

# DURAL COUNTRY CLUB

Phone (02) 9651 1600 • 662a Old Northern Road, Dural NSW 2158 .



## DURAL COUNTRY CLUB LTD ACN 000 467 872

### NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of Dural Country Club Ltd (ACN 000 467 872) (**Club**) will be held at the premises of the Club at 662A Old Northern Road, Dural, NSW 2158 on Tuesday, 29 November 2022 at 7.00pm.

#### Business

1. To consider and, if thought fit, pass an Ordinary Resolution approving in principle an amalgamation of the Club and Parramatta Leagues Club Ltd.

#### Second Ordinary Resolution

*"That the ordinary members of Dural Country Club Ltd (ACN 000 467 872) hereby:*

1. *approve in principle the amalgamation of Dural Country Club Ltd (ACN 000 467 872) ("**Dural Country Club**") with Parramatta Leagues Club Ltd (ACN 000 218 655) ("**Parramatta Leagues**"), such an amalgamation to be effected by:*
  - (a) *the continuation of Parramatta Leagues (as the amalgamated club) and the dissolution of Dural Country Club;*
  - (b) *the transfer of Dural Country Club's assets to Parramatta Leagues; and*
  - (c) *the transfer of the club licence of Dural Country Club to Parramatta Leagues.*
2. *approve in principle the making of an application to the Independent Liquor and Gaming Authority for the transfer of the club licence of Dural Country Club to Parramatta Leagues."*

#### Explanatory Note regarding the Ordinary Resolution

1. In accordance with clause 4 of the *Registered Clubs Regulation 2015*, on 5 July 2022, Dural Country Club Ltd (ACN 000 467872) (**Dural Country Club**), in seeking to amalgamate Dural Country Club with another registered club, called for expressions of interest by ClubsNSW E-Circular (22-085) (**Notice**).
2. In response to the Notice, Dural Country Club received expressions of interest from:
  - Parramatta Leagues Club Limited (**Parramatta Leagues**);
  - City Tattersalls Club Limited;
  - Club Marconi Limited; and
  - Toongabbie Sports Club Limited.
3. After a rigorous consideration process assisted by Campbell Advisory (an independent club consulting company) including interviews with all four (4) clubs, Dural Country Club's board resolved to accept Parramatta Leagues' expression of interest.
4. In October 2022, Dural Country Club and Parramatta Leagues executed a Memorandum of Understanding (**MOU**) relating to a proposed amalgamation of the two clubs. A signed copy of the MOU between Dural Country Club and Parramatta Leagues is displayed on the noticeboard. A signed copy of the MOU is also on display on:
  - Dural Country Club's website at [www.duralcountryclub.com.au](http://www.duralcountryclub.com.au); and

- Parramatta Leagues' website at [www.parraleagues.com.au](http://www.parraleagues.com.au).

- 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 John Puleo (President).
- The principle features of the proposal as set out in the MOU are summarised as follows:

#### **Corporate Structure**

- The amalgamation will result in the eventual dissolution of Dural Country Club as a company and a Licensed Club and the continuation of the Parramatta Leagues as the body corporate of the Amalgamated Club.*
- The Board of Parramatta Leagues will be the Governing Body of the Amalgamated Club.*
- The Chief Executive Officer of Parramatta Leagues will be the Chief Executive Officer of the Amalgamated Club.*

#### **Premises of the Amalgamated Club**

- Dural Country Club's premises will become additional premises of Parramatta Leagues and will be available to all members of the Amalgamated Club. If the amalgamation is approved, Parramatta Leagues will then trade from the following premises:*
  - *Parramatta Leagues premises at 1 Eels Place, Parramatta;*
  - *Vikings premises at 35 Quarry Road, Dundas Valley; and*
  - *Dural Country Club premises at 662A Old Northern Road, Dural.*

