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# northscollective

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NORTH SYDNEY LEAGUES' CLUB LIMITED**  
**ACN 000 147 544**

**NOTICE** is hereby given that the  
**EXTRAORDINARY GENERAL MEETING** of  
**NORTH SYDNEY LEAGUES' CLUB LIMITED**  
ACN 000 147 544 (Club)  
in relation to the **AMALGAMATION** with the  
**BANGALOW BOWLING AND SPORTS CLUB LIMITED**  
ACN 001 017 938  
will be held at

**Norths**  
**12 Abbott Street, Cammeray NSW**  
and by videolink at **Seagulls Club Tweed Heads**  
on **Wednesday, 14th DEC 2022 AT 5.30PM**

12 Abbott Street, Cammeray NSW 2062  
Tel. 02 9245 3000  
Email: [info@norths.com.au](mailto:info@norths.com.au)  
Web: [northscollective.com.au](http://northscollective.com.au)  
ABN 92 000 147 544

### BUSINESS

The business of the meeting will be to consider and if thought fit pass the Resolutions set out below.

### PROCEDURAL MATTERS FOR RESOLUTIONS

1. **Ordinary Resolution** - To be passed, the Ordinary Resolution requires votes from a simple majority (50% plus one) of those members who being eligible to do vote in person on the Ordinary Resolution at the meeting.
2. **Voting on Ordinary Resolution** - All members of the Club (except for Honorary, Temporary and Provisional members) can vote on the Ordinary Resolution.
3. **Special Resolution** - To be passed, the Special Resolution requires votes from not less than three quarters (75%) of those members who being eligible to do so, vote in person on the Special Resolution at the meeting.
4. **Voting on Special Resolution** - Only Life members and financial Club members can vote on the Special Resolution.
5. Under the Registered Clubs Act (**RCA**), employees cannot vote, and proxy voting is prohibited.
6. The Board recommend that the members vote in favour of the Resolutions.

### ORDINARY RESOLUTION

That members hereby approve in principle the amalgamation of North Sydney Leagues' Club Limited ACN 000 147 544 (Norths) with Bangalow Bowling & Sports Club Limited ACN 001 017 938 (Bangalow), with such amalgamation to be effected by:

- a. The continuation of Norths as the corporate body of the Amalgamated Club and the dissolution of Bangalow; and
- b. The transfer of Bangalow's Assets, Debts and Liabilities (as defined in the Memorandum of Understanding) to Norths;
- c. The granting of an application made to the Independent



Liquor & Gaming Authority (Authority) for the transfer of the Bangalow's club (liquor) licence to Norths for the purpose of such amalgamation;

- d. The transfer of Bangalow's club (liquor) licence to Norths pursuant to the application referred to in paragraph (c) above.

## EXPLANATORY NOTES TO MEMBERS ON ORDINARY RESOLUTION

1. An amalgamation between two registered clubs is governed by the provisions of the Registered Clubs Act.
2. One of the requirements of the Registered Clubs Act is that the two clubs have to enter into a Memorandum of Understanding (MOU) which covers various matters specifically required by the Registered Clubs Act to be covered. The MOU can also deal with additional matters.
3. Norths and Bangalow have entered into a MOU and a true copy of that document is available on the webpage of Norths and copies are on display on Norths' noticeboards at all of its premises. Further copies may be obtained on request from the Chief Executive Officer and from reception at all of Norths' premises.
4. Members are encouraged to carefully read the terms of the MOU and, if they have any questions or are seeking clarification of any matter relating to the amalgamation or what is contained in the MOU, they should direct their enquiries to the Chief Executive Officer.
5. What follows in these notes is a summary of some of the principle features of the MOU and the steps that need to be followed in the amalgamation process.

### **DISSOLUTION OF BANGALOW**

6. The amalgamation is being effected by the dissolution of Bangalow and the continuation of Norths.

### **CORPORATE GOVERNANCE MATTERS**

7. The constitution of the Amalgamated Club will be the constitution of Norths, subject to amendments necessary for the purposes of the amalgamation.
8. The Board of the Amalgamated Club will be the Board of Directors of Norths.
9. The Chief Executive Officer and Secretary of the Amalgamated Club will be the Chief Executive Officer and Secretary of Norths.

### **PREMISES OF THE AMALGAMATED CLUB**

10. The premises of the Amalgamated Club will be the current premises of Bangalow (Bangalow Premises) and Norths'

existing premises (being Norths Cammeray, The Greens North Sydney, The Alcott Lane Cove, The Verandah Beecroft and The Seagulls Club).

