

OCEAN SHORES COUNTRY CLUB LIMITED
ACN 000 724 676

**NOTICE OF GENERAL MEETING
AND SPECIAL RESOLUTIONS**

NOTICE is hereby given of a General Meeting of **OCEAN SHORES COUNTRY CLUB LIMITED** to be held on **25th July, 2021** commencing at **9.30am** at the premises of the Club, Orana Road, Ocean Shores, New South Wales.

BUSINESS

The business of the meeting will be to consider and if thought fit pass the following five (5) Resolutions which are proposed as Special Resolutions.

FIRST SPECIAL RESOLUTION

[The First Special Resolution is to be read in conjunction with the notes to members set out below.]

That the Constitution of Ocean Shores Country Club Limited be amended by:

- (a) **deleting** Rules 29.2, 29.3, 29.4 and 29.5.
- (b) **renumbering** Rule 29.6 as 29.2.
- (c) **renumbering** Rule 29.7 as 29.3 and the reference in that Rule to Rule 29.6 to Rule 29.2.
- (d) **deleting** Rules 30 and 31 and in their place **inserting** the following heading and new Rules 30 and 31:

“REGISTERED CLUBS ACCOUNTABILITY CODE

30. *The Club, the directors of the Club and the Secretary must comply with the requirements of the Registered Clubs Accountability Code as provided in Schedule 2 of the Registered Clubs Regulation 2015 (as amended from time to time).*

31 *A copy of the Registered Clubs Accountability Code (as amended from time to time) will be appended to a copy of this Constitution supplied to any member pursuant to Rule 2.4 or otherwise made available to members.”*

- (e) **deleting** from Rule 27.3(i) the words *“subject to the requirements of Section 41J of the Registered Clubs Act and Regulations and the Liquor Act”* and in their place **inserting** the words *“subject to the requirements of section 41E of the Registered Clubs Act and the Regulations made under that Act and subject to the Liquor Act”*.

Notes to Members on First Special Resolution

- 1. If passed, the First Special Resolution deletes Rules that are based on provisions in the *Registered Clubs Act* which no longer exist and to replace them with new Rules and in particular, makes reference to the *Registered Clubs Accountability Code*.
- 2. The Accountability Code is to be attached to all copies of the Club's Constitution which are given to members.

SECOND SPECIAL RESOLUTION

[The Second Special Resolution is to be read in conjunction with the notes to members set out below.]

That the Constitution of Ocean Shores Country Club Limited be amended by:

- (a) **deleting** Rule 25.2 and in its place **inserting** the following new Rule 25.2:

"25.2 For the purposes of the Annual General Meeting in 2021 and thereafter the office bearers and directors referred to in Rule 25.1, shall be elected to the Board in accordance with the triennial rule set out in Schedule 4 of the Registered Clubs Act (which is repeated in the Schedule below) and the further Rules as provided by this Constitution:

SCHEDULE 4

Definitions

1. *In this Schedule -*

"general meeting" means a meeting of the members of the club at which members of the governing body are to be elected;

"triennial rule" means the rule of the club that provides for the election of members of the governing body in accordance with this Schedule;

"year" means the period between successive general meetings.

2. *Repealed.*

First general meeting under triennial rule

3. (1) *The members elected to the governing body at the first general meeting at which the triennial rule applies shall be divided into 3 groups.*

- (2) *The groups -*

- (a) *shall be determined by drawing lots; and*
 (b) *shall be as nearly as practicable equal in number; and*
 (c) *shall be designated as group 1, group 2 and group 3.*

- (3) *Unless otherwise disqualified, the members of the governing body -*

- (a) *in group 1 shall hold office for 1 year; and*
 (b) *in group 2 shall hold office for 2 years; and*
 (c) *in group 3 shall hold office for 3 years.*

Subsequent general meetings

4. *At each general meeting held while the triennial rule is in force (other than the first such meeting) the number of the members required to fill vacancies on the governing body shall be elected and shall, unless otherwise disqualified, hold office for 3 years.*

