

**CHATSWOOD CLUB LTD**  
**ACN 000 148 354**

**NOTICE OF GENERAL MEETING**

**NOTICE** is hereby given that a General Meeting of **CHATSWOOD CLUB LTD ACN 000 148 354** will be held at Chatswood Club at 11 Help Street, Chatswood NSW 2067 on Monday 24 February 2025 at 6pm.

**BUSINESS:**

The business of the General Meeting will be as follows:

**Amalgamation**

1. Members to consider and, if thought fit, pass Resolution 1 (set out below) approving in principle and giving effect to the amalgamation of Chatswood Club Ltd ACN 000 148 354 ("Chatswood Club") and Manly-Warringah Rugby League Club Ltd ACN 000 193 251 ("Manly Leagues Club").

**RESOLUTION 1 – ORDINARY RESOLUTION**

To consider, and if thought fit, to pass the following ordinary resolution:

"That the members of Chatswood Club Ltd ACN 000 148 354 ("Chatswood Club") hereby approve in accordance with section 17AEB (d) of the Registered Clubs Act ("RCA") and the Memorandum of Understanding between Chatswood Club and Manly-Warringah Rugby League Club Ltd ACN 000 193 251 ("Manly Leagues Club") dated 23 December 2024 ("MOU"):

1. In principle, the amalgamation of Chatswood Club and Manly Leagues Club with such amalgamation to be effected by:
  - (a) the continuation of Manly Leagues Club as the amalgamated club and the dissolution of Chatswood Club;
  - (b) the transfer of the Assets, Liabilities and Land (all as defined in the MOU) of Chatswood Club to Manly Leagues Club; and
  - (c) the transfer of the Club Licence of Chatswood Club to Manly Leagues Club pursuant to the application referred to in 2 below; and
2. The making of a conditional application under section 60 of the Liquor Act 2007 to the Independent Liquor and Gaming Authority of New South Wales for the transfer of the Club Licence of Chatswood Club to Manly Leagues Club for the purposes of such amalgamation.
3. The transfer of the Land (as defined in the MOU) of Chatswood Club to Manly Leagues Club for the purposes of Regulation 29B(1)(f) of the Registered Clubs Regulation ("Regulations")."

**EXPLANATORY NOTES TO MEMBERS ON RESOLUTION 1 – ORDINARY RESOLUTION**

**General**

1. At the General Meeting the members will be asked to consider Resolution 1 in relation to:
  - (a) the proposed amalgamation of Chatswood Club and Manly Leagues Club;
  - (b) the transfer of (which includes without limitation) all Assets, Land and Liabilities (as defined in the Memorandum of Understanding) and Club Licence of Chatswood Club to Manly Leagues Club; and
  - (c) the making of a conditional application to the Independent Liquor and Gaming Authority for the purpose of approving the amalgamation by approving the transfer of the Club Licence of Chatswood Club to Manly Leagues Club; and
  - (d) the transfer of the Land (as defined in the MOU) to Manly Leagues Club, for the purposes of Regulation 29(B)(1)(f) of the Registered Club Regulations.

2. Amalgamation between two (2) registered clubs, such as is proposed, is governed by the provision of the Registered Clubs Act 1976 ("the Registered Clubs Act"). One of the requirements of the Registered Clubs Act is that the two (2) amalgamating clubs have entered into a legally binding Memorandum of Understanding ("MOU") which covers various matters required by the Registered Clubs Act to be addressed and agreed between the clubs. The MOU can also deal with additional matters.
3. Chatswood Club and Manly Leagues Club have entered into a MOU dated 23 December 2024. The MOU is also available for inspection by the ordinary members at the Chatswood Club premises and on Chatswood Club's website.
4. Prior to entering into the MOU and in accordance with the requirements of clause 4(5) of the Registered Clubs Regulation 2015, Chatswood Club notified Chatswood Club members that, within the previous twelve (12) months, it had entered into a Memorandum of Understanding with Norths Sydney Leagues' Club. However, the proposed amalgamation did not proceed. This notification at the time was provided by placing a notice on its website and notice board. Manly Leagues Club called for an expression of interest in amalgamation from Clubs on 19 November 2024. Chatswood Club responded to Manly Leagues Club's call for expression of interest in amalgamation on 20 November 2024. The notice regarding the proposed amalgamation is still available for review by Chatswood Club members on the Chatswood Club noticeboard and website.
5. The amalgamation between Chatswood Club and Manly Leagues Club can only proceed if, amongst other things, the ordinary members of both Chatswood Club and Manly Leagues Club approve the amalgamation process. The members of Chatswood Club give their approval to the amalgamation component by passing Resolution 1 to approve the amalgamation in principle.
6. What follows in these notes is a summary of some of the principal features of the Memorandum of Understanding that has been entered into and will need to be complied with by Chatswood Club as well as the steps that need to be followed to give effect to the amalgamation process and to form the amalgamated club ("the Amalgamated Club").

