

GRAFTON DISTRICT SERVICES CLUB LIMITED
ACN 001 041 327

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of **GRAFTON DISTRICT SERVICES CLUB LIMITED** will be held on Monday 27th October 2025 commencing at **6:30pm** at the premises of the Club, Mary Street, Grafton, NSW.

ADMITTANCE TO THE ANNUAL GENERAL MEETING WILL ONLY BE ON PRESENTATION OF CURRENT MEMBERSHIP CARD

AGENDA

1. Apologies
2. To confirm the Minutes of the 2024 Annual General Meeting.
3. To receive and consider the President's Report.
4. To receive and consider the Chief Executive Officer's report.
5. To receive and consider the Directors' Report, financial statements and the Auditor's report.
6. To consider and if thought fit pass the Special Resolution in this Notice.
7. To consider and if thought fit pass the Ordinary Resolutions in this Notice in relation to director's benefits.
8. To consider and if thought fit pass the Ordinary Resolution in this Notice in relation to directors' honorariums.
9. To declare the results of the election of directors.
10. Recommendations to the Board.

PROCEDURAL MATTERS

1. Life members, RSL members, Other Sub-Branch members, Associate members and subject to Rule 10.16 of the Constitution, Senior 20 Year members can vote on the Resolutions and in the election of the Board.
 2. The Special Resolution will be passed if at least 75% of the votes cast on the resolution by eligible members are cast in favour of the resolution
 3. Each Ordinary Resolution will be passed if at least a majority (ie. 50% plus 1) of the votes cast on the resolution by eligible members are cast in favour of the resolution.
 4. Under the *Registered Clubs Act*:
 - (a) members who are employees of the Club are not entitled to vote; and
 - (b) proxy voting is prohibited.
 5. The Board recommends the Resolutions to members.
 6. Members with questions on the Annual Report or accounts are asked to submit those questions in writing to the Chief Executive Officer 7 days before the meeting. Members are entitled to ask questions at the Annual General Meeting without giving this notice. However, if you do not submit questions in writing 7 days before the meeting, it may not be possible to provide you with an answer to your question at the meeting.
-

SPECIAL RESOLUTION

[The Special Resolution is to be read in conjunction with the notes to members set out below.]

That the Constitution of Grafton District Services Club Limited be amended by:

(a) **inserting** the following new Rules 2.5 and 2.6:

“2.5 Every member is bound by and must comply with the Constitution and By-laws of the Club and any other applicable determination, resolution or policy which may be made or passed by the Board.

2.6 The Club has the legal powers of an individual and a public company limited by guarantee under the Act.”

(b) **inserting** the following new definitions in Rule 3.1:

*“(b) **“AML/CTF Act”** means the Anti-Money Laundering and Counter Terrorism Financing Act 2006. Any reference to a provision of the AML/CTF Act includes a reference to the same or similar provision in any legislation replacing, amending or modifying the AML/CTF Act however that provision may be amended in that legislation.*

*(j) **“Financial member”** means a member who has renewed their membership of the Club by the relevant due date, and/or who has paid all joining fees, subscriptions, levies and other payments to the Club by the relevant due dates (if any such payments are required).*

*(n) **“Liquor or Gaming Policy”** means any determination or policy made by the Club for the purpose of implementing and/or enforcing gaming or liquor harm minimisation.*

*(r) **“Quarter”** means a period of 3 months ending on 31 March, 30 June, 30 September or 31 December.”*

(c) **deleting** Rule 3.2 and renumbering the remaining provision accordingly.

(d) **inserting** the following new Rules 3.3 and 3.4:

“3.3 The term “in writing” includes any communication sent by post, email, text message or any other electronic means.

3.4 A person will be deemed to be present at a meeting and form part of the quorum at a meeting if they attend the meeting in person or by electronic means.”