Casual vacancies

5. (1) *A person who fills a casual vacancy in the office of a member of the governing body elected in accordance with this Schedule shall, unless otherwise disqualified, hold office until the next succeeding general meeting.*

- (2) *The vacancy caused at a general meeting by a person ceasing to hold office under subclause (1) shall be filled by election at the general meeting and the person elected shall, unless otherwise disqualified, hold office for the residue of the term of office of the person who caused the casual vacancy initially filled by the person who ceased to hold office at the general meeting.*

Re-election

6. *A person whose term of office as a member of the governing body under the triennial rule expires is not for that reason ineligible for election for a further term.*

Revocation of triennial rule

7. *If the triennial rule is revoked -*

- (a) *at a general meeting - all the members of the governing body cease to hold office; or*
- (b) *at a meeting other than a general meeting - all the members of the governing body cease to hold office at the next succeeding general meeting,*

and an election shall be held at the meeting to elect the members of the governing body.”

- 25.2A *For the purposes of clause 3(2)(b) of the triennial rule, the number of directors in each group shall be as follows:*

Group 1 – 2 directors

Group 2 – 3 directors

Group 3 – 3 directors

- 25.2B *The Chairperson and the Deputy Chairperson must not be in the same group as referred to in clause 3 of the triennial rule and therefore if as a result of drawing lots the Chairperson and the Deputy Chairperson are in the same group, a further draw (or draws) for the Chairperson will be undertaken.*

- 25.2C *For the purposes of clause 7 of the triennial rule, the triennial rule can only be revoked by a Special Resolution passed at a general meeting in accordance with Rule 45.1 and, if passed, the then members of the Board will cease to hold office at the next Annual General Meeting when new elections will take place in accordance with any amendments made to this Constitution to replace the triennial rule.*

- 25.2D *For the purposes of clause 1 of the triennial rule, a general meeting at which members of the governing body of the Club (being the Board) are to be elected is each Annual General Meeting commencing with the Annual General Meeting in 2021.”*

- (b) **deleting** Rule 25.4 and in its place **inserting** the following new Rule:

“25.4 *Only persons who have served on the Board for at least twelve (12) consecutive months shall be entitled to stand for and be elected or appointed as the Chairperson.”*

- (c) **deleting** from Rules 26.1(h) and 26.1(i) the words, “*various positions*” and in their place **inserting** the word “*vacancies*”.

- (d) **deleting** from Rule 26.1(j) the word “*position*” and in its place **inserting** the word “*vacancy*”.
-

Notes to Members on Second Special Resolution

1. If passed, the Second Special Resolution will introduce what is known as the “triennial rule” for the election of directors in place of the current annual election of the entire Board. Under the triennial rule, directors have a three year term of office but with a third retiring each year and facing an election.
 2. The first election under the triennial rule will be at the AGM this year.
 3. The laws relating to Registered Clubs are becoming extremely complex. The Club operates under the provisions of the Corporations Act, Registered Clubs Act, Liquor Act, Gaming Machines Act and their associated Regulations as well as the ClubsNSW Code of Conduct and many other laws.
 4. Directors need to be prepared to educate themselves about the Club industry and commit to diligently modifying practices, procedures and rules to keep pace with legislation and advice from ClubsNSW which is the industry guide. They need to be knowledgeable so that they can cope with the changing and challenging environment. Over time each director can become a very valuable asset for the Club.
 5. Succession planning therefore is a vital element for strategic planning and a club needs to nurture the knowledge, skills and diversity of their Board ensuring competency and continuity of direction with procedures and processes towards known goals.
 6. The Triennial Rule still allows for a third of the Board to change each year. Constant wholesale turnover weakens business efficacy.
 7. To ensure that both the Chairperson and Deputy Chairperson are not required to stand down in the same year, the new Rules state that they cannot be drawn into the same group. This will stagger their retirement and so reflect the main intent of the triennial rule.
 8. Subject to eligibility requirements, outgoing Directors will retain the right to stand for re-election for a further 3 year term.
 9. The Triennial Rule has been identified by ClubsNSW as industry best practice and has already been widely adopted with great success across clubs in NSW.
 10. Introduction of the Triennial Rule does not affect the rights of members under Rule 32 and under the *Corporations Act* to have a director or directors removed from office before the expiration of their terms should they not be performing to the expectations of members.
-

THIRD SPECIAL RESOLUTION

[The Third Special Resolution is to be read in conjunction with the notes to members set out below.]

