

# **NOTICE of ANNUAL GENERAL MEETING**

# **of**

# **Golf NSW Limited**

**ACN 001 642 628**

Notice is hereby given that the Annual General Meeting (AGM) of Golf NSW Limited will be held at:-

Venue: St. George Rowing Club, 1 Levey Street, Wolli Creek NSW

Date: Wednesday, 29 October 2014

Time: 5.00pm

# **AGENDA**

1. Welcome to attendees and distinguished guests.
2. Apologies
3. Confirmation of the Minutes of the previous AGM held on 30 October 2014.
4. Announcement of Results in the Election of Directors.
5. To receive and consider the Financial Report, Directors’ Report and Auditors’ Report of Golf NSW Limited for the financial year ended 30 June 2014 and to receive the reports of the Directors and others related to the Company’s activities for the same period.

## Proposed Changes To Constitution Of Golf NSW:

1. General Business.

**PROPOSED CHANGES TO THE CONSTITUTION OF GOLF NSW**

 **Requirements in relation to changing the Golf NSW Constitution:**

Under the Corporations Act, a company may only change its constitution if:

* the change is approved by a Special Resolution (being a resolution passed by at least 75% of all votes cast by members entitled to vote on the resolution); and
* any additional requirement specified in its constitution is satisfied.

Rule 140 of Golf NSW’s Constitution specifies an additional requirement, namely, that a proposed change to the Constitution must also be approved by a resolution passed at a meeting of the Council by at least three quarters of all votes cast by Council Members. Council Members will meet prior the AGM to consider and, if thought fit, approve the proposed changes to the Definitions and Rules as set out below. The Chairman will inform the AGM of the outcome of the Council’s vote and, provided the Council has approved the proposed changes by the required majority, will put the resolutions set out below to the AGM for approval as Special Resolutions.

##

**Proposed changes to the Constitution**:

**1. DEFINITIONS**

**Special Resolution 1.1: Proposed Removal of Obsolete Definition**

To consider, and, if thought fit, to pass the following resolution as a Special Resolution:

*THAT the Definition “Merger Implementation Agreement” contained in the Company’s Constitution and highlighted in red in the extract of Definitions contained in this Notice of Annual General Meeting be deleted.*

### ~~"Merger Implementation Agreement" means the agreement entitled “Merger Implementation Agreement” between the Company and Women’s Golf New South Wales Inc. dated on or about 19 March 2010.~~

**Special Resolution 1.2: Proposed additional Definition**

To consider, and, if thought fit, to pass the following resolution as a Special Resolution:

*THAT the Definition of “In Person” highlighted in red and contained in this Notice of Annual General Meeting be added to the Company’s Constitution.*

### “In Person”: includes attendance by use of electronic media or other technology.

**Special Resolution 1.3: Proposed deletion of Definition**

**Rationale**: The registered office of Golf NSW is a matter of public record, and it is therefore not necessary that it be included in the Definitions.

To consider, and, if thought fit, to pass the following resolution as a Special Resolution:

*THAT the Definition of “Office” contained in the Company’s Constitution and highlighted in red in the extract of Definitions contained in this Notice of Annual General Meeting be deleted.*

**Extract of Definition, showing proposed change:**

~~"Office" means the registered office for the time being of the Company which, until otherwise determined by the Board, will be at 50 Princes Highway, New South Wales.~~

**Special Resolution 1.4: Proposed change to Definition**

To consider, and, if thought fit, to pass the following resolution as a Special Resolution:

*THAT the Definition of “Office Holder” contained in the Company’s Constitution be amended by making the changes highlighted in red in the extract of Definitions contained in this Notice of Annual General Meeting.*

**Extract of Definition, showing proposed changes**

### "Office Holder" means the holder of a nominated office of an Affiliated Club or of a Country Affiliated District Golf Association. It does not include an employee.

**Proposed new Definition**

### "Office Holder" means the holder of a nominated office of an Affiliated Club or of a Country Affiliated District Golf Association. It does not include an employee.

