



8 Tindale Street
Penrith NSW 2750

PO Box 645
Penrith NSW 2751

Ph: 4728 5200

www.penrithrsl.com.au

PENRITH RSL CLUB LIMITED
ABN 59 000 995 568

NOTICE OF 2016 ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of PENRITH RSL CLUB LIMITED will be held in the Hornseywood Hall in the premises of the Club 8 Tindale Street Penrith New South Wales Monday 23 May 2016 commencing at 7pm.

The Notice of Ordinary Resolutions is available for members on the Club's website, Notice Board and from the Club's reception.

Dated: **18 April 2016**
By direction of the Board


BUSINESS

The business of the meeting shall be as follows:

1. To receive and consider the minutes of the Annual General Meeting held on 31 May 2015.
2. To receive and consider the directors' report, the financial report of the Club, and the Auditor's report on the financial report.
3. To declare the results of the election of positions on the Board of Directors in accordance with the Triennial Rule and conduct any further election as necessary.
4. To consider and if thought fit pass the 2 Special Resolutions to amend the Club's Constitution contained in the Notice of Special Resolutions.

Only financial RSL members and RSL Life members are eligible to vote on Special Resolutions. The Notice of Special Resolutions is sent with this Notice only to those members. The Notice of Special Resolutions is available for other members on the Club's website, Notice Board and from the Club's reception.

5. To consider and if thought fit pass the 3 Ordinary Resolutions to approve honorariums and expenses for directors contained in the Notice of Ordinary Resolutions.



Neel Chand, Chief Executive Officer

Important Notice regarding Questions for the Annual General Meeting

Members who have any questions regarding the reports or other questions they wish raised at the Annual General Meeting should submit the questions to the Chief Executive Officer in writing seven days before the date of the Annual General Meeting. This is to allow the Club time to prepare any information which may be required to respond to the questions. If you do not do this, it may not be possible to answer a members questions at the meeting.

Important Notice in relation to Annual Reports

Members who have previously requested to receive annual reports will receive them in the manner that they have elected to receive them. Members who have not elected to receive annual reports can access the annual report on the Club's website
<http://www.penrithrsl.com.au>
 or by requesting a copy of the report from the office.

NOTICE OF SPECIAL RESOLUTIONS

SUMMARY OF SPECIAL RESOLUTIONS AND PROCEDURAL MATTERS

1. The First Special Resolution proposes to introduce new rules about the composition of the Board so that 3 positions on the Board are initially reserved for men, and that 3 positions on the Board are initially reserved for women.
2. The Second Special Resolution proposes to have the Constitution refer to the Board's power to make appointments to the Board pursuant to clause 31 of the Registered Clubs Regulation.
3. Members should refer to the wording of each of resolutions and to the notes to members with each resolution.
4. Only financial RSL members and RSL Life members are eligible to vote on the Special Resolutions.
5. To be passed a Special Resolution must receive votes in its favour from at least seventy five percent (75%) of those members who, being eligible to do so, vote in person on the resolution at the Meeting.
6. Under the Registered Clubs Act:
 - (a) members who are employees of the Club are not entitled to vote.
 - (b) proxy voting is prohibited.

FIRST SPECIAL RESOLUTION

That the Constitution of Penrith RSL Club Limited be amended by **inserting** the following new Rule 27.1(c):

- “(c) (i) Subject to Rules 27.c(ii) and 27.1c(iii), from and for the purposes of the Annual General Meeting the election of the Board of the Club held in 2017, the Board shall consist of at least three directors who are male and three directors who are female.*
- (ii) If at the close of nominations, there are less male candidates nominated for election than the number required to fill the three (3) positions on the Board to be filled by male members, eligible female members shall be able to nominate for, and be elected to, that position or those positions (as the case may be) and the provisions of Rule 28.1(h) shall otherwise apply.*
- (iii) If at the close of nominations, there are less female candidates nominated for office than the number required to fill the three (3) positions on the Board to be filled by female members, eligible male members shall be able to nominate for, and be elected to, that position or those positions (as the case may be) and the provisions of Rule 28.1(h) shall otherwise apply.”*

Notes to Members on First Special Resolution

1. The First Special Resolution proposes to introduce new rules in relation to the composition of the Board.
2. If it is passed, the Board would consist of three male members, three female members and two members who could be either male or female.

