

**ASHFIELD BOWLING CLUB LIMITED**  
**ACN 000 260 659**

**NOTICE OF SPECIAL RESOLUTION FOR  
ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that at the Annual General Meeting of **ASHFIELD BOWLING CLUB LIMITED** to be held on Sunday 25<sup>th</sup> October 2009 commencing at the hour of 10.00am at the premises of the Club, Corner Parramatta Road and Orpington Street, Ashfield, New South Wales the members will be asked to consider and if thought fit pass the following resolutions which are proposed as Special Resolutions:

**SPECIAL RESOLUTION**

That the Constitution of Ashfield Bowling Club Limited be amended by **deleting** Rule 56(g) and in its place **inserting** the following new Rule 56(g):

- “(g1) Subject to paragraphs (g2) of this Rule 56 to invest and deal with any of the monies of the Club not immediately required for the purposes of the Club upon such securities and in such manner as the Board may think fit and from time to time to vary and release such investments.*
- (g2) The money representing the net proceeds of the sale of the land situated at Oak and Wallace Street Ashfield being lots 2 and 3 in deposited plan 570887 shall constitute a fund (“the fund”) and shall be dealt with only in accordance with this paragraph (g2),*
- (a) the income from the fund will form part of the general revenue of the Club;*
- (b) the capital of the fund shall be used for the purposes of generating income for the carrying out of the business of the Club and shall only be invested in ways which are determined by the financial advisor to be conservative to moderate risk.*
- (g3) The Board may invest the capital of the fund in any of the ways set out in paragraph (g2) of this Rule 56 only after receiving advice from an independent licensed financial advisor engaged by the Board to provide such advice.*
- (g4) As from the date of the special resolution inserting this paragraph (g4) into Rule 56 of this Constitution, the Board shall review the appointment of the licensed financial advisor to the Club every five (5) years.*
- (g5) The Board must consult at least three independent financial advisors before appointing a financial advisor who will be providing advice for the purpose of investing the capital of the fund.*

- (g6) *The Board, in investing the capital of the fund, shall exercise the care and diligence and skill that a person would exercise if the person was a trustee of the fund.”*

Dated:

By direction of the Board

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Chief Executive Officer

### **NOTES TO MEMBERS**

1. The Special Resolution proposes to amend Rule 56(g) of the Constitution.
2. Rule 56(g) contains the general power of the Board to invest and deal with any of the moneys of the Club in such manner as the Board may think fit. However, the funds obtained from the sale of the land at Oak and Wallace Street, Ashfield (being the land of the former Corinthian Club) are subject to restrictions.
3. The current restrictions are as follows:

*“... all monies received comprising the net proceeds of the sale of the land situated at Oak and Wallace Street, Ashfield being Lots 2 and 3 in Deposit Plan 570887 shall constitute a fund (“the fund”), the income from which will form part of the general revenue of the Club, but the capital of which shall, unless and until otherwise authorised by special resolution of a General Meeting of Financial Playing members and Life members of the Club, be invested in and only in managed investment funds following advice from an independent licensed financial advisors engaged by the Board to give such advice. The Board, in investing the capital of the fund, shall exercise the care diligence and skill that a prudent person would exercise in managing the fund.”*

4. The amendment removes uncertainties or ambiguities regarding Rule 56(g).
5. It is also proposed to further strengthen the security of the monies that the Club obtained from the sale of the Corinthian Club land by requiring a review every 5 years of the appointment of the financial adviser to the Club to advise on the investments. This does not mean that the Club will be locked into a 5 year contract with a financial advisor or that the Club could not change financial advisers within that 5 year period. However, a review would have to be carried out every 5 years and the Board would have to consult

at least 3 possible advisers before appointing a financial adviser to provide advice for the purposes of investing the capital of the fund.

**Procedural matters**

6. To be passed the Special Resolution must receive votes from not less than three quarters of those members who being eligible to do so vote in person on the Special Resolution at the meeting.
7. Members who are employees of the Club are not entitled to vote.
8. Proxy voting is prohibited by the Registered Clubs Act.
9. Amendments (other than minor typographical corrections which do not change the substance or effect of the special resolution) will not be permitted from the floor of the meeting.
10. The Board of the Club recommends to members the changes to the Constitution.

Dated:

By direction of the Board

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Chief Executive Officer