**2. OBSOLETE RULES**

**Purpose**

**To remove from the Constitution those Rules which applied only to the Merger of Golf NSW with Women’s Golf NSW in 2010, or to the two years immediately following the Merger, and which are now obsolete. Their removal would reduce confusion and reduce the size and complexity of the Constitution. It is recommended that the following Special Resolution be passed:**

**Special Resolution 2: Proposed Removal of Obsolete Rules 13(e); 22A; 33; 63; 64 and 80**

To consider, and, if thought fit, to pass the following resolution as a Special Resolution:

*THAT Rules 13(e); 22A; 33; 63; 64; and 80 of the Company’s Constitution, highlighted in red, all of which are obsolete, be deleted.*

**2.1 Rule 13 (e): MEMBERSHIP**

~~“The requirements of paragraph (b) and (c) shall not apply to the admission of Members in accordance with the provisions of the Merger Implementation Agreement.”~~

**2.2 Rule 22A: ANNUAL FEES AND OTHER CHARGES**

### ~~“Notwithstanding anything to the contrary in this Constitution, the Board may make such arrangements as it considers necessary or desirable regarding membership fees in respect of the 18 month period following implementation of the merger with Women’s Golf New South Wales Inc. (WGNSW) to ensure an appropriate transition of membership arrangements following the merger including, without limitation:~~

### ~~(a) giving credit for fees already paid in respect of that period to WGNSW or any other organisation; and/or~~

### ~~(b) requiring payment of a six month fee for the purpose of aligning a Member’s payment cycle with the financial year basis for paying annual membership fees pursuant to this Constitution.”~~

**2.3 Rule 33: COUNCIL MEMBERS**

# ~~“Subject to this Constitution, the Council Members on and from the date of adoption of this Constitution until the conclusion of the first election of Council Members under this Constitution shall be:~~

### ~~(a) the 35 persons who were councillors of the Company immediately prior to the adoption of this Constitution; and~~

### ~~(b) the 30 elected councillors of Women’s Golf New South Wales Inc. at the date of adoption of this Constitution,~~

## ~~each of whom has agreed to become a member of the Council.”~~

**2.4 Rule 63: BOARD OF DIRECTORS**

# ~~“The Directors as at the date of adoption of this Constitution shall be the persons who are elected pursuant to the appointment process for initial directors set out in the Merger Implementation Agreement”.~~

# **2.5 Rule 64: BOARD OF DIRECTORS**

# ~~“Subject to this Constitution, the term of office for the Directors referred to in Rule 63 shall be as follows:~~

### ~~(a) the five of those Directors who received the highest number of votes in their election will hold office until the end of the Annual General Meeting following the second full financial year of the Company after the adoption of this Constitution; and~~

### ~~(b) the other four of those Directors will hold office until the end of the Annual General Meeting following the first full financial year of the Company after the adoption of this Constitution”.~~

**2.6 Rule 80: THE EXECUTIVE**

# ~~“Until the appointment of the Executive in connection with the Annual General Meeting following the second full financial year of the Company after the adoption of this Constitution, the person appointed as Deputy Chairman must be of the opposite gender to the Chairman”.~~

**3. RULES WHICH REQUIRE CLARIFICATION**

**Purpose**

**The following Rules require amendments for clarification only, to remove ambiguities or possible causes of confusion. No change is contemplated in the meaning or intention of these Rules. Each Rule is accompanied by a rationale, an extract of the current Rule, showing proposed changes in red, and the proposed new Rule. Each will be presented for consideration as a separate Special Resolution.**

**3.1 Rule 13(d): MEMBERSHIP**

**Rationale:** For clarification, it is suggested that the word “first” from Rule 13(d) be removed, in order to avoid inconsistency between Rule 13(d) and Rule 17. Rule 17 requires that a country affiliated DGA must not admit a golf club to membership unless the application...”has been first submitted to the Company and has been approved by the Company as being suitable for membership of that Country District Golf Association”. Therefore, the club cannot also “first” apply for membership of the DGA. (However, note that these Rules still provide that a club **must** also be a Member of the Country DGA in order to be a Member of Golf NSW).

