



**NOTICE OF ANNUAL GENERAL MEETING
of
Golf NSW Limited ACN 001 642 628**

**Tuesday 19 November 2019 at 1.00pm at Oatlands Golf Club, 94 Bettington Road,
Oatlands NSW 2117**

Notice is hereby given that the Annual General Meeting (**AGM**) of Golf NSW Limited (ACN 001 642 628) (**Golf NSW**) will be held as follows:

Date: Tuesday 19 November 2019

Time: 1.00pm

Venue: Oatlands Golf Club, 94 Bettington Road, Oatlands NSW 2117

Attendees must register prior to the start of the AGM. Golf NSW requires written proof that the Affiliated Member's representative at the AGM has been authorised to represent and vote on behalf of the Affiliated Member. Such proof must be lodged with the Secretary of Golf NSW before the commencement of the meeting. The President of the Affiliated Member shall be the Member Delegate for the Affiliated Member unless another person has been appointed in accordance with Rule 20 of Golf NSW's Constitution.

BUSINESS

1. Welcome to attendees and guests.
2. Apologies.
3. Confirmation of the Minutes of the previous AGM held on 27 November 2018.
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 for the financial year ended 30 June 2019 and to receive the reports of the Directors and others related to Golf NSW's activities for the same period.
6. To consider, and if thought fit, pass the Special Resolution to amend Golf NSW's Constitution.
7. General Business.

SPECIAL RESOLUTION

That the Constitution of Golf NSW Ltd ACN 001 642 628 (**Constitution**) be amended by:

A. Deleting existing Rule 38 and replacing it with the following new Rule 38:

38.

- (a) *Until the conclusion of the 2020 Annual General Meeting, the Elected Directors elected at each Annual General Meeting shall take office at the conclusion of that meeting and shall hold office until the conclusion of the second Annual General Meeting following their election. For the avoidance of doubt, this paragraph (a) shall not apply to any persons elected at the 2020 Annual General Meeting.*
- (b) *Subject to paragraph (c) below, at the 2020 Annual General Meeting:*
 - (i) *the three (3) Elected Directors elected at that meeting with the highest number of votes shall take office at the conclusion of that meeting and shall hold office until the conclusion of the third Annual General Meeting following their election; and*
 - (ii) *the remaining four (4) Elected Directors elected at that meeting shall take office at the conclusion of that meeting and shall hold office until the conclusion of the second Annual General Meeting following their election.*
- (c) *In the event that at the 2020 Annual General Meeting at least one Elected Director is elected unopposed for a position on the Board (to satisfy the requirements for the composition of the Board in Rule 33), then:*
 - (i) *paragraph (b) above shall not apply;*
 - (ii) *the Elected Directors will be divided into two groups which shall be determined by drawing lots and designated as Group 1 consisting of three (3) Elected Directors and Group 2 consisting of four (4) Elected Directors; and*
 - (iii) *subject to this Constitution, the Elected Directors in Group 1 shall hold office until the conclusion of the third Annual General Meeting following their election and the Elected Directors in Group 2 shall hold office until the conclusion of the second Annual General Meeting following their election.*
- (d) *At the 2021 Annual General Meeting, the two (2) Elected Directors elected at that meeting shall take office at the conclusion of that meeting and shall hold office until the conclusion of the third Annual General Meeting following their election.*
- (e) *Subject to paragraph (f) below, at the 2022 Annual General Meeting:*
 - (i) *the three (3) Elected Directors elected at that meeting with the highest number of votes shall take office at the conclusion of that meeting and shall hold office until the conclusion of the third Annual General Meeting following their election; and*
 - (ii) *the remaining Elected Director elected at that meeting shall take office at the conclusion of that meeting and shall hold office until the conclusion of the second Annual General Meeting following his or her election.*
- (f) *In the event that at the 2022 Annual General Meeting at least one Elected Director is elected unopposed for a position on the Board (to satisfy the requirements for the*

composition of the Board in Rule 33), then:

- (i) paragraph (e) above shall not apply;*
- (ii) the Elected Directors will be divided into two groups which shall be determined by drawing lots and designated as Group 1 consisting of three (3) Elected Directors and Group 2 consisting of one (1) Elected Director; and*
- (ii) subject to this Constitution, the Elected Directors in Group 1 shall hold office until the conclusion of the third Annual General Meeting following their election and the Elected Director in Group 2 shall hold office until the conclusion of the second Annual General Meeting following their election.*
- (g) On and from the conclusion of the 2023 Annual General Meeting, the Elected Directors elected at each Annual General Meeting shall take office at the conclusion of that meeting and shall hold office until the conclusion of the third Annual General Meeting following their election.*

B. Deleting existing Rule 40 and replacing it with the following new Rule 40.

40.

