

## NEWCASTLE LEAGUES CLUB LIMITED

ABN 34 000 140 750

### NOTICE OF GENERAL MEETING

**NOTICE** is hereby given that a General Meeting of Newcastle Leagues Club Limited (ABN 34 000 140 750) will be held on Sunday, 27<sup>th</sup> September 2020 at 10.00am in the premises of the Club at 17 National Park Street, Newcastle West.

### BUSINESS

To consider and, if thought fit, pass the Ordinary Resolution approving in principle an amalgamation of Newcastle Leagues Club Limited and Charlestown Bowling Club Limited.

### ORDINARY RESOLUTION

*"That the members of Newcastle Leagues Club Limited (ABN 34 000 140 750) hereby:*

- (a) approve in principle, the amalgamation of Newcastle Leagues Club Limited (ABN 34 000 140 750) and Charlestown Bowling Club Limited (ABN 38 609 055 155) with such an amalgamation to be effected by:
  - (i) the continuation of Charlestown Bowling Club Limited (ABN 38 609 055 155) as the amalgamated club and the dissolution of Newcastle Leagues Club Limited (ABN 34 000 140 750); and*
  - (ii) the transfer of the Club Licence (No. LIQC300240908) of Newcastle Leagues Club Limited (ABN 34 000 140 750) to Charlestown Bowling Club Limited (ABN 38 609 055 155) ;**
- (b) approve of the making of an application under section 60 of the Liquor Act 2007 to the Independent Liquor and Gaming Authority of NSW for the transfer of the Club Licence (No. LIQC300240908) of Newcastle Leagues Club Limited (ABN 34 000 140 750) for the purposes of such amalgamation;*
- (c) approve, in accordance with section 21(4) of the Gaming Machines Act 2001, the transfer of all thirty-eight (38) gaming machine entitlements of Newcastle Leagues Club Limited (ABN 34 000 140 750) to Charlestown Bowling Club Limited (ABN 38 609 055 155) or such other club or clubs nominated by Charlestown Bowling Club Limited (ABN 38 609 055 155); and*
- (d) approve, subject to the Independent Liquor and Gaming Authority of NSW for the transfer of the Club Licence (No. LIQC300240908) of Newcastle Leagues Club Limited (ABN 34 000 140 750) to Charlestown Bowling Club Limited (ABN 38 609 055 155) for the purposes of such amalgamation and in accordance with Rule 14 of the Constitution, of any property of Newcastle Leagues Club Limited (ABN 34 000 140 750) remaining after the satisfaction of all its debts and liabilities, being given or transferred to Charlestown Bowling Club Limited (ABN 38 609 055 155)."*

### EXPLANATORY MESSAGE REGARDING THE ORDINARY RESOLUTION

#### *General information*

- 1 The General Meeting has been called to consider the Ordinary Resolution for the proposed amalgamation of Newcastle Leagues Club Limited (**Newcastle Leagues**) and Charlestown Bowling Club Limited (**Club Charlestown**).
- 2 Both Newcastle Leagues and Club Charlestown are registered clubs holding club licences under the *Liquor Act 2007* (NSW) (**Liquor Act**). The amalgamation of two registered clubs must be effected pursuant to the provisions of Division 1A of Part 2 of the *Registered Clubs Act 1976* (NSW) (**Registered Clubs Act**).
- 3 Under section 17AB of the Registered Clubs Act, an amalgamation occurs when the club licence

of one club is transferred to the other club by the Independent Liquor & Gaming Authority (**Authority**) under section 60 of the Liquor Act, and, the transferring club is then dissolved.

4 On 12 May 2020, in accordance with clause 4 of the Registered Clubs Regulation 2015, Club Charlestown, in seeking to amalgamate with another registered club, called for expressions of interest by way of ClubsNSW Circular (No: 20-064) (**Notice**).

5 In response to the Notice, Newcastle Leagues lodged an expression of interest.

6 The terms of the proposed amalgamation are set out in a Memorandum of Understanding (**MOU**) between Newcastle Leagues and Club Charlestown. The MOU covers matters that are required to be dealt with under the Registered Clubs Act, along with other commercial matters connected to the amalgamation.

7 Copies of the MOU are available for members from Club Charlestown reception upon request. A copy of the MOU is also on display on:

- (a) the notice board at Club Charlestown premises at 5 Lincoln Street, Charlestown;
- (b) on the notice board of Newcastle Leagues at 17 National Park Street; Newcastle West;
- (c) on Club Charlestown website at <http://clubcharlestown.com.au>; and
- (d) on Newcastle Leagues' website at <http://www.newcastleleaguesclub.com.au>

8 Members will have a reasonable opportunity to ask questions at the General Meeting.

#### *Summary of the amalgamation process*

9 Under section 17AEB of the Registered Clubs Act, the Authority will not approve the transfer of the club licence unless it is satisfied, among other things, that the proposed amalgamation has been approved in principle at separate extraordinary general meetings of the ordinary members of both clubs proposing to amalgamate.

10 If the Ordinary Resolution is approved, the members will be authorising the making of the application to the Authority for approval of the amalgamation and transfer of the club licence.

11 At the Club Charlestown General Meeting, its members will be asked to consider resolutions to:

- (a) approve the amalgamation; and
- (b) amend Club Charlestown's Constitution to facilitate the transfer of members from Newcastle Leagues to Club Charlestown in the amalgamation process, in accordance with the MOU.

