

MILTON ULLADULLA EX-SERVOS CLUB LTD
ACN 000 858 364
NOTICE OF GENERAL MEETING

NOTICE is hereby given that a General Meeting of **MILTON ULLADULLA EX-SERVOS CLUB LIMITED ACN 000 858 364** will be held at Milton Ulladulla Ex-Servos Club, 212-222 Princes Highway, Ulladulla NSW 2539 on Sunday 5 May 2024 at 9am.

BUSINESS:

The business of the General Meeting will be as follows:

Amalgamation

1. Presentation to Members regarding the proposed amalgamation of Milton Ulladulla Ex-Servos Club Ltd ACN 000 858 364 ("Milton Ulladulla Ex-Servos Club") and Tomakin Sports and Social Club Ltd ACN 001 383 142 ("Tomakin Sports & Social Club");
2. Following the presentation to Members, Members to then consider and, if thought fit, pass Resolution 1 (set out below) approving in principle and giving effect to the amalgamation of Milton Ulladulla Ex-Servos Club and Tomakin Sports & Social Club; and
3. Subject to Resolution 1 being approved, Members to consider and, if thought fit, pass Resolution 2 (set out below) as a special resolution to amend the Constitution of Milton Ulladulla Ex-Servos Club to provide for the amalgamation and to give effect to the obligations of Milton Ulladulla Ex-Servos Club under, or related to, the amalgamation Memorandum of Understanding entered into by Milton Ulladulla Ex-Servos Club and Tomakin Sports & Social Club.

RESOLUTION 1 – ORDINARY RESOLUTION

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

"That the members of Milton Ulladulla Ex-Servos Club Limited ACN 000 858 364 ("Milton Ulladulla Ex-Servos Club") hereby approve in accordance with section 17AEB (d) of the Registered Clubs Act ("RCA") and the Memorandum of Understanding dated 28 March 2024:

1. In principle, the amalgamation of Milton Ulladulla Ex-Servos Club and Tomakin Sports and Social Club Ltd ACN 001 383 142 ("Tomakin Sports & Social Club") with such amalgamation to be effected by:
 - a. the continuation of Milton Ulladulla Ex-Servos Club as the corporate entity of the amalgamated club and the dissolution of Tomakin Sports & Social Club;
 - b. the transfer of the Assets, Liabilities and Land (all as defined in the Memorandum of Understanding) of Tomakin Sports & Social Club to Milton Ulladulla Ex-Servos Club; and
 - c. the transfer of the Club Licence of Tomakin Sports & Social Club to Milton Ulladulla Ex-Servos Club pursuant to the application referred to in 2 below; and
2. the making of an application under section 60 of the Liquor Act 2007 to the Independent Liquor and Gaming Authority of New South Wales for the transfer of Club Licence of Tomakin Sports & Social Club to Milton Ulladulla Ex-Servos Club for the purposes of such amalgamation.

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 Milton Ulladulla Ex-Servos Club and Tomakin Sports & Social Club;
 - b) the transfer of all Assets, Land and Liabilities (as defined in the Memorandum of Understanding) and Club Licence of Tomakin Sports & Social Club to Milton Ulladulla Ex-Servos Club; and
 - c) the making of an application to the Independent Liquor and Gaming Authority for the purpose of approving the amalgamation.
2. Amalgamation between two 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 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. Milton Ulladulla Ex-Servos Club and Tomakin Sports & Social Club have entered into a MOU dated 28 March 2024. The MOU is also available for inspection to the ordinary members at the Milton Ulladulla Ex-Servos Club premises and on Milton Ulladulla Ex-Servos Club's website.

