Sixty Ninth
Annual General Meeting

Sunday 27 November 2016

FOR THE YEAR ENDING
30 JUNE 2016
NOTICE OF ANNUAL GENERAL MEETING

25 October, 2016

Dear Member,

You are hereby notified that the Sixty Ninth Annual General Meeting of Katoomba RSL All Services Club Limited will be held in the Club Rooms at the premises of the Club at 86 Lurline Street, Katoomba, New South Wales on Sunday November 27, 2016 commencing at 11.00am.

AGENDA

1. Apologies.
2. To confirm the Minutes of the previous Annual General Meeting.
4. To declare the results of the election of the three Group 1 positions in accordance with the triennial rule.
5. To consider and if thought fit pass the First and Second Ordinary Resolutions regarding the reimbursement of Directors’ expenses contained in this Notice.
6. To consider and if thought fit pass the Special Resolution to amend the Club’s Constitution set out in this Notice.
7. To consider and if thought fit pass the Third Ordinary Resolution to declare the Club’s land at Wentworth Falls Bowling Club to be Non-Core Property of the Club set out in this Notice.
8. To deal with any other business of which due notice has been given to the Members.

Notice to Members – questions for the Annual General Meeting
Any member who has a query with regard to the Club’s financial accounts for the year ending 30 June 2016 should write to the Secretary Manager, Katoomba RSL All Services Club, P.O. Box 820, Katoomba NSW 2780, to be received no later than Friday 11 November 2016, so that the necessary research can be undertaken to accurately answer your query.

Members are requested to produce their membership card before signing the attendance register.

ARE YOU FINANCIAL?

By direction of the Board
Nick Darias
Secretary/Manager

Please Note:
Members who have NOT elected to receive a copy of the summary financial report which contains the Directors’ report and Auditors’ report for the year ended 30 June 2016 can obtain this by asking for a copy of the report at the Club or by going to the following link:

NOTICE OF ORDINARY RESOLUTIONS
FOR ANNUAL GENERAL MEETING

NOTICE is hereby given that at the Annual General Meeting of KATOOMBA RSL ALL SERVICES CLUB LIMITED to be held on 27 November 2016 the members will be asked to consider and if thought fit pass the First and Second Ordinary Resolutions, the Special Resolution and the Third Ordinary Resolution set out below:

Notes for each resolution accompany the relevant resolution

<table>
<thead>
<tr>
<th>PROCEDURAL MATTERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. To be passed an Ordinary Resolution must receive votes in its favour from not less than a majority (i.e 50% plus 1) of those members who being eligible to do so vote in person on the Special Resolution at the meeting.</td>
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<tr>
<td>2. To be passed the Special Resolution must receive votes in its favour from not less than three quarters (75%) of those members who being eligible to do so vote in person on the Special Resolution at the meeting.</td>
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<td>3. The Resolutions should be read in conjunction with the notes to members which accompany each Resolution.</td>
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<td>4. Under the Registered Clubs Act:</td>
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<td>(a) members who are employees of the Club are not entitled to vote; and</td>
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<tr>
<td>(b) proxy voting is prohibited.</td>
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<tr>
<td>5. Amendments to the Special Resolution (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.</td>
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<tr>
<td>6. The Board of the Club recommends the Special Resolution to members.</td>
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</tbody>
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FIRST ORDINARY RESOLUTION

Notes on the First Ordinary Resolution regarding Directors’ expenses

1. Directors of Clubs have specific legal responsibilities under legislation such as the Corporations Act, Registered Clubs Act, Liquor Act, Gaming Machines Act, Workplace Health & Safety Act, Anti-Discrimination Act and other Acts.

2. The role of Directors of a Board is complex and combines important aspects of good corporate governance and providing strategic leadership. Directors of registered clubs have a significant influence on the management and performance of registered clubs and are ambassadors of the Club.

3. The Registered Clubs industry is highly regulated and Directors must be and remain compliant with complex State and Federal legislative requirements.

4. In 2008 the Independent Pricing and Regulatory Tribunal (IPART) and Clubs NSW recommended several initiatives which include core professional development training for Directors. IPART also noted that management and governance in clubs
could be improved if Boards operated more effectively and a key challenge in achieving this was increasing Directors’ skill sets throughout the industry.

5. To achieve and maintain good governance and provide strategic leadership the Directors of the Club must receive formal training in the conduct and performance of their duties.

