

## NORTHMEAD BOWLING, RECREATION AND SPORTING CLUB LIMITED

ABN 34 001 068 275

### NOTICE OF GENERAL MEETING

**NOTICE** is hereby given of a General Meeting of **Northmead Bowling, Recreation and Sporting Club Limited** to be held on Tuesday 27 August 2024 at 6:30pm at the premises of the Club, 166 Windsor Road Northmead, NSW.

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#### BUSINESS

The business of the meeting will be to consider and if thought fit pass:

1. an Ordinary Resolution to approve an amalgamation.

#### Procedural Matters

1. Under the relevant provisions of the Registered Clubs Act, all members of the Club in all classes of membership, (other than Provisional, Honorary and Temporary members) are eligible to attend this General Meeting and vote on the Ordinary Resolution.
  2. To be passed, the Ordinary Resolution requires votes from a simple majority (50% plus one) of those members who being eligible to do so are present and vote on the Ordinary Resolution at the meeting.
  3. Under the *Registered Clubs Act*, members who are employees are not eligible to vote and proxy voting is prohibited.
  4. The Board unanimously recommends that the members vote in favour of the Ordinary Resolution.
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#### ORDINARY RESOLUTION

***“That the members hereby approve in principle the amalgamation of Doyalson-Wyee RSL Club Limited ABN 69 000 985 008 (“Doyalson”) with Northmead Bowling, Recreation and Sporting Club Limited ABN 34 001 068 275 (“Northmead”), with such amalgamation to be effected by:***

- (a) the continuation of Doyalson as the corporate body of the Amalgamated Club and the dissolution of Northmead; and***
  - (b) the granting of an application made to the Independent Liquor & Gaming Authority for the transfer of the club licence held by Northmead in respect of its premises at Windsor Road Northmead to Doyalson for the purpose of such amalgamation; and***
  - (c) the transfer of the club licence held by Northmead to Doyalson pursuant to the application referred to in paragraph (b).***
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## EXPLANATORY NOTES TO MEMBERS ON ORDINARY RESOLUTION

1. The purpose of this meeting is to have members consider the Ordinary Resolution to approve an amalgamation between Northmead and Doyalson.
2. An amalgamation between two registered clubs is governed by the provisions of the *Registered Clubs Act*.
3. One of the requirements of the *Registered Clubs Act* is that the clubs proposing to amalgamate must enter into a Memorandum of Understanding (**MOU**) which covers various matters specifically required by the *Registered Clubs Act* to be covered. The MOU can also deal with additional matters.
4. Doyalson-Wyee RSL Club Limited (**Doyalson**) and Northmead Bowling, Recreation and Sporting Club Limited (**Northmead**) have entered into a MOU. A copy of that document is available on Northmead's website. Further copies may be obtained on request from the General Manager and from reception at the Club's premises.
5. Members are encouraged to carefully read the terms of the MOU and, if they have any questions or are seeking clarification of any matter relating to the amalgamation or what is contained in the MOU, they should direct their enquiries to the General Manager.
6. What follows in these notes is a summary of some of the principal features of the MOU and the steps that need to be followed in the amalgamation process.

### Dissolution of Northmead

7. The amalgamation is being effected by the dissolution of Northmead and the continuation of Doyalson.

### Corporate Governance Matters

8. The constitution of the Amalgamated Club will be the constitution of Doyalson, subject to amendments necessary for the purposes of the amalgamation and as specified in the MOU. Those amendments will be contained in a Special Resolution to be considered at a general meeting of Doyalson.
9. The Board of the Amalgamated Club will be the Board of Directors of Doyalson.
10. The Chief Executive Officer (Secretary) of Doyalson will be the Chief Executive Officer (Secretary) of the Amalgamated Club.

