

NOTICE OF ANNUAL GENERAL MEETING

ACN 001 559 548



NOTICE is hereby given that the Annual General Meeting of **CESSNOCK HOSPITALITY GROUP LTD.** is to be held on **Sunday, 19 November 2023** commencing at **10:30am** at the premises of the registered office of the Club at Darwin Street, Cessnock in the State of New South Wales.

AGENDA

1. Apologies.
2. To confirm and adopt the Minutes of the previous Annual General Meeting of the Club.
3. To receive and consider the Financial Report and Auditor's Report for the financial year. Copies of these reports are available on request at the Club and on the Club's website.
Note: Members who may have questions in relation to any report are requested to submit their questions in writing to the Club Manager **by 12pm on Friday, 17 November 2023**. This will allow sufficient time for information to be gathered or research undertaken. If questions are not submitted in this manner, the Club may not be able to provide a complete answer at the Annual General Meeting.
4. To receive and consider the reports of the Board and Management of the Club. Copies of these reports are available on request at the Club and on the Club's website.
5. To consider the Ordinary Resolution set out below.
6. To consider the Special Resolutions set out below.
7. To deal with any business of which due notice has been given.
8. General Business.

PROCEDURAL MATTERS FOR RESOLUTIONS

1. The Resolutions should be read in conjunction with the Notes to Members that follow each resolution.
2. To be passed, the Ordinary Resolution must receive votes in its favour from a majority (50%+1) of those members who being eligible to do so vote in person on the Ordinary Resolution at the meeting.
3. To be passed, a Special Resolution must receive votes in its favour from three quarters (75%) of those members who, being eligible to do so, vote in person on the Special Resolution at the meeting.
4. The Registered Clubs Act provides that members who are employees of the Club are not entitled to vote and proxy voting is prohibited.
5. The Board recommends the Resolutions to members.

ORDINARY RESOLUTION

- (a) That the members hereby approve expenditure by the Club until the next Annual General Meeting of the Club for the following:
 - (i) The President and Treasurer receive a \$3,000 honorarium and the Vice Presidents and Directors receive a \$2,500 honorarium for services rendered since the date of the Club's previous Annual General Meeting.
 - (ii) The reasonable costs of Directors attending seminars, lectures and other educational activities as determined by the Board from time to time.
 - (iii) The reasonable costs (including travel, accommodation, meals and beverage expenses) of Directors (and their spouses/partners if required) attending meetings, conferences and trade shows conducted by ClubsNSW, the Club Managers Association, the Leagues Clubs Association and such other conferences and trade shows as determined by the Board from time to time. Also, that each Director attending these meetings, conferences and trade shows be provided with an allowance of \$100 per night to cover any additional out of pocket expenses.
 - (iv) The reasonable cost of Directors (and their spouses/partners if required) attending any other registered club for the purpose of viewing and assessing its facilities as determined by the Board as being necessary for the benefit of the Club.
 - (v) The reasonable cost of Directors (and their spouses/partners if required) attending any club, community or charity function as the representatives of the Club and authorised by the Board to do so.
 - (vi) The reimbursement of reasonable out of pocket expenses incurred by Directors travelling to and from Board meetings or other duly constituted meetings of any committee of the Board.

- (vii) The reasonable cost of meals for each Director in respect of a Board or committee meeting on the day of that meeting, when such meeting coincides with a normal meal time.
 - (viii) The reasonable expenses incurred by Directors either within the Club or elsewhere in relation to such other duties including entertainment of special guests of the Club and other promotional activities approved by the Board on production of documentary evidence of such expenditure.
 - (ix) The reasonable cost of Club apparel being provided to Directors as required.
 - (x) The reasonable cost of an annual Christmas Dinner, including meals and beverage expenses, for Directors and their Partners.
 - (xi) Access to a credit card for the use of the President in respect of his duties as President of the Club.
 - (xii) The reasonable cost of an electronic device (iPad) being made available to Directors in respect of their duties as Directors of the Club.
- (b) The members acknowledge that the benefits in paragraph (a) are not available for members generally but are only for those who are Directors of the Club (and their spouses/partners in the circumstances set out in (ii), (iii) and (iv) above).

Notes to Members on Ordinary Resolution

1. The Ordinary Resolution is to have the members in general meeting approve expenditure by the Club for Directors to attend seminars, lectures, trade displays and other similar events to be kept abreast of current trends and developments which may have a significant bearing on the Club and for other out of pocket expenses.
2. Included in the Ordinary Resolution is the reasonable cost of:
 - (a) Directors attending functions as representatives of the Club and, if required, the costs of their spouses/partners also attending those functions;
 - (b) an electronic device (iPad) being made available to Directors in respect of their duties as Directors;

FIRST SPECIAL RESOLUTION

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

That as and from the AGM held in 2024 and for the purposes of the election to be held in that year, the Constitution of Cessnock Hospitality Group Ltd be amended by:

- (a) deleting Rule 47(a) and in lieu thereof inserting the following new Rule 47(a):

“(a) The Board shall consist of seven (7) Directors, being the President, 2 Vice-Presidents, a Treasurer and three (3) Ordinary Directors.”

- (b) deleting Rule 60 and in lieu thereof inserting the following new Rule 60:

“60. The quorum for meetings of the Board shall be four (4) members of the Board.”