4. Prior to entering into the MOU and in accordance with the requirement of Regulation 4(5) of the Registered Clubs Regulations 2015 Milton Ulladulla Ex-Servos Club notified Milton Ulladulla Ex-Servos Club members that it had received one other expression of interest or merger offers in the previous 12 months from Tuross Head Country Club, by placing a notice on its website and notice board. These are still available for review by Milton Ulladulla Ex-Servos Club members at such locations.
5. The amalgamation between Milton Ulladulla Ex-Servos Club and Tomakin Sports & Social Club can only proceed if, amongst other things, the ordinary members of both Tomakin Sports & Social Club and Milton Ulladulla Ex-Servos Club approve the amalgamation process. The members of Milton Ulladulla Ex-Servos 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 MOU that has been entered into and will need to be complied with by Milton Ulladulla Ex-Servos 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 Tomakin Sports & Social Club as a company and the continuation of the Milton Ulladulla Ex-Servos Club as the body corporate of the Amalgamated Club. The Constitution of the Amalgamated Club will be the Constitution of Milton Ulladulla Ex-Servos Club.
8. The Board of the Amalgamated Club will be the Board of Milton Ulladulla Ex-Servos Club and the Chief Executive Officer of Milton Ulladulla Ex-Servos 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 the Tomakin Sports & Social Club CEO as an approved manager for the Tomakin Sports & Social Club Premises.
10. Immediately after the Amalgamation Application is granted, all Assets, Liabilities and Land of Tomakin Sports & Social Club will be transferred to Milton Ulladulla Ex-Servos Club and all financial members of Tomakin Sports & Social Club will be invited to become ordinary members of Milton Ulladulla Ex-Servos Club.
11. The members of Tomakin Sports & Social Club will become members of Milton Ulladulla Ex-Servos Club if they accept an invitation to become a Club member by paying the appropriate fees and subscriptions for that class of membership and agrees in writing to be bound by the Constitution of Milton Ulladulla Ex-Servos Club.
12. All transferring members of Tomakin Sports & Social Club will be subject to the usual restrictions applicable to new members of Milton Ulladulla Ex-Servos Club as well as an additional three (3) year restriction on transferring members being entitled to nominate for election to the Board of the Amalgamated Club. However, this restriction does not apply to any Tomakin Sports & Social Club member who is already a member of Milton Ulladulla Ex-Servos Club as at Completion.
13. All transferring members to Milton Ulladulla Ex-Servos Club will be given a credit for any unexpired portion of their membership subscription amounts paid to Tomakin Sports & Social Club on a pro rata basis.
14. The Amalgamated Club must, as part of club operations at the Tomakin Sports & Social Club premises, subject to the terms and conditions of this Memorandum of Understanding:
 - a) maintain two (2) bowling greens and two (2) tennis courts at the Tomakin Sports & Social Club Premises for as long as it trades from those premises; and
 - b) ensure that the two (2) bowling greens and two (2) tennis courts at the Tomakin Sports & Social Club Premises are kept to at least the same standard that they were in at Completion for as long as the Amalgamated Club continues to trade from the premises.

Premises

15. Tomakin Sports & Social Club's premises will become additional premises of Milton Ulladulla Ex-Servos Club and will be available to all members of the Amalgamated Club.

Name and Branding

16. The Tomakin Sports & Social Club Premises will remain named and trade as " Tomakin Sports & Social Club".

Advisory Committee

17. The Amalgamated Club will create the Advisory Committee for the Tomakin Sports & Social Club Premises and it will operate for as long as the Amalgamated Club trades from the Tomakin Sports & Social Club Premises.
18. Only members of Tomakin Sports & Social Club (as at Completion) can be a committee member on the Advisory Committee or vote in the election of the Advisory Committee.
19. The Advisory Committee will:
 - a) assist and provide direction to the Amalgamated Club with respect to the management, operation, and administration of the Tomakin Sports & Social Club Premises;

- b) make recommendations about the Tomakin Sports & Social Club Premises for consideration by the board of Milton Ulladulla Ex-Servos Club via the Milton Ulladulla Ex-Servos Club CEO or his delegate.
- c) make recommendations to the Amalgamated Club in relation to the ClubGRANTS and other community support and sponsorships to be made by the Amalgamated Club that are attributable to the Tomakin Sports & Social Club Premises.
- d) comprise of a maximum of nine (9) members plus the approved manager for the Tomakin Sports & Social Club Premises.
- e) appoint its Chairperson.
- f) in the event of a vacancy on the Advisory Committee, the remaining members may suggest a suitable candidate to the Amalgamated Club's Board. The Board has the discretion to approve or reject the recommendation.
- g) meet monthly and submit its recommendations to the CEO of the Amalgamated Club.

