

**BALMAIN LEAGUES' CLUB LTD ACN 000 190 161  
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)  
NOTICE OF GENERAL MEETING**

Notice is hereby given that a General Meeting of Balmain Leagues' Club Ltd ACN 000 190 161 (Subject to Deed of Company Arrangement) (**Balmain**) will be held at Balmain Town Hall, 379 Darling Street, Balmain NSW on Wednesday 18 September 2019 at 6.00pm.

**Business**

The business of the General Meeting will be to consider and, if thought fit, pass an Ordinary Resolution approving in principle an amalgamation of Balmain and Western Suburbs Leagues Club Limited.

**Ordinary Resolution**

*"That the members of Balmain Leagues' Club Ltd ACN 000 190 161 (Subject to Deed of Company Arrangement) hereby approve:*

(a) *in principle, the amalgamation of Balmain Leagues' Club Ltd ACN 000 190 161 (Subject to Deed of Company Arrangement) ("**Balmain**") with Western Suburbs Leagues Club Limited ABN 69 000 154 736 ("**Wests**") such amalgamation to be effected by:*

*(i) the continuation of Wests (as the amalgamated club) and the dissolution of Balmain;*

*(ii) the transfer of Balmain's assets to Wests; and*

*(iii) the transfer of the club licences of Balmain to Wests;*

*and*

(b) *approve in principle the making of an application to the Independent Liquor and Gaming Authority for the transfer of the club licences of Balmain to Wests for the purposes of such an amalgamation."*

**Explanatory Note regarding the Ordinary Resolution**

1. On 26 February 2019, in accordance with clause 4 of the *Registered Clubs Regulation 2015*, Balmain Leagues' Club Ltd ACN 000 190 161 (Subject to Deed of Company Arrangement) (**Balmain**), in seeking to amalgamate Balmain with another registered club, called for expressions of interest for amalgamation (**Notice**).
2. In response to the Notice, Western Suburbs Leagues Club Limited ABN 69 000 154 736 ("**Wests**") submitted an expression of interest to Balmain seeking an amalgamation.
3. On 23 August 2019, in accordance with clause 4 of the *Registered Clubs Regulation 2015*, Balmain and Wests executed a Memorandum of Understanding (**MOU**) relating to a proposed amalgamation of the two clubs.
4. Members of Balmain should consider the terms of the signed copies of the MOU between Balmain and Wests which are on the noticeboards of Balmain and Wests.
5. A signed copy of the MOU is also on display on:
  - Balmain's website at <http://www.tigers.org.au/>; and
  - Wests' website at <https://westsashfield.com.au/>
6. The key features of the proposal as set out in the MOU are summarised as follows:
  - (a) *The amalgamation will result in the dissolution of Balmain as a company and a Licensed Club and the continuation of Wests as the body corporate of the Amalgamated Club.*
  - (b) *Balmain's club licences will be transferred to Wests and Balmain's premises at Sydney Markets will become additional premises of Wests and will be available to all members of the Amalgamated Club.*
  - (c) *The Board of Wests will be the Governing Body of the Amalgamated Club.*
  - (d) *The Chief Executive Officer of Wests will be the Chief Executive Officer of the Amalgamated Club. The Chief Executive Officer of Balmain will become the approved manager of the Amalgamated Club's Sydney Markets premises.*

- (e) *The members (subject to their consent and if not already members) of Balmain will become members of Wests.*
- (g) *All assets of Balmain will be transferred to Wests in accordance with the MOU.*
- (h) *All employees of Balmain will be offered employment on the same terms as they would have in equivalent positions at Wests.*
- (i) *Wests intends to continue to operate the Sydney Market's Premises for a minimum period of five (5) years subject to the existing lease and provided a further lease can be negotiated at the expiry of the current lease. Wests and Balmain have agreed that the Amalgamated Club may cease trading at the Sydney Markets Premises in the following circumstances:*
  - (i) *upon the order of any Court or body with jurisdiction to administer the laws in relation to liquor, gaming and registered clubs;*
  - (ii) *upon the lawful order of any Government Agency;*
  - (iii) *if the Sydney Markets Club Premises were destroyed or partially destroyed by fire, flood, storm etc., except where appropriate insurance cover is available to reinstate the Sydney Markets Club Premises or where it is otherwise economically viable to do so;*
  - (iv) *if the lease for the Sydney Markets Club Premises expires or is terminated and the landlord does not grant a new lease of those premises on terms acceptable to the Amalgamated Club; or*
  - (v) *if it is not financially viable for the Amalgamated Club to continue to trade at the Sydney Markets Club Premises.*
- (j) *Wests intends to enter into an agreement for lease and lease in order to trade from the Rozelle Premises provided:*
  - (i) *the grant of a lease to Wests of the Rozelle Premises for the purposes of a registered club, commences upon satisfaction of relevant conditions precedent, which shall include, and is not limited to, provision for Wests to determine the legal, funding/financing, commercial and financial feasibility of the Rozelle Premises taking into account, among other factors Wests considers necessary, the final development consent obtained by or on behalf of the registered proprietor and developer of the Rozelle Ppy;*
  - (ii) *the Rozelle Premises having a minimum net lettable area of 2,800 square metres or such other net lettable area agreed by Wests; and*
  - (iii) *provision for termination if relevant conditions precedent are not satisfied,*