That the Constitution of Ocean Shores Country Club Limited be amended by:

- (a) **deleting** the word “*Chairperson*” wherever appearing and **substituting** the word “*President*”.
 - (b) **deleting** the words, “*Deputy Chairperson*” wherever appearing and **substituting** the words, “*Vice President*”
-

Notes to Members on Third Special Resolution

1. If passed, the Third Special Resolution will delete the references to the Chairperson and Deputy Chairperson and substitute respectively the words President and Vice President.
2. The changes are to be made only where the first letter of "Chairperson" and "Vice Chairperson" is in the upper case. All other references to "chairperson" (with a lower case "c") in the Constitution will remain unchanged.

FOURTH SPECIAL RESOLUTION

[The Fourth Special Resolution is to be read in conjunction with the notes to members set out below.]

That the Constitution of Ocean Shores Country Club Limited be amended by:

- (a) **deleting** the word "*Treasurer*" wherever appearing;
- (b) **deleting** paragraphs (iii), (iv) and (v) of Rule 26.1(m) and in its place **inserting** the following new paragraphs:
 - "(iii) Thirdly - Golf Director;*
 - (iv) Fourthly - Bowls Director;*
 - (v) Fifthly - Ordinary Board member.*

Notes to Members on Fourth Special Resolution

1. If passed, the Fourth Special Resolution will remove the position of Treasurer.
2. In a Club with a full time Secretary/Chief Executive Officer and administrative staff, it is not necessary to have a Treasurer.
3. The concept of a "Treasurer" sometimes leads directors and members to think that it is the Treasurer alone who is responsible for the finances of the Club, when in fact, it is the responsibility of all the directors.
4. This amendment will help concentrate the minds of all directors on the Club's finances rather than leaving it to one of the directors who has the nominal title of Treasurer.

FIFTH SPECIAL RESOLUTION

[The Fifth Special Resolution is to be read in conjunction with the notes to members set out below.]

That the Constitution of Ocean Shores Country Club Limited be amended by:

- (a) **inserting** at the end of Rule 26.1(s) the following words:

"or by returning them electronically to the Returning Officer if so directed by the Club."
- (b) **inserting** the following new paragraph after Rule 26(cc):
 - "(dd) the Board may determine that voting for the election of directors is conducted electronically, in which case members will be able to vote either by using their own personal computer or other electronic device without having to attend the premises of the Club or by using a designated computer or other electronic device provided by the Club at the premises of the Club, but*

nothing in this Rule 26 will prevent members from voting with hard copy ballot papers placed in a ballot box pursuant to paragraph (s) of this Rule 26."

Notes to Members on Fifth Special Resolution

1. If passed, the Fifth Special Resolution will give the Board the option of introducing voting for the Board using modern technology, such as email.
2. The Board has no immediate plans to do this but it is prudent to at least have it as an option for the future.

PROCEDURAL MATTERS

1. To be passed, each Special Resolution requires votes in its favour from not less than a seventy-five percent (75%) majority of those members who being eligible to do so vote on the Special Resolution at the meeting.
2. Each Special Resolution should be read in conjunction with the notes to members which follows that Special Resolution.
3. **Only financial Ordinary Voting members and Life members are eligible to vote on the Special Resolutions.**
4. Amendments to the Special Resolutions (other than minor typographical corrections which do not change the substance or effect of the Special Resolutions) will not be permitted from the floor of the meeting.
5. Under the Registered Clubs Act:
 - (a) members who are employees of the Club are not entitled to vote; and
 - (b) proxy voting is prohibited.
6. The Board of the Club recommends each of the Special Resolutions to members.

Dated: 25th June, 2021

By direction of the Board



**Ian Wills
Company Secretary**
