



**Royal Queensland Yacht Squadron Limited
ACN 053 989 272
(Squadron)**

Notice of Special General Meeting of Members

Location: Squadron Clubhouse, 578 Royal Esplanade, Manly QLD 4179

Date: 21 June 2022

Start time: 7.00pm

1 Business

The purpose of the meeting is to consider and, if thought fit, to pass the following **SPECIAL RESOLUTION:**

Resolution 1 - Replacement of Existing Constitution

To consider and if thought fit to pass the following resolution as a **SPECIAL RESOLUTION:**

*"That, pursuant to section 136(2) of the Corporations Act 2001 (Cth) and rule 44 of the constitution of the Squadron (**Existing Constitution**), the Squadron's Existing Constitution is repealed and replaced in its entirety by adopting the new constitution tabled at the meeting and signed by the Chairman for the purposes of identification (**Proposed Constitution**) with effect from the later of:*

- a) *26 July 2022 provided that, the Proposed Constitution is not disallowed by the Commissioner of Liquor and Gaming pursuant to section 79 of the Liquor Act 1992 (Qld); and*
- b) *the day immediately following the date a private ruling is obtained from the Commissioner of Taxation confirming that the adoption of the Proposed Constitution will not impact the tax exempt status of the Squadron."*

2 Restrictions on Voting

No restrictions on voting apply to the items of business in this Notice of Meeting.

Dated: 26 May 2022

By order of the General Committee

David Redfern
Commodore and Chairman

Royal Queensland Yacht Squadron Limited
ACN 053 989 272
(Squadron)

Explanatory Statement

This Explanatory Statement forms part of the Notice of General Meeting dated **26 May 2022** and should be read in conjunction with that Notice as this Explanatory Statement contains important information on the proposed Resolutions.

1. Resolution 1 - Replacement of Existing Constitution

Resolution 1 is a special resolution and seeks Member approval to replace the current Constitution of the Squadron (**Existing Constitution**) with a new constitution (**Proposed Constitution**).

A copy of the Proposed Constitution is available for review by members at the Squadron's website (<https://www.rqys.com.au/policiesanddocuments/>) from 8.00am on Monday 30th May 2022. A copy of the Proposed Constitution can also be sent to members on request to the Squadron CEO at ceo@rqys.com.au

The Existing Constitution has been amended several times since it was first adopted as the Squadron's memorandum and articles of association in September 1991. In light of the various changes to applicable regulatory requirements (including the *Corporations Act 2001* (Cth) (**Corporations Act**)), as well as the development of the Squadron and general corporate governance practice, the General Committee believes it is appropriate to revise and update the Existing Constitution in various ways. The proposed changes affect a significant number of provisions in the Existing Constitution.

Summary of Key Changes

Your General Committee therefore consider it more efficient to adopt a new Constitution (**Proposed Constitution**) rather than approve numerous amendments to the Existing Constitution. Some key changes that will be brought about by adoption of the Proposed Constitution are set out below (capitalised terms have the meaning given to them in the Proposed Constitution):

- (a) **Governance Structure** - Under the Proposed Constitution, a Board of Directors will be responsible for the overall management of the Squadron. This role is currently fulfilled by the existing General Committee. Each Committee of the Squadron will become a sub-committee of the Board and report to the Board.
- (b) **Director Tenure** - Directors elected at the Annual General Meeting will now serve of a period of two years to enable the Squadron to retain the skills and experience of those persons elected. To balance this with the need for fresh talent, a director will, if re-elected for consecutive terms, be permitted to serve a maximum term of six years. Any Committee Members will continue to serve a term of one year and be elected annually at the annual general meeting.

- (c) **Chair** - The Commodore will no longer be appointed as the Chair. Under the Proposed Constitution, a person appointed as an Ordinary Board Member will be voted to be the Chair by a simple majority vote of the Board.
- (d) **Membership Categories** - The Proposed Constitution has been updated to reflect the current categories of membership available to Members and the rights of those Categories of Membership.

There are several differences between the Existing Constitution and Proposed Constitution that are not summarised or referred to below because they do not materially alter the effect of the Constitution for members. These include changes:

- a) to update the provisions to reflect the Corporations Act;
- b) of a drafting, procedural or administrative nature;
- c) to remove outdated and redundant provisions; and
- d) to update names and definitions to reflect current terminology, although where possible the defined terms in the Corporations Act are relied on.

