

Notice of the 77th Annual General Meeting.

Notice is hereby given that the 77th Annual General Meeting of Dee Why RSL Club Limited ABN: 14 002 318 836, will be held at the premises of the Club, 932 Pittwater Road Dee Why at 11:00am on Sunday 23 January 2022.

Agenda

- (i) To confirm the minutes of the 76th Annual General Meeting held on Sunday 15 November 2020.
- (ii) To receive and consider the reports of the Board of Directors.
- (iii) To receive and consider the Financial Statements and the report from the auditor for the year ended 30 June 2021. Any questions in respect to the Financial Statements should be submitted in writing fourteen (14) days prior to the meeting.
- (iv) To re-elect the auditors Ernst & Young for the ensuing year.
- (v) To consider, and if thought fit, approve the following Ordinary Resolutions:

Ordinary Resolution 1

To approve for the forthcoming year the expense allowances for the President not exceeding \$12,000, the Vice President not exceeding \$10,000, the Treasurer not exceeding \$10,000 and for each Director not exceeding \$10,000. These allowances provided for the promotion of the Club are to be expended on goods and services provided by the Club and not by way of cash remuneration. Where applicable, Fringe Benefits Tax will be paid by the Club on these amounts.

Ordinary Resolution 2

To approve the provision of a suitable corporate wardrobe to each Director which is required to be worn when representing the Club at official activities.

Ordinary Resolution 3

To approve the provision to each Director of business equipment and miscellaneous stationery items as required in order to facilitate the conduct of Club business.

Ordinary Resolution 4

The Club shall be entitled to budget, allocate and disburse such sums as may be considered reasonable expenditure for, to or on behalf of Directors for the following expenditure on presentation of documentary evidence:

For professional development, including but not limited to, industry related meetings, organised study tours, seminars, trade displays, etc as may be determined by the Board.

For the provision of reasonable meals, including but not limited to, attendance at Board meetings, Committee meetings, annual dinner and on official Club business as may be determined by the Board.

- (vi) Any other business that the meeting may approve, of which due written notice has been given being at least fourteen (14) days prior to the meeting.

Special Resolution

That the Constitution of Dee Why RSL Club Limited ACN 002 318 836 (Club) be repealed, and, the Constitution in the form presented to this Annual General Meeting and signed by the Chairperson of the meeting for the purpose of identification be adopted as the Club's new Constitution.

About the Special Resolution

1. The resolution to adopt a new Constitution will be put to members for consideration as a Special Resolution in accordance with the Corporations Act 2001 (Cth) (Corporations Act).
2. If the Special Resolution is passed, then the Club's current Constitution will be entirely replaced by the new Constitution.
3. A copy of the existing and proposed new Constitution, which will be presented to the members at the AGM, is available for members from the office of the Chief Executive Officer on request. Members may collect a copy during the Club's normal office hours, or request a copy by post or email.
4. The main purpose of the new Constitution is to update the Club's rules to reflect current law and best practice applicable to registered clubs and the Club's operations, and to assist with streamlining the Club's operations.
5. The primary reason for proposing the changes as one new Constitution is to address the many different changes, both substantive and less substantive (such as formatting, typographical errors and more minor corrections) which would otherwise require an extensive number of special resolutions to be considered and passed at this AGM, instead of just one special resolution. The Club has not undertaken a substantial update of its Constitution for some years and therefore the Board determined it was more appropriate to undertake a replacement of it.

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6. The Board encourages members to read the proposed new Constitution carefully and attend the AGM to vote on this important resolution for our Club.

Summary of important matters in new Constitution

7. Not all changes to the Constitution are set out in this notice including those which are of a more administrative nature. However, some significant matters for consideration by members in relation to the new Constitution include those matters set out below. Notwithstanding this summary, the Board encourages members to read through both the existing and proposed Constitution carefully to familiarise themselves with all proposed changes.

Administrative changes

8. The amendments include some updates with reference to current legislation and more modern language to make the Constitution more suitable for members. For example:

- (a) Gender-neutral language has been adopted as all classes of membership are open to all genders.
- (b) Some existing rules have been re-ordered and moved into a different part of the Constitution to read better with improved flow.

Objects

9. There are no substantive changes to the Club's objects which are set out in rule 2.2 of the new Constitution.

Income and property of the Club

10. The income and property rules (see rule 2.3 in the new Constitution) have remained substantially similar, but have been re-worded in a manner that is more succinct and easier to understand. The Constitution continues to recognise the same circumstances where payments may be made to members including for remuneration to employees, and honoraria to directors or other committee members in accordance with the Registered Clubs Act 1976 (NSW) (**Registered Clubs Act**).

