

**ADAMSTOWN BOWLING CLUB CO-OP LIMITED
NSWC00417**

NOTICE OF SPECIAL GENERAL MEETING

NOTICE is hereby given of the Special General Meeting of **ADAMSTOWN BOWLING CLUB CO-OP LIMITED** to be held on **Sunday 30 March 2025** commencing at **10:00am** at the premises of the Club, Glebe Road, Adamstown, NSW.

BUSINESS OF THE MEETING

The business of the meeting will be as follows:

1. To provide members with an update regarding the financial position of the Club.
 2. To provide members with an opportunity to ask questions regarding the Club's change in strategy which was implemented in August 2024.
 3. To consider and if thought fit pass the Ordinary Resolutions set out below.
 4. To consider and if thought fit pass the Special Resolution set out below.
 5. To consider and if thought fit pass the Non-Binding Recommendation set out below.
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FIRST ORDINARY RESOLUTION

That:

- (a) the members hereby approve expenditure by the Club between the Annual General Meeting held in 2024 and the Annual General Meeting to be held in 2025 for an amount not exceeding ten thousand dollars (\$10,000.00) for the following:
 - (i) The reasonable costs of Directors or Club sub-committee members attending seminars, lectures and other educational activities as determined by the Board from time to time including mandatory training for directors required by the Registered Clubs Act and Regulations.
 - (ii) The reasonable costs (including travel and accommodation expenses) of directors attending meetings, conferences and trade shows conducted by ClubsNSW, the Club Managers Association and such other conferences and trade shows as determined by the Board from time to time.
 - (iii) The reasonable cost for directors to attend Clubs NSW regional meetings and Club Managers Association zone meetings as required.
 - (iv) The reasonable cost of directors (and their spouses/partners if required) attending any club, community or charity function as the representatives of the Club and authorised by the Board to do so.
 - (b) the members acknowledge that the benefits in paragraph (a) are not available for members generally but are only for those who are directors (and their spouses/partners in certain circumstances) of the Club.
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SECOND ORDINARY RESOLUTION

That:

- (a) the members hereby approve the provision of complimentary beverages by the Club to Bowling members after participating in the finals of the Club honour board bowling events.
 - (b) the members acknowledge that the benefit in paragraph (a) is not available for members generally but is only for those Bowling members who participate in the finals of Club honour board events.
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Notes to Members on Ordinary Resolutions

1. Section 10(1)(i) of the Registered Clubs Act (**RCA**) provides that the Club cannot provide a profit, benefit or advantage to a member which is not equally offered to all members.
 2. Section 10(6A)(b) of the RCA allows the Club to provide benefits to certain members which are not equally offered to all other members if members pass an ordinary resolution approving the provision of those benefits.
 3. The Club has historically provided the benefits set out in the First Ordinary Resolution and Second Ordinary Resolution to directors and Bowling members respectively without obtaining the approval of members.
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4. Accordingly, to ensure compliance with section 10(1)(i) of the RCA:
- (a) the First Ordinary Resolution proposes to have the members approve expenditure by the Club on directors for an amount not exceeding ten thousand dollars (\$10,000) in respect of the matters set out in the Ordinary Resolution (which includes the cost of mandatory director training and other expenditure arising from directors discharging their obligations as directors of the Club); and
 - (b) the Second Ordinary Resolution proposes to have members approve the provision of complimentary beverages to Bowling members who participate in the finals of Club honour board events.
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SPECIAL RESOLUTION

That, with effect from and for the purposes of the Annual General Meeting and election of the Board to be held in 2025 and thereafter, the Rules of Adamstown Bowling Club Co-op Limited be amended by:

- (a) **inserting** the following new Rule 45(f):
 - “(f) An eligible member shall be entitled to nominate for election to the Board as a director only and the President shall be elected in accordance with Rule 46(xvi) of these Rules”.*
 - (b) **deleting** from Rule 46(iv) the words *“and a separate nomination made for each position for which the nominee seeks election”*.
 - (c) **deleting** from Rule 46(v) the words *“each position”* and **inserting** the words *“the position(s)”*.
 - (d) **inserting** at the end of Rule 46(xi) the words *“and advise members that the President will be elected by the elected directors after the Annual General Meeting in accordance with Rule 46(xvi) below”*.
 - (e) **inserting** into Rule 46(xv) the words *“and after the President has been elected in accordance with Rule 46(xvi) below”* after the words *“Following the Annual General Meeting”*.
 - (f) **Inserting** the following new Rule 46(xvi):
 - “(xvi) As soon as reasonably practicable after an Annual General Meeting, the elected directors shall elect the President from amongst their number. The director elected to the position of President shall, subject to these Rules, hold that office until the conclusion of the next Annual General Meeting. If the director who is elected to the position of President resigns from the position of President only, that director shall revert to being a director only and the elected directors shall elect a replacement President from amongst their number”.*
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Explanatory Notes on Special Resolution

