only those Associate members who have more than twenty four (24) consecutive months membership at the Club, shall be the only members eligible to vote on any Special Resolution to amend this Constitution."

Notes to Members on Second Special Resolution

1. The purpose of the Second Special Resolution is to make an important change to the Club's Constitution
2. Under the current Constitution
 - Associate members are not eligible to be elected to the position of President and can only be elected to hold one of the 2 positions of Vice Presidents, and*
 - Only Associate members are with at least 5 years continuous membership are eligible to be elected to the Board and vote at General Meeting and on special resolutions to amend the Club's Constitution*
3. If members approve the Second Special Resolution Associate members with at least 24 months continuous membership shall be able to be elected to any position on the Board including the position of President and shall be able to vote at general meetings of the Club and vote on special resolutions.
4. The rights of Life members and Service members will not change.
5. The Board of the Club recently held a governance planning meeting with ClubsNSW. One issue that arose out of that meeting was the importance for clubs to look at removing or reducing any restrictions on members being eligible to be elected to the Boards of Clubs in order to increase the potential pool of Directors. The Club has been very well served under the current restrictions in the Constitution however the Board are strongly of the view that the Club needs to open up the eligibility for Board nomination to send a message of inclusiveness to the broader Associate membership of the Club. There are currently 6 Life members, 684 Service members and 11,216 Associate members of the Club
6. If members approve the Second Special resolution it will come into effect from the Annual General Meeting.

7. The Board is also of the view that the period of 5 years for an Associate member to wait until they can vote or nominate for the Board is too long and think it should be reduced to 24 months.
 8. The Board strongly recommends to members to vote in favour of the Second Special Resolution.
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Dated: 31st May 2019

By direction of the Board

A handwritten signature in black ink, appearing to read 'Bernie Brown', written over a horizontal line.

Bernie Brown
Chief Executive Officer



Shoalhaven Ex-Servicemen's Club

157 Junction St, Nowra NSW

4421 6855

www.exservos.com.au