11. On completion of the amalgamation, title (ownership) to the Bangalow Premises will be transferred to Norths.
12. The traditions, amenities, bowling facilities, bowling activities and memorabilia of Bangalow will be maintained by the Amalgamated Club.
13. The Amalgamated Club will explore opportunities to maintain and enhance community support to the local community of the Bangalow Premises.
14. After completion of the amalgamation, the Bangalow Premises will continue to trade as "Bangalow Bowlo".
15. Amongst other things, Norths (as the Amalgamated Club):
  - a. will maintain the Bangalow Premises and carry on the business of a licensed registered club at the Bangalow Premises with the usual facilities and amenities of a registered club; and
  - b. will undertake any necessary upgrades, refurbishments and renovations to the Bangalow Premises and facilities (including the Clubhouse, bowling greens and surrounding areas) – see clause 16 below;
  - c. will maintain the existing operating hours at the Bangalow Premises;
  - d. intends to improve trading at the Bangalow Premises and work towards trading from the Bangalow Premises seven (7) days per week;
  - e. will maintain at least one (1) bowling green for as long as the Amalgamated Club trades from the Bangalow Premises;
  - f. will undertake renovations on the bowling green at the Bangalow Premises on a "needs basis";
  - g. will maintain the Bangalow Premises in a good state of repair and condition;
  - h. will provide a limited gaming offering at the Bangalow Premises.
16. Norths will invest at least \$3.5 million on financially viable repairs, replacements, renovations, refurbishments and upgrades (including the works which are referred to in clauses 5.5(a) to (c) inclusive of the MOU) at the Bangalow Premises during the first ten (10) years after completion of the amalgamation.
17. The Amalgamated Club will appoint a manager for the Bangalow Premises who will be responsible for the daily operations at the Bangalow Premises and will report to the Board and management of the Amalgamated Club.
18. The Amalgamated Club will create an Advisory Committee

### **ADVISORY COMMITTEE**



for the Bangalow Premises who will make recommendations to the Amalgamated Club regarding the operations of the Bangalow Premises, ClubGRANTS which are attributable to the Bangalow Premises, membership matters at the Bangalow Premises and the operation of the bowling greens and conduct of bowling activities at the Bangalow Premises.

19. The Advisory Committee will not have any governance or management powers in the Amalgamated Club and it will be subject to the overall control and direction of the Board and management of the Amalgamated Club at all times.

#### **BOWLING ACTIVITIES AND BOWLING SUB-CLUBS**

20. The Amalgamated Club intends to create the two (2) bowling sub clubs (being Bangalow Bowling Club and Bangalow Women's Bowling Club) to conduct and administer bowling at the Bangalow Premises on behalf of the Amalgamated Club.
21. As part of the amalgamation, the Amalgamated Club will also provide significant support to bowling activities at the Bangalow Premises and to the bowling sub clubs. This is set out in clauses 5.16 to 5.24 inclusive of the MOU.

#### **SPONSORED SPORTING CLUBS**

22. The Amalgamated Club will continue provide sponsorships to the Sponsored Sporting Clubs (being Bangalow Blue Dogs Soccer Club, Bangalow Rebels Rugby Union Club, Bangalow Netball Club, Bangalow Cricket Club and Bangalow Angling Club) after completion of the amalgamation. These sponsorships and the condition for such sponsorships is set out in clause 5.25 to 5.31 inclusive of the MOU

#### **PAYMENT OF SUBSCRIPTIONS**

23. Norths will honour all subscriptions paid to Bangalow as being annual subscriptions which have been paid to the Amalgamated Club (including multi-year membership subscriptions).

#### **EMPLOYEES**

24. Norths will make offers of employment to Bangalow's employees and the employees who accept those offers will become employees of Norths with effect from completion of the amalgamation.

#### **INTENTIONS REGARDING CORE PROPERTY, CASH AND INVESTMENTS AND GAMING MACHINE ENTITLEMENTS OF BANGALOW**

25. The Bangalow Premises (including the clubhouse and bowling green) is currently core property of Bangalow and it will be core property of the Amalgamated Club.
26. The cash and investments of Bangalow will be transferred to the Amalgamated Club.

27. Bangalow has four (4) gaming machine entitlements, and the Amalgamated Club must retain those entitlements at the Bangalow Premises.