**Special Resolution 3.1: Proposed change to Rule 13(d)**

To consider, and, if thought fit, to pass the following resolution as a Special Resolution:

*THAT Rule 13(d) of the Company’s Constitution be amended by making the changes highlighted in red in the extract of Rule 13(d) contained in this Notice of Annual General Meeting.*

**Extract of Rule 13(d), showing proposed changes**

“Without limitation to the foregoing, unless the Board determines otherwise, a club located outside of the Sydney Metropolitan Area that wishes to become an Affiliated Club may not become a Member as an Affiliated Club ~~unless it has first~~ until it has also obtained membership of:

#### (i) both the men and women’s Country Affiliated District Golf Associations which are responsible for the area in which the club is located; or...”

#### **Proposed new Rule 13(d)**

“Without limitation to the foregoing, unless the Board determines otherwise, a club located outside of the Sydney Metropolitan Area that wishes to become an Affiliated Club may not become a Member as an Affiliated Club until it has also obtained membership of:

#### (i) both the men and women’s Country Affiliated District Golf Associations which are responsible for the area in which the club is located; or...”

####

#### **3.2 Rule 18: COUNTRY AFFILIATED DGAs: TRANSFER OF MEMBERS**

**Rationale:** It is recommended that the words “male and/or female members” replace “membership”, to clarify the fact that the transfer of members from one DGA to another might, for example, involve transfer of female members of a club which is already a member of a men’s DGA, to that men’s DGA, or vice versa.

**Special Resolution 3.2: Proposed change to Rule 18**

To consider, and, if thought fit, to pass the following resolution as a Special Resolution:

*THAT Rule 18 of the Company’s Constitution be amended by making the changes highlighted in red in the extract of Rule 18 contained in this Notice of Annual General Meeting.*

**Extract of Rule 18, showing proposed changes**

# “A Country Affiliated Club which is a member of a Country Affiliated District Golf Association may transfer its ~~membership~~ male and/or female members to another Country Affiliated District Golf Association with the approval of the Board and the consent of the two Country Affiliated District Golf Associations concerned.”

#### **Proposed new Rule 18**

# “A Country Affiliated Club which is a member of a Country Affiliated District Golf Association may transfer its male and/or female members to another Country Affiliated District Golf Association with the approval of the Board and the consent of the two Country Affiliated District Golf Associations concerned.”

#### **3.3 Rule 32(c): VOTING RIGHTS OF COUNCIL MEMBERS**

**Rationale:** For clarification only, amend Rule 32 (c) in order to better explain the voting rights of Council Members, and to emphasise the fact that only Member Clubs and Districts are able to exercise a vote at a General Meeting or AGM.

**Special Resolution 3.3: Proposed change to Rule 32(c)**

To consider, and, if thought fit, to pass the following resolution as a Special Resolution:

*THAT Rule 32(c) of the Company’s Constitution be amended by making the changes highlighted in red in the extract of Rule 32(c) contained in this Notice of Annual General Meeting.*

**Extract of Rule 32(c), showing proposed changes**

# “The members of the Council shall be Members of the Company. Only natural persons may be Council Members. Subject to this Constitution, Council Members shall have the right to:

### (a) attend and vote at Council Meetings;

### (b) vote on the election of Directors; and

### (c) attend General Meetings (~~but may only vote at General Meetings~~ but may not vote at such Meetings except in respect of the election of Directors)”.

**Proposed new Rule 32(c)**

# “The members of the Council shall be Members of the Company. Only natural persons may be Council Members. Subject to this Constitution, Council Members shall have the right to:

### (a) attend and vote at Council Meetings;

### (b) vote on the election of Directors; and

### (c) attend General Meetings (but may not vote at such Meetings except in respect of the election of Directors)”.

**4. CHANGES PROPOSED AS A RESULT OF RECOMMENDATIONS OF THE 2013-14 GOVERNANCE REVIEW AND 2014 STRATEGIC PLAN**

**4.1 Rule 20: REPRESENTATION OF MEMBERS**

**Rationale:** Each year, Golf NSW administration expends considerable time and expense in contacting all Member Clubs to confirm the Golf NSW Member Delegate(s) appointed under this Rule to exercise the rights of the Member under the Constitution. Some clubs do not respond; some have never nominated a Member Delegate, or have not informed Golf NSW of a change in their Member Delegate, thus preventing important communication from reaching the right person. To improve communication, it is proposed that the Member Delegate will be the President of the Affiliated Member Club or the President of the Country Affiliated District Golf Association, unless another person is nominated as the Member Delegate in the President’s place.

