

ANNUAL GENERAL MEETING

Sunday 13th October 2024 at 10.00am.

(Doors close at 10.30am)

AGENDA

Disclaimer: The AGM will be recorded. By attending the meeting, you are consenting to be recorded. All recordings are destroyed after the minutes have been accepted and approved.

- 1 Welcome to Members and call for apologies.
- 2 Acknowledgement of Country
- 3 The recitation of The Ode
- 4 To confirm the Minutes of the previous AGM held on 29th October 2023
- 5 To receive and consider the Chairman & CEO Reports.
- 6 To receive and consider the Directors Report and Declaration, Financial Statements and the Auditor's Report for the year ended **30th June 2024.**

Members, please note that only questions in respect to the Financial Statements that were submitted in writing no later than seven (7) days prior to this Annual General Meeting will be tabled and discussed.

- 7 To consider and, if thought fit, to pass all Ordinary Resolutions 1-4.
 - 8 To consider and, if thought fit, to pass Ordinary Resolutions 5 – To Consider and if thought fit, to pass ordinary resolution # 5 Core to Non-Core of Club Land
 - 9 General Business – Suggestions from the floor that may be considered by the board of Directors
 - 10 Declaration of the new Board of directors.
- Close of meeting.

The Board of Directors invite you to stay for a beverage at the conclusion of the meeting.

Annexure Ordinary Resolutions:

Ordinary Resolution 1

That pursuant to the Registered Clubs Act 1976 (NSW);

That pursuant to the *Registered Clubs Act 1976* (NSW):

- 1 The members hereby approve and agree to the reasonable expenditure by the Club until the next Annual General Meeting of the Club for the following activities:
 - (a) the reasonable cost of a meal and beverage for each Director immediately before or immediately after a Board or committee meeting on the day of that meeting when that meeting corresponds with a normal mealtime.
 - (b) reasonable expenses incurred by Directors in relation to:
 - (i) travelling to and from Directors' meetings or other duly constituted committee meetings as approved by the Board from time to time.
 - (ii) such other duties including entertainment of special guests to the Club and other promotional activities performed by Directors.
 - (iii) Directors attending functions and activities at the Club.
 - (iv) Directors and their partners attending functions on behalf of the Club, provided the expenses are approved by the Board before payment is made on production of invoices, receipts or other proper documentary evidence of such expenditure; and
 - (c) the provision of suitable corporate apparel to each Director for the use of Directors in representing the Club, and the cleaning expenses of such uniforms.
- 2 The members acknowledge that the benefits in paragraph 1 above are not available to members generally but only for those who are Directors of the Club and those persons who are directly involved in the above activities.

Ordinary Resolution 2

That pursuant to the *Registered Clubs Act 1976* (NSW):

- 1 The members hereby approve and agree to the reasonable expenditure by the Club for professional development and educational activities until the next Annual General Meeting of the Club, being:
 - (a) the reasonable cost of Directors and their partners attending the ClubsNSW Annual General Meeting.
 - (b) the reasonable cost of Directors and management employees approved by the Board attending seminars, lectures, trade displays, organised study tours, fact finding tours and other similar events as may be determined by the Board from time to time, provided that the attendances are approved by the Board as being necessary for the benefit of the Club; and

(c) the reasonable cost of Directors and their partners and management employees, where appropriate, attending other registered clubs, hospitality, and gaming venues for the purpose of viewing and assessing their facilities and methods of operation, provided such attendances are approved by the Board as being necessary for the benefit of the Club.

2 The members acknowledge that the benefits in paragraph 1 above are not available to members generally but only for those who are Directors and those persons who are directly involved in the above activities.

Ordinary Resolution 3

That the members approve the payment of the following honoraria to the Directors of the Club to the total aggregate sum of \$37,700.00 per annum to be paid monthly pro rata in arrears for every month a director holds office, in respect of services to the Club until the next Annual General Meeting, allocated as follows:

- 1 President - \$7,000.00
- 2 Vice-President - \$5,700.00 *and*
- 3 Each other Director - \$5,000.00

provided that if any Director serves in office for any period of less than a calendar month, then the payment for that month will be prorated on a daily basis.

Ordinary Resolution 4

That on and from the conclusion of this Annual General Meeting, Prosperity Advisers Audit Services Pty Limited | Accountants and Auditors be appointed as the Club's auditor.

