

**RUGBY CLUB LIMITED**  
**ABN 80 000 050 279**

**NOTICE OF GENERAL MEETING**

**NOTICE** is hereby given of a General Meeting of the members of **RUGBY CLUB LIMITED** (“the Club”) to be held on **Tuesday 8 November 2011** at the premises of the Club, Rugby Place off 31 Pitt Street, Sydney, New South Wales, commencing at the hour of **6:00 pm**.

**BUSINESS**

The business of the meeting is to consider and if thought fit pass the following Ordinary Resolution:

**ORDINARY RESOLUTION**

*“That for the purposes of section 41J of the Registered Clubs Act 1976 the members hereby declare that the whole of the Club’s land and buildings (being the clubhouse and other facilities) situated at Rugby Place off 31 Pitt Street, Sydney, NSW and being the whole of the land comprised in Certificate of Title Folio Identifier 180/606866 as being non-core property.”*

---

**Notes to Members**

**The operation of section 41J of the *Registered Clubs Act 1976***

1. Under Section 41J of the *Registered Clubs Act* the land of all registered clubs is divided into core property and non-core property.
2. “Core property” means any real property owned or occupied by the Club that comprises:
  - (a) the licensed premises of the club (also known as the “defined premises”);
  - (b) any facility provided by the club for the use of its members and their guests (such as a car park or a gymnasium);
  - (c) any other property declared by a resolution passed by a majority of the members present at a general meeting of the ordinary members of the club to be core property of the club.
3. “Non-core property” of a registered club means any real property owned or occupied by the club that is not core property.

4. Section 41J also permits a general meeting of the “ordinary members” of the Club to declare any core property to be non-core property and upon that declaration being made that property becomes non-core property.
5. The significance of the distinction between core property and non-core property is that a registered club cannot dispose of any core property of the Club unless:
  - (a) the property has been valued by a registered valuer within the meaning of the *Valuers Act 2003*; and
  - (b) the disposal has been approved at a general meeting of the ordinary members of the club at which a majority of the votes cast supported the approval; and
  - (c) any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.

A “disposal” includes a sale, lease or licence of the property.
6. There are some exceptions to this regime in relation to the disposal of core property pursuant to the Regulations under the *Registered Clubs Act* but none of those exceptions are relevant for the Club’s purposes.

#### **The effect of declaring the Club’s land and buildings as non-core property**

7. If the Club’s land and buildings are declared to be non-core property they can be disposed of by any legal means such as by private treaty and without the approval of the ordinary members at a general meeting, but subject to any other restriction imposed by the Constitution of the Club. For information about restrictions in the Club’s Constitution, please refer to paragraphs 19 and 20 below.

#### **Why is it necessary for the whole of the Club’s property to be declared non-core property?**

8. For a considerable time there has been uncertainty as to how the whole of the precinct around and including the site of the Club’s premises may be developed.
9.
  - (a) In July 2010 the City of Sydney’s Draft Central Sydney Development Control Plan 1996 (“the DCP”) was amended by Amendment No. 20. This amended plan relates to the precinct bounded by Alfred, Pitt, Dalley and George Streets (“the Precinct”) and included the site of the Club’s premises.
  - (b) A copy of the DCP is available at the Club office for perusal by members of the Club.
  - (c) The DCP can be accessed on the City of Sydney website at:
    - (i) [http://www.cityofsydney.nsw.gov.au/council/documents/OnExhibition/Draft\\_CentralSydney20100727/Draftcspc.pdf](http://www.cityofsydney.nsw.gov.au/council/documents/OnExhibition/Draft_CentralSydney20100727/Draftcspc.pdf)
    - (ii) that website can also be accessed through a link on the Club’s website at [www.rugbyclub.com.au](http://www.rugbyclub.com.au)