**Special Resolution 4.1: Proposed changes to Rule 20**

To consider, and, if thought fit, to pass the following resolution as a Special Resolution:

*THAT Rule 20 be amended by making the changes highlighted in red in the extract of Rule 20 contained in this Notice of Annual General Meeting.*

**Extract of Rule 20, showing proposed changes**

(a) “Each Member which is not a natural person will be entitled to appoint a natural person to exercise the Member’s voting rights under this Constitution and to exercise the Member’s other rights and powers in any other circumstance permitted by the Act. This person shall be known as a Member Delegate. The Member Delegate shall be the President of the Affiliated Club or President of the Country Affiliated District Golf Association unless another person is appointed as Member Delegate in accordance with Rule 20(b).

### (b) The appointment of ~~any~~ such other person as a Member Delegate must be:

#### (i) in writing;

#### (ii signed by a duly authorised representative of the Member (and the Company may request such evidence as it reasonably requires of the authority of the signatory); and

#### (iii) delivered to the Secretary. “

#### **Proposed new Rule 20**

### (a) “Each Member which is not a natural person will be entitled to appoint a natural person to exercise the Member’s voting rights under this Constitution and to exercise the Member’s other rights and powers in any other circumstance permitted by the Act. This person shall be known as a Member Delegate. The Member Delegate shall be the President of the Affiliated Club or President of the Country Affiliated District Golf Association unless another person is appointed as Member Delegate in accordance with Rule 20(b).

### (b) The appointment of such other person as a Member Delegate must be:

#### (i) in writing;

#### (ii signed by a duly authorised representative of the Member (and the Company may request such evidence as it reasonably requires of the authority of the signatory); and

#### (iii) delivered to the Secretary.”

#### **4.2 Rules 62, 63 and 64: BOARD OF DIRECTORS**

#### **Rationale:** The Constitution requires that the Board of Directors comprises at least one male and one female Director from the Sydney Metropolitan Area and at least one male and one female Director from country NSW. Currently, this is expressed in terms of registered playing membership of an affiliated golf club, which is open to manipulation. The proposed amendment expresses the requirement in terms of “principal place of residence”. This aims to ensure that “Metropolitan” and “Country” Directors genuinely reside in, and thus have an understanding of, the area indicated in their Director Nomination form. The proposed new Rules 63 and 64 are simply a re-numbering of sections of the proposed Rule 62, for clarity and ease of reference. (Note that Rule 72, to which amendment is also separately proposed, refers to the requirement that a Director be a Registered Player of an Affiliated Golf Club.)

**Special Resolution 4.2: Proposed changes to Rule 62; new Rules 63 and 64**

To consider, and, if thought fit, to pass the following resolution as a Special Resolution:

*THAT Rule 62 be amended by making the changes highlighted in red in the extract of Rule 62 contained in this Notice of Annual General Meeting, and that Rules 63 and 64 be created.*

**Extract of Rule 62, showing proposed changes**

# “The Board shall consist of nine Directors, comprising three Directors who must be male, three Directors who must be female and three Directors of either gender. ~~At least one female Director must be a Registered Player of a~~ ~~Country Affiliated Club and at least one female Director must be a Registered Player of an Affiliated Club in the Sydney Metropolitan Area. At least one male Director must be a Registered Player of a Country Affiliated Club and at least one male Director must be a Registered Player of an Affiliated Club in the Sydney Metropolitan Area.~~ At least one female Director and one male Director must have his or her principal place of residence in the Sydney Metropolitan Area (Sydney Residence), and at least one female and one male Director must have his or her principal place of residence outside the Sydney Metropolitan Area in New South Wales or the ACT (Country Residence). [New Rule 63] If a Director’s principal place of residence changes at any time during his or her term as Director from Sydney Residence to Country Residence or vice versa, he or she shall cease to hold office at the conclusion of the next Annual General Meeting. [New Rule 64] The Board may make By-Laws which specify a procedure for counting votes in the election of directors to ensure an orderly process for the election of such candidates as will ensure that the composition of the Board reflects the requirements of ~~this~~ Rule 62”.