Ordinary Resolution 5

To consider if thought fit, to pass Ordinary Resolution #5 Core to non-core of Club Land

PROCEDURAL MATTERS FOR ORDINARY RESOLUTION

1. To be passed, the Ordinary Resolution must receive votes in its favour from a simple majority (50% + 1) of those members who vote in person on the Ordinary Resolution at the meeting.
 2. All members of the Club (other than Junior members, Temporary members, Honorary members and Provisional members) can vote on the Ordinary Resolution.
 3. Under the Registered Clubs Act, members who are employees of the Club are not entitled to vote and proxy voting is prohibited.
 4. The Board recommends that members vote in favour of the Ordinary Resolution.
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ORDINARY RESOLUTION

[The Ordinary Resolution is to be read in conjunction with the Notes to Members set out below.]

That the members hereby declare the:

1. that (subject to paragraphs 2 and 3 of this Resolution) all the land owned by the Club at Victoria Road Ryde (**Club Land**) and shaded in red on the plan being Annexure A to this notice to not be core property, and be non-core property, of the Club for the purposes of section 41E of the *Registered Clubs Act*.
 2. the declaration in paragraph 1 and the disposal of parts of the Club Land is made only for the purposes of the development of the Club Land (**Proposed Development**):
 - (a) be as described in the Notes to this Ordinary Resolution.
 - (b) be also made on the basis that the Proposed Development will include the following essential components:
 - (i) The construction of new Club premises of at least 2,000 square metres to be licensed under the *Liquor Act* and including fit out and furnishing (**New Club Premises**) on a part of the Club Land to be retained by the Club.
 - (ii) 100 car parking spaces on part of the Club Land to be retained by the Club (Club Parking).
 - (iii) The construction and fit out costs for the premises and car park will be \$18,352,000 plus GST.
 - (iv) 27 new residential apartments and associated car park spaces to be owned by the Club on a part of the Club Land to be retained by the Club (Club Residential Units) comprising:
 - (1) 11 one-bedroom units of approximately 50-52 square metres each.
 - (2) 14 two-bedroom units consisting of 75-77 square metres each; and
 - (3) 2 three-bedroom units consisting of 95-97 square metres each.
 - (v) The developer providing to the Club a new courtesy bus to the value of at least \$90,000 inclusive of GST.
 - (vi) The developer making payments to the Club for a total of \$43,300,000 to be made up of:
 - (1) a payment of \$3,000,000 net of GST.
 - (2) any funds used as security for construction works to be paid at the time of construction commencement; and
 - (3) the balance paid when unencumbered title is provided to the Club.
 - (vii) \$100,000 plus GST to be spent to upgrade the Memorial Place.
 3. the New Club Premises referred to in paragraph 2(b)(i) of this Resolution and the Club Parking referred to in paragraph 2(c) of this Resolution in each case when constructed as part of the Proposed Development of the Club Land are hereby declared to be core property of the Club for the purposes of section 41E of the *Registered Clubs Act*.
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NOTES TO MEMBERS ON THE ORDINARY RESOLUTION

Registered Clubs Act

1. The *Registered Clubs Act* provides that all land owned and occupied by a registered club is classified as either core property or non-core property.
2. Core property is any real property (land) owned or occupied by the Club that comprises:
 - (a) the licensed premises of the Club.
 - (b) any facility by the Club for its members and their guests such as a car park; and
 - (c) any other property declared by a resolution passed by members at a general meeting to be core property of the Club.
3. Non-core property is any land owned or occupied by the Club that is not core property.
4. The difference between core property and non-core property is that core property can be sold or disposed of or otherwise dealt with by the Club only with the approval of the members in general meeting and then only by open tender or public auction after an independent valuation by a registered valuer (there are limited exceptions to this requirement in the Regulations under the *Registered Clubs Act*).
5. On the other hand, non-core property can be disposed of by the Club pursuant to a resolution of the Board without the necessity of it obtaining the approval of the members in general meeting or a valuation and by any means determined by the Board.
6. The *Registered Clubs Act* also allows core property to become non-core property by means of a declaration by members passed at a general meeting.
7. The whole of the Club Land at Ryde is currently core property. However, if the resolution above is passed, the Club Land will become non-core property to enable the Proposed Development of the Club Land to proceed but with certain parts of the Club Land (being the parts which are not Developer Land) reverting back to being core property when the Proposed Development is complete. That development is described in more detail below.

Background to Proposed Development

8. The Club has been considering and planning the future strategic direction of the Club for over a decade.
9. In 2022, the Club had had negotiations and member feedback sessions in relation to the possible development of the Club land. That proposal did not proceed.
10. Following this, the Club engaged in further negotiations and discussions with possible development partners.
11. The Club is now in a position where it seeks to have members declare all the Club land to be non-core property, so that the Club can dispose of it and the development can take place, while retaining an area for the Club licensed premises and car parking spaces for the Club.