### Premises of the Amalgamated Club

11. The premises of the Amalgamated Club will be the current premises of Doyalson located in Doyalson and at Summerland Point, and the Northmead Premises located at Windsor Road Northmead.
12. On completion of the amalgamation, the Northmead Premises will be transferred to Doyalson.
13. The traditions, amenities, culture, facilities, activities, and memorabilia of Northmead will be maintained by the Amalgamated Club.
14. The Amalgamated Club will continue to participate in the Club Grants Scheme in relation to the Northmead Premises.
15. After completion of the amalgamation, the Northmead Premises will trade and be promoted as NBC Sports Club. This name may be changed in the future after consultation with the Advisory Committee.
16. Doyalson intends to:
  - (a) maintain the Northmead Premises and carry on the business of a licensed registered club under the Registered Clubs Act and the Liquor Act at the Northmead Premises with all the facilities and amenities of a registered club.
  - (b) operate the Northmead Premises as a successful and well supported local based bowling, sports, and community club.
  - (c) Review and update the gaming machines and product at the Northmead Premises to ensure market relevant products and services are provided.

- (d) Provide new gaming bases and stools
- (e) within the first 12 months of amalgamation, settle on a concept master plan for the Northmead site with a \$5,500,000 development spend excluding GST, or, if such a master plan has not been settled in that time, to have spent at least \$1,500,000 dollars excluding GST at the Northmead Premises within the first 12 months of completion of the amalgamation. The master plan works, subject to obtaining all required approvals, will be a minimum development spend of \$5,500,000.00 excluding GST.
- (f) seek to enhance the services and social activities and undertake improvements to the amenities and facilities at the Northmead Premises.
- (g) maintain, and where possible, enhance the existing sporting activities at the Northmead Premises.
- (h) Maintain and where possible, enhance the existing facilities and activities at the Northmead Premises.
- (i) The amalgamated club will continue to provide 2 bowling greens at the Northmead Premises while trading from those premises and while needed to meet the demand for bowling at those premises

### **Advisory Committee**

- 17. The Amalgamated Club will create an Advisory Committee to make recommendations to the Amalgamated Club regarding the Amalgamated Club's operations. It will not have any governance or management powers in the Amalgamated Club, and it will be subject to the overall control and direction of the Board and management of the Amalgamated Club at all times.
- 18. The Advisory Committee will comprise of members of Northmead who are directors of Northmead as at the date the club holds a general meeting to approve the amalgamation and will operate for three (3) years from completion of the amalgamation.

### **Board of the Amalgamated Club**

- 19. For the first three years from completion of the amalgamation, the Board will appoint a member of the Advisory Committee to be a director of Doyalson.

### **Sub-clubs and Bowls**

- 20. Each sub-club operating as of the date of the MOU will continue to exist subject to the overall supervision and oversight by the Amalgamated Club.

### **Green fees and subscriptions**

- 21. The green fees paid to play bowls will be reduced to \$10 (GST inclusive) per game for the first two years of the amalgamation and annual subscriptions for Bowling members will be fifty percent (50%) of the current rates for that period.
- 22. Doyalson will pay the capitation fees to belong to the zone, district, and State Bowling associations for 2 years from the completion of the amalgamation
- 23. The Amalgamated Club will pay at least \$50,000 excluding GST, per annum, for the first eight (8) years from completion of the amalgamation to bowling pennants competitions and will spend \$90,000 excluding GST, per annum, for the co-ordination, management, and promotion of bowls at Northmead.
- 24. The amalgamated club will provide 1 uniform within 3 years from the completion of the amalgamation
- 25. Doyalson will honour membership subscriptions paid in advance by members of Northmead, as if those payments had been made to Doyalson.

### **Contracts**

- 26. The parties will seek to have the contracts for greenkeeping, catering and gaming machine services assigned to Doyalson and will review other contracts to determine which are to be assigned.