## Proposed new Rule 62

# “The Board shall consist of nine Directors, comprising three Directors who must be male, three Directors who must be female and three Directors of either gender. At least one female Director and one male Director must have his or her principal place of residence in the Sydney Metropolitan Area (Sydney Residence), and at least one female and one male Director must have his or her principal place of residence outside the Sydney Metropolitan Area in New South Wales or the ACT (Country Residence).”

# **Proposed new Rule 63**

# “If a Director’s principal place of residence changes at any time during his or her term as Director from Sydney Residence to Country Residence or vice versa, he or she shall cease to hold office at the conclusion of the next Annual General Meeting”.

# **Proposed new Rule 64**

# “The Board may make By-Laws which specify a procedure for counting votes in the election of directors to ensure an orderly process for the election of such candidates as will ensure that the composition of the Board reflects the requirements of Rule 62”.

#### **4.3 Rules 70 and 84(a): APPOINTMENT OF DIRECTORS TO FILL CASUAL VACANCIES**

**Rationale:** Currently, the Constitution limits all Directors to a total of three consecutive terms (ie, 6 years). A “term” is defined in Rule 70 as being “any period of office commencing on the appointment or re-appointment of a Director under this Constitution and ending at the time provided under any Rule of this Constitution...” Each “term” of appointment of a Director elected at an Annual General Meeting is two years.

In the situation where the Board exercises its power under Rule 84 to appoint a Director to fill a casual vacancy, the first term of office for that appointee is from the time of the appointment until the conclusion of the next Annual General meeting, which may be a matter of only a few months, rather than 2 years. Therefore, instead of being eligible to hold the position of Director for 6 years (3 consecutive terms of 2 years), the appointee to fill a casual vacancy under the current Constitution, who then stands for election as a Director at the next AGM, may potentially be limited to only 4 years and a few months. It would be more efficient and effective if this period of filling a casual vacancy until the next AGM were not to count as a “term” under the Constitution.

In addition, the reference to Rule 64 in Rule 70 is obsolete.

**Special Resolution 4.3: Proposed changes to Rules 70 and 84(a)**

To consider, and, if thought fit, to pass the following resolution as a Special Resolution:

*THAT Rules 70 and 84(a) be amended by making the changes highlighted in red in the extracts of Rules 70 and 84(a) contained in this Notice of Annual General Meeting.*

**Extract of Rule 70, showing proposed changes**

# *“*A person may not serve any more than three consecutive terms as a Director. For this purpose, a term means any period of office commencing on the appointment or re-appointment of a Director under this Constitution and ending at the time provided under any Rule of this Constitution including without limitation Rule ~~64~~, 63, 68, 72, 81, 82 or 84 (as applicable). The period of time following the appointment of a Director to fill a casual vacancy in accordance with Rule 84 does not constitute a “term” under this Rule 70. A Director who resigns his or her office as a Director cannot stand for election as a Director until the Director elections in connection with the second Annual General Meeting following his or her resignation.”

**Extract of Rule 84(a), showing proposed changes**

“Subject to paragraph (b), in the event of a Director being removed from office or the office of a Director otherwise becoming vacant, the Board will have the power to fill such vacancy and a Director so appointed will hold office until the conclusion of the next Annual General Meeting. The period of time following the appointment of a Director to fill a casual vacancy until the conclusion of the next Annual General Meeting in accordance with Rule 84 does not constitute a “term” as defined in Rule 70”.