Notes to Members on First Special Resolution

1. These explanatory notes have been prepared to assist members in understanding the details and effect of the Special Resolution to be considered at the Annual General Meeting.
 2. These notes are to be read in conjunction with the proposed Special Resolution.
 3. The First Special Resolution proposes to reduce the size of the Board with such amendments to take effect from and for the purposes of the Annual General Meeting to be held in 2024.
 4. The Board is currently made up of nine (9) directors comprising the President, two (2) Vice Presidents, a Treasurer and five (5) Ordinary Directors.
 5. If the First Special Resolution is passed, the Board will be reduced from nine (9) directors to seven (7) directors and will be made up of the President, 2 Vice-Presidents, a Treasurer and three (3) Ordinary Directors as opposed to the current situation where there are (5) Ordinary Directors.
 6. Consistent with the reduction of the Board from nine (9) to seven (7) directors, the First Special Resolution also proposes to reduce the quorum required for a meeting of the Board from five (5) to four (4) directors with such amendment to take effect from and for the purposes of the Annual General Meeting to be held in 2024.
 7. The First Special Resolution has been proposed by the Board of Directors to ensure the efficient operation of future Board proceedings and to maintain a high standard of skills, knowledge and experience across future Boards.
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SECOND SPECIAL RESOLUTION

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

That the Constitution of Cessnock Hospitality Group Ltd be amended by:

- (a) inserting the following new heading and new Rules 43A to 43F inclusive as follows:

“ADDITIONAL DISCIPLINARY POWERS OF SECRETARY

- 43A. If, in the opinion of the Secretary (or his or her delegate), a member has engaged in conduct that is unbecoming of a member or prejudicial to the interests of the Club, then the Secretary (or his or her delegate) may suspend the member from some or all rights and privileges as a member of the Club for a period of up to twelve (12) months.
- 43B. In respect of any suspension pursuant to Rule 43A, the requirements of Rule 43 shall not apply.
- 43C. The Secretary (or his or her delegate) must notify the member (by notice in writing) that:
- (a) the member has been suspended as a member of the Club; and
 - (b) the period of suspension;
 - (c) the privileges of membership which have been suspended; and
 - (d) if the member wishes to do so, the member may request by notice in writing sent to the Secretary, the matter be dealt with by the Board pursuant to Rule 43.
- 43D. If the member submits a request under Rule 43C(d):
- (a) the member shall remain suspended until such time as the charge is heard and determined by the Board; and
 - (b) the Club must commence disciplinary proceedings against the member in accordance with the requirements of Rule 43.
- 43E. The determination of the Board in respect of those disciplinary proceedings shall be in substitution for and to the exclusion of any suspension imposed by the Secretary (or his or her delegate).
- 43F. This Rule 43 applies to Full members only and it does not limit or restrict the Club from exercising the powers contained in Rule 44 of this Constitution and the powers contained in section 77 of the Liquor Act.”

Notes to Members on the Second Special Resolution

1. The Second Special Resolution gives the Secretary the power to issue a suspension of membership for a period up to 12 months if the Secretary is of the view that a member has engaged in conduct unbecoming of a member or conduct that is prejudicial to the interests of the Club. However, the member concerned has the right to request that the matter be referred to the Board to be dealt with in the usual way at a disciplinary hearing.

THIRD SPECIAL RESOLUTION

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

That the Constitution of Cessnock Hospitality Group Ltd be amended by inserting the following new Rule 49(aa):

- “(aa) A member who:
- (i) is an employee; or
 - (ii) is a former employee of the Club whose services were terminated by the Club for misconduct;
 - (iv) was an employee of the Club, or any club that has amalgamated with the Club, within the period of three (3) years prior to nomination, election or appointment to the Board; or
 - (v) is a director or an employee of another registered club within the radius of fifty (50) kilometres of the main premises of the Club.
- shall not be eligible to stand for or be elected or appointed to the Board.”

Notes to Members on the Third Special Resolution

1. The Third Special Resolution inserts further circumstances whereby a member will not be eligible to nominate for or be elected to the Board. For example, the new rule provides that if a member was an employee of the Club, or any club that has amalgamated with the Club, within the period of three (3) years prior to nomination, election or appointment to the Board; or is a director or an employee of another registered club within the radius of fifty (50) kilometres of the main premises of the Club, that member will not be eligible to nominate for or be appointed to the Board.
2. These proposed changes have been proposed by the Board as being in the best interests of the Club and in line with good corporate practice.
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PROCEDURAL MATTERS FOR SPECIAL RESOLUTIONS

1. Amendments to each of the Special Resolutions will not be permitted from the floor of the meeting other than for minor typographical or clerical corrections which do not change the substance or effect of a Special Resolution.
 2. To be passed, each Special Resolution requires 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 Annual General Meeting.
 3. Under the Club's Constitution only members are eligible to vote on the Special Resolutions.
 4. Under the Registered Clubs Act proxy voting is prohibited and members who are employees of the Club are ineligible to vote.
 5. The Board of the Club recommends that members vote in favour of each of the Special Resolutions.
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By direction of the Board,
Paul Cousins | Chief Executive Officer
Wednesday, 25 October 2023