*or on such other terms which Wests and Balmain may agree with the registered proprietor(s).*
- (k) *Wests has agreed to continue to:*
  - (i) *promote the game of rugby league;*
  - (ii) *maintain and promote the Sydney Markets Club Premises;*
  - (iii) *promote the Sydney Markets Club Premises as a community focused venue;*
  - (iv) *develop a dedicated marketing plan for improving community engagement and membership growth at the Sydney Markets Club Premises; and*
  - (v) *seek to maintain and improve the trading of the Sydney Markets Club Premises so that the Sydney Markets Club Premises remain financially viable without subsidy or financial support from the other premises of the Amalgamated Club.*
- (l) *The future direction of the Amalgamated Club generally will be subject to the overall strategic plan of the Amalgamated Club and its finances.*

7. Under the agreement between Wests and Balmain, the parties have also agreed:

- (a) to Wests
  - (i) providing annual funding to the Balmain Tigers Rugby League Football Club for a minimum period of 5 years from the date of the Amalgamation Completion for a total amount of up to \$350,000 for each year making a total of up to \$1,750,000 over 5 years. In each year, the Board of Balmain Tigers Rugby League Football Club and Committee of Balmain District Junior Rugby League Club will be required to consult with the Board of the Amalgamated Club regarding their respective funding requirements and the Board of the Amalgamated Club will determine the funding to be allocated Balmain Tigers Rugby League Football Club which shall then be responsible for distribution of the funding between itself and Balmain District Junior Rugby League Club for the relevant year.

- (ii) providing funds to satisfy the liabilities of Balmain Tigers Rugby League Football Club under the NRL Loan as at the date of the MOU (currently \$3,200,000) on expiry of the NRL Loan (plus any accumulated interest to the date of expiry of the NRL Loan), subject to Wests, Wests Magpies and Balmain Tigers Rugby League Football Club entering into a written agreement recording the terms for the provision of funds.
- (b) to Wests Magpies:
- (i) holding 90% of all shares in Wests Tigers on Amalgamation Completion, following a proportionate reduction of the shares held by Balmain Rugby League Football Club in Wests Tigers so that Balmain Rugby League Football Club will hold 10% of all shares in Wests Tigers;
  - (ii) being entitled to appoint, remove and replace from time to time 5 directors of Wests Tigers;
  - (iii) Balmain Rugby League Football Club being entitled to appoint, remove and replace from time to time 1 director of Wests Tigers; and
  - (iv) the appointment of 3 independent directors from time to time to the Board of Wests Tigers.
8. If the members of both Balmain and Wests pass the Ordinary Resolution to amalgamate, an application will then be lodged with the Independent Liquor and Gaming Authority to seek approval of the transfer of Balmain's Club Licences to Wests.
  9. If the Independent Liquor and Gaming Authority is satisfied that the amalgamation can proceed, it will grant approval of the transfer of Balmain's Club Licences to take effect upon the completion of the commercial matters required to complete the amalgamation (as contained in the MOU).
  10. The assets and liabilities of Balmain will then be transferred to Wests as contemplated in the MOU and the members of Balmain will be invited by Wests to become members of Wests. The invitation to membership of Wests is required because under the *Corporations Act 2001* a person cannot become a member of a company if that person has not consented to membership.
  11. After the assets and liabilities of Balmain have been transferred to Wests and the amalgamation has been effected and certain other matters have been attended to, Balmain will eventually proceed to liquidation and be wound up.

#### **Requirement for the Ordinary Resolution**

1. Under section 17AEB of the *Registered Clubs Act 1976*, without limiting section 60 of the *Liquor Act 2007*, the Independent Liquor and Gaming Authority cannot approve of the transfer of the licence of a dissolved club (Balmain) unless the Authority is satisfied that:
  - (a) the parent club (Wests) will meet the requirements set out in section 10(1) of the *Registered Clubs Act 1976*, and
  - (b) the parent club (Wests) will be financially viable, and
  - (c) the proposed amalgamation is in the interests of the members of each of the clubs that are amalgamating, and
  - (d) the proposed amalgamation has been approved in principle at separate extraordinary general meetings of the ordinary members of each of the clubs proposing to amalgamate (being in each case an approval supported by a majority of the votes cast at the meeting).
2. The Ordinary Resolution proposed in this Notice of General Meeting is required for the purposes of section 17AEB(d) of the *Registered Clubs Act 1976* and the amalgamation between Balmain and Wests cannot proceed until the ordinary members of both clubs have approved the amalgamations of their clubs at separate general meetings.

#### **Procedural Matters in Relation to the proposed Ordinary Resolution**

1. Under section 17AEB(d) of the *Registered Clubs Act 1976*, the proposed amalgamation is to "*be approved in principle at separate extraordinary general meetings of the ordinary members of each of the clubs proposing to amalgamate.*" The term "ordinary members" where used in section 17AEB(d) of the *Registered Clubs Act 1976* is defined in section 4 of the *Registered Clubs Act 1976* and essentially means all members in all classes of membership (excluding employees and junior members of Balmain), other than Honorary members, Temporary members and Provisional members.
2. Accordingly, all members in all classes of membership of Balmain, being Life Members, and Ordinary Members (excluding employees and junior members of Balmain) are eligible to attend the general meeting and vote on the Ordinary Resolution.
3. To be passed, the Ordinary Resolution requires votes from a simple majority of members (50% + 1) present and voting on the Ordinary Resolution at the meeting.

4. Members should read the Explanatory Notes to Members set out above which explains the general nature and effect of the Ordinary Resolution. Members should also read the Memorandum of Understanding between Wests and Balmain.
5. Please direct any question or concerns about the Ordinary Resolution in writing to the Chief Executive Officer, if possible, before the General Meeting.
6. Proxy Votes are not allowed under the Registered Clubs Act 1976.
7. The Deed Administrators and Board of Directors of Balmain recommend that members vote in favour of the proposed Ordinary Resolution.

Dated 23 August 2019



**Greg Parker**  
Joint & Several Deed Administrator