(e) **inserting** the following new Rules 9.7 to 9.9:

“9.7 Under the AML/CTF Act the Club:

(a) is a reporting entity;

(b) provides a designated service to its members and patrons;

(c) may be required to carry out such enquiries of members and other patrons, as considered necessary by the Club, to verify the member or patrons' identity; and

(d) *may be required to undertake “enhanced due diligence” of certain members and patrons, in certain circumstances.*

9.8 *In Rule 9.7 “enhanced due diligence” means implementing measures including but not limited to obtaining more detailed information about the member or patron and verifying the nature of any business relationship, the source of funds, source of wealth and conducting more frequent and thorough monitoring of the member or patron’s transactions within the Club.*

9.9 *Notwithstanding any other provision of this Constitution, the Club has power to implement and enforce:*

(a) *its obligations under the AML/CTF Act; and*

(b) *any Liquor or Gaming Policy,*

which may include preventing anyone (including members) from entering or remaining on any of the premises or any part of the premises of the Club and the provisions of Rule 20.2 and the principles of procedural fairness and natural justice shall not apply to the exercise of such power.

(f) **deleting** Rule 10.3(b) and **renumbering** the remaining provisions accordingly.

(g) **deleting renumbered** Rule 10.3(c) and in its place **inserting** the following new Rule 10.3(c):

“(c) Honorary 20 year members”.

(h) **deleting** Rule 10.6 and in its place **inserting** the following new Rule 10.6:

“10.6 RSL members shall be persons who are financial full members of any Sub-Branch of the RSL who have attained the age of eighteen (18) years and are elected to RSL membership of the Club.”

(i) **deleting** the heading above Rule 10.8 and Rules 10.8 and 10.9 and in their place **inserting** the following new Rules 10.8 and 10.9:

“10.8 Deleted.

10.9 Deleted.”

(j) **deleting** the heading above Rule 10.12 and Rule 10.12, 10.13 and 10.14 and in their place **inserting the following new Rules 10.12, 10.13 and 10.14:**

“10.12 Deleted

10.13 Deleted

10.14 Deleted.”

(k) **deleting** the heading above Rule 10.15 and Rule 10.15 and in its place **inserting** the following new heading and Rule 10.15:

“HONORARY 20 YEAR MEMBERS”

10.15 Any member who:

- (a) *as a Senior 20 Year Member at the date of adoption of this Rule; or*
 - (b) *has:*
 - (i) *attained the age of eighty (80) years;*
 - (ii) *been a continuous member for at least 20 years;*
 - (iii) *made application for Honorary 20 Year membership of the Club; and*
 - (iv) *is duly elected to membership in that category in accordance with this Constitution,*
 - (v) *will be a Honorary 20 Year Member.”*
- (l) **deleting** Rule 10.16 and in its place **inserting** the following new Rule 10.16:

“10.16 A Honorary 20 Year member is relieved from payment of member subscriptions but has all the rights and privileges of the category of membership they held immediately prior to becoming a Honorary 20 Year member.”
- (m) **deleting** from Rule 10.19 the words *“Other Sub Branch member”*.
- (n) **deleting** the first sentence of Rule 12.2 and in its place **inserting** the following:

“Should a person who is admitted as a Provisional member not be elected to membership of the Club.”
- (o) **deleting** Rule 14.1(a) and in its place **inserting** the following new Rule 14.1(a):

“(a) Any person whose ordinary place of residence in New South Wales is not less than such minimum distance from the Club’s premises as may be determined from time to time by the Board by By-law pursuant to this Constitution.”
- (p) **inserting** at the end of Rule 15.4(d) the words *“(if required)”*.
- (q) **inserting** the following new Rule 16.1 and **renumbering** the remaining provisions accordingly:

“16.1 For the purposes of section 30(2B) of the Registered Clubs Act, the Board shall determine the joining fees, subscriptions, levies and other payments (if any) payable by members of the Club.”
- (r) **deleting** renumbered Rule 16.6 and in its place **inserting** the following new Rules 16.6 and 16.7 and **renumbering** the remaining provision accordingly:

“16.6 Any person who has not paid his or her joining fee, subscription, levy or other payment:

 - (a) *by the due date shall cease to be entitled to the privileges of membership of the Club; and*
 - (b) *within one (1) month after the due date,*

shall cease to be a member of the Club.

16.7 *Any member who has ceased to be a member of the Club for any reason will not be entitled to any refund of any joining fee, subscription, levy or other payment made to the Club but they will remain liable for any money owed to the Club before, at or after the date that they ceased to be a member.*

(s) **deleting** from Rule 17.1 the words “(as defined in Rule 3.2)”.