Limited liability

11. There is no change to the maximum members' guarantee amount of \$5 (which would only be payable if the Club is ever wound up). Members are referred to rule 2.3(d) of the new Constitution.
12. Rule 2.1(e) of the new Constitution continues to provide that in the event that the Club is wound up, the Club shall give or transfer any remaining property (after satisfaction of all outstanding debts and liabilities) after the winding up to the Dee Why Sub-Branch of R.S.L. NSW (**Sub-Branch**).

13. However, there may be a situation where that cannot be effected, such as if for any reason the Sub-Branch has been disbanded etc. Therefore, rule 2.3(f) of the new Constitution provides for what must occur in that situation – specifically that:

- (a) if any such remaining property cannot be transferred to the Sub-Branch, it must be given or transferred to an institution or charitable object nominated by the members that restricts the distribution of its income to its members to the same extent as the Club restricts the distribution of income to its own members;

or

- (b) if the Club's members do not make any such nomination, the relevant institution or charitable object will be determined by a court.

Membership classes

14. The wording around the classes of membership has been clarified. The Constitution clarifies that the Ordinary membership category only has 2 classes: RSL and Social membership.
15. Life members consist of a separate category of membership. There is no change to the relief given to Life members from paying annual subscriptions.
16. The Emeritus membership class has been removed including all references in the Constitution to Emeritus members. The Club introduced the concept of Emeritus membership a few years ago as a type of Life membership. However, there are no current Emeritus members and technically the Registered Clubs Act does not recognise different classes of Life membership. The Board also feels that persons who in future could be recognised as Emeritus members would be appropriately recognised through Life membership.

Election of members

17. The process of electing Ordinary members is substantially the same, with some minor wording changes set out in rule 8 of the new Constitution.
18. A person who has lodged that membership application and pays the relevant subscription will still be eligible to become a Provisional member, as set out in rule 7.3 of the new Constitution.
19. A Life member will still be elected under the same process of a person being nominated for the Board's approval, which will then be referred to the next General Meeting (provided that there are no more than 3 Life members in elected in

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a year) and need approval from at least 75% of the voting members.

20. All current members of the Club will retain their same class of membership under the new Constitution.

Cessation of membership

21. Proposed new Rule 10.1 contains clearer circumstances around when a person's membership will cease, namely upon: resignation, returning their membership card, death, failure to pay subscriptions or other money owed, or being expelled from membership as a result of any disciplinary proceeding. Proposed new Rule 10.2 confirms that once a person ceases to be a member, they forfeit their rights as at that date but remain liable to the Club for unpaid money.

Disciplining of members

22. Rule 11 of the new Constitution regarding member disciplinary proceedings remains substantially similar, but with some amendments to the wording including an update to the circumstances in which the Board can issue a notice of charge.

23. Proposed new Rule 11.2 now requires the Club to give any member to whom it wants to issue a notice of charge at least 21 days (rather than 14 days) before the relevant disciplinary meeting. The rule also clarifies that if a member attends the meeting, the Board will reach a determination on guilt and give the member a separate opportunity to address the Board on penalty before making that decision.

24. The new Constitution does not carry across rule 12C from the existing Constitution which sets out specific circumstances in which a member has engaged in conduct unbecoming of a member. This avoids any risk of pre-judgment or mandatory outcomes for members, and embeds an appropriate level of flexibility. For example, if a person 'swears' in the Club, existing rule 12C would deem that person to have engaged in conduct unbecoming of a member.

25. Rule 12.1 in the proposed new Constitution continues to set out clearly what rights members will not have as a result of their suspension, with some minor improvements to the wording. Also, Rule 12.2 and 12.3 carry across provisions relating to non-voluntary exclusion of members in specific circumstances.

Register of members

26. The new Constitution simplifies the various provisions regarding the Club's obligation to keep member registers. As these mirror legislative requirements (which are subject to legislative change), new Rule 15 provides that the Club

must keep those registers of full members, temporary members, honorary members and guests in accordance with the Registered Clubs Act.

Entrance fees and subscriptions

27. Rule 19 simplifies the rules regarding the payment of entrance fees, subscriptions etc. It mainly improves the wording to confirm that those fees are prescribed by the Board, provided that Ordinary members pay at least the minimum subscription amount prescribed by the Registered Clubs Act. It also removes the reference to First members, as there are no longer any current First members; and the reference to suspensions of individual fees, which can only be done in accordance with the Registered Clubs Act.