- (a) Subject to Rule 40(c), a person may not serve more than two consecutive terms as an Elected Director.*
- (b) For the purposes of this Rule 40, a "term" means:*
 - (i) any period of office commencing on the election or re-election of an Elected Director under this Constitution and ending at the time provided under any Rule of this Constitution including without limitation Rule 34, 38, 49 or 50 (as applicable); or*
 - (ii) the period of time following the appointment of a Director to fill a casual vacancy in accordance with Rule 52.*
- (c) For the purposes of this Rule 40, if any term (within the meaning of Rule 40(b)(i)) served by the person is for a period of two (2) years, then such person may not serve more than three (3) consecutive terms as an Elected Director provided that the total consecutive period that the person serves as an Elected Director does not exceed seven (7) years.*
- (d) The period of time following the appointment of a Director to serve as an Appointed Director in accordance with Rule 48 does not constitute a term under this Rule 40.*
- (e) A Director who resigns his or her office as a Director cannot stand for election as an Elected Director until the Director elections in connection with the second Annual General Meeting following his or her resignation.*

C. Deleting existing paragraphs (i) and (ii) in Rule 49(b) and replacing them with the following new paragraphs (i), (ii) and (iii):

- (i) the three of those Elected Directors who received the highest number of votes in their election will hold office until the end of the third Annual General Meeting following their election;*
- (ii) the three of those Elected Directors who received the next highest number of votes in their election will hold office until the end of the second Annual General Meeting following their election; and*

- (iii) *the remaining three of those Elected Directors will hold office until the end of the first Annual General Meeting following their election.*

EXPLANATORY NOTES – SPECIAL RESOLUTION

1. The current election cycle for the Golf NSW Board has a 2/7 split – i.e. two (2) Director positions come up for election in one year, and then seven (7) Director positions come up for election in the following year.
2. This anomaly in the disproportionate election cycle occurred due to an earlier version of Rule 52 which relates to the appointment of persons to fill casual vacancies in the Board.
3. Rule 52 previously provided that a person appointed to fill a casual vacancy would hold office until the following AGM, rather than for the full term in lieu of the person that they were replacing. Rule 52 was amended at the 2017 AGM to enable the appointment of a person to fill the casual vacancy for a period of time determined by the Board but for no longer than the same period of time as the person he or she was replacing. The 2017 amendment fixed the source of the disruption to the Board cycle.
4. The Board has now proposed amendments to the Constitution to correct the election cycle. The Special Resolution will realign the staggered Board cycle to allow for a more even cycle of 3 Director positions coming up for election each year – i.e. a 3/3/3 split.

Introduction of three year terms

5. The proposal under the Special Resolution would increase Director terms to 3 years, instead of 2 years, and thereby create this even Board election cycle.
6. The key rationale for the staggered Director terms of 3 years are as follows:
 - a. greater continuity of knowledge, skills and experience on the Board;
 - b. greater organisational stability under a more structured and even cycle for Board changes;
 - c. more long-term thinking by Directors;
 - d. reducing the likelihood that multiple concurrent new appointments on the Board may adversely impact on the continuity of pre-determined Board strategy;
 - e. it is consistent with contemporary practice amongst other Boards (especially not-for-profit organisations);
 - f. reflects general corporate governance principles of balancing Board stability with the need for renewal; and
 - g. many golf clubs have also begun to adopt 3-year terms in line with the triennial rule structure set out in the *Registered Clubs Act 1976* (NSW).
7. In order to achieve a regular cycle of elections for only 3 positions in each year, the Special Resolution proposes slight changes in each year as set out below:
 - a. At this year's AGM, 2 Director positions are up for election. Under the existing Constitution, those 2 positions will be filled by 2 persons who will serve 2-year terms.
 - b. At the 2020 AGM, there will be 7 positions up for election. Golf NSW will introduce the first 3-year terms for 3 persons who fill the Director positions, with the remaining 4 Directors

having 2-year terms.