#### **Proposed new Rule 70**

# *“*A person may not serve any more than three consecutive terms as a Director. For this purpose, a term means any period of office commencing on the appointment or re-appointment of a Director under this Constitution and ending at the time provided under any Rule of this Constitution including without limitation Rule 63, 68, 72, 81, 82 or 84 (as applicable). The period of time following the appointment of a Director to fill a casual vacancy in accordance with Rule 84 does not constitute a “term” under this Rule 70. A Director who resigns his or her office as a Director cannot stand for election as a Director until the Director elections in connection with the second Annual General Meeting following his or her resignation.”

#### **Proposed new Rule 84(a)**

“Subject to paragraph (b), in the event of a Director being removed from office or the office of a Director otherwise becoming vacant, the Board will have the power to fill such vacancy and a Director so appointed will hold office until the conclusion of the next Annual General Meeting. The period of time following the appointment of a Director to fill a casual vacancy until the conclusion of the next Annual General Meeting in accordance with Rule 84 does not constitute a “term” as defined in Rule 70.”

#### **4.4 Rules 72, 76(b) and 70: DIRECTOR ELIGIBILITY**

**Rationale:** These Rules currently provide that no person may be appointed as a Director unless that person is a Registered Player of an Affiliated Club, and that if a person ceases to be a Registered Player he/she shall cease to hold office at the conclusion of the next AGM, “unless the Board approves otherwise.” It is suggested that this qualification for Directorship be removed, in order to open up opportunities for a broader range of people who may bring valuable contacts, skills and experience to the Board of Golf NSW. Some of these potential contributors to the success of golf in NSW may be prevented by factors such as disability from being golf club members, but may be excellent Board members. Note that all candidates for election to the Board do, of course, submit their nominations for a ballot, and must be nominated by an office holder of an affiliated Club or District. They would therefore have a connection with golf and be known to the golfing community.

If this Resolution is passed, the reference to Rule 72 in Rule 70 will be unnecessary.

**Special Resolution 4.4: Proposed changes to Rules 72, 76(b) and 70**

To consider, and, if thought fit, to pass the following resolution as a Special Resolution:

*THAT Rule 72 of the Company’s Constitution be deleted, that Rule 76(b) be amended by making the changes highlighted in red in the extracts of Rules 72 and 76(b) contained in this Notice of Annual General Meeting, and that the reference to Rule 72 in Rule 70 be removed (see extract of Rule 70 in 3.3 above).*

**Extract of Rule 72, showing proposed changes**

# ~~“No person may be appointed as a Director unless that person is a Registered Player of an Affiliated Club. If a Director ceases to be a Registered Player of an Affiliated Club at any time during his or her term as Director, he or she shall cease to hold office at the conclusion of the next Annual General Meeting, unless the Board approves otherwise”.~~

**Extract of Rule 76(b), showing proposed changes**

# “A nominee for election to the Board must include with his or her nomination:

# (a) a signed consent to act as a Director which complies with the Act;

# ~~(b) evidence that he or she is a Registered Player of an Affiliated Club;~~ and

# (b) a written acknowledgment to the effect that the nominee has read and understands the Company’s Code of Conduct for Directors (as in force from time to time) and agrees to comply with the Code if elected to the Board.”

**Proposed new Rule 76(b)**

# “A nominee for election to the Board must include with his or her nomination:

# (a) a signed consent to act as a Director which complies with the Act; and

# (b) a written acknowledgment to the effect that the nominee has read and understands the Company’s Code of Conduct for Directors (as in force from time to time) and agrees to comply with the Code if elected to the Board.”

#### **4.5 Definition and Rules 77, 78 and 84(c): THE EXECUTIVE**

#### **Rationale:** The “Executive” as a group has no special authority under the Constitution and has never acted as a separate group from the Board. The change would reflect the reality of Board operations, and emphasise the Board’s collective accountability and responsibility. The Constitution still provides, in Rule 78, for the election of the Chairman, Deputy Chairman and Chairman of Finance. It was a recommendation of the Governance Review that reference to “The Executive” be removed by deleting the Definition of “Executive”, the heading “The Executive”, the whole of Rule 77 (which is obsolete in any case) and the reference the “The Executive” in Rules 78 and 84(c).

