
THOMSON GEER

LAWYERS

Level 14, 60 Martin Place
Sydney NSW 2000 Australia

T +61 2 8248 5800 | F +61 2 8248 5899

MEMORANDUM OF UNDERSTANDING

between

CASTLE HILL RSL CLUB LTD trading as CHRG
ABN 35 001 043 910
(CHRG)

and

CASTLE HILL BOWLING CLUB LTD
ACN 000 932 758
(CHBC)

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This deed is made on.....2022

Between **Castle Hill RSL Club Ltd** ABN 35 001 043 910 of 77 Castle Street, Castle Hill NSW
2154 (CHRG)

And **Castle Hill Bowling Club Ltd** ACN 000 932 758 of 79 Castle Street, Castle Hill NSW
2154 (CHBC)

Recitals

- A The parties are both registered clubs.
- B CHRG called for expressions of interest for amalgamation from other registered clubs on 8 March 2021.
- C CHBC submitted an expression of interest which has been accepted by CHRG.
- D The parties propose to amalgamate subject to the terms of this MOU and the Deed of Amalgamation.
- E This MOU is entered into in accordance with clause 7 of the Registered Clubs Regulation.

Now it is covenanted and agreed as follows:

1 Definitions and interpretation

1.1 Definitions

In this deed, unless the context otherwise requires:

Amalgamation means an amalgamation of CHRG and CHBC pursuant to the Registered Clubs Act and the Liquor Act;

Amalgamated Club means CHRG as the continuing club after Amalgamation Completion;

Amalgamation Completion means the day on which all of:

- (a) the Assets and Club Licence of CHBC are transferred to CHRG; and
- (b) the liabilities of CHBC are paid or discharged by, or transferred to, CHRG;

Approvals means any necessary approvals, consents, permits or licences required from any relevant Government Agency to carry out works to the CHBC Premises and/or Bowling Greens as specified in this MOU;

Asset includes chattels, contract rights, motor vehicles, stock in trade, plant, fixtures and fittings, real property, CHBC's Club Licence including gaming machines and gaming machine entitlements, debtors, intellectual property rights, goodwill and all other property, tangible or intangible and cash on hand and cash at bank belonging to CHBC at the time of Amalgamation Completion;

Authority means the Independent Liquor and Gaming Authority;

Board means the board of directors of CHRG, or, the Amalgamated Club after Amalgamation Completion (as the case may be);

Bowling Greens means the bowling greens currently located or which will be constructed at the CHBC Premises;

Bowls Advisory Committee means the Advisory Committee referred to in clause 3.3;

Bowls Coordinator means the bowls coordinator to be appointed following Amalgamation Completion as specified in clause 3.4(a);

Bowls Sub-Club means a bowls sub-club to be established by the Amalgamated Club as specified in clause 4.4(a);

Business Day means a day which is not a Saturday, Sunday, public holiday or bank holiday in the city of Sydney;

CEO means Chief Executive Officer;

CHBC Members means those Members of CHBC who:

- (c) are identified as Members of CHBC for the purposes of section 17AC of the Registered Clubs Act and who join the Amalgamated Club designated as "CHBC Members" under the Constitution in accordance with clause 4 of the Deed of Amalgamation; or
- (d) join the Amalgamated Club after Amalgamation Completion and fall within the definition of "members of the dissolved club" under section 17AJ of the Registered Clubs Act and includes Members of sub-clubs of CHBC;

CHBC's Club Licence means the club licence held by CHBC under the Liquor Act, being club licence numbered LIQC300226298;

CHBC Premises means the land (including the 2 bowling greens on the land) and clubhouse building of CHBC located at 79 Castle Street, Castle Hill NSW 2154 comprised in certificate of title folio identifier 1/227204;

Club Licence means a club licence held under section 10 of the Liquor Act;

Constitution means the Constitution of CHRG as amended from time to time, or if replaced by a new constitution, the replacement new constitution as amended from time to time;

CPI means:

- (a) the All Groups Consumer Price Index applicable to Sydney published by the Australian Bureau of Statistics; or
- (b) if the price index referred to in paragraph (a) of this definition is discontinued or abolished or if the items or weighting of the items whose prices are considered vary so as to change the basis of the price index then any price index CHRG selects that, as nearly as practicable, serves the same purpose.