#### **Key Features of the MOU**

7. The amalgamation will result in the dissolution of Chatswood Club as a company and the continuation of the Manly Leagues Club as the body corporate of the Amalgamated Club. The Constitution of the Amalgamated Club will be the Constitution of Manly Leagues Club.
8. The Board of the Amalgamated Club will be the Board of Manly Leagues Club and the Chief Executive Officer of Manly Leagues Club will be the Secretary and Chief Executive Officer of the Amalgamated Club.
9. For the purposes of section 66 of the Liquor Act, the Amalgamated Club will appoint an approved manager for the Chatswood Club Premises.
10. At the time or immediately after the Amalgamation Application is granted, all Assets, Liabilities and Land (as defined in the Memorandum of Understanding) of Chatswood Club will be transferred to Manly Leagues Club and all financial members of Chatswood Club will be invited to become Club members of Manly Leagues Club.
11. All financial members of Chatswood Club will be invited to become Club members of Manly Leagues Club, except for Life Members of the Chatswood Club who will become "Chatswood Life Members" of Manly Leagues Club, and will for the purposes of section 17AC(2) of the Registered Clubs Act all be identified in the separate class of membership called "Chatswood Club Members" and if they accept an invitation to become a member will be given a credit for any membership subscription amounts paid with Life Members not being required to pay subscription fees in the future (except if required by the Registered Clubs Act). All transferring members of Chatswood Club will be subject to the usual restrictions applicable to new members of Manly Leagues Club.

#### **Premises**

12. The Chatswood Club Club's premises and its associated facilities will become additional premises of Manly Leagues Club and will be available to all members of the Amalgamated Club in addition to the Manly Leagues Club and Dee Why Bowling Club.

### **Name and Branding**

13. The Chatswood Club Premises will be rebranded to appeal to the current local demographic of the Chatswood Club Premises.

### **Traditions and Memorabilia**

14. Subject to the terms and conditions on the MOU the Amalgamated Club will:
  - (a) maintain the traditions and memorabilia of Chatswood Club; and
  - (b) continue the same, or provide a greater amount, of support and sponsorship to community and sporting groups in the local community of Chatswood Club Premises.as set out in the MOU.

### **Club Operations**

15. Manly Leagues Club intends to carry on the business of a licenced registered club at Chatswood Club Premises with all the facilities and amenities of a registered club (subject to any period of temporary closure required for renovation or redevelopment).

### **Employees of Chatswood Club**

16. Chatswood Clubs employees will be offered employment with Manly Leagues Club on terms no less favourable than their existing terms of employment.
17. Those employees who accept the offer of employment will receive continuity of employment and their employee entitlements as employees of Chatswood Club will be honoured by Manly Leagues Club.
18. Any employee who does not accept the offer of employment with Manly Leagues Club will be paid out their entitlements on Completion.

### **Intentions regarding Core Property**

19. For the purposes of the RCA, Chatswood Club's land is currently "core property" of Chatswood Club.
20. As at Completion, the Chatswood Club land will become core property of the Amalgamated Club and it will, subject to the requirements of the RCA, remain core property.

### **Intentions regarding Chatswood Club's cash and investments**

21. Chatswood Club's cash and investments (if any) will be transferred to the general reserves of the Amalgamated Club.

### **Intentions regarding Chatswood Club's gaming machine entitlements (GMEs)**

22. Chatswood Club has twenty-four (24) GMEs as recorded on the Chatswood Club Licence and the Amalgamated Club must retain the twenty-four (24) GMEs at the Chatswood Club Premises.

### **Cessation of Trading from Chatswood Club Premises**

23. Manly Leagues Club will continue to trade from the Chatswood Club Premises for a minimum of ten (10) years after Completion unless the circumstances below arise and Manly Leagues Club then elects to cease trading from the premises.
24. The Amalgamated Club may cease trading from the Chatswood Club Premises:
  - (a) if it does so in a manner that complies with section 17A1 of the Registered Clubs Act; or
  - (b) upon the order of any court, government agency or body with jurisdiction to administer the laws in relation to liquor, gaming, and registered clubs which orders the permanent closure of the Chatswood Club premises;
  - (c) upon the lawful order of any government agency to permanently cease trading from the Chatswood Club Premises, or revoking any licence, approval or consent necessary for the

Amalgamated Club to continue trading from the Club Premises and it is not possible for the licences, approvals, or consents to be re-instated or new/replacement licences, approvals, or consents to be obtained;

- (d) if the Chatswood Club Premises are destroyed or partially destroyed and the resulting insurance claim is insufficient to re-instate or rebuild of an operational clubhouse at Chatswood Club Premises.
- (e) if required to avoid an Insolvency Event occurring in respect of the Amalgamated Club in the opinion of the Board of the Amalgamated Club; or
- (f) If after the tenth (10<sup>th</sup>) anniversary of Completion the Board of the Amalgamated Club determines that continued trading of the Chatswood Club Premises is not in the best interests of the Amalgamated Club.

#### **Transfer of Liabilities**

25. Manly Leagues Club will on amalgamation completion take on the Liabilities of Chatswood Club as per the definitions and terms of the MOU.