12 If the amalgamation is approved by both clubs and the Authority, Club Charlestown will continue as the 'Amalgamated Club' and Newcastle Leagues will then be dissolved.

13 Paragraph (c) of the Ordinary Resolution is proposed under Rule 14 of Newcastle Leagues' Constitution and is intended to permit any property (if any) of Newcastle Leagues remaining after the winding up, to be transferred or given to Club Charlestown.

#### *Some key terms of the proposed amalgamation*

14 **The Board recommends to members that they carefully read the MOU before voting.**

15 This notice does not set out all matters relevant to the amalgamation which are contained in the MOU. However, some key matters for consideration by members include:

- (a) The amalgamation will result in the dissolution of Newcastle Leagues as a company and

a licensed club and the continuation of Club Charlestown as the body corporate of the Amalgamated Club.

- (b) The Board of Club Charlestown will be the Governing Body of the Amalgamated Club.
- (c) The Chief Executive Officer of Club Charlestown will be the Chief Executive Officer of the Amalgamated Club.
- (d) On approval of the amalgamation members of Newcastle Leagues who are not already members of Club Charlestown will be invited to become members of Club Charlestown. . The invitation to membership of Club Charlestown is required because under the Corporations Act 2001 a person cannot become a member of a company if that person has not consented to membership. In other words, if Club Charlestown simply made all of Newcastle Leagues' members, members of Club Charlestown without their consent, Club Charlestown would be committing an offence.
- (e) Club Charlestown is creating a new class of membership to be known as Newcastle Leagues Members and all members of Newcastle Leagues will become members of that class of membership of Club Charlestown. Newcastle Leagues Members will have the same rights as Social members in the Amalgamated Club.
- (f) Life Members of Newcastle Leagues will continue to be recognised as Life members of the Newcastle Leagues Sub-Club and will only be required to pay such minimum annual subscription as required by the Registered Clubs Act which is currently \$2.
- (g) The assets of Newcastle Leagues are essentially the gaming machines and gaming machine entitlements. Newcastle Leagues does not own any land. The Newcastle Leagues' premises was located on land which was leased by Newcastle Leagues. The lease on that land expires in October 2021.
- (h) The gaming machine entitlements may be moved to Club Charlestown's premises or disposed of by way of sale. Newcastle Leagues members are asked as part of the Ordinary Resolution to approve of the transfer of those gaming machine entitlements to Club Charlestown or its nominee, in accordance with the requirements of section 21(4) of the Gaming Machines Act 2001.
- (i) Paragraph (c) of the First Ordinary Resolution is proposed in the event that there is any real or personal property remaining after Newcastle Leagues' debts and liabilities have been satisfied and Newcastle Leagues has been wound up. The First Ordinary Resolution provides that the remaining property will be transferred to Club Charlestown.
- (j) Newcastle Leagues and Club Charlestown have agreed that the Newcastle Leagues premises will not be operated by the Amalgamated Club.
- (k) An Advisory Committee will be established in order to may make recommendations to the Board and/or management of the Amalgamated Club regarding the Leagues Club Premises and matters relating to the Leagues Club. The Advisory Committee is subject to the overall control and direction of the Board and management of the Amalgamated Club.
- (l) The Advisory Committee will initially be made up of the existing directors of the Leagues Club who, as at the date of Completion of the Amalgamation, have given written consent to Club Charlestown to be members of the Advisory Committee (**First Advisory Committee**).
- (m) The First Advisory Committee shall hold office until the first election of the Advisory Committee. The first election of the Advisory Committee will be held on or before the date of Club Charlestown's Annual General Meeting in 2022. The exact date of the first election of the Advisory Committee will be determined by the Board of the Amalgamated Club.

- (n) With effect from the first election of the Advisory Committee, the Advisory Committee will comprise of five (5) members who must have been financial Ordinary Members of the Leagues Club at the date of this Memorandum.
- (o) The Club Licence of Newcastle Leagues will be transferred to Club Charlestown under section 60A of the Liquor Act 2007.
- (p) Newcastle Leagues' employees will be offered employment with the Amalgamated Club and any employee entitlements will be carried over to their employment with the Amalgamated Club if they choose to accept employment.

*Background information*

- 16 Both clubs have similar objects concerning the promotion of sporting and recreational activities.
- 17 Club Charlestown has a long and established reputation as a strong supporter of community organisations and sporting clubs, and is looking to continue its strong affiliation with the Newcastle Leagues members.

*General notes regarding the Ordinary Resolution*

- 18 In accordance with the Registered Clubs Act, all Life Members and financial Ordinary members (comprising Club Members and Senior Club Members) are eligible to attend the General Meeting and vote on the Ordinary Resolution.
- 19 To be passed the Ordinary Resolution requires votes in favour from a simple majority (50%+1) of those members who, being eligible to do so, are present and vote on the Ordinary Resolution.
- 20 Under the Registered Clubs Act:
  - (a) members who are employees of Newcastle Leagues are not entitled to vote; and
  - (b) proxy voting is prohibited.

**The Board encourages members to attend and vote on this important decision for our Club.**

By Order of the Board of Directors.

**Brett Myers**  
**General Manager**  
**Dated: Monday 17<sup>th</sup> August 2020**