Sub-Clubs

- 20. Existing Sub-Clubs of Tomakin Sports & Social Club will from amalgamation completion become Sub-Clubs of the Amalgamated Club.
- 21. If the existing Sub-Clubs of Tomakin Sports & Social Club have any funds in their bank accounts at Completion, then those funds will be transferred to the bank accounts for those Sub-Clubs established following amalgamation Completion.

Disciplinary Committee

- 22. The Amalgamated Club will from Completion establish a Tomakin Sports & Social Club Premises Disciplinary Committee to hear disciplinary matters in connection with the Tomakin Sports & Social Club Premises which will:
 - a) consist of the venue manager of the Tomakin Sports & Social Club Premises and two (2) members or employees of the Amalgamated Club as appointed by the Board or CEO of the Amalgamated Club from time to time;
 - b) be delegated the powers of the Board of the Amalgamated Club in relation to disciplinary matters and required to follow the same processes in relation to disciplinary matters as set out in the Amalgamated Club's Constitution and this delegation of powers shall continue for as long as the Amalgamated Club trades from the Tomakin Sports & Social Club Premises; and
 - c) be entitled to issue notices of disciplinary charges and hearings to members and determine the outcome of the disciplinary hearing (guilt and penalty) provided that the Board of the Amalgamated Club, may, in its absolute discretion, set aside any decisions made by the Tomakin Sports & Social Club Premises Disciplinary Committee and deal with the disciplinary matter itself.

Debt & Liabilities

- 23. Milton Ulladulla Ex-Servos will on Completion take over the bank debt and other liabilities of Tomakin Sports & Social Club, which at the date of the MOU were approximately \$5,517,557.73. Any increase in this amount will be subject to the terms of the Memorandum of Understanding.

Finance

- 24. If Milton Ulladulla Ex-Servos Club is unable to secure a re-financing of Tomakin Sports & Social Club's liabilities, which are to be transferred to Milton Ulladulla Ex Servos Club on amalgamation completion, with its financier on terms acceptable to the Board of Milton Ulladulla Ex-Servos Club, then it may terminate the MOU.

By-Laws

- 25. The By-Laws of Tomakin Sports & Social Club will be adopted by the Amalgamated Club for the Tomakin Sports & Social Club Premises upon Completion, subject to review by the Amalgamated Club's Board in consultation with the Advisory Committee, with further determination post-Completion.

Traditions and Memorabilia

- 26. The Amalgamated Club will maintain the traditions and memorabilia of Tomakin Sports & Social Club and continue to provide support to local community, social and sporting groups by way of the Tomakin Sports & Social Club Premises ClubGRANTS program.

Intentions regarding Tomakin Sports & Social Club's cash and investments

- 27. Tomakin Sports & Social Club's cash and investments will be transferred to the general reserves of the Amalgamated Club.

Intentions regarding Tomakin Sports & Social Club's gaming machine entitlements (GMEs)

- 28. Tomakin Sports & Social Club has one hundred and seven (107) GMEs as per its liquor licence and Milton Ulladulla Ex-Servos Club may transfer up to twenty (20) of the GMEs to its Ulladulla premises with regulatory approval. The Amalgamated Club must retain the remaining eighty-seven (87) GMEs at the Tomakin Sports & Social Club premises for the duration of its operation.

Cessation of Trading from Tomakin Sports & Social Club's Premises

29. The Amalgamated Club can cease trading, cease offering bowling facilities and/or cease offering tennis facilities, at the Tomakin Sports & Social Club Premises:
- (a) if it does so in a manner that complies with section 17AI of the RCA; 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 premises;
 - (c) upon the lawful order of any government agency to permanently cease trading from the Tomakin Sports & Social Club Premises, or revoking any licence, approval or consent necessary for the Amalgamated Club to continue trading from the Tomakin Sports & Social Club Premises and it is not reasonably possible for the licences, approvals, or consents to be re-instated or new/replacement licences, approvals, or consents to be obtained;
 - (d) if the Tomakin Sports & Social Club Premises are destroyed or partially destroyed and the resulting insurance claim is not sufficient to re-instate or re-build an operational clubhouse at the 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;
 - (f) if, after five (5) years from the Completion of the Amalgamation, the Tomakin Sports & Social Club Premises operated as a standalone club is determined to be not financially viable.