**Special Resolution 4.5: Proposed changes to Definition and Rules 77, 78, 84(c)**

To consider, and, if thought fit, to pass the following resolution as a Special Resolution:

*THAT the Definition “Executive” and Rule 77 of the Company’s Constitution, including the heading “The Executive”, be deleted and Rules 78 and 84(c) be amended by making the changes highlighted in red in the extracts of Rules 78 and 84(c) contained in this Notice of Annual General Meeting.*

**Extract of Definition, Rules 77, 78 and 84)c), showing proposed changes**

Definition: ~~"Executive" means the Chairman, the Deputy Chairman and the Chairman of Finance.~~

**~~“THE EXECUTIVE”~~**

# ~~77.~~ “~~The chairman of the Board, deputy chairman of the Board and Chairman of Finance on and from the adoption of this Constitution shall be the persons who are selected for those positions pursuant to the appointment process for the initial Executive set out in the Merger Implementation Agreement. Subject to this Constitution, those persons shall hold those positions until the conclusion of the Annual General Meeting following the first full financial year of the Company after the adoption of this Constitution.”~~

## “THE BOARD”

# 78 “Promptly following the election of the Directors at an Annual General Meeting, the Board shall elect, from amongst ~~their~~ its number ~~the Executive~~ and in the following order of seniority:

# (a) the Chairman of the Board;

# (b) the Deputy Chairman of the Board; and

# (c) the Chairman of Finance**”**.

# 84 (c) “Where the Director who was removed from office or whose office has otherwise become vacant was ~~a member of the Executive~~ the Chairman, Deputy Chairman or Chairman of Finance, the Board shall also promptly appoint from amongst ~~their~~ its number a replacement to the relevant ~~Executive~~ office. The replacement shall subject to this Constitution hold that position until the conclusion of the next Annual General Meeting.”

**Proposed new Rules 78 and 84(c)**

## “THE BOARD”

# 78 “Promptly following the election of the Directors at an Annual General Meeting, the Board shall elect, from amongst its number and in the following order of seniority:

# (a) the Chairman of the Board;

# (b) the Deputy Chairman of the Board; and

# (c) the Chairman of Finance.”

### 84 (c) “Where the Director who was removed from office or whose office has otherwise become vacant was the Chairman, Deputy Chairman or Chairman of Finance, the Board shall also promptly appoint from amongst its number a replacement to the relevant office. The replacement shall subject to this Constitution hold that position until the conclusion of the next Annual General Meeting.”

**4.6 Rules 94 and 112: CHAIRMAN’S CASTING VOTE**

**Rationale:** Rule 94 refers to proceedings of the Board of Directors and Rule 112 to proceedings at General Meetings, where the Chairman has a casting vote. In both cases, it is proposed to remove the casting vote of the Chairman. This better reflects common practice and gives a fairer outcome in situations where consensus cannot be reached.

**Special Resolution 4.6: Proposed changes to Rules 94 and 112**

To consider, and, if thought fit, to pass the following resolution as a Special Resolution:

*THAT Rules 94 and 112 of the Company’s Constitution be amended by making the changes highlighted in red in the extracts of Rules 94 and 112 contained in this Notice of Annual General Meeting.*

**Extract of Rules 94 and 112, showing proposed changes**

# 94. “Subject to this Constitution, any question arising at any meeting of the Board will be decided by a majority of votes cast by Directors present and entitled to vote on the question, and a determination by such a majority of the Directors will for all purposes be deemed to be a determination of the Board. Each Director shall be entitled to exercise one vote. ~~save that, i~~ In the event of an equality of votes, ~~the chairman of the meeting will have a second vote in addition to a first vote~~ the resolution shall be lost.”

# 112 “In the event of an equality of votes, the ~~chairman of the meeting will have a casting vote~~ resolution shall be lost.”

## Proposed new Rules 94 and 112

# 94. “Subject to this Constitution, any question arising at any meeting of the Board will be decided by a majority of votes cast by Directors present and entitled to vote on the question, and a determination by such a majority of the Directors will for all purposes be deemed to be a determination of the Board. Each Director shall be entitled to exercise one vote. In the event of an equality of votes, the resolution shall be lost.”