#### **Dural Country Club Premises**

- Parramatta Leagues, has agreed:*
  - to maintain the Dural Premises and carry on the business of a licensed registered club under the RCA and the Liquor Act at the Dural Premises with the usual facilities and amenities of a registered club;*
  - to guarantee to capital expenditure of at least \$5 million within the first three (3) years following Completion of the Amalgamation on upgrades, refurbishments and renovations to the Dural Premises and facilities (including the Clubhouse, bowling greens, bocce courts and surrounding areas):*
    - which will incorporate the following works to be completed within the first twelve (12) months of Completion of the Amalgamation:*
      - garden landscaping to restore grounds to high standard;*
      - commence planning for suitable outdoor lighting for Bowls;*
      - main bar renovations to improve customer service;*
      - technology audit and digital transformation roadmap;*
      - Point of Sale system upgrade to SwiftPOS;*
      - implementation of Aristocrat S7000 gaming system;*
      - installation of new gaming machines and improved LED signage;*
      - installation of Member Kiosk and Cash Redemption Terminals (CRT);*
      - Facial Recognition Technology installed to assist with Club operations at the Dural Premises; and*
      - commencement of Dural Premises building compliance works including roof repairs.*
    - which may incorporate the following works to be prioritised upon agreement between Parramatta's management, the Advisory Board and Dural Premises staff, and based on members feedback obtained through member surveys and focus groups which will be conducted by Parramatta following execution of the MOU:*
      - addition of new alfresco area and kids play area;*

- ii. premium upgrade to functions rooms;
  - iii. upgrade to existing food and beverage facilities (eg kitchen);
  - iv. installation of suitable outdoor lighting for Bowls;
  - v. upgrade to Bocce facilities including storage and lockers;
  - vi. EV car charger and solar panels in line with Parramatta's ESG framework; and
  - vii. improved audio/visual throughout the Dural Premises.
- (iii) will undertake any necessary upgrades, refurbishments and renovations to the Dural Premises and facilities (including the Clubhouse, bowling greens, bocce courts and surrounding areas), with the nature and budget of those works to be determined by the Board of the Amalgamated Club in its absolute discretion;
- (iv) will use its best endeavours to ensure that the Dural Premises is relevant to its membership and its local community;
- (v) intends to improve trading at the Dural Premises including by spending \$150,000 each year in marketing expenses and activities intended to increase brand awareness, promote the Dural Premises' activities and grow the Membership base of the Dural Premises including:
- a. developing a separate communication plan for the Dural Premises to incorporate dedicated eDM and social media communications for Dural Members;
  - b. weekly entertainment (eg Trivia, Bingo), food & beverage specials and gaming promotions; and
  - c. recognising and inserting Dural Members in Parramatta's "Priority Rewards" program, which includes benefits such as 10% discount on all food and beverage purchases (up to 40% discounts based on a member's Tier).
- (vi) intends to introduce its existing members benefits programs at the Dural Premises;
- (vii) will maintain at least two (2) bowling greens, bocce courts and the bowling and bocce activities at the Dural Premises for at least the first ten (10) years after Completion of the Amalgamation;
- (viii) will undertake renovations on the two (2) bowling greens and bocce courts at the Dural Premises on a "needs basis" after consulting with the Advisory Committee (created by clause 5.5 below) and committees of relevant sub clubs provided that any final decision regarding such renovations is a matter for the Board of the Amalgamated Club to make in its absolute discretion.

### **Bowling Sub Clubs**

- (f) In respect of Bowling, Parramatta Leagues has agreed:
- (i) that it intends to create men's and women's bowling sub clubs to conduct and administer bowling at the Dural Premises on behalf of the Amalgamated Club (Bowling Sub Clubs).
  - (ii) that the Bowling Sub Clubs will be subject to the overall control and direction of the Board and Management of the Amalgamated Club but it is intended that the Bowling Sub Clubs will each:
    - a. have their own rules, committees and members; and
    - b. be authorised to operate a bank account provided that the signatories of the bank account are first approved by the Amalgamated Club and on the basis, that all funds held by the Bowling Sub Clubs (irrespective of how they are received) are funds of the Amalgamated Club at all times;
    - c. continue using their existing uniforms, names and insignia but if they wish to change their uniforms, names and insignia, Parramatta will provide all existing and new members with one new uniform that may include Parramatta related uniforms, names and insignia. This offer will remain open until the third anniversary of Completion of the Amalgamation;
    - d. elect their own committees;
    - e. be eligible to affiliate with such bodies controlling bowls in New South Wales on such terms and conditions (not inconsistent with the Constitution of Parramatta or the Registered Clubs Act) as such controlling bodies may from time to time require;
    - f. be created with the persons who are Life member of Dural Country Club being recognised as life members of the relevant Bowling Sub Club.