10. Certain initiatives have been undertaken in respect of a number of sites situated within the Precinct including the following sites situated adjacent to the Club's premises:
  - (a) Goldfields House, 1 Alfred Street: Development Application.
  - (b) 19-31 Pitt Street: Development Application.
  - (c) "Jackson's on George", 174-176A George Street: Expressions of Interest to purchase property.
11. The DCP and the initiatives referred to in paragraph 10 clearly demonstrate that the Precinct, including the site of the Club's premises, will be the subject of a substantial redevelopment process.
12. The Club must be in a position to discuss with adjacent landowners and prospective developers the opportunities attaching to the site of the Club's premises and, where appropriate, to enter into negotiations with landowners and developers in relation to that site.
13. If the Club's land and building are declared to be "non-core property" the Board of Directors of the Club will be in a position to negotiate with developers and other parties in the best commercial interests of the Club and its members.
14. If the Club's land and buildings remain classified as "core property" it is likely that:
  - (a) the Club's site may be compulsorily acquired by the City of Sydney in furtherance of its development plans for the Precinct; or
  - (b) adjacent landowners or developers may not be interested in the Club's site as they would have to acquire it through a process of open tender or public auction that complies with section 41J of the *Registered Clubs Act* which will be a significant disincentive to those adjacent landowners or developers.
15. The compulsory acquisition of the Club's site or the sale by open tender or public auction would almost certainly substantially reduce the financial outcome for the Club.
16. If the Club's site is declared to be "non-core property" one of the major hurdles for an adjacent landowner or developer in relation to the development of the Club's site will be eliminated.
17. If the Club is unable to freely pursue the commercial opportunities that exist in relation to the Club's site it is almost certain that the Club will be unable to continue operating on its present site and its opportunities to find an alternative site will be very limited.

**If the land is declared "non-core" for the purposes of section 41J of the *Registered Clubs Act* what protections are there against the Board disposing of the Club's property without members' approval?**

18. Section 41J is but one of two procedural hurdles that have to be overcome in order to develop the Club's site.
19. Even if the members declare that the Club's site is non-core property, Rule 80(i) of the Club's Constitution provides in effect that the Board cannot dispose of exchange or sell any of the lands and buildings of the Club or grant other property rights without the consent of the members of the Club in general meeting by way of a special resolution first having been obtained.
20. A special resolution is one that requires the support of not less than three-quarters (75%) of those members who being in attendance at the meeting and being eligible to do so vote in person on the special resolution at a general meeting of the Club. At least twenty-one days written notice of the special resolution and the meeting must be given to all eligible members.

**Why not have the Club's site declared "non-core" at the same time as the members are asked to vote on a special resolution in accordance with Rule 80(i) of the Constitution?**

21. Under Section 41J of the *Registered Clubs Act* all "ordinary members" are eligible to vote on a resolution to declare property of the Club as being non-core property.
22. For the purposes of the *Registered Clubs Act* the classes of "ordinary members" comprise the following categories of membership:
  - Foundation Life members
  - Foundation members
  - Honorary Life members
  - Rugby Life members
  - City members
  - Country members
  - Emeritus members
  - Player and Official members
  - Overseas members; and
  - House members
23. Although some of these classes of members do not have voting rights under the Club's Constitution they do have voting rights for the purpose of Section 41J of the *Registered Clubs Act*.
24. All the members in the classes of members in paragraph 22 have been given this notice of meeting and are entitled to attend the meeting and vote on the resolution set out above.
25. If the resolution declaring that the Club's property is to be non-core property is passed, it will leave those members of the Club with voting rights under the Constitution with their rights under Rule 80(i) to make the final decision as to whether any particular development of the site of the Club's premises is worthy of approval. That will take place at a further general meeting of the Club at which only the voting members under the Constitution will be eligible to vote.

26. Those members who have voting rights under the Constitution will be asked to make a decision about a particular development of the site of the Club's premises after the relevant information is available and has been sent to them. At present that information is not available and it is not known when the Club will be in a position to provide that information.

**Procedural Matters**

27. Under the *Registered Clubs Act*:
- (a) employees of the Club are not eligible to vote; and
  - (b) proxy voting at the meeting is prohibited.
28. To be passed, the Ordinary Resolution requires votes from a simply majority of those members present and voting at the meeting.

Dated: 7 October 2011

By direction of the Board

.....  
ANGUS JAMES BRUXNER  
Secretary