(t) **deleting** Rule 18.1(a)(ii) and **renumbering** the remaining provisions accordingly.

(u) **inserting** the following new Rule 20.1A:

“20.1A Any use of any social media or other electronic communication by a member or their guest that is or can be construed by the Club as:

(a) negative about the Club or any of its facilities, amenities, services, strategies, employees, officers or members, will be conduct prejudicial to the interests of the Club; or

(b) impinging upon or intruding the privacy of any of its employees, officers or members; will be conduct unbecoming a member of the Club.”

(v) **deleting** Rules 20.2(a) and (b) and **inserting** the following new Rules 20.2(a) and (b):

20.2 The following procedure shall apply to disciplinary proceedings of the Club:

(a) A member shall be notified of:

(i) any charge against the member pursuant to Rule 20.1; and

(ii) the date, time and place of the meeting of the Board at which the charge is to be heard (noting a disciplinary hearing can be conducted in person or by electronic means).

(b) The member charged shall be notified of the matters in paragraph (a) of this Rule 20.2 by notice in writing at least seven (7) days before the meeting of the Board at which the charge is to be heard.

(w) **deleting** from Rule 20.3 the words “or for six (6) weeks whichever is the sooner”.

(x) **deleting** Rules 20.4, 20.5 and 20.6.

(y) **deleting** Rule 23.1(c) and inserting the following new Rule 23.1(c):

(c) whose presence on the premises of the Club renders or may render the Club or the Secretary liable to a penalty under the Registered Clubs Act , Liquor Act, AML/CTF Act or any other applicable law;

(z) **inserting** the following new Rule 27.10:

27.10 *A member shall not be entitled to hold office on the Board if they do not hold a Director Identification Number on the proposed date of their election or appointment to the Board.*

(aa) **deleting** from Rule 30.1 the words “calendar month” and inserting the word “Quarter”.

(bb) **deleting** Rule 30.9 and inserting the following new Rule 30.9:

30.9 *A meeting of the Board may be called or held using any technology provided that the technology used for the meeting gives the directors, as a whole, a reasonable opportunity to participate in the meeting, including a reasonable opportunity to exercise the right to speak at the meeting and to vote at the meeting in real time.*

(cc) **inserting** the following new Rule 31.3:

31.3 *If the Board reasonably determines that a director has a material personal interest in a matter and the director does not comply with Rule 31.1:*

- (a) *the director’s failure will constitute conduct prejudicial to the interests of the Club and may be the subject of disciplinary proceedings; and*
- (b) *the Board may remove or have removed, the director from the Board meeting while the matter is being considered.*

(dd) **deleting** Rule 35.1 and inserting the following new Rule 35.1:

35.1 *The office of a member of the Board shall automatically be vacated if the person holding that office:*

- (a) *dies.*
- (b) *is disqualified for any reason referred to in Section 206B of the Act.*
- (c) *becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health.*
- (d) *is absent from meetings of the Board for a continuous period of ninety (90) days (calculated from the last meeting of the Board attended) without the prior written consent of the Board unless the Board determines that their office is not vacant as a result of that absence.*
- (e) *by notice in writing resigns from office as a director.*
- (f) *becomes prohibited from being a member of the Board by reason of any order or declaration made under the Act, the Registered Clubs Act or the Liquor Act.*
- (g) *ceases to be a member of the Club.*

- (h) *becomes an employee of the Club.*
- (i) *fails to complete the mandatory training requirements for directors referred to in Rule 27.5 within the prescribed period (unless exempted).*
- (j) *was not eligible to stand for or be elected or appointed to the Board.*
- (k) *ceases to hold the necessary qualifications to be elected or appointed to the Board.*
- (l) *if the Board reasonably determines that a director has a material personal interest in a matter and the director does not comply with Rule 31.1.*
- (m) *the director's failure will constitute conduct prejudicial to the interests of the Club and may be the subject of disciplinary proceedings.*
- (n) *the Board may remove or have removed, the director from the Board meeting while the matter is being considered.*
- (o) *does not have or ceases to have a Director Identification Number (unless exempted from doing so).*

(ee) **inserting** new Rule 36.44 and renumbering the remainder of the Rule accordingly:

36.44 If permitted by the Act, the Club may hold hybrid or virtual only general meetings or Annual General Meetings. The provisions of the Act shall apply to such meetings and to the extent of any inconsistencies between the Act and the Constitution, the provisions of the Act shall prevail.