3. The exception to this requirement would be that, if at any election, an insufficient number of males or females are nominated for election to fill the relevant positions, then members of the other gender could be elected in those positions.
4. Over the Club's history, the vast majority of club directors have been males. The First Special Resolution will allow for a minimum number of both females and males on the Board and therefore allow the Board to be more representative of the diversity in the Club's membership.
5. This Special Resolution was proposed and defeated last year at the Annual General Meeting.
6. However, the Board thinks this is an important reform and proposes it again.
7. Some of the comments made last year were that this change would result in persons not qualified being elected to the Board or would result in the "best person" not being elected to the Board.
8. In early 2015, the Australian Institute of Company Directors (AICD) called for all boards to ensure at least ~~30~~ ^{37.14} per cent of their directors are female. "It is now beyond argument that diverse boards make better decisions," says AICD chairman Elizabeth Proust AO FAICD. "A more diverse board will avoid 'groupthink', look at the issues from multiple perspectives and make good decisions." "Boards need to consider a wide range of factors in selecting new directors. Board effectiveness is crucial. This is most likely to occur when you have a group of skilled people, bringing their diverse experiences and skills to the board decision-making process," (ii) Proust adds.
9. It is important to note that whatever the restrictions are in a constitution, the members still elect the Board.
10. Furthermore, the proposed change is proposed to help ensure diversity amongst the Board to best reflect the Club's membership.
11. Indeed, a similar restriction currently exists in the Constitution. This is because the Constitution currently provides that that unless there is lack of nominations, 5 of the 3 directors must be RSL members.

SECOND SPECIAL RESOLUTION

That the Constitution of Penrith RSL Club Limited be amended by:

- (a) **inserting** at the commencement of Rule 27.1 the words "*Subject to Rule 27.1A*";
- (b) **inserting** at the commencement of Rule 27.1(b) the words "*Subject to Rule 27.1A*";
- (c) **inserting** the following new Rule 27.1A:

(a) The Board may appoint two (2) members to the Board pursuant to clause 31 of the Registered Club Regulation but provided that at all times the Board can consist of no more than nine (9) directors.

If the Board appoints two (2) members pursuant to clause 31 of the Registered Club Regulation in accordance with this Rule, the number of elected positions on the Board will be reduced from eight (8) to seven (7), so that the Board would comprise:

- (i) *seven (7) elected directors; and*
 - two (2) directors appointed in accordance with clause 31 of the Registered Club Regulation."*
-

Notes to Members on Second Special Resolution

- (b) *must be an ordinary member of the club at the time of, and for the duration of, his or her appointment, and*
- (c) *is not eligible for re-appointment under subclause (1), including re-appointment after the end of that term.*
- Within 21 days of an appointment being made under subclause (1), a notice must be clearly displayed on a notice board on the premises of the registered club and on the club's website (if any) that states:*
- the reasons for the person's appointment, and*
- the person's relevant skills and qualifications, and*
- any payments to be made to the person in connection with his or her appointment."*
1. The Second Special Resolution(c) proposes amendments to the Constitution to take into account the recent changes to the *Registered Clubs Act* and *Registered Clubs Regulation*.
 2. A few years ago, the *Registered Clubs Act* was amended to give power for the governing body of the club to appoint persons with particular skills(a) or qualities to the governing body. This was in addition to powers that(b) governing bodies have under most constitutions to appoint eligible(c) members to fill casual vacancies.
 3. This is a deemed rule of all registered clubs. However, the section provided that it did not take effect until Regulations were made about how the section was to operate.
 4. The *Registered Clubs Regulation* was amended recently to provide for that change to take effect. The *Registered Clubs Regulation* now provides that the Board can appoint up to 2 persons under the Regulation to serve on the Board.
 5. The Board is proposing this Special Resolution to ensure the Constitution reflects clause 31 of the *Registered Club Regulation*. This clause provides as follows:

"31 Appointments made by governing body

(1) The elected members of the governing body of a registered club may appoint up to 2 persons as members of the governing body.

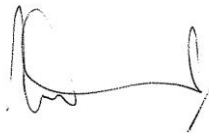
(2) A person appointed under subclause (1):

(a) *may be appointed for a term of no more than 3 years, and*
 6. The Board currently consists of 8 directors and the *Registered Clubs Act* provides that the maximum number of directors for a registered club is 9.
 7. A similar version of this Rule was proposed at last year's Annual General Meeting and defeated.
 8. The difference between the Rule proposed last year and this year is that, in the Rule proposed last year, the overall number of elected director positions was reduced from 8 to 7 and the amendment would have the Board appoint 2 persons under the Regulation.
 9. This year, the amendment proposes that the number of elected positions on the Board will not automatically be reduced. That is, the Board could still comprise of 8 elected directors. If the Board consisted of 8 directors at the time of an appointment under the Regulation, the total number of directors would be increased to 9 but 8 of those would still be elected.
 10. If, however, a casual vacancy on the Board arose, and the Board decided to fill that casual vacancy by making
-

an appointment under the Regulation, the number of elected positions would be reduced from 8 to 7.

11. The power of the Board to make an appointment under the Regulation is a “deemed rule” under the *Registered Clubs Act*. That is, it applies to the constitutions of all clubs.
12. However, its operation can cause confusion unless it is specifically referred to in the Constitution.
13. Accordingly, the Board wishes to include reference to the Regulation in the Constitution so that its operation in this Club is clear.
14. If the Special Resolution is passed, there would still be 8 elected Board positions on the Board.

Dated: **18 April 2016**
By direction of the Board

A handwritten signature in black ink, appearing to be 'Neel Chand', written in a cursive style.

Neel Chand, Chief Executive Officer