#### **CEASING TRADING FROM THE BANGALOW PREMISES**

28. Norths does not intend to cease trading from the Bangalow Premises or cease bowling activities at the Bangalow Premises.
29. However, Norths and Bangalow have agreed that the Amalgamated Club may only cease trading from or cease the bowling activities at the Bangalow Premises in the following circumstances:
- if, after the third anniversary after the Completion of the Amalgamation, it is not financially viable (as defined in paragraph 30 below) for the Amalgamated Club to continue to trade from or continue the bowling activities at the Bangalow Premises; or
  - upon the order of any court or body with jurisdiction to administer the laws in relation to liquor, gaming and registered clubs which orders the permanent closure of the Bangalow Premises; or
  - upon the lawful order of any government authority to permanently cease trading from the Bangalow Premises, or revoking any licence, approval or consent necessary for the Amalgamated Club to continue trading from the premises and it is not reasonably possible (which shall be determined by the Amalgamated Club) for the relevant licences, approvals or consents to be re-instated or new/replacement licences, approvals or consents to be obtained; or
  - if the Bangalow Premises are destroyed or partially destroyed by fire, flood, storm or other similar event such that it is not lawful for a licensed club to be operated at the premises and/or any resulting insurance claim is not sufficient to re-instate or re-build the clubhouse to at least the same level and standard that the clubhouse was at the completion of the amalgamation.
30. The Bangalow Premises will not be financially viable if, after the third anniversary of the completion of the amalgamation, the Bangalow Premises records:
- an EBITDA loss of nine hundred thousand dollars (\$900,000) or more over any consecutive three (3) year period commencing before the tenth anniversary of the completion of the amalgamation; or
  - an EBITDA loss of seven hundred thousand dollars (\$700,000) or more in any twelve month period commencing before the tenth anniversary of the completion of the amalgamation; or
  - an EBITDA loss of five hundred thousand dollars (\$500,000) or more over any consecutive three (3) year period commencing from the tenth anniversary of the completion of the amalgamation;



- d. an EBITDA loss of three hundred thousand dollars (\$300,000) or more in any twelve month period commencing from the tenth anniversary of the completion of the amalgamation.
31. Norths has no intention to cease trading from the Bangalow Premises or de-amalgamate Bangalow Premises but if it wishes to cease trading from the premises for “financial viability reasons”, it must make a de-amalgamation offer to the Advisory Committee of the Bangalow Premises on the terms set out in the MOU.
32. After the tenth anniversary of the completion of the amalgamation, Norths may initiate a de-amalgamation between the Amalgamated Club and the Bangalow Premises.
33. Clauses 11.4 to 11.7 inclusive of the MOU set out the procedures for the possible de-amalgamation of the Amalgamated Club and the Bangalow Premises.

#### ADMISSION OF BANGALOW'S MEMBERS TO NORTHS

34. Norths will invite eligible members of Bangalow to become members of Norths and the members who accept that invitation will become Norths members with effect from completion of the amalgamation. Those members will have the same rights as Club members under Norths' Constitution.
35. A Life member of Bangalow will not become a Life member of Norths.

#### THE AMALGAMATION PROCESS

36. Each club must hold a meeting of its members to approve the amalgamation in the same terms as the Ordinary Resolution above. Bangalow's members have already approved the amalgamation.
37. Assuming Norths' members approve the amalgamation, an application will be made to the Authority for its approval of the amalgamation. Norths will have the carriage of that application.
38. Once the approval of the Authority to the amalgamation has been obtained (and subject to due diligence and all other necessary steps being completed) there will be a formal commercial settlement. On the day of that commercial settlement the following things (among others) will happen:
- Bangalow will transfer its assets to Norths, including its land;
  - All members of Bangalow who have consented to become members of Norths will be admitted to membership of Norths;
  - Employees of Bangalow who accept employment with Norths will become employees of Norths.
  - Bangalow's club (liquor) licence will be transferred to Norths;

- Norths will become responsible for the management, business and affairs of the Bangalow Premises.

39. After completion of the amalgamation, Bangalow will then proceed to a members' voluntary winding up.

#### SPECIAL RESOLUTION

That the Constitution of North Sydney Leagues Club Limited be amended by:

- inserting the following new Rule 18(g):  
“(g) *Bangalow Bowling Club members*”.
- inserting the following new Rules 19(f):  
“(f) ***Bangalow Bowling Club members***  
*Bangalow Bowling Club members shall be those persons who are full members (as defined in the Registered Clubs Act) of Bangalow Bowling & Sports Club Limited and who were admitted to membership of the Club pursuant to Rule 31A for the purposes of the amalgamation between the Club and Bangalow Bowling & Sports Club Limited. Bangalow Bowling Club members shall have the same rights and privileges of membership as Club members*”.

#### Explanatory Notes to Members on Special Resolution

- The Special Resolution will only be considered if the Ordinary Resolution is passed.
- The amendments contained in the Special Resolution are required by the RCA and the MOU. As a result, the amalgamation will only proceed if the Special Resolution (and the Ordinary Resolution) is passed.
- The Special Resolution proposes to formally create “Bangalow Bowling Club membership” as a category of membership of the Club.
- The amendments contained in the Special Resolution will not take effect until the amalgamation is completed.

By direction of the Board

**Luke Simmons**



**Chief Executive Officer**

**Dated:** 18 November 2022





**northscollective**

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