Deed of Amalgamation means the deed of amalgamation between the parties dated on or about the date of this MOU;

Employee Entitlements means all entitlements to salary or wages, annual leave, long service leave and other entitlements under any industrial instrument or agreement between CHBC and any of its employees;

Gaming Machines Act means the *Gaming Machines Act 2001* (NSW);

Gaming Machines Regulation means the *Gaming Machines Regulation 2019* (NSW);

Government Agency means a government or any governmental, semi-governmental or judicial entity or authority, including but not limited to a self-regulating organisation established under statute and includes the Authority;

Insolvency Event has the meaning given in the Deed of Amalgamation;

Liquor Act means the *Liquor Act 2007* (NSW);

Major Assets of CHBC means the CHBC Premises;

CHRG Members are those members of the Amalgamated Club excluding the CHBC Members;

Member means a member of either CHBC, CHRG or the Amalgamated Club as the case may be, as shown on the relevant club's register of members at the relevant time;

Minimum Period means:

- (a) the period of seven (7) years, commencing on the date of Amalgamation Completion; and
- (b) after the period referred to in (a), such further period that registered bowling (including Life) membership of the Bowls Sub-Club remains equal to or more than 120, such further period ending when registered bowling (including Life) membership of the Bowls Sub-Club is less than 120 for a period of at least two (2) consecutive years.

For the purposes of this paragraph (b) above, each period of two (2) consecutive years shall be extended by the number of days of closure of the CHBC Premises which is caused by an extreme weather event or a pandemic (including but not limited to the COVID-19/Coronavirus) within or during the relevant period of two (2) consecutive years.

MOU means this memorandum of understanding for amalgamation;

Registered Clubs Act means the *Registered Clubs Act 1976* (NSW); and

Registered Clubs Regulation means the *Registered Clubs Regulation 2015* (NSW).

1.2 Interpretation

In this MOU, unless the context otherwise requires:

- (a) capitalised words which are not defined in this MOU have the same meaning as defined in the Deed of Amalgamation; and
- (b) headings are for convenience only and do not affect interpretation;
- (c) the singular includes the plural and conversely;
- (d) a gender includes any gender;
- (e) if a word or phrase is defined, then its other grammatical forms have a corresponding meaning;
- (f) a reference to **person** includes:
 - (i) a body corporate, an unincorporated or other entity and conversely; and
 - (ii) a reference to that person's executors, administrators, successors, permitted assigns and substitutes including but not limited to a person to whom this memorandum of understanding is novated;
- (g) a reference to **clause** or **schedule** is to a clause or schedule to this MOU;
- (h) a reference to a specific document is to that document as amended, novated, supplemented, varied or replaced;
- (i) a reference to a thing including but not limited to a right, includes a reference to a part of that thing;

- (j) a reference to law or legislation includes but is not limited to a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument under it;
- (k) a reference to conduct includes but is not limited to, an omission, statement or undertaking whether or not in writing; and
- (l) a provision of this MOU must not be construed adversely to a party on the grounds that the party is responsible for the preparation of it.

2 Amalgamation

2.1 Amalgamation

The parties agree to Amalgamate:

- (a) in accordance with the Registered Clubs Act and the Liquor Act; and
- (b) on the terms of this MOU and the Deed of Amalgamation.

2.2 Condition

This MOU is collateral to, and conditional upon execution of, the Deed of Amalgamation.