In addition the Proposed Constitution removes duplication of existing requirements under the Corporations Act, which would otherwise require amendments if there are future legislative or regulatory changes.

Transition

Under rule 22.1 of the Existing Constitution, the officers of the Squadron serve a term of one year. As such, the current Board is due to retire at the Squadron's next annual general meeting scheduled to occur on 26 July 2022 (**2022 AGM**).

Under rule 13 of the Proposed Constitution, the Commodore and all other Directors will be appointed for a term of two years. The General Committee considers that, to ease the transition process associated with the adoption of the Proposed Constitution, that the term of appointment of the Flag Officers and the Treasurer be extended for one additional year, without the need for retirement at the 2022 AGM.

The General Committee considers that by extending the term of the current Flag Officers and the Treasurer, that this will:

- a) enable the Squadron to retain the knowledge and skills which the Flag Officers and Treasurer bring to the Squadron;
- b) ease the transition process between the Squadron's current governance structure and the new governance structure proposed under the Proposed Constitution; and
- c) will permit each Flag Officer and the Treasurer to serve a term of two (2) years, consistent with the term of appointment contemplated by the Proposed Constitution; and

- d) avoids a wholesale replacement of the Board and the need for members to elect a whole new Board at each annual general meeting by staggering the timing of appointment and retirement for each officer.

Approval by the Commissioner of Liquor and Gaming Regulation

The Squadron holds a Community Club Licence Number 83992 granted under *Liquor Act 1992* (Qld) (**Liquor Act**). It is noted that pursuant to section 79 of the *Liquor Act 2002* (Qld) and section 39 of the *Liquor Regulation 2002* (Qld) any amendment to the rules of the Squadron which impact:

- a) eligibility for membership of the club;
- b) categories of membership of the club;
- c) eligibility for election to the club's management committee;
- d) voting rights of the club's members; and
- e) functions of the club's management committee,

must be lodged with the commissioner for approval within 14 days after the date of adoption of the amendment by the members.

If Resolution 1 is passed at the general meeting, the Squadron Secretary must lodge a certified copy of the constitution within 14 days after the adoption of the amendment at the general meeting.

Under the Liquor Act, the adoption of the Proposed Constitution will take effect at the end of 28 days after receipt by the commissioner of the certified copy, unless, within that period, the commissioner disallows the amendment by written notice given to the Squadron Secretary.

Effective Date

If Resolution 1 is passed it is intended that the Constitution will take effect on the later of:

- a) 26 July 2022 provided that, the Proposed Constitution is not disallowed by the Commissioner of Liquor and Gaming pursuant to section 79 of the Liquor Act 1992 (Qld); and
- b) the day immediately following the date a private ruling is obtained from the Commissioner of Taxation confirming that the adoption of the Proposed Constitution will not impact the tax exempt status of the Squadron.

Voting and proxies

2. Eligibility to vote

For the purpose of determining a person's entitlement to vote at the General Meeting, a person will be recognised as a member of the Squadron if that person is registered as a fully paid voting member of the Squadron at 7.00pm AEST time on Sunday, 19 June 2022, being the date that is 48 hours prior to the date of the General Meeting.

Pursuant to rule 37.7 of the Existing Constitution, no member shall be entitled to vote at any General Meeting if his or her annual subscription or any other account with the Squadron is in arrears at the date of the General Meeting.

3. Voting on a show of hands

On a show of hands, each member present in person at the General Meeting and entitled to vote shall have one vote. A proxy will not have a right to vote on a show of hands.

4. Voting on a poll

On a poll, every fully paid voting member present in person or by attorney or by proxy (or, in the case of a body corporate, by a representative) shall have one vote.

5. Voting restrictions

The voting restrictions are as set out in each of the Resolutions to be approved at the General Meeting.

6. Proxies

- a) A member entitled to attend and vote at the General Meeting is entitled to appoint a proxy to attend and vote instead of the member.
- b) An instrument appointing a proxy must be in the form of the Proxy Form attached to this Notice of General Meeting.
- c) A proxy need not be a member of the Squadron.
- d) A proxy form may specify the manner in which the proxy is to vote in respect of a particular Resolution and, where a proxy form so provides, the proxy is not entitled to vote on the Resolution except as specified in the proxy form.
- e) A proxy has the authority to vote on the member's behalf as he or she thinks fit, on any motion to adjourn the General Meeting, or any other procedural motion, unless the member gives a direction to the contrary.