For the purpose of (f) above the Tomakin Sports & Social Club Premises will be deemed not to be financially viable if it fails to achieve an EBITDA% of 10% or more over any 12-month rolling period, measured quarterly in arrears and verified by an independent company auditor.

30. If the Amalgamated Club wishes to cease trading from the Tomakin Sports & Social Club Premises for any of the reasons set out in 29(a)-(f) above, it must offer it for de-amalgamation in accordance with the terms of the MOU.

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 dissolved club (Tomakin Sports & Social Club) unless the Authority is satisfied that:
- a. the parent club (Milton Ulladulla Ex-Servos Club) will meet the requirements set out in section 10(1) the Registered Clubs Act, and
 - b. the parent club (Milton Ulladulla Ex-Servos 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 Milton Ulladulla Ex-Servos Club and Tomakin Sports & Social Club cannot proceed until the ordinary members of both clubs have approved the amalgamations of their clubs at separate general meetings.

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 Milton Ulladulla Ex-Servos Club), other than Honorary members, Temporary members, and Provisional members.
34. Accordingly, all members in all classes of membership (excluding employees of Milton Ulladulla Ex-Servos 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 Milton Ulladulla Ex-Servos 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 Milton Ulladulla Ex-Servos Club and Tomakin Sports & Social Club.
37. Please direct any questions or concerns about Resolution 1 in writing to the CEO of Milton Ulladulla Ex-Servos Club, 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 Milton Ulladulla Ex-Servos Club.
39. The Board of Directors of Milton Ulladulla Ex-Servos Club recommends that members vote in favour of Resolution 1.

RESOLUTION 2 – SPECIAL RESOLUTION

Subject to the prior approval of Resolution 1, to consider, and if thought fit, to pass the following special resolution:

- (a) That, on and from the date that the Independent Liquor & Gaming Authority approves the amalgamation between Milton Ulladulla Ex-Servos Club Limited ACN 000 858 364 and Tomakin Sports and Social Club Limited ACN 001 383 142, the Constitution of Milton Ulladulla Ex-Servos Club Limited ACN 000 858 364 be amended by

- a. adding the following definition to Rule 3.1:

“Tomakin Sports & Social Club Premises” means the approval licensed premises of Tomakin Sports and Social Club Limited situated at 71 Sunpatch Parade, Tomakin, NSW 2537.”

- b. inserting a new Rule 10.19 as follows:

“AMALGAMATION

10.19 A person who:

- (i) is a financial full member of the Club, or who makes application and is elected as a Full member of the Club in accordance with the Memorandum of Understanding for amalgamation between the Club and Tomakin Sports and Social Club Limited ACN 001 383 142 (“TSSC”) dated 28 March 2024 (“MOU”); and
- (ii) is a financial full member (as defined in the Registered Clubs Act) of TSSC, not suspended and whose name is entered in the register of members of TSSC, on the date of transfer of the club licence of TSSC to the Club by the Independent Liquor and Gaming Authority;
will:
- (iii) be given credit for any unexpired portion of their membership subscription amounts pre-paid to TSSC on a pro-rata basis;
- (iv) for the purposes of the Registered Clubs Act only, be identified in the Club's register of members as a ‘Tomakin Sports & Social Club Member’; and
- (v) be subject to a mandatory extension of three (3) additional years to the continuous membership qualification period, as detailed in clause 24.4(a), an eligibility criterion for election or appointment to the Board, unless the person was already a member of the Club as at the date of transfer of the club licence of TSSC to the Club.”