- (iii) that the Amalgamated Club will allocate an annual budget in relation to the bowling greens and bowling activities at the Dural Premises. The annual budget will be determined by the Board of the Amalgamated Club after discussions with the bowling sub-clubs. The annual budget will cover:
- a. all relevant insurances applicable to the Bowling Sub Clubs and their activities; and
  - b. all relevant fees payable to relevant associations in respect of the Bowling Sub Clubs' activities;
  - c. all relevant trophies, prizes and prize money for bowling competitions and events and the recoupment of competition fees;
  - d. all relevant costs for the maintenance and repair of the bowling greens and surrounds.
- (iv) that the Amalgamated Club will:
- a. allocate financial tournament support of \$10,000 per annum for both Bowling Sub Clubs (combined) to conduct state-wide tournament onsite for a minimum of five (5) years;
  - b. waive green fees for two (2) years after Completion of the Amalgamation for all members of the Dural premises; and
  - c. retain Dural's existing Greenkeeper and assume responsibility for payment of the relevant greenkeeping contract.

### **Bocce Sub Clubs**

(g) In respect of Bocce, Parramatta Leagues has agreed:

- (i) that the Amalgamated Club intends to create a sub club to conduct and administer bocce at the Dural Premises on behalf of the Amalgamated Club (Bocce Sub Club).
- (ii) that the Bocce Sub Club will be subject to the overall control and direction of the Board and Management of Amalgamated Club but it is intended that the Bocce Sub Club:
  - a. have its own rules, committees and members; and
  - b. be authorised to operate a bank account provided that the signatories of the bank account are first approved by the Amalgamated Club and on the basis, that all funds held by the Bocce Sub Club (irrespective of how they are received) are funds of the Amalgamated Club at all times;
  - c. continue using their existing uniforms, names and insignia for a minimum of five (5) years but if they wish to change their uniforms, names and insignia, Parramatta will provide all existing and new members with one new uniform that may include Parramatta related uniforms, names and insignia. This offer will remain open until the third anniversary of Completion of the Amalgamation.;
  - d. elect their own committees;
  - e. be eligible to affiliate with such bodies controlling bocce in New South Wales on such terms and conditions (not inconsistent with the Constitution of Parramatta or the Registered Clubs Act) as such controlling bodies may from time to time require;
  - f. be created with the persons referred to in clause 13.5(i) recognised as life members of the Bocce Sub Club.
- (iii) that the Amalgamated Club will:
  - a. allocate financial Championship support of \$10,000 per annum for the Bocce Sub Club for a minimum of five (5) years;
  - b. waive Bocce playing fees for two (2) years after Completion of the Amalgamation for all members of the Dural premises; and
  - c. within one (1) month of Completion of the Amalgamation, provide four (4) new sets of Bocce Balls (valued at up to \$400 per set) for coaching juniors.
- (iv) that the Amalgamated Club will allocate an annual budget in relation to the bocce courts and bocce activities at the Dural Premises. The annual budget will be determined by the Board of the Amalgamated Club after discussions with the Bocce Sub Club. The annual budget will cover:
  - a. all relevant insurances applicable to the Bocce Sub Club and its activities; and

- b. all relevant fees payable to relevant associations in respect of the Bocce Sub Club's activities;
- c. all relevant trophies, prizes and prize money for bocce competitions and events and the recoupment of competition fees;
- d. all relevant costs for the maintenance and repair of the bocce courts and surrounds.