1. The Special Resolution proposes to amend the manner in which the President is elected.
 2. Currently, the President is elected by members for a three (3) year term of office.
 3. However, if the Special Resolution is passed, members will elect the directors to the Board, but the elected directors (and not the members) will elect the President after each Annual General Meeting.
 4. As a result, members will only nominate for election to the Board as a director (and not as President).
 5. The person elected as the President will hold that position until the conclusion of the next Annual General Meeting.
 6. This amendment will take effect from and for the purposes of the Annual General Meeting of the Club to be held in 2025.
 7. The Board recommends this amendment because:
 - (a) Currently, if the President wishes to step down from that role, they automatically resign their position on the Board as they do not hold an ‘Ordinary Director’ position.
 - (b) The above scenario results in the Board having to elect an interim President, at which time both the position of President and the new interim President’s previous position become vacant at the next Annual General Meeting. This has impacts on the current ‘Triennial Rule’, and subsequently the tenure of directors.
 - (c) This amendment enables the President to step down from that role whilst remaining a director on the Board. This allows for greater continuity and consistency on the Board.
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Procedural Matters for Special Resolution

8. The Special Resolution should be read in conjunction with the above notes which set out the reasons for and the effect of the Special Resolution.
9. To be passed, the Special Resolution must receive votes in favour from not less than two thirds of those members who, being eligible to do so, vote in person on the Special Resolution at the meeting.
10. Only Life members and financial Active members who have attained the age of eighteen (18) years can vote on the Special Resolution.
11. Under the Registered Clubs Act, members who are employees of the Club are not entitled to vote and proxy voting is prohibited.
12. The Board of the Club recommends the Special Resolution to members.
13. If the Special Resolution is passed, the amendments contained in the Special Resolution will not take effect until the amendments are registered with the Registry of Co-operatives and Associations.

NON-BINDING RECOMMENDATION

That the members of Adamstown Bowling Club Co-op Limited hereby recommend that the Club converts from being a co-operative to a company limited by guarantee.

Notes on Non-Binding Recommendation

1. The Board is considering the possibility of the Club converting from a co-operative to a company limited by guarantee (like most other registered clubs in NSW).
2. The Board recommends that the Club converts from a co-operative to a company for the reasons set out below (see section titled "*What are the advantages of converting to a company?*").
3. However, the Board wishes to obtain the feedback from members before it commences this process by having members vote on the Non-Binding Recommendation.
4. To assist members in considering and voting on the Non-Binding Recommendation, the procedure to be followed when converting to a company and the advantages and disadvantages of converting to a company are set out below.

Procedure for Converting to a Company

5. The process of converting from a co-operative to a company is as follows:
 - (d) The Club must:
 - (i) prepare a disclosure statement detailing the proposed conversion of the Club from a co-operative to a company; and
 - (ii) prepare a new constitution for the new company (noting this constitution would reflect the existing constitution of the Club where possible);
 - (iii) reserve a company name with Australian Securities & Investments Commission (**ASIC**) for the company (for example, "Adamstown Bowling Club Limited").
 - (e) The Club must send the disclosure statement and constitution to the Registry of Co-operatives (**Registry**) for its approval.
 - (f) After the Registry has approved the disclosure statement and constitution, members must pass a special resolution approving:
 - (i) the conversion of the Club from a co-operative to a company; and
 - (ii) the company name of the Club;
 - (iii) the new constitution of the Club.
 - (g) Assuming the special resolution referred to in paragraph (c) above is passed, the Club must:
 - (i) notify the Registry of Co-operatives that the special resolution was passed; and
 - (ii) make an application for the new company to be registered with ASIC.

- (h) After the matters referred to in paragraph (d) have been finalised, the Club will be deregistered as a co-operative and the Club will continue its operations as a company.

What are the advantages of converting to a company?

6. The main advantages of the Club converting to a company are:
- (a) to be consistent with most registered clubs in NSW; and
 - (b) from an operational perspective, there will be little or no difference to the trading and operation of the Club;
 - (c) the Corporations Act is more appropriate and relevant to clubs trading commercially, with a high dollar turnover and large memberships;
 - (d) statutory changes affecting registered clubs are drafted with greater emphasis on the needs of clubs which are companies;
 - (e) it is more difficult for the Club as a co-operative to obtain advice with respect to co-operative matters because of the special considerations that apply to co-operatives which do not apply to most other clubs which are companies;
 - (f) the Corporations Act allows for more flexibility when the drafting of the rules which apply to the Club;
 - (g) amendments to the Constitution take immediate effect and they do not need to be approved by an external body (which is the case with co-operatives).

What are the disadvantages of converting to a company?

7. The main disadvantages of the Club converting to a company are:
- (a) from an operational perspective, there will be little or no difference to the trading and operation of the Club; and
 - (b) there are significant costs involved with converting to company;
 - (c) the procedure for converting to a company will take approximately six (6) to twelve (12) months.

Next Steps for the Board

8. If the Non-Binding Recommendation is passed, the Board will commence the process of the Club converting from a co-operative to a company.
9. However, if the Non-Binding Recommendation is not passed, the Board will reassess whether or not the Club should proceed with the process of converting to a company.

Dated:

By direction of the Board



Glynn Haslam
Secretary Manager