(ff) **Deleting** Rule 44.1 to 44.4 and inserting the following new Rule 44.1 to 44.3:

44.1 Without limiting the provisions of the Act, a notice may be given by the Club to any member either:

- (a) *personally; or*
- (b) *by sending it to the residential or postal of the member;*
- (c) *by sending it to the email address of the meeting*
- (d) *by sending the member sufficient information (either electronically or in physical form) to access the notice electronically, including by way of a text message containing a hyperlink to access the notice or a postcard to the member's address containing instructions on how to access the notice.*

44.2 The Club shall determine the manner in which notices are to be given to members (unless it is legally required to give a notice to members in a specific manner).

44.3 Where a notice is:

- (a) *personally given to a member in accordance with Rule 44.1(a), it is deemed to be received on the day the member is given the notice; and*
- (b) *sent to a member in accordance with Rule 44.1(b), it is deemed to be received by the members on the day following that on which the notice was sent;*
- (c) *sent to a member in accordance with Rule 44.1(c), it is deemed to be received by the members on the day following that on which the notice was sent;*
- (d) *sent to a member in accordance with Rule 44.1(d), it is deemed to be received by the member on the day following that on which the Club provided the member with the relevant information to access the notice.*

(gg) **inserting** the following new Rule 47.2:

47.2 *For the purposes of section 246B of the Act, it is agreed that the rights of members in any class of membership may be varied or cancelled by a special resolution passed at a general meeting of the members, without a separate meeting of the members of that class. A special resolution that amends this Constitution is sufficient.*

(hh) **making** such other consequential amendments necessary to give effect to this Special Resolution including ensuring that the accuracy of all Rule numbers and cross referencing of Rules and paragraphs in the Constitution.

Notes to Members on the Special Resolution

- 7. The Special Resolution proposes a series of amendments to the Club's Constitution to bring it into line with best practice and the requirements of the Corporations Act 2001, Registered Clubs Act 1976 and Anti-Money Laundering and Counter-Terrorism Financing Act 2006.
- 8. Below is an explanation of the main amendments proposed to the Constitution.
- 9. Paragraph Error! Reference source not found. inserts new Rules 2.5 and 2.6 which reflects the Corporations Act and confirms that the Constitution is a statutory contract.
- 10. Paragraph **(b)** inserts new definitions of terms used in the Constitution.
- 11. Paragraph **(c)** deletes Rule 3.2.
- 12. Paragraph **(d)** inserts a new Rules dealing with interpretation of the Constitution and attendance at meetings.
- 13. Paragraph **(e)** is a new Rule necessary to ensure that the Club can effectively comply with its legal obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (**AML/CTF Act**) and related regulatory frameworks.

As a registered club, the Club is considered a "*reporting entity*" under the AML/CTF Act, as it provides certain designated services such as gaming and financial

transactions to members and patrons. Under this legislation, the Club is subject to strict regulatory obligations, including the need to:

- Verify the identity of members and patrons engaging in relevant transactions;
- Conduct “enhanced due diligence” in higher-risk situations, such as large or unusual transactions;
- Monitor and report suspicious activities to AUSTRAC (Australian Transaction Reports and Analysis Centre);
- Implement and enforce internal compliance procedures, including restrictions on access to the Club’s premises.

The proposed amendment:

- Clarifies the Club’s status and responsibilities under the AML/CTF framework;
- Provides transparency and certainty to members and patrons that the Club may need to request additional personal information or undertake enhanced due diligence in certain cases;
- Confirms the Club’s power to take appropriate action, including restricting access to the premises, to comply with AML/CTF and relevant Liquor or Gaming policies;
- Ensures the Club can act swiftly and lawfully, where necessary, without being constrained by other provisions of the Constitution (e.g. disciplinary processes under Rule 47 and 47B), which may not be appropriate or practical in such regulatory contexts.