- c. amending Rule 20.1 as follows:

- i. the four sub-clauses after the words “with this Rule 20 to:” are to be renumbered (d),(e),(f) and (g).
- ii. by moving the words “the Secretary in which case:” down a line and place in front of those words “(A)” to make a new sub-clause (A).
- iii. the insertion of a new sub-clause (B) after the words in the newly created sub-clause (A) “make his or her decision in his or her sole and absolute discretion.” as follows:

“And

- (B) the Tomakin Sports & Social Club Premises Disciplinary Committee, which will comprise the venue manager of the Tomakin Sports & Social Club Premises and two (2) members or employees of the Club as appointed by the Board or Secretary of the Club from time to time, in which case:
 - (i) the delegation by the Board is irrevocable whilst the Club trades from the Tomakin Sports & Social Club Premises;
 - (ii) all disciplinary matters relating to the Tomakin Sports & Social Club Premises will be dealt with by the Tomakin Sports & Social Club Premises Disciplinary Committee;
 - (iii) the Tomakin Sports & Social Club Premises Disciplinary Committee will at all times only deal with disciplinary matters relating to the Tomakin Sports & Social Club Premises;
 - (iv) any reference to the Board in Rules 20.2 to Rule 20.13 will as the context so requires be read as a reference to the Tomakin Sports & Social Club Premises Disciplinary Committee;

- (v) in relation to Rule 20.8 the Tomakin Sports & Social Club Premises Disciplinary Committee will make decisions on a majority basis when determining matters; and,
- (vi) the Board shall at all times have the power to review and set aside any and all decisions and/or penalties of the Tomakin Sports & Social Club Premises Disciplinary Committee, and may order a fresh hearing by the Board of any matter determined by Tomakin Sports & Social Club Premises Disciplinary Committee, and at its discretion impose any of the penalties as set out in Rule 20.1(d) to (g)."

(b) To make any formatting, grammar and numbering changes to the amendment and Constitution to give effect to the above."

Explanatory Notes to Members Resolution 2

1. The Special Resolution being Resolution 2 will only be considered if the Ordinary Resolution which is Resolution 1 is passed to approve the amalgamation in principle.
2. This Special Resolution will allow all financial full members of Tomakin Sports & Social Club to be able to join the Milton Ulladulla Ex-Servos Club as club members, as part of the amalgamation process and be given credit for any pre-paid membership fees already paid to Tomakin Sports & Social Club.
3. All transferring members of Tomakin Sports & Social Club will be subject to the usual restrictions applicable to new members of the Milton Ulladulla Ex-Servos Club, however this resolution in part, as required by the Memorandum of Understanding, imposes on such transferring members an increase of three (3) years on the continuous membership pre-condition requirement for a transferring member to be able to be nominated or appointed to the Board, unless the transferring member is already a Club member.
4. Section 17AC(2) of the Registered Clubs Act requires Milton Ulladulla Ex-Servos Club to establish the members of Tomakin Sports & Social Club who transfer to the Milton Ulladulla Ex-Servos Club as part of the amalgamation process as a separate class for the purposes of identification, and the Special Resolution determines that they will be identified following amalgamation completion as 'Tomakin Sports & Social Club Members'.
5. This Special Resolution also establishes in the Constitution of the Club the Tomakin Sports & Social Club Premises Disciplinary Committee, as required by the Memorandum of Understanding.
6. The rights of existing Milton Ulladulla Ex-Servos Club members will not be changed by this Special Resolution in any way except if incident occurs at the Tomakin Sports & Social Club Premises for which they are to be disciplined, in which case such disciplinary matter will be heard by the Tomakin Sports & Social Club Premises Disciplinary Committee.
7. The amalgamation will not proceed unless both the Ordinary Resolution being Resolution 1 and this Special Resolution, being Resolution 2, are both passed.

Procedural Matters in relation to Resolution 2

1. In order for the Special Resolution to be passed 75% or more of the Club Members and Life Members who are present at the meeting must vote in favour of the Resolution.
2. Employees of the Milton Ulladulla Ex-Servos Club are not eligible to vote on the Special Resolution.
3. Members should read the Explanatory Notes to Members set out above which explains the general nature and effect of the Special Resolution.
4. Please direct any questions or concerns about the Special Resolution in writing to the Milton Ulladulla Ex-Servos Club's CEO at least three (3) business days before the General Meeting.
5. Proxy Voting is not permitted under the Registered Clubs Act nor the Constitution of the Milton Ulladulla Ex-Servos Club.
6. The board of Directors of the Milton Ulladulla Ex-Servos recommends that members vote in favour of the Resolution.

By direction of the Board



COMPANY SECRETARY

11 April 2024