

RYDE EX-SERVICES MEMORIAL & COMMUNITY CLUB LIMITED
ACN 001 057 585

NOTICE is hereby given of a General Meeting of **RYDE EX-SERVICES MEMORIAL & COMMUNITY CLUB LIMITED** will be held in the Clubhouse 724 Victoria Road Ryde, New South Wales on **30 July 2023** commencing at **10am**.

BUSINESS

1. To consider and if thought fit pass the Special Resolution contained in this Notice to adopt a new Constitution.

SPECIAL RESOLUTION:

That the Constitution of Ryde Ex-Services Memorial & Community Club Limited (the Club) in the form presented to the meeting (and having previously been made available to members) be adopted as the Constitution of the Club in substitution for and to the exclusion of the existing Articles and Memorandum of Association.

NOTES TO MEMBERS ON SPECIAL RESOLUTION

1. The Special Resolution proposes for members to approve the adoption of new Constitution of the Club.
2. Following discussions with the Club's Solicitors, the Board was advised that the Club's Articles and Memorandum of Association should be regularly reviewed and updated to ensure compliance with best practice and relevant legislation.
3. As opposed to making a number of piecemeal amendments to the Club's Articles and Memorandum of Association, the Club engaged its solicitors to prepare a new constitution which reflected best practice and the relevant legal requirements.
4. Copies of the current and proposed Constitution are available on the Club's website and on request via the office. An Explanatory Memorandum is also on the website, available from the office and is attached to this Notice.
5. The Explanatory Memorandum outlines principal features of the proposed new Constitution and its significant variations from the existing Memorandum and Articles. This Explanatory Memorandum is also intended to assist members with understanding the proposed new Constitution and why it is appropriate to adopt it.
6. To be passed, a Special Resolution must receive votes in favour from three quarters (75%) of those members who, being eligible to do so, vote in favour of the Special Resolution at the meeting.

Dated: 30 June 2023

By direction of the Board

Dennis Skinner
Chief Executive Officer

EXPLANATORY MEMORANDUM FOR PROPOSED NEW CONSTITUTION

At the General Meeting of the Club to be held on 30 July 2023, members will be asked to consider and if thought fit pass a Special Resolution to adopt a new Constitution for the Club to replace the existing Memorandum and Articles of Association.

This Explanatory Memorandum is intended to assist members with understanding the proposed new Constitution and why it is appropriate to adopt it.

Copies of the proposed new Constitution and the existing Memorandum and Articles of Association are displayed on the Club's noticeboard and website and they are also available on request from the Club.

A summary of the proposed new Constitution and its principal features is set out below.

Significant changes from the existing Memorandum and Articles are set out in bold. However, the new Constitution also updates references to legislation and makes other drafting changes. These types of changes are not set out in bold.

NAME

1. Rule 1 states that the name of the Club is Ryde Ex-Services Memorial & Community Club Limited.

PRELIMINARY COMPANY MATTERS AND INTERPRETATIONS

2. Rule 2 sets out preliminary and introductory rules relating to the Club's status and the nature of the Constitution such as stating that the Club is a company limited by guarantee and a non-proprietary company, it is established for the purposes set out in the Constitution, that the replaceable rules referred to in the Corporations Act are displaced or modified as provided in the Constitution and that every member is bound by and must comply with the Constitution and By-laws of the Club and any other determination, resolution or policy which may be made or passed by the Board.

DEFINITIONS

3. Rule 3 sets out definitions and terms used in the proposed new Constitution.

OBJECTS

4. Rule 4 sets out the objects for which the Club was established and they remain unchanged.

LIABILITIES AND GUARANTEE

5. Rule 5.1 provides that the liability of members is limited.
6. Rule 6.1 provides that each member of the Club undertakes to contribute an amount not exceeding five dollars (\$5.00) if the Club is wound up and the assets of the Club are insufficient to discharge the liabilities. This undertaking continues for a period of 12 months after the person ceases to be a member. This reflects the current Memorandum.

WINDING UP AND MEMBER'S LIABILITY

7. Rules 7.1 and 7.2 provide that on the winding up of the Club, if any assets remain (after the satisfaction of all debts and liabilities), those assets shall not be distributed among the members but shall be given or transferred to another institution that is carried on predominantly for the encouragement of a game or sport and has objects similar to that of the Club and which has a prohibition on distribution of its assets to members to the same extent as the Club. This reflects the current Memorandum.

PROPERTY AND INCOME

8. Rule 8.1 provides that the property and income of the Club must be applied solely towards the promotion of the objects of the Club.
9. Rules 8.2 and 8.3 set out specific requirements of the Registered Clubs Act in relation to benefits available to members.