# 112 “In the event of an equality of votes, the resolution shall be lost.”

**4.7 Rule 98: POWERS OF THE BOARD**

**Rationale:** This amendment is proposed for clarification and to give greater protection to Golf NSW and its Members by more clearly defining the powers of the Board to commit the Company to significant financial liability, without preventing the Board from properly exercising its responsibilities under the Constitution. The existing term “capital expenditure” does not encompass other types of transactions which may incur significant financial liabilities.

**Special Resolution 4.7: Proposed changes to Rule 98.1**

To consider, and, if thought fit, to pass the following resolution as a Special Resolution:

*THAT Rule 98.1 of the Company’s Constitution be amended by making the changes highlighted in red in the extract of Rule 98.1 contained in this Notice of Annual General Meeting.*

**Extract of Rule 98.1, showing proposed changes**

# 98 “Subject to this Constitution, the Board will be responsible for the management of the business and affairs of the Company.

# 98.1 Unless approved otherwise by a resolution of the Council, the Company must not in any financial year of the Company**,** pursuant to any transaction or transactions, commit to a financial liability or liabilities, which would in total be in excess of 25% of the gross revenue received by the Company in annual membership fees in respect of the previous financial year. In calculating the total of financial liabilities to which this Rule applies the ordinary recurrent expenditure of the Company shall be disregarded.

### ~~(a) make any expenditure of a capital nature commit to a financial liability; or~~

### ~~(b) incur any obligation to make any expenditure of a capital nature commit to a financial liability (whether or not that obligation must be performed in the then current financial year or in any subsequent financial year),~~

## ~~which expenditure liability, either alone or together with all other expenditure of a capital nature liabilities which at that point in the financial year the Company has made or incurred an obligation to make, would be in excess of 25% of the gross revenue received by the Company in annual membership fees in respect of the previous financial year~~.”

**Proposed new Rule 98.1**

# 98 “Subject to this Constitution, the Board will be responsible for the management of the business and affairs of the Company.

# 98.1 Unless approved otherwise by a resolution of the Council, the Company must not in any financial year of the Company**,** pursuant to any transaction or transactions, commit to a financial liability or liabilities, which would in total be in excess of 25% of the gross revenue received by the Company in annual membership fees in respect of the previous financial year. In calculating the total of financial liabilities to which this Rule applies the ordinary recurrent expenditure of the Company shall be disregarded.”

**4.8 Rule 107: QUORUM FOR GENERAL MEETINGS**

**Rationale:** Currently, this number is “40 Affiliated Members present in person or by Member Delegate or proxy at the time when the meeting proceeds to business.” Attendance at General Meetings has been declining over past years, mainly because Member Delegates are busy and find it difficult to attend meetings. It is proposed that the number for a quorum be reduced to 30.

**Special Resolution 4.8: Proposed changes to Rule 107**

To consider, and, if thought fit, to pass the following resolution as a Special Resolution:

*THAT Rule 107 of the Company’s Constitution be amended by making the changes highlighted in red in the extract of Rule 107 contained in this Notice of Annual General Meeting.*

**Extract of Rule 107, showing proposed changes**

# 107 “No business is to be transacted at any General Meeting unless there is a quorum consisting of at least ~~40~~ 30 Affiliated Members present in person or by Member Delegate or proxy at the time when the meeting proceeds to business.”

## Proposed new Rule 107

# 107 “No business is to be transacted at any General Meeting unless there is a quorum consisting of at least 30 Affiliated Members present in person or by Member Delegate or proxy at the time when the meeting proceeds to business.”

**5. RE-NUMBERING THE CONSTITUTION OF GOLF NEW SOUTH WALES**

**Special Resolution 5: Proposed changes to numbering of Rules**

To consider, and, if thought fit, to pass the following resolution as a Special Resolution:

*THAT the numbering of Rules in the Company’s Constitution be consequentially amended to take into account changes approved at the Annual General Meeting of Golf NSW, held on Wednesday, 29th October, 2014.*