6. Furthermore, sections in the Registered Clubs Act contain mandatory training requirements.

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**FIRST ORDINARY RESOLUTION**

That pursuant to the Registered Clubs Act: -

(a) The members hereby approve and agree to expenditure by the Club in a sum not exceeding $20,000.00 until the Annual General Meeting of the Club held in 2017 for the professional development and education of Directors including:

(1) The reasonable cost of Directors and officers attending seminars, lectures, trade displays and other similar events as may be determined by the Board from time to time;

(2) The reasonable cost of Directors and officers attending courses of instruction and training conducted or sponsored by ClubsNSW, or the Australian Institute of Company Directors or the Club Managers Association Australia in an area or areas or subjects relevant to the duties and functions of Directors in which the Director concerned is most in need of instruction and/or training.

(3) The reasonable cost of Directors attending other registered clubs 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 betterment of the Club;

(4) The reasonable cost of food, travel and accommodation for Directors and their partners and not more than three management staff and their partners attending the Registered Clubs Association’s Annual General Meeting, Conferences and Trade Show;

(5) The reasonable cost of Directors and officers attending any community or charity function as a representative of the Club when authorised by the Board to do so.

(b) The members acknowledge that the benefits in paragraph (a) above are not available to members generally but only for those who are Directors or officers of the Club.

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**SECOND ORDINARY RESOLUTION**

**Notes on the Second Ordinary Resolution regarding Directors’ expenses**

1. Directors carry out many duties in relation to the Club. These duties include attending Board and Committee meetings, meeting with and entertaining guests in the Club, and representing the Club at various events.
2. The Second Ordinary Resolution seeks approval of expenditure for the type of expenses listed in the resolution, reasonably incurred by directors in the course of carrying out their duties.

SECOND ORDINARY RESOLUTION

That pursuant to the Registered Clubs Act: -

(a) The Members hereby approve and agree to expenditure by the Club in a sum not exceeding $9,000.00 until the Annual General Meeting of the Club held in 2017 for the following activities:

(1) Reasonable expenditure for a meal and beverage for each Director immediately before or after a Board or Committee meeting on the day of that meeting when that meeting corresponds with a normal meal time on production of invoices receipts or other proper documentary evidence of such expenditure;

(2) Reasonable expenditure incurred by Directors in travelling to and from Directors’ meetings or other duly constituted committee meetings as approved by the Board from time to time on production of invoices, receipts or other proper documentary evidence of such expenditure;

(3) Reasonable expenditure on food and refreshment for each Director and one guest of that Director dining in one of the Club’s dining rooms on no more than eight occasions on production of invoices, receipts and other proper documentary evidence of such expenditure when such expenditure is approved by the Board at the next monthly Board meeting as being reasonable and properly incurred in the course of that Director’s duties in relation to the Club;

(4) Reasonable expenditure on food and refreshment for Directors and senior management entertaining guests of the Club in the Club’s dining rooms on production of invoices, receipts and other proper documentary evidence of such expenditure when such expenditure is approved by the Board at the next monthly Board meeting as being properly incurred in the course of that Director’s or senior management officer’s duties in relation to the Club and as being reasonable;

(5) Reasonable expenditure on a Club blazer and attire for each Director who does not possess such item of clothing.

(b) The Members acknowledge that the benefits in paragraph (a) above are not available to members generally but only for those who are Directors or officers of the Club.
SPECIAL RESOLUTION

The Constitution of Katoomba RSL Services Club Limited by amended by:

(a) inserting the following at the start of Rules 21(c)(v) the words:

“Subject to Rule 115”

(b) by inserting the following new paragraphs (c), (d) and (e) into Rule 54:

(c) Notwithstanding any other provision of this Constitution, a member who is elected to membership after the Club’s Annual General Meeting in 2016 is not entitled to stand for, nominate or be elected or appointed to the Board unless they have been a member for at least 5 continuous years from the date on which they were last elected to membership.

(d) Notwithstanding any other provision of this Constitution, a member who has been suspended or expelled by the Board in accordance with Rule 43 of this Constitution is not entitled to stand for, nominate or be elected or appointed to the Board for a period of five (5) years from when the suspension ended or from the date of any re-admission after the expulsion.

(e) Notwithstanding any other provision of this Constitution, a member who was an employee of the Club is not entitled to stand for, nominate or be elected or appointed to the Board for a period of five (5) years from when they ceased to be an employee of the Club.