10. Rules 8.4 to 8.6 deal with payments to directors and employees and reflect the Registered Clubs Act.

LIQUOR & GAMING

11. Rules 8 and 9 set out a number of provisions relating to liquor and gaming compliance which are consistent with the Gaming Machines Act, Liquor Act and Registered Clubs Act.
12. **Rule 9 contains new provisions which refer to the Club's responsible service of alcohol policy and responsible conduct of gambling policy and provide that the Club can take action to enforce those polices, including removing persons from the premises, and denying them access to the premises. This reflects a proactive approach to harm minimisation.**

MEMBERSHIP

13. Rule 10.1 states that no person under the age of eighteen (18) years is to be admitted as a member of the Club.
14. Rule 10.2 states the categories of Full membership of the Club are Social members, **Precinct** members and Life members. **This represents a significant change from the current membership of the Club which has RSL members, and Social members, and Life members.**
15. Rule 10.3 provides that persons who are not Full members may be admitted to the Club as Provisional members, Honorary members and Temporary members.
16. Rule 10.4 provides that the number of Full members having the right to vote in the election of the Board shall not be less than the minimum number required by the Registered Clubs Act.
17. Rule 10.5 provides that the rights of a class of membership may be varied or cancelled by way of eligible members passing a special resolution in accordance with Rule 51 of the Constitution and without the need for a separate resolution to be passed by members of that class of membership.
18. Rules 10.6 to 10.15 set out the qualifications and rights of the classes of Ordinary membership.
19. The qualification for RSL membership in the current Articles is to be a member of the local Ryde Sub-branch of the RSL. However, that body no longer exists.
20. Accordingly, it is not necessary to have a separate category of membership for that body so the proposed new Constitution provides for one category of Ordinary membership for all current members being Social membership.
21. **Members would also be aware that the Board has for some time been considering a development on the Club's property which would involve the construction and then sale of residential units. The Board is proposing a new category of membership for persons who have an interest in any of those properties to join the Club in the future. They will be Precinct members.**
22. Precinct members will have the right to attend the Club and use the facilities, but not vote for the election of the Board, stand for office or attend and vote at general meetings, apart from those matters, such as club amalgamations, where the Registered Clubs Act provides that all Ordinary members are entitled to vote. The Board is proposing this change to protect the long-term interests of the Club so that new members who have a property interest do not have the ability to vote in elections or at general meetings.
23. Currently, members have to be members for at least one year before they can nominate for election to the Board and then two years before they can stand for election to the Board. **The proposed new Constitution includes a new rule that all future members will need to be members of the Club for at least three years before they are eligible to vote in elections of the Board, be elected to appointed as a director, or attend and vote at general meetings,** again apart from those situations where the Registered Clubs Act gives these members a right that cannot be amended by the Constitution.
24. Rules 10.6 to 10.23 inclusive set out the eligibility requirements and membership rights of the various categories of Full membership.
25. Rule 11 contains rules for the transfer between different classes of membership.

HONORARY, TEMPORARY AND PROVISIONAL MEMBERS

26. Rules 12, 13 and 14 deal with Honorary, Temporary and Provisional membership respectively. All these rules are consistent with the requirements of the Registered Clubs Act for those categories of membership.

ELECTION OF MEMBERS

27. Rule 15 sets out the procedure to be followed in respect of applying for and being admitted to membership of the Club. The Rules have been updated to allow for electronic applications for membership.

JOINING FEES, SUBSCRIPTIONS AND LEVIES

28. Rule 16 deals with joining fees, subscriptions and levies in a manner which is consistent with the Registered Clubs Act and the existing practice of the Club. The Registered Clubs Act no longer contains a minimum subscription.

NON-FINANCIAL MEMBERS

29. Rule 17 clarifies that non-financial members or members who do not renew their membership by the renewal date cease to be entitled to all of the rights and privileges of membership whilst they are an unfinancial member of the Club.

REGISTERS OF MEMBERS AND GUESTS

30. Rule 18 sets out the various members and guests registers that the Club must maintain under the Registered Clubs Act.

NOTIFICATION OF CHANGE OF CONTACT DETAILS

31. Rule 19 requires members to advise the Club of any change in their contact details within seven (7) days.

DISCIPLINARY PROCEEDINGS

32. Rule 20 deals with powers of the Board to discipline members. **The provisions generally reflect the existing Articles of Association but have been updated to clarify that:**

- (a) members can call witnesses, but that the Club cannot force any person to attend as a witness;
- (b) the Board can adjourn the meeting at any time; and
- (c) if the Board has adjourned the meeting before determining the question of penalty, the Board can decide whether further submissions in relation to penalty are to be given verbally or in writing.