These amendments are both protective and proactive. They safeguard the Club from regulatory risk and potential penalties, while reinforcing the Club’s commitment to responsible conduct and compliance with national and state laws.

14. Paragraph **(g)** changes the name of “*Senior 20 year members*” to “*Honorary 20 year members*”.
15. Paragraph **(o)** amends the existing Rule 14.1(a) to reflect recent changes to the Registered Clubs Act which removed the ‘*5km rule*’ for temporary members.
16. Paragraph **(r)** updates the grounds upon which the membership of a member of the Club will cease.
17. Paragraph **(u)** and **(v)** update the existing disciplinary provisions to ensure that they afford members procedural fairness and natural justice.

Importantly the new Rule 20.1A is intended to address the growing use and impact of social media and electronic communication, and to ensure that all members and their guests uphold standards of conduct that support the reputation, integrity, and operational stability of the Club.

Under these new Rules, any use of social media or electronic communication by a member or their guest that is negative or can be reasonably construed as negative toward the Club — including its facilities, services, employees, officers, members or

strategies — will be deemed conduct prejudicial to the interests of the Club and which impinges on the privacy of another member will be deemed conduct unbecoming a member of the Club.

These amendments are important for the following reasons:

- **Protecting the Club's reputation:** Negative or disparaging comments made online can spread rapidly and damage the Club's standing in the community, its relationships with stakeholders, and its ability to attract and retain members.
- **Supporting staff and member wellbeing:** Public or semi-public criticism of staff or other members can cause unnecessary distress, undermine morale, and create a hostile environment that is inconsistent with the Club's values and objectives.
- **Reinforcing member responsibilities:** Membership in the Club carries with it certain privileges and responsibilities. These Rules ensure that members and their guests understand the importance of expressing concerns or feedback through appropriate internal channels rather than through public forums.
- **Modernising the Constitution:** The inclusion of these Rules bring the Club's Constitution into alignment with contemporary standards of governance and conduct, recognising the potential real-world impact of online behaviour on the Club, its employees and members.

Importantly, this rule does not prevent members from raising genuine concerns with management or the Board. Rather, it encourages such matters to be dealt with constructively and respectfully through the appropriate internal processes.

18. Paragraph (cc) proposes a new Rule 31.3 which seeks to ensure that directors of the Club act in the best interests of the Club at all times and comply with their legal and ethical obligations when dealing with matters in which they may have a material personal interest.

The Rule allows the Board to take appropriate action where a director fails to disclose such an interest or participate improperly in related decisions. In particular:

- (a) A failure to comply with the Rule may be treated as conduct prejudicial to the interests of the Club, which can lead to disciplinary action; and
- (b) The Board may remove the director from meetings where the relevant matter is being discussed to ensure transparency and protect the integrity of decision-making.

This safeguard promotes accountability, protects the Club from conflicts of interest, and aligns with directors' duties under the law. It is a key governance measure to maintain members' trust and confidence in the Board's operations.

19. Paragraph (dd) expands the grounds upon which a director's office will be automatically vacated to reflect the Corporations Act 2001 and industry best practice requirements.
20. Paragraph (ff) updates the ways in which the Club can give notice to members. The amendment reflects the Corporations Act and Registered Clubs Act requirements.

21. Paragraph **(gg)** inserts a new Rule 47.2 to address the requirements of section 246B of the Corporations Act.
22. Paragraph **(hh)** permits any necessary amendments to be made following the amendments to the Rule including those required to address any anomaly in Rule numbering and cross referencing throughout the Constitution.

Summary

The proposed amendments are intended to modernise the Constitution, ensure legal compliance, and strengthen governance, while preserving the rights of members of the Club.

Members are encouraged to read the amended Constitution in full before voting and to contact the Club if they have any questions about the proposed changes.