Summary of Term Sheet and Proposed Development

12. The Club has signed a term sheet with SH Group. Copies of the Term Sheet are available for inspection in the Club between the times of 2pm-4pm each weekday until the meeting on request to the Chief Executive Officer who will be available to answer questions. The Term Sheet is a commercially sensitive document which is why copies will not be distributed nor will they be given to members to take away from the Club.
13. The Term Sheet identifies the principal features of the Proposed Development and provides the basis for the Club and SH Group to negotiate and if possible, agree on the terms of a detailed set of transaction documents which formulate the way the development will be undertaken (**Development Agreement**). The Development Agreement will be between various parties including the Club and a nominee (or nominees) of SH Group (together, the **Developer**). All parties who make up the Developer will guarantee their joint and several obligations to the Club.

14. The Development Agreement is in the course of being prepared but will not be signed unless the members pass a resolution declaring the land to be used for the Proposed Development as non-core property for the purposes of the *Registered Clubs Act* in the terms of the Ordinary Resolution above. This is because the Development Agreement will commit the Club to the Development, and the Development requires the Developer Land to be disposed of.
15. The following is a summary of the Term Sheet and Proposed Development:
- (a) The parties have signed a non-binding Term Sheet to set out the current broad terms of agreement. This is subject to the members passing the resolution to declare the property to be non-core property and negotiating entering into the Development Agreement. The Developer will be responsible for the Proposed Development on the Club Land.
 - (b) If the Ordinary Resolution is passed, the Club will grant to SH Group an exclusivity period of three months. During this period, the parties would work to drafting, finalising and signing the Development Agreement and working together to form the Club "brief" setting out the Club's requirements for the new premises, which will form part of the proposed Development Agreement.
 - (c) During the exclusivity period, and subject to SH Group complying with its obligations, the Club will allow SH Group reasonable access to the property and respond to requests.
 - (d) During the exclusivity period the Club will not negotiate any arrangements in relation to the land with any other persons.
 - (e) During this period, all costs and expenses of the SH Group will be borne by it without any expectation of the proposal proceeding or the Development Agreement being agreed to and signed.
 - (f) If members pass the resolution, and the final Development Agreement can meet the requirements of the Term Sheet and Club brief, and the other matters, including staging and timing of the project are agreed to by the parties, the Club will progress the Term Sheet into a binding Development Agreement to be signed by the parties.
 - (g) As part of the consideration for the development, the Club will receive the apartments as stated in the Ordinary Resolution.
 - (h) The Proposed Development will involve the construction of several buildings to be used for residential development.
 - (i) The Proposed Development must include the New Club Premises, Club Residential Units and Club Parking.
 - (j) The New Club Premises and Club Residential Units will be contained in the one building which will be constructed over a common/shared basement carparking.
 - (k) As part of the Proposed Development:
 - (i) the Club will retain ownership of the land of the New Club Premises, the Club Parking, and the Club Residential Units.
 - (ii) the Developer Land will be transferred to the Developer and the Developer will build other residential units on this Land.
 - (l) The parties will need to discuss and reach agreement in the Development Agreement whether the project will be undertaken in stages. Part of those agreements and discussions will involve determining the need to undertake a staged development and the costs associated with this.
 - (m) If the project is undertaken in multiple stages, the Club can reconfigure its current licensed premises, at its own costs, to allow for continued trading. However, that would most likely be in a reduced capacity. This would allow the Club to continue trading at the site during construction.