33. **The new Constitution also contains new Rules to provide that a member can be suspended by the Secretary or the Board pending a hearing of a charge - the Articles refer to a suspension of only two (2) months pending the hearing which can only be imposed by the Board.**

34. Rule 21 allows the Board to delegate its disciplinary powers to a disciplinary committee comprising three (3) directors.

35. Rule 22 clarifies that a suspended member is not entitled to the rights and privileges of membership during their period of suspension.

36. Rule 23 deals with the power given to the Secretary and employees of the Club under the Liquor Act to remove persons from the Club's premises and to prevent them from returning to the Club. **The current Articles provide that a person removed or refused access under these provisions can only be refused access to the premises for up to two (2) months. This rule has not been retained in the proposed new Constitution and the powers in the proposed new Constitution are no wider than those given under the Liquor Act.**

37. Rule 24 deals with the procedure for a member to resign from the Club.

GUESTS

38. Rule 25 deals with guests of members and it reflects the provisions of the Registered Clubs Act.

PATRONS

39. Rule 26 states that the Club can appoint a Patron at a general meeting of the Club.

BOARD OF DIRECTORS

40. Rule 27.1 provides that the Board will consist of seven (7) directors comprising a Chairperson, Deputy Chairperson and five (5) Ordinary directors. This remains unchanged.

41. Rule 27.2 refers to the two directors who can be appointed by the Board under special provisions of the *Registered Clubs Act* and *Regulations*. Rule 27.2 reflects those laws. Any director so appointed will be in addition to the seven (7) elected positions.

42. **Rule 27.3 proposes a change to the method of election and term of office for directors**

43. **Currently the Board is elected biennially – ie the whole Board is elected every two years for a two year term. If the new Constitution is adopted, the Board will be elected triennially, where approximately a third of the Board are elected each year for three year terms.** The following provides a summary of the triennial rule, how it works and how it is introduced.

- (a) All 7 positions on the Board will be declared elected at the next AGM in 2023.
- (b) The directors will then be divided into three groups, called group 1, group 2 and group 3.
- (c) Each group must be as nearly as practicable equal in number – therefore, as the Board consists of seven (7) directors there will be one (1) group of three (3) directors and two (2) groups of two (2) directors.
- (d) The groups are determined by lot, eg drawing names from a hat.
- (e) The triennial rule is “phased in.” That is:
 - (i) the directors in group 1 after the 2023 AGM will hold office for one year. At the Annual General Meeting to be held in 2024, the directors in group 1 retire (but shall be eligible for re-election). The directors elected to office to the group 1 positions at the 2024 meeting will hold office for three years.
 - (ii) the directors in group 2 after the 2023 AGM will hold office for 2 years. At the Annual General Meeting to be held in 2025, the directors in group 2 retire (but shall be eligible for re-election). The directors elected to office to the group 2 positions at the 2025 meeting will hold office for three years.
 - (iii) the directors in group 3 after the 2023 AGM will hold office for three years. At the Annual General Meeting to be held in 2026, the directors in group 3 retire (but shall be eligible for re-election). The directors elected to office to the group 3 positions at the 2025 meeting will hold office for three years.
- (f) If a casual vacancy occurs on the Board, the Board may appoint a person to fill the casual vacancy. If the Board appoint a member to fill the casual vacancy, that member holds office until the next Annual General Meeting and an election is conducted in respect of the residue of the term.

44. The Board is recommending the triennial rule to allow for:

- (a) greater stability on the Board;
- (b) greater continuity on the Board;
- (c) greater ability to prepare and implement strategic plans;
- (d) greater opportunity to pass on valuable knowledge between the directors (which is becoming increasingly more important as the laws relating to registered clubs become far more complex); and
- (e) the opportunity for an election for one third of the Board to be held each year.

45. Rule 27.4 provides that Life members and Social members who satisfy the minimum membership period referred to above can be nominated for and be elected to the Board.

46. Rule 27.6 sets out certain circumstances in which members are ineligible to stand for or be elected or appointed to the Board, including if the member is an employee of the Club, currently suspended from the Club or not a financial member of the Club.
47. **Additional reasons which would prohibit a member from being a director are included in the proposed new Constitution. These include if a member has been found guilty of an indictable offence, was a former employee for the first three (3) years after the employment ended, is, or immediately before the proposed appointment was, a contractor to the Club, or has been found guilty of a disciplinary charge and suspended, or is a director of another registered club.**
48. Rule 27.7 provides that any person who is elected or appointed to the Board must complete mandatory training requirements for directors as prescribed by the Regulations made under the Registered Clubs Act (unless exempted).