Board composition

28. The new Constitution proposes a change to the Board composition, such that there will no longer be a restriction that only a maximum of 5 directors may not be RSL members. Proposed new Rule 20.1 removes this requirement such that the financial Ordinary members will be eligible for all positions on the Board. This change has been introduced to ensure that the persons on the Board are being elected from a broader group of people.

29. The Board will still include a President, Vice President and Honorary Treasurer, and those positions will still be elected by the members.

30. Proposed new Rule 20.2 also confirms that the elected directors will have the right to appoint up to 2 extra directors based on their skills and qualifications. This right already exists under the Registered Clubs Act but is being reflected in the new Constitution. Any persons appointed must still be members, and can be appointed for no more than 3 years. For the avoidance of doubt, the total number of Board directors cannot exceed 9.

Board elections

31. Proposed new Rule 22 confirms that Board elections will continue to occur every 2 years (i.e. biennially).

32. Rules 23 and 24 of the new Constitution improve some of the wording of the Board nominations and election procedure but without major changes to the substance of those rules. The new rule clarifies that if the number of candidates nominated is the same as the number required to be elected, those candidates will be elected; if there is an insufficient number of nominees, additional nominations may be made at the AGM. Ballots will be held where there are more candidates than the number required to be elected.

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Vacancies in Board

33. Proposed new Rule 26 adds two circumstances where a person automatically ceases to be a director: where they fail to disclose a material personal interest in accordance with the Corporations Act, or where they cease to be a member eligible to hold office on the Board.

Powers of the Board

34. There is no substantive change to the powers exercisable by the Board in the new Constitution. Members are referred to rule 28 of the new Constitution.

35. New Rule 30 confirms that the quorum for Board meetings remains four (4) – but if there are vacancies leading to insufficient directors to meet quorum, the Board only has power to act to fill casual vacancies, convene a General Meeting or request members to appoint additional directors.

General meetings

36. The Club will be required to hold its AGM, and may hold EGMs – and ensure 21 days' notice is given for all meetings of its members. The lengthy rules relating to members convening general meetings or proposing resolutions at general meetings have been simplified and replaced with references to the provisions of the Corporations Act which confer those rights.

37. Given the challenges in meeting attendance, Rule 33 of the proposed new Constitution reduces the quorum at meetings called by the Board to 20 members present and entitled to vote; the quorum at other general meetings called by members or at members' request remains 50 members present and entitled to vote.

Executing documents

38. Proposed new Rule 41 contains a more modern provision confirming that the Club may execute documents either with or without the company seal, by having 2 directors or a director and secretary sign. This reflects the current execution requirements of the Corporations Act.

Giving notices

39. Proposed new Rule 44.1 confirms that notices may be given electronically, which are permitted by the Corporations Act. Members generally have to opt in to receiving electronic communications unless the Corporations Act is updated and makes permanent the temporary permissions it gave to companies to give electronic notices due to the COVID-19 restrictions.

Insurance and indemnity of officers

40. Rule 45 of the new Constitution relating to the insurance and indemnity of officers has been re-worded in accordance with current law and best practice.

Accountability provisions

41. A number of rules relating to Directors' accountability have not been included into the proposed new Constitution. These rules in the existing Constitution generally reflect provisions that are contained in either the Corporations Act or Registered Clubs Act. Those provisions change from time to time, and specifically all of the references to the Registered Clubs Act are now outdated. Those provisions were migrated into an Accountability Code that is located within the Registered Clubs Regulation.

42. These rules are intended to mirror the legislation which already binds clubs and the directors and that legislation is subject to change. Therefore, the proposed new Constitution removes those rules to help shorten and simplify the Constitution. The Club will still be bound by the Accountability Code and other legislative obligations.

General notes for members regarding the Special Resolution

1. In accordance with rule 65 of the current Constitution, the Special Resolution will be passed only if at least a 75% majority of the members present and voting (being eligible to do so) vote in favour of the resolution.
2. In accordance with rule 65 of the current Constitution, R.S.L. members, Social members and Life members of the Club are entitled to vote on the Special Resolution. Proxy voting is not permitted and employees are prohibited from voting under the Registered Clubs Act.
3. Members will be given a reasonable opportunity to speak and ask questions about the Special Resolution at the General Meeting.
4. The Special Resolution and Constitution must be considered as a whole and the substance of the resolution cannot be amended by motions from the floor of the meeting.