- f) For an instrument of proxy deposited or received at the registered office of the Squadron in which the name of the proxy or the name of the office of the proxy in a proxy form is not filled in, the proxy of that member is the chairperson of the General Meeting.
- g) The chairperson of the General Meeting may require any person purporting to act as a proxy to establish to the satisfaction of the chairperson that the person has been validly appointed as a proxy and is the person named in the instrument of appointment, failing which the person may be excluded from attending or voting at the meeting.
- h) The authority of a proxy to speak and vote for a member at the General Meeting is suspended while the member is present at the meeting.
- i) To be valid, a proxy form must be signed by the member or the member's attorney.

7. Where do I send my Proxy Form?

Proxy Forms and authorities may be sent by post, hand delivery, fax or email transmission, marked for Attention of Chief Executive Officer:

- a) By post or hand delivery – 578 Royal Esplanade, Manly, QLD 4179
- b) By email - ceo@rqys.com.au

8. What if a proxy is appointed under a power of attorney?

If the Proxy Form is signed under a power of attorney on behalf of a member, then the attorney must make sure that either the original power of attorney, or a certified copy, is sent with the Proxy Form unless the power of attorney has already been sighted by the Squadron.

9. What is the due date for appointing a proxy?

To be valid, the Form and the power of attorney or other authority (if any) under which it is signed (or an attested copy of it) must be received by not later than 7.00pm AEST time on Sunday, 19 June 2022 being the 48 hours prior to the date of the General Meeting.

Proxy Form

Chief Executive Officer
Royal Queensland Yacht Squadron Limited
ACN 053 989 272

By post or by hand delivery:

578 Royal Esplanade,
Manly, QLD 4179

By email:

ceo@rqys.com.au

I

of

member number

being a member of Royal Queensland Yacht Squadron Limited ACN 053 989 272
(**Squadron**) and entitled to attend and vote, hereby appoint:

Name of proxy:

Address of proxy:

or if no person is named or failing such appointment the chairman of the meeting as my proxy to act generally and vote for me on my behalf at the General Meeting of the Squadron to be held at 7.00pm on 21 June 2022 at the Squadron Clubhouse, 578 Royal Esplanade, Manly QLD 4179 and at any adjournment thereof in the manner indicated below or, in the absence of indication, as he/she thinks fit.

Instructions as to voting on the resolutions

To instruct your proxy how to vote, insert 'X' in the appropriate column against each resolution set out below. If you do not instruct your proxy how to vote on a resolution, your proxy may vote as he/she thinks fit or abstain from voting. If you mark the Abstain box for the Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

My proxy is to vote on the Resolutions referred to in the notice of general meeting of members dated 26 May 2022 as follows:

		For	Against	Abstain
<p>Resolution 1</p> <p><i>"That, pursuant to section 136(2) of the Corporations Act 2001 (Cth) and rule 44 of the constitution of the Squadron (Existing Constitution), the Squadron's Existing Constitution is repealed and replaced in its entirety by adopting the new constitution tabled at the meeting and signed by the Chairman for the purposes of identification (Proposed Constitution) with effect from the later of:</i></p> <p style="margin-left: 40px;">(a) <i>26 July 2022 provided that, the Proposed Constitution is not disallowed by the Commissioner of Liquor and Gaming pursuant to section 79 of the Liquor Act 1992 (Qld); and</i></p> <p style="margin-left: 40px;">(b) <i>the day immediately following the date a private ruling is obtained from the Commissioner of Taxation confirming that the adoption of the Proposed Constitution will not impact the tax exempt status of the Squadron."</i></p>				

The chairman intends to vote all available proxies in favour of each Resolution.

Authorised signature/s

This section **must** be signed in accordance with the instructions below to enable your voting instructions to be implemented.

Signature of Member

Full Name of Member (print)

Contact Daytime Telephone

Date

Proxy Notes

A Member entitled to attend and vote at the meeting may appoint a person as the Member's proxy to attend and vote for the Member at that meeting. A proxy may, but need not be, a Member of the Squadron.

If a Member appoints a body corporate as the Member's proxy to attend and vote for the Member at that meeting, the representative of the body corporate to attend the meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Squadron.

You must sign this form as follows in the spaces provided:

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the Company, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by email transmission at **ceo@rqys.com.au** or by post or delivery to **578 Royal Esplanade, Manly, QLD 4179** not less than 48 hours prior to the time of commencement of the meeting.