ELECTION OF BOARD

49. Rule 28 deals with the election of the Board. **The rules in relation to the election of the Board have been updated to provide for greater certainty in the timetable for elections so members know when voting will take place. The Rules also provide that if there are any positions unfilled at the close of nominations, those vacancies will be casual vacancies to be filled by the Board after the Annual General Meeting.**

POWERS OF THE BOARD

50. Rule 29 deals with the Board's powers which remain unchanged but are set out in greater detail.

PROCEEDINGS OF THE BOARD

51. Rule 30 deals with proceedings of the Board. The provisions reflect the existing Constitution and the requirements of the Corporations Act including amendments made to allow for virtual meetings.

MATERIAL PERSONAL INTERESTS OF DIRECTORS AND REGISTERED CLUBS ACCOUNTABILITY CODE

52. Rules 31 and 32 deal with the Club's accountability and corporate governance requirements under the Corporations Act and Registered Clubs Act.

REMOVAL FROM OFFICE OF DIRECTORS

53. Rule 33 provides that the members in general meeting may by ordinary resolution remove any director, or the whole Board, before the expiration of their period of office and appoint another person or persons in their place. This is consistent with the Corporations Act and the existing Constitution.

VACANCIES ON THE BOARD

54. Rule 34.1 clarifies how a casual vacancy on the Board arises.
55. Rule 34.2 states that the Board has the power to fill a casual vacancy. In accordance with the triennial rule, any person appointed to fill a casual vacancy will hold office only until the next Annual General Meeting.

GENERAL MEETINGS

56. Rule 35 deals with various matters regarding general meetings (and Annual General Meetings of the Club) and they reflect the Corporations Act. These Rules have been updated from the Club's current Articles to take into account changes made to the Corporations Act over recent years as part of that law's amendments and adoptions to the Covid-19 pandemic.

MEMBERS' RESOLUTIONS AND STATEMENTS

57. Rule 36 deals with members resolutions and statements and reflect, the existing Constitution and the requirements of the Corporations Act.

MINUTES

58. Rule 37 provides that minutes of all resolutions and proceedings at general meetings must be entered in a minute book within one month of the meeting and signed by the chairperson of that meeting or the chairperson of the next succeeding meeting.

FINANCIAL RECORDS, FINANCIAL ACCOUNTS AND REPORTING TO MEMBERS

59. Rule 38 deals with the financial records, financial accounts and reporting to members and it is consistent with the Corporations Act and Registered Clubs Act.

FINANCIAL YEAR

60. Rule 39 provides that the financial year of the Club shall commence on the first day of July in each year and will end on the last day of June in the following year. This remains unchanged.

AUDITOR

61. Rule 40 requires the Club to appoint an auditor. The auditor holds office until removed by the members in general meeting or resigns from office or dies. This is a requirement of the Corporations Act.

SECRETARY

62. Rule 41 requires the Board to appoint one (and only one) Secretary who will be the Secretary Manager of the Club for the purposes of the Registered Clubs Act.

EXECUTION OF DOCUMENTS

63. Rule 42 deals with execution of documents by the Club and it is consistent with the Corporations Act.

NOTICES

64. Rule 43 deals with the requirements of giving notice to members and it reflects the requirements of the Corporations Act. However, the provisions have been updated to allow for electronic notification, eg by email and text messages.

INDEMNIFICATION OF OFFICERS

65. Rule 44 deals with the insurance and indemnification of the officers and auditors of the Club in accordance with the Corporations Act.

INTERPRETATION

66. Rule 45 provides a decision of the Board on the construction or interpretation of the Constitution or any Rule, or any policy of the Club made pursuant to this Constitution, shall be conclusive and binding on all members of the Club

AMENDMENTS TO CONSTITUTION

67. Rule 46 provides that the Constitution can only be amended by way of Special Resolution passed at a general meeting of members.

ODE

68. Rule 47 provides that the Ode to The Fallen must be played at the Club at 6pm each day that the Club is open to trade.

It is hoped that this summary will provide members with sufficient background and information to enable them to make an informed decision in relation to the proposed special resolution to adopt the new Constitution. However, there may be matters about which members may have questions not covered by this Memorandum. In these circumstances, they are invited to raise their questions with the CEO.

The Board of the Club considers the proposed new Constitution as being a significant improvement on the existing Memorandum and Articles and recommend that members vote in favour of the Special Resolution. To be passed the Special Resolution will need votes from not less than three-quarters (75%) of those members who being eligible to do so vote in person at the meeting.