ORDINARY RESOLUTIONS - DIRECTOR'S BENEFITS

FIRST ORDINARY RESOLUTION

That pursuant to the Registered Clubs Act:

- (a) The members of Grafton District Services Club Limited hereby approve reasonable expenditure by the Club until the next Annual General Meeting of the Club for the following expenses:
 - (i) Reasonable expenses occurred by the Directors in travelling by their private or public transport to and from Directors' Meetings, or other duties associated with Club business, either within the Club or elsewhere, as approved by the Board.
 - (ii) Reasonable cost of meal and beverages for each Director associated with the Directors' attendance at Board or Community meetings or other Club duties on the date of such meeting or duty.
 - (iii) Reasonable expenses incurred by Directors within the Club or elsewhere in relation to such duties, including entertainment of guests of the Club and promotional activities as approved by the Board.
 - (iv) Reasonable expenses for attendance of Directors and Partners, where appropriate, at functions to represent the Club as approved by the Board.
 - (v) Reasonable expenses on a pre-Christmas dinner for Directors and Partners.
 - (vi) Reasonable expenses on Club blazer, shirt, tie, slacks and associated items for each Director.
 - (vii) That the Club Boardroom be available for Directors and that all beverages and refreshments in the boardroom be at the expense of the Club when dealing with Club business.
 - (viii) The reasonable expenses incurred in relation to providing a wake for departed members in circumstances which the Board, in its discretion, determine are special and significant to the Club.
 - (ix) That each Director be allotted to a specific parking place in the car park.
- (b) The members acknowledge that the benefits in paragraph (a) above are not available to members generally, but only for those who are Directors of the Club and those persons directly involved in the above activities.

SECOND ORDINARY RESOLUTION

That pursuant to the Registered Clubs Act:

- (a) The members of Grafton District Services Club Limited hereby approve reasonable expenditure by the Club for the professional development and education of Directors until the next Annual General Meeting.
- (i) The reasonable cost of Directors and Partners attending the Club NSW Annual Meeting and Conference, to represent the club.
 - (ii) The reasonable cost of Directors attending meetings of other Associations.
 - (iii) The reasonable cost of Directors attending other Registered Clubs for the purpose of viewing and assessing facilities and methods of operation, as approved by the board.
 - (iv) The reasonable cost of Directors attending seminars, lectures, trade displays, organized study tours, fact-finding tours and other similar events, in Australia or overseas as may be determined by the Board from time to time for the benefit of the future prosperity of the Club and its members.
- (b) The members acknowledge that the benefits in paragraph (a) above are not available to members generally, but only for those who are Directors of the Club and those persons directly involved in the above activities.
-

Notes to Members on the Ordinary Resolutions for Director Benefits

1. Section 10(1)(i) of the Registered Clubs Act 1976 prohibits the Club from offering a benefit to any member unless it is offered equally to all members of the Club.
 2. Section 10(6A) of the Registered Clubs Act 1976 allows a member to receive a benefit if the benefit is not in the form of money and is authorised by an ordinary resolution passed by a general meeting of the members of the Club prior to the benefit being provided.
 3. The First and Second Ordinary Resolutions propose that members approve benefits being provided to directors in relation to directors fulfilling their duties. The benefits are set out in each resolution.
-

ORDINARY RESOLUTION - HONORARIUMS

THIRD ORDINARY RESOLUTION

[The Third Ordinary Resolution is to be read in conjunction with the notes to members set out below.]

That the members hereby approve the payment of the following honorariums (inclusive of any superannuation guarantee levy if payable) to the President, Vice-President and Directors for their service as on the Board of the Club until the next Annual General Meeting:

- (a) President - \$15,000.00; and
 - (b) Vice-President - \$7,000.00
 - (c) Director - \$5,000.00
-

Notes to Members on the Third Ordinary Resolution

1. Section 10(1)(i) and (j) of the Registered Clubs Act 1976 prohibits the Club from offering a benefit or advantage to any member unless it is offered equally to all members of the Club.
2. Section 10(6) provides an exception to section 10(1)(i) and (j) where the benefit comprises an honorarium conferred on Directors of the Club.

3. The Third Ordinary Resolution is to have the members approve honorariums for the President, Vice-President and Directors for duties to be performed by them until the next Annual General Meeting.

Dated: 6th October 2025

By Direction of the Board



Michael Sear
Chief Executive Officer