#### **Other Sub Clubs**

(h) In respect of other Sub clubs, Parramatta Leagues:

- (i) acknowledges that Fishing, Probus, Darts and Bridge sub-clubs also exist at the Dural Premises;
- (ii) undertakes to create those sub clubs as sub clubs of the Amalgamated Club and support the activities of each of these sub-clubs including agrees to increase support and subsidies for the Fishing sub-club's trips held twice a year;
- (iii) agrees to provide free room hire for all sub-clubs at the Dural Premises, as at the current level of use as of 30th June 2022; and
- (iv) agrees that if any other Dural sub club wishes to change its uniforms, names and insignia, Parramatta will provide all existing and new members of that sub club with one new uniform that may include Parramatta related uniforms, names and insignia. This offer will remain open until the third anniversary of Completion of the Amalgamation.

#### **Agreed period of time before Parramatta Leagues may cease trading from the Dural Premises**

- (i) Parramatta Leagues has no intention of ceasing to trade from the Dural Country Club Premises in the foreseeable future. Parramatta and Dural have agreed that the Amalgamated Club will continue to trade from the Dural Premises and operate two (2) bowling greens and the bocce courts for ten (10) years from the date of Completion of the Amalgamation. However, Parramatta Leagues may cease trading from and/or cease the sporting activities at the Dural Premises in the following circumstances:
  - a. upon the order of any Court or body with jurisdiction to administer the laws in relation to liquor, gaming and registered clubs; or
  - b. upon the lawful order of any government authority; or
  - c. if the 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 Dural Premises and/or any resulting insurance claim is not sufficient to re-instate or re-build an operational Clubhouse at the Dural Premises which is acceptable to the Board of the Amalgamated Club in its absolute discretion;
  - d. only after the tenth anniversary of the Completion of the Amalgamation at the discretion of the then Board of the Amalgamated Club.
- (j) Notwithstanding (i)d. above, it is the current intention of Parramatta to cause the Amalgamated Club to continue trading from the Dural Premises and continue the sporting activities at the Dural Premises after the tenth anniversary of the Completion of the Amalgamation; however the parties acknowledge that it is not possible to realistically predict the factors and circumstances which may impact on the Dural Premises and the Amalgamated Club after ten (10) years has elapsed from the Completion of the Amalgamation which may ultimately cause that intention to change.

#### **Transfer of Employees**

- (k) Parramatta Leagues will make offers of employment to all of Dural Country Club's employees and the employees who accept those offers will:
  - a. become employees of Parramatta Leagues with effect from completion of the amalgamation;
  - b. receive continuity of employment and their accrued entitlements will be honoured by Parramatta; and
  - c. be provided with the same benefits as Parramatta employees including:
    - i. two (2) season tickets to Eels home games at Commbank Stadium;
    - ii. discounted Eels merchandise;
    - iii. complimentary staff meals whilst working;
    - iv. 20% discount when visiting any of the Amalgamated Club's venues;
    - v. Eligibility to participate in Employee of the Month and Employee of the Year Awards;

- vi. *Service Awards for anniversary milestones;*
  - vii. *\$500 staff referral bonus; and*
  - viii. *Paid Community Service Leave.*
- d. *be included in Parramatta's training and development programs to upskill and develop employees for future progression within the Amalgamated Club.*
- (l) *If any employee of Dural Country Club does not accept an offer of employment from Parramatta Leagues, then that employee will be paid all accrued and verified Employee Entitlements by Dural Country Club as at Amalgamation Completion, which will be the end date of that employee's employment by Dural Country Club;*

**Core property, cash and investments and poker machine entitlements of the Dural Country Club**

- (m) *The Dural Country Club Premises (including the bowling greens and bocce courts) will be 'core property' of the Amalgamated Club.*
- (n) *The fifty eight (58) gaming machine entitlements and all of the gaming machines of Dural Country Club will become the property of Amalgamated Club.*