- (n) If this were to happen, part of the new Club premises, but not all of it, would be constructed during the first stage. After that, the Club could then trade from that part of the new premises which have just been constructed, to allow the current premises to be demolished and subject to the development.
- (o) The total costs of construction for the New Club Premises are anticipated to be at least \$18,352,000. All these costs will be paid for by the Developer.
- (p) The fit out and design of the New Club Premises is to be set out in a Club Brief document to be agreed to by the parties, and another registered club will be selected as a "reference building" to be the basis for the design and layout.
- (q) The Club may be reimbursed some of the amount in (j) if market construction costs and revenue conditions as they apply to the project are better than those currently assumed according to a formula.
- (r) If more than 100 car park spaces are required for the Club as part of the development consent, the Club must pay to SH Group for each additional car park space, up to 14 additional spaces at a rate determined by agreement or an independent assessment. If more than 120 car park spaces are required, the Developer will be able to challenge this requirement, and all sunset dates in the construction timetable will be extended to allow for this.
- (s) Before execution of any Development Agreement, the parties will discuss and seek agreement on what should happen if the consent requires more than 114 car parking spaces for the Club project.
- (t) The Developer will provide to the Club and new courtesy bus valued at \$90,000 on taking possession of stage one land.
- (u) The Developer will pay to the Club \$3,000,000 cash net of GST. As and when required to fund the planning proposal with the balance payable on commencement of construction. Subject to the Club's compliance with the terms of the Development Agreement, that money will remain the Club's regardless of the outcomes of approval processes set out in the Development Agreement by a quantity surveyor.
- (v) The Club will need to offer the Club Land as security for finance for the Development, by way of a mortgage and other securities. However, the financing allowed will include various safeguards which will include a requirement that finance be provided through a mainstream bank, within a loan to value ratios and parameters which are customary in the market and a requirement that, when the Club premises is complete and the Club moves into the New Club Premises, the Club will be the owner of all parts of the New Club Premises and club apartments free from any mortgage or encumbrance.
- (w) Whilst the Club will declare a trust in favour of a party making up part of Developer when the Development Agreement is entered into, the Developer will not be entitled to become the registered owner of the Developer Land until:
 - (i) with respect to the stage 1 portion of the Developer Land, the New Club Premises and Stage 1 Apartments is provided to the Club; and
 - (ii) with respect to the stage 2 portion of the Developer Land, the balance of the Club Parking is provided.
- (x) The Developer is responsible for:
 - (i) applying for development consent for the project, including the New Club Premises.
 - (ii) construction and delivery of the project.
 - (iii) obtaining finance for the project.
 - (iv) obtaining insurance for the project.
 - (v) the development costs, apart from land tax, council rates and any other outgoings of the Club until the Stage 1 works commence.
 - (vi) from when the Developer takes possession of the property to allow for the project to be undertaken, fund land tax, council rates and water rates.

- (vii) coordinate the sale of residential apartments.
 - (viii) retain at the conclusion of the project several apartments for at least three (3) years after practical completion.
 - (y) The Club is responsible for costs of development consent, any costs associated with reconfiguring of the Club's current premises, and any costs associated with undertaking the project in stages.
 - (z) A Project Control group will be established, with representatives from both the Club and the Developer.
 - (aa) The Developer will enter a contract with a builder, but the builder has to be reasonably acceptable to the Club.
16. Currently, the general time frame for the project is anticipated to be as follows:
- (a) preparation, lodgement and approval of a planning proposal – 2 years.
 - (b) preparation and lodgement of the development application after the planning proposal – 1 year.
 - (c) development application approval after lodgement – 1 year.
 - (d) possible time for any reapplications, reviews or appeals – 12-18 months after each decision.
 - (e) time from development application approval to start work, to allow time for a construction certificate, finance to be obtained, pre-sales and site establishment – 3 years.
17. At this stage, it is not possible to determine when the project would finish due to the scale and size of its operation.

Reason for and Effect of the Ordinary Resolution

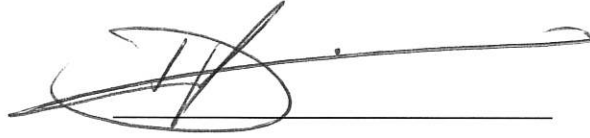
18. The precise location of the various buildings and facilities to be constructed on the Club Land has not yet been determined. It is proposed that the New Club Premises will be constructed in the area marked on the plan attached to this Notice. However, the precise boundaries are at present not known.
19. Also, the Club Residential Units to be owned by the Club will remain non-core property and may be sold by way of private treaty and not by way of open tender or public auction as would be required under section 41E of the *Registered Clubs Act*.
20. For these reasons, it is necessary to declare the whole of the Club Land as non-core property.
21. However, although the Ordinary Resolution declares all of the Club Land as being non-core property, this is for the purpose of the Proposed Development only.
22. Further, paragraph 3 of the Ordinary Resolution provides that the New Club Premises and the Club Parking (but not the Club Residential Units) when constructed will revert to being core property.

Further Information

23. The Club will be holding information sessions for members at the following times:
- Thursday 3rd October 6pm-7pm
 - Sunday 6th October 1pm-2pm
 - Thursday 10th October 6pm-7pm
24. Members are invited to contact the Club if they have questions or require any further information on any of the matters set out in the Notice.
25. If you require any further information or wish to inspect a copy of the Heads of Agreement, please contact the Chief Executive Officer.

Dated: 18th September 2024

by direction of the Board

A handwritten signature in black ink, consisting of a large, stylized 'D' followed by several vertical strokes and a long horizontal line extending to the right.

Dennis Skinner

CEO