(c) by inserting at the end of Rule 115(a) the words:

“but provided that notwithstanding any other provision of this Constitution, a member who is elected to membership after the Club’s Annual General Meeting in 2016 is not entitled to vote on any special resolution including a special resolution to amend this Constitution unless they have been a member for at least 5 continuous years from the date on which they were last elected to membership.”

Notes to members on Special Resolution

1. The Special Resolution proposes to amend the Constitution in relation to the eligibility of members to be elected to the Board to vote on special resolutions.

2. If the Special Resolution is passed, the following changes will be made:

(a) Any person admitted to membership of the Club after the Annual General Meeting this year will need to be a member for at least 5 continuous years before they are eligible to be elected or appointed to the Board or vote on any special resolution, including a special resolution to amend the Constitution.

(b) A member who has been suspended or expelled will not be eligible to be a director until at least 5 years has passed from the end of the suspension or from the date of any re-admission after the expulsion date.

(c) A member who was an employee of the Club will not be eligible to be a director until they have ceased to be an employee for 5 years.

3. The Special Resolution is proposed to provide for stronger corporate governance as it will provide for a minimum period of membership before a person can be a director or...
vote on special resolutions. It will also provide for a waiting time from when a person ceases to be an employee or ceases to be suspended or expelled, to when such a member is eligible to be a director.

THIRD ORDINARY RESOLUTION

That for the purposes of section 41J of the Registered Clubs Act, the members of Katoomba RSL All Services Club Limited (Club) hereby declare that the land of the Club at the corner of Great Western Highway and Falls Road, Wentworth Falls not to be core property, and therefore be non-core property of the Club.

Notes to Members on Third Ordinary Resolution

Disposal of Club land

1. Under section 41J of the Registered Clubs Act ("the Act") land owned or occupied by the Club is divided into “core” and “non-core” property.

2. Core property is defined in section 41J of the Act as any real property owned or occupied by the Club that comprises
   (a) the licensed premises of the Club;
   (b) any facility provided by the Club for the use of Club members and their guests; and
   (c) any other property of the Club which is declared by the members to be core property.
   but does not include any land which is declared by the members not to be core property – see paragraph 5 below.

3. Non-core property is any land which is not core property.

4. The difference between core property and non-core property include that:
   (a) core property can only be disposed of by the Club with the authority of a resolution passed by the ordinary members of the Club and then only by way of public auction or open tender; and
   (b) non-core property can be disposed of by the Board of the Club without the need for members’ approval and by such methods of sale, eg private treaty or lease, as the Board considers appropriate.

5. The ordinary members of the Club can, by passing an appropriate ordinary resolution at a general meeting or Annual General Meeting, declare any core property to no longer be core property and, therefore by that declaration, that property:
   (a) becomes non-core property for the purposes of section 41J of the Act; and
   (b) can be disposed of by the Board without members’ approval.

6. For the purposes of section 41J of the Act, “ordinary members” means all members of the Club apart from Honorary, Temporary and Provisional members. This means that all members, apart from Honorary, Temporary and Provisional members, can vote on the Third Ordinary Resolution.
Effect of Third Ordinary Resolution

7. If the First Ordinary Resolution is passed, the Club’s land at Wentworth Falls (“the Wentworth Falls Land”) will be declared to be non-core property of the Club.

8. This means that the Board will have permission to dispose of all or part of the Wentworth Falls Land by way of lease for more than 10 years or sell the land, without any further approval from members.

The Wentworth Falls Land

9. The Club acquired the Wentworth Falls premises in 1995. This was as a result of an amalgamation between the Club and the now former Wentworth Falls Bowling Club in 1994.

10. The Wentworth Falls Land currently comprises the following facilities:

   (a) Licensed premises;
   (b) One bowling green.

11. The current trading hours of the Wentworth Falls premises are as follows:

<table>
<thead>
<tr>
<th>Day</th>
<th>Hours</th>
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<tbody>
<tr>
<td>Monday</td>
<td>12pm – 8pm</td>
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<tr>
<td>Tuesday</td>
<td>11am – 8pm</td>
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<tr>
<td>Saturday</td>
<td>11am – 10pm</td>
</tr>
<tr>
<td>Sunday</td>
<td>11am – 8pm</td>
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</tbody>
</table>

12. Currently, bowling activities take place at the Wentworth Falls premises on Thursday, Friday, Saturday and Sunday.

The Board’s reasons for proposing the Third Ordinary Resolution

13. Over recent years, the Board has implemented and undertaken numerous strategies in relation to the Wentworth Falls premises to try and reverse the declining trading results at the Wentworth Falls licensed premises. These have included:

   (a) The Club has tried various catering operations and different catering options for members and guests;
   (b) The layout and design of the licensed premises has been changed to make better use of the site; and
   (c) the licencing conditions were changed to better accommodate a family friendly environment.
14. The Board has also been working with a committee of members from the Wentworth Falls premises to try and improve the trading performance and results.