**Transfer of Members**

- (o) *Parramatta Leagues will amend its constitution to add a new rule for identification purposes under section 17AC of the Registered Clubs Act to identify persons as "Dural Country Club Members".*
- (p) *Parramatta Leagues will invite Dural Country Club's members to become members of Parramatta Leagues and the members who accept that invitation will become Parramatta Leagues members with effect from completion of the amalgamation.*
- (q) *Any person who, at Amalgamation Completion, is a Life Member of Dural Country Club, and becomes a Dural Country Club Foundation Life Member of the Amalgamated Club:*
  - (i) *will continue to be recognised as a Life Member in respect of the Dural Country Club Premises and will not be required to pay an annual subscription; and*
  - (ii) *be admitted to Life membership of the relevant sub club which is to be created by the Amalgamated Club;*
  - (iii) *be required to pay any fees associated with their relevant sporting activities and the membership of their relevant sub clubs.*

**Amalgamation Application**

7. If the members of both Dural Country Club and Parramatta Leagues pass the Ordinary Resolutions to amalgamate, an application will then be lodged with the Independent Liquor and Gaming Authority to seek approval of the transfer of Dural Country Club's Club Licence to Parramatta Leagues.
8. If the Independent Liquor and Gaming Authority is satisfied that the amalgamation can proceed, it will grant approval of the transfer of Dural Country Club's Club Licence to take effect upon the completion of the commercial matters required to complete the amalgamation (as contained in the MOU). (RB Question – do we define "Deed"?)
9. The assets and liabilities of Dural Country Club will then be transferred to Parramatta Leagues as contemplated in the MOU and the members of Dural Country Club will be invited by Parramatta Leagues to become members of Parramatta Leagues. The invitation to membership of Parramatta Leagues is required because under the *Corporations Act 2001* a person cannot become a member of a company if that person has not consented to membership.
10. After the assets and liabilities of Dural Country Club have been transferred to Parramatta Leagues and the amalgamation has been effected, Dural Country Club will ultimately proceed to liquidation and be wound up.

**Requirement for the Ordinary Resolution**

1. Under section 17AEB of the Registered Clubs Act 1976, 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 (Dural Country Club Ltd) unless the Authority is satisfied that:
  - (a) the parent club (Parramatta Leagues Club Ltd (ACN 000 218 655)) will meet the requirements set out in section 10(1) of the *Registered Clubs Act 1976*, and
  - (b) the parent club (Parramatta Leagues Club Ltd (ACN 000 218 655)) 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).
2. The Ordinary Resolution proposed in this Notice of Extraordinary General Meeting is required for the purposes of section 17AEB(d) of the *Registered Clubs Act 1976* and the amalgamation between Dural Country Club and Parramatta Leagues cannot proceed until the ordinary members of both clubs have approved the amalgamations of their clubs at separate extraordinary general meetings.

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

1. Under section 17AEB(d) of the *Registered Clubs Act 1976*, 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."
2. The term "ordinary members" where used in section 17AEB(d) of the *Registered Clubs Act 1976* is defined in section 4 of the *Registered Clubs Act 1976* and essentially means all members in all classes of membership (excluding employees and Junior Members of Dural Country Club), other than Honorary members, Temporary members and Provisional members.
3. Accordingly, all members in all classes of membership of Dural Country Club, being Life Members, Foundation Members, Full Members and such other class or classes of membership as the Board has established by By-Law under Rule 5(h) of the Constitution (excluding employees and Junior Members of Dural Country Club) are eligible to attend the extraordinary general meeting and vote on the Ordinary Resolution. This is despite any Rule in the Constitution of Dural Country Club prohibiting any of those classes of members from voting on resolutions at general meetings of Dural Country Club.
4. To be passed, the Ordinary Resolution requires votes from a simple majority of members (50% + 1) present and voting on the Ordinary Resolution at the meeting.
5. Members should read the Explanatory Notes to Members set out above which explain the general nature and effect of the Ordinary Resolution. Members should also read the Memorandum of Understanding between Parramatta Leagues and Dural Country Club.
6. Please direct any question or concerns about the Ordinary Resolution in writing to the Chairman, if possible, before the meeting.
7. Proxy Votes are not allowed under the *Registered Clubs Act 1976*.
8. The Board of Directors of Dural Country Club recommends that members vote in favour of the proposed Ordinary Resolution.

Dated: 8<sup>th</sup> November 2022

Yours faithfully



Mervyn Fernandes  
Manager