3 Future management of the CHBC Premises

Clause 7(2)(a) of the Registered Clubs Regulation

3.1 General

- (a) The CHBC Premises will become additional trading premises of the Amalgamated Club.
- (b) The CHBC Premises will be available for the use of all Members of the Amalgamated Club (subject to its Constitution and by-laws).
- (c) The CHBC Premises will trade:
 - (i) under the name "Castle Hill Bowling Club" including internal/external branding of the clubhouse under the CHRG group of businesses and co-branded in accordance with CHRG's current policy (for at least the Minimum Period subject to the Amalgamated Club obtaining any required authorisation or consent from any Government Agency). If the Amalgamated Club is unable to obtain the necessary authorisation or consent then the CHBC Premises will be named and trade under such name as determined by the Board in consultation with the Bowls Advisory Committee.
 - (ii) during the Minimum Period, such:
 - (A) hours that any organised and approved bowls (in accordance with clause 3.3(b)(v)(A)) are being played; and
 - (B) other times that the Board determines is appropriate to meet operational demand.
- (d) CHRG may modernise the logo and branding, in consultation with the Bowls Advisory Committee.

3.2 Management structure, Secretary/CEO of the Amalgamated Club and Manager of the CHBC Premises

- (a) The management structure of the Amalgamated Club will be the management structure of CHRG at the date of Amalgamation Completion, amended according to the operational requirements of the Amalgamated Club as determined by the Board from time to time.
- (b) For the purposes of the Registered Clubs Act and Liquor Act CHRG's CEO will be the Secretary and Chief Executive Officer of the Amalgamated Club.
- (c) If required under the section 66 of the Liquor Act, the Amalgamated Club will appoint a manager of the CHBC Premises for the purposes of section 66 of the Liquor Act.

3.3 Bowls Advisory Committee

- (a) On Amalgamation Completion the Board of CHRG will create the Bowls Sub-Club under rule 59 of its Constitution.
- (b) The Bowls Sub-Club shall then establish a Bowls Advisory Committee, comprising of CHBC Members who join the Bowls Sub-Club, which will operate for at least the Minimum Period and which:
 - (i) will have overall responsibility for playing of bowls and related matters on the Bowling Greens, subject to the terms of the Constitution and by-laws of the Amalgamated Club and this clause and terms of the constitution of the Bowls Sub-Club;
 - (ii) will meet with the CEO of the Amalgamated Club or their appointed representative on a monthly basis (or at such other intervals directed by the Board) to discuss bowling related matters and operational management pertaining to the CHBC Premises;
 - (iii) will work closely with the CEO of the Amalgamated Club or their appointed representative(s) (which may be the Bowls Coordinator) and industry stakeholders to develop a comprehensive and robust bowls development programme to promote and support the game of bowls and the development of women, men and junior bowls;
 - (iv) may meet with the Board of the Amalgamated Club as necessary;
 - (v) will determine:
 - (A) priority of and rosters for all organised and approved regular use of the Bowling Greens for women's, men's and junior's bowls programs and activities provided that, such rosters must allow for adequate and appropriate alternate use of the Bowling Greens for barefoot or social bowls, charity, corporate or special events and functions in consultation with the Bowls Coordinator and the Amalgamated Club's management and in accordance with predetermined guidelines and approvals;
 - (B) application of funds raised by activities of members of the Bowls Sub-Club, subject to the requirements of the Constitution and the Registered Clubs Act and any other applicable law;
 - (C) colours and design of bowlers uniforms, in consultation with CHRG's corporate branding protocols and (but the Amalgamate Club's Board or management shall determine the supplier);
 - (D) prize money for competitions in accordance with clause 4.3(c);

- (vi) will be established and operated in accordance with rule 55(m) of the Constitution;
 - (vii) will be required to adhere to the Amalgamated Club's code of conduct for members of a committee, including engaging professionally and constructively with the Board and management of the Amalgamated Club to manage, promote and develop bowls and responsibly manage grants to the Bowls Sub-Club from the Amalgamated Club.
- (c) The members of the Bowls Advisory Committee will be elected in accordance with the Bowls Sub-Club's constitution by CHBC Members of the Bowls Sub-Club, such constitution of the Bowls Sub-Club to be prepared by the Bowls sub-club and approved by the Board in accordance with clause 4.4(b).
- (d) A person will cease to be a member of the Bowls Advisory Committee immediately if he or she:
- (i) ceases to be a member of the Amalgamated Club; or
 - (ii) is removed as a member of the Bowls Advisory Committee by resolution of the Board; or
 - (iii) ceases to be a member of the Bowls Sub-Club; or
 - (iv) is removed as a member of the Bowls Advisory Committee by vote by members at a General Meeting of the Bowls Sub-Club.
- (e) The Bowls Advisory Committee may make any recommendations it considers appropriate in accordance with this clause to the Board but does not have any governance or management powers in the Amalgamated Club (except as specifically delegated to it by resolution of the Board or except as specifically contained in this clause 3.3).