- c. At the 2021 AGM, there will be 2 positions up for election. Both persons elected to fill these positions will hold 3-year terms.
 - d. At the 2022 AGM, there will only be 4 positions up for election (due to the change introduced at the 2020 AGM). Of these positions, 3 will be changed to 3-year terms while one of those positions will have a 2-year term.
 - e. At the 2023 AGM, the first set of 3 Directors who were elected for 3-year terms at the 2020 AGM will come up for election. These will continue as 3-year terms.
 - f. At the 2024 AGM, the 2 positions which became 3-year terms at the 2021 AGM and the 1 position which continued as a 2-year term at the 2022 AGM will all be up for election. Thus, these 3 positions will then become the third batch of 3-year terms under the 3/3/3 election cycle.
 - g. After this, all positions will be for 3-year terms and the Board will follow a 3/3/3 election cycle.
8. At the AGMS in 2020 and 2022, where it is necessary to determine who gets a 3-year term and who gets a 2-year term, this will be done based on the number of votes received at the election. Sometimes a Director may be elected unopposed to fill a certain position on the Board to meet the eligibility criteria based on geographical locations and gender (meaning they did not need to receive any votes in an election). As it is no longer appropriate to determine who gets the 3-year and 2-year terms respectively by the highest number of votes, this will instead be determined by drawing lots.
9. The table below sets out these changes and should be read in conjunction with paragraph 7 above:
- a. green colouring highlights 2-year terms;
 - b. blue colouring highlights 3-year terms,

and the different shading each reflects a different group in the relevant split for that year.

Dir. 1										
Dir. 2										
Dir. 3										
Dir. 4										
Dir. 5										
Dir. 6										
Dir. 7										
Dir. 8										
Dir. 9										
	2018/ 19	2019/ 20	2020/ 21	2021/ 22	2022/ 23	2023/ 24	2024/ 25	2025/ 26	2026/ 27	2027/ 28

Maximum number of terms

10. Under Rule 40, an Elected Director may serve no more than 3 consecutive terms. As per the current Constitution where Elected Directors have 2-year terms, this is intended to prevent a Director from serving more than 6 years consecutively.
11. As the Board proposes an increase to 3-year terms, the Special Resolution will amend the Constitution so that Directors who have 3-year terms can serve no more than 2 consecutive terms. This would therefore meet the same objective of preventing Directors from serving more than 6 years consecutively.
12. There will be a transitional period where both 2-year and 3-year terms will run concurrently. This could give rise to differing lengths of service. Accordingly, the Board proposes to permit 3 terms to be served consecutively *only* where a term is 2 years.
13. These changes to Rule 40 would therefore allow a Director to serve:
 - a. 5 years consecutively (one 2-year term and a 3-year term) but not any further term which would be for 3 years and therefore extend the Director's service to 8 years;
 - b. 6 years consecutively (if the Director completes three 2-year terms); or
 - c. 7 years consecutively (two 2-year terms followed by one 3-year term).

This will *only* apply during the transitional period. After this, all Director positions will be for 3 years and therefore a Director will only be permitted 2 consecutive terms.
14. A consequential amendment is also proposed to Rule 49(b). This rule currently provides that in an instance where *all* directors are removed by the members under Rule 49(a), then the members can elect a whole new Board of which 5 directors would hold office for 2 years and 4 directors would hold office for 1 year (i.e. a 5/4 split). To make Rule 49(b) consistent with the other proposed changes set out above, the Special Resolution proposes to change Rule 49(b) such that the appointment of a new Board (if it occurs) will also follow a 3/3/3 split.
15. The Special Resolution will only be passed if at least 75% of Affiliated Members who are voting and entitled to do so, vote in favour of the resolution.
16. The Special Resolution must be considered as a whole and the substance cannot be amended by motions from the floor.
17. Members can access a copy of the existing Constitution on Golf NSW's website.

VOTING INFORMATION

Eligibility to Vote

Only Affiliated Clubs and Country Affiliated District Golf Associations may vote at the AGM, either present in person (through the President or Member Delegate as per Rule 20 of the Constitution) or by proxy at the time when the meeting proceeds to business.

Attending the Meeting – in person

The Special Resolution will be put to the AGM as outlined above and votes may be lodged in person by the President or Member Delegate of the Affiliated Member.

Not Attending the Meeting – by proxy

For those unable to attend in person, votes may be lodged up to the start of the AGM by proxy in accordance with Rule 88 of the Constitution. The ability to submit proxies will cease at **1pm** on **Tuesday 19 November 2019**.

There are three ways to submit a proxy:

- 1) By mail or email using the proxy form attached to this Notice of AGM, sending it to:

Postal Address:

Attention: Graeme Phillipson – Returning Officer
Golf NSW Limited
PO Box 195
ARNCLIFFE NSW 2205

Email address: graeme.phillipson@golfnsw.org

- 2) By delivery in person, using the proxy form attached to this Notice of AGM, to:

Street address:

Golf NSW Limited
1A Duncan Street
ARNCLIFFE NSW 2205

- 3) Online - you can submit your proxy online by going to the website:

<https://www.surveymonkey.com/r/2019golfnswproxy>

BY ORDER OF THE BOARD

STUART FRASER

Chief Executive Officer

22 October 2019