#### **Loan**

26. Manly Leagues Club will refinance the Loan (as defined in the MOU) in full before Completion, contingent on Chatswood Club entering a loan and security agreement. The loan will cover the refinancing of existing loans and include a Cladding Allowance (as defined in the MOU) to fund anticipated cladding replacement costs levied on Chatswood Club.

#### **Transfer of Chatswood Club's Land – Regulation 29B of the Regulations**

27. As part of the amalgamation, Chatswood Club must transfer its land to Manly Leagues Club (as the Amalgamated Club). Chatswood Club's land is core property of the Chatswood Club.

28. The transfer of the Chatswood Club land to Manly Leagues Club will be transferred in accordance with an exemption contained in the Regulations.

29. Relevantly, Regulation 29B(1)(f) of the Regulations provide as follows:

*“(1) Section 41E(1) of the Act does not apply in relation to the disposal of any core property of a registered club in any of the following circumstances –*

- (f) the terms and nature of the disposal (including details of the parties, property, price and valuation) are disclosed to the ordinary members of the club, and the disposal is approved at a general meeting of the ordinary members of the club”*

30. Accordingly, for the purposes of complying with the exemption contained in Regulation 29B(1)(f) of the RCA, members are hereby advised that:

- (a) Chatswood Club's land will be transferred by Chatswood Club to Manly Leagues Club as part of the amalgamation.
- (b) The transfer of Chatswood Club's land to Manly Leagues Club is set out in the MOU and a Supplementary Agreement – Land Transfer on Amalgamation Completion between the parties.
- (c) Chatswood Club is located at 11 Help Street, Chatswood NSW 2067 and the title reference for Chatswood Club's land is Lot 2 in Strata Plan 37395 (Folio: 2/SP37395).
- (d) Chatswood Club's land will be transferred to Manly Leagues Club for a nominal value under the Supplementary Agreement – Land Transfer on Amalgamation Completion. However, it is important to note that the transfer of the Chatswood Club's land is not a standalone transaction and it is part of an amalgamation where Manly Leagues Club will assume significant debts, liabilities and contract obligations of Chatswood Club.
- (e) Chatswood Club's land is valued at approximately \$12.7 Million.

- (f) Chatswood Club's members are approving the transfer of Chatswood Club's land by voting in favour of the resolution.

#### **Requirement for Resolution 1**

31. Under the Registered Clubs Act, without limiting section 60 of the Liquor Act 2007, the Independent Liquor and Gaming Authority cannot approve of the transfer of the licence of a dissolving club (Chatswood Club) unless the Authority is satisfied that:
- (a) the parent club (Manly Leagues Club) will meet the requirements set out in section 10(1) of the Registered Clubs Act; and
  - (b) the parent club (Manly Leagues Club) will be financially viable; and
  - (c) the proposed amalgamation is in the interests of the members of each of the clubs that are amalgamating; and
  - (d) the proposed amalgamation has been approved in principle at separate extraordinary general meetings of the ordinary members of each of the clubs proposing to amalgamate (being in each case an approval supported by a majority of the votes cast at the meeting).
32. Resolution 1 proposed in this Notice of General Meeting is required for the purposes of section 17AEB(d) of the Registered Clubs Act and the amalgamation between Chatswood Club and Manly Leagues Club cannot proceed until the ordinary members of both clubs have approved in principle the amalgamations of their clubs at separate general meetings. Resolution 1 also satisfies the requirements of section 41E(1)(f) of the Registered Club Regulations.

#### **Procedural Matters in Relation to the proposed Ordinary Resolution**

33. The Registered Clubs Act requires the proposed amalgamation is to "be approved in principle at separate extraordinary general meetings of the ordinary members of each of the clubs proposing to amalgamate." The term "ordinary members" essentially means all members in all classes of membership (excluding employees of Chatswood Club), other than Honorary members, Temporary members, and Provisional members.
34. Accordingly, all members in all classes of membership (excluding employees of Chatswood Club), other than Honorary members, Temporary members and Provisional members are eligible to attend the extraordinary general meeting and vote on Resolution 1. This is despite any provision in the Constitution of the Chatswood Club that restricts voting rights for certain classes of membership.
35. To be passed, Resolution 1 requires votes from a simple majority of eligible members (50% + 1) present and voting on the Ordinary Resolution at the meeting.
36. Members should read the Explanatory Notes to Members set out above which explains the general nature and effect of Resolution 1. Members should also read in full the MOU between Chatswood Club and Manly Leagues Club.
37. Please direct any questions or concerns about Resolution 1 in writing to of Chatswood Club's General Manager Paul Watkins, if possible, at least three (3) days, before the General Meeting.
38. Proxy Votes are not allowed under the Registered Clubs Act nor the Constitution of the Chatswood Club.
39. The Board of Directors of Chatswood Club recommends that members vote in favour of Resolution 1.

#### **By direction of the Board**

Mr Paul Watkins  
GENERAL MANAGER  
CHATSWOOD CLUB

Dated: 24 January 2025