## **Employees**

27. Doyalson will give each current employee of Northmead a written offer of employment:
- (a) the offers of employment will be effective from the Completion of the Amalgamation and will be on the same terms and conditions presently offered by Doyalson to employees of Doyalson provided that it does not result in any employee of Northmead receiving lesser benefits than they presently receive from Northmead.
  - (b) any employee of Northmead who accepts the offer of employment with Doyalson will receive continuity of employment and their accrued entitlements will be honoured by Doyalson.
  - (c) any employee of Northmead who does not accept the offer of employment with Doyalson will be paid their full entitlements (funded by Doyalson when their employment with Northmead comes to an end).
28. All employees of Northmead who become employees of Doyalson will have access to the benefits provided to employees of Doyalson.
29. The Northmead CEO will be appointed as the manager of the Northmead premises by the amalgamated club from the completion of the amalgamation.

## **Intentions regarding core property, cash and investments and gaming machine entitlements of Northmead**

### **Core Property**

30. The Northmead Premises is currently core property of Northmead, and it will also be core property of the Amalgamated Club.

### **Cash and Investments**

31. The cash and investments of Northmead will be transferred to the Amalgamated Club on completion of the amalgamation, other than funds sufficient to pay for the voluntary winding up of Northmead.

### **Gaming Machine Entitlements**

32. The Northmead currently has forty-eight (48) gaming machine entitlements which will become an asset of the Amalgamated Club.
33. If the Amalgamated Club comes to the view that additional machines would be beneficial to those premises, it will look to adjust the number of those machines but will not reduce the number of machines.

### **Ceasing trading from the Northmead Premises**

34. Doyalson does not intend to cease trading from the Northmead Premises.
35. Doyalson will continue to trade from the Northmead Premises for a minimum of ten (10) years and only cease to do so:
- (a) upon the order of any court or body with jurisdiction; or
  - (b) upon the lawful order of any government authority; or
  - (c) if the premises are destroyed or partially destroyed by fire, flood, storm or other similar event and any insurance claim is not reasonably sufficient to fund the construction of a new Northmead Premises which is acceptable to the Board of the Amalgamated Club in its absolute discretion.
36. After ten (10) years following completion of the amalgamation, the Amalgamated Club could cease to trade from the Northmead Premises if they are not financially viable in any two (2) consecutive twelve (12) month periods. The definition of financially viable is that in any two (2) consecutive twelve (12) month periods the EBITDA (that is earning before interest tax depreciation amortization) percentage for the Northmead Premises is less than ten percent (10%).

## **Admission of Northmead Members to Doyalson**

37. Eligible members of Doyalson will be asked to vote on the Special resolution, which if passed, the Special Resolution will allow all eligible members of Northmead to become members of Doyalson as easily as legally possible. A Northmead member who is admitted to membership of Doyalson will be identified as a separate class called "Northmead members".
38. The Special Resolution also provides that any person who, at Completion of the Amalgamation is a Life member of Northmead will become a Life member of Doyalson.

## **The Amalgamation Process**

39. Each club must hold a meeting of its members to approve the amalgamation in the same terms as the Ordinary Resolution above.
40. If the members of both clubs approve the amalgamation at the meetings, an application will be made to the Independent Liquor and Gaming Authority for its approval of the amalgamation. Doyalson will have the carriage of that application.
41. Once the approval of the Independent Liquor and Gaming Authority to the amalgamation has been obtained (and subject to all other necessary steps being completed) there will be a formal commercial settlement. On the day of that commercial settlement, amongst other things:
- (a) Northmead will transfer its assets, including its land, to Doyalson.
  - (b) all members of Northmead who have consented to become members of Doyalson will be admitted to membership of Doyalson.
  - (c) Northmead employees who are offered and accept employment with Doyalson will become employees of Doyalson.
  - (d) the club licence held by Northmead will be transferred to Doyalson.
  - (e) Doyalson will become responsible for the management, business, and affairs of the Northmead Premises.
42. After completion of the amalgamation, Northmead will then proceed to a members' voluntary winding up.

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**Dated: Tuesday 30 July 2024.**

**By direction of the Board**



**Peter Swaby**

**General Manager**