15. The net loss for the Wentworth Falls premises are $1,522,209.00 since amalgamation.

16. The trading results for the operations at the Wentworth Falls Land each year have been disclosed in the operating results within the Directors’ Report of the Club’s annual financial report.

17. Whilst the Directors’ Report is not directly audited by the Club’s auditors Cutcher & Neale, Cutcher & Neale have focused audit attention to the allocation of income and expenses to ensure that financial results are reflective of the actual trade at Wentworth Falls Land. Nothing has come to their attention with these allocations.

18. Cutcher & Neale has also advised both Board and Management annually that the loss results from operations at the Wentworth Falls Land are significant and are impacting on the financial performance, cashflows, investment decisions and the future of the Club.

19. When the Club amalgamated in 1994, it was of the view, and had every intention, to keep trading the Wentworth Falls premises and to make them financially viable and successful. This is why the Club chose the amalgamation at that time.

20. At this time, the Board has not made any final decisions on what to do with the Wentworth Falls Land. That is, the Board has not determined whether it will cease all, or any of the operations at the Wentworth Falls licensed premises, or whether it will sell all the land, lease part of the land, subdivide the land, etc.

21. If the Third Ordinary Resolution is passed, the Board will have much greater flexibility in dealing with the Wentworth Falls Land and therefore have more options available to it.

22. Even if the Third Ordinary Resolution is passed, and the Wentworth Falls Land therefore becomes non-core property, the Board must always act in the best interests of the Club and its members overall.

Dated: 25 October 2016

By direction of the Board

Nick Darias
Secretary Manager
1. The Board will appoint at least two (2) Scrutineers to assist the Returning Officer. Each nominee has the right to appoint one (1).

2. Each member will receive a Ballot paper at the place of voting, PROVIDED he or she can show their current membership card and is eligible to vote in the election.

3. The Ballot paper shall contain names of all duly nominated candidates for election to the Board. The order in which names appear on the ballot paper shall be determined by lot.

4. The voter shall mark his or her ballot paper by consecutive numbers, in order of preference from first to last, all squares MUST be numbered.

5. In any case of doubt as to the formality of the ballot paper the matter shall be referred to the Returning Officer whose decision shall be final.

6. In the event of an equality of votes for two or more candidates, the Returning Officer shall draw lots between the candidates and the candidate who is drawn first shall be declared elected to that position.

7. At the closing of the Ballot, the Returning Officer and authorised persons, assisted by the Scrutineers shall proceed with the examination of the ballot papers and shall report the results to the Annual General Meeting, then declare such Candidate or Candidates who received the greatest number of votes duly elected.

8. The votes to be counted will be equal to the number of positions to be filled. That is, as three positions on the Board are to be elected this year under the triennial election of Directors, votes 1 to 3 will be conducted and will have equal value.

9. In accordance with Rule 33(d) of the Constitution no member of the Club who is also an employee of the Club shall be eligible to vote at any meeting of the Club.

10. A nomination can be withdrawn at any time prior to the commencement of voting.
Important Notice Regarding the Election of the Board

This year’s election of the Board will be the fifth election held under the Triennial Rule, which was adopted by members at the 2011 Annual General Meeting.

At the 2012 Annual General Meeting the first meeting held under the Triennial Rule, the members elected 9 Directors and those Directors were allotted to Group 1, Group 2 and Group 3.

The term of office for the Directors allotted to Group 1 will come to an end at this year’s Annual General Meeting.

Members therefore this year will be electing three directors to fill the Group 1 positions for a three year term.

At next year’s Annual General Meeting, members will elect three directors to fill the Group 2 positions.

The members elect the Directors to office and the Directors elect, from amongst their own number, Directors to fill the positions of President, Senior Vice President and Junior Vice President until the Annual General Meeting next year.

METRO-POLL PTY LTD
RETURNING OFFICER