3.4 Bowls Coordinator

- (a) As soon as practicable after Amalgamation Completion and following upon appointment of the Bowls Advisory Committee, the Amalgamated Club must employ on a full time basis a bowls coordinator (**Bowls Coordinator**) who will be responsible for overseeing all facets of bowls at the CHBC Premises in consultation with the Bowls Advisory Committee.
- (b) A member of the Bowls Advisory Committee may participate in the selection and interview process for the appointment of the Bowls Coordinator and may provide ongoing feedback to CHRG's Head of Sport regarding the performance of the Bowls Coordinator.
- (c) The Bowls Coordinator shall report to CHRG's Head of Sport, who must each work closely with the Bowls Advisory Committee with the aim of establishing the CHBC Premises and the Bowling Greens as a bowls centre of excellence as specified in clause 4.5(d).
- (d) Any elite /high performance bowls academy will be managed and administered by the Bowls Coordinator under the direction of CHRG's Manager of Sports, Health & Fitness in consultation with the Bowls Advisory Committee.
- (e) The terms of employment of the Bowls Coordinator will be subject to an employment contract approved by the Board or the CEO of the Amalgamated Club which is otherwise consistent with this clause 3.4.

4 Continuing traditions, amenities and community support

Clause 7(2)(b) of the Registered Clubs Regulation

4.1 Traditions

- (a) The Amalgamated Club will, subject to the continued operation of the Amalgamated Club from the CHBC Premises, maintain CHBC's traditions and ethos at the CHBC Premises.
- (b) The Amalgamated Club will in consultation with the Bowling Advisory Committee retain the memorabilia and honour boards of CHBC at the CHBC Premises in a suitable format (which may include the current format or electronic format) for at least the Minimum Period and after the Minimum Period until such time that the Board of the Amalgamated Club determines otherwise.

4.2 Amenities

- (a) The Amalgamated Club will continue to maintain and repair (including structural and capital expenditure as required) the CHBC Premises, Bowling Greens, facilities and amenities, including as upgraded under clause 4.5.
- (b) As soon as practicable after Amalgamation Completion the Amalgamated Club must prepare, maintain and present the Bowling Greens with the aim that they shall be among the best greens in Zone 10 Sydney North West Bowls Zone.
- (c) Subject to clause 4.2(d), the Amalgamated Club will have total responsibility for the management, staffing and operation of the CHBC Premises and facilities, including staff to manage any social and/or corporate bowls activities, including but not limited to barefoot bowls.
- (d) The Amalgamated Club agrees to take an assignment of the contract for the professional greenkeeper in place at the date of this MOU.

4.3 Support of the game of bowls, sport and games

- (a) Subject to the Amalgamated Club's policies for community support and the overall financial viability of the Amalgamated Club, the Amalgamated Club is committed to supporting, promoting and administrating activities that encourage and grow the game bowls, sport and games.
- (b) CHRG and CHBC agree that, for the Minimum Period, for any person making application for membership of the Amalgamated Club and who wishes to become a registered bowling member of the Bowls Sub-Club, the Amalgamated Club will:
 - (i) maintain membership and subscription fees at levels competitively aligned with membership and subscription fees charged by other bowling clubs within Zone 10; and
 - (ii) issue a complimentary branded bowls shirt on joining.
- (c) Green Fees/Competition Fees will be payable for all games played at the CHBC Premises except for Zone/District Pennants competitions. Thirty percent (30%) of all green fees/competition fees will be returned as prize money as may be determined by the Bowls Advisory Committee, with the balance of seventy percent (70%) retained by the Amalgamated Club as revenue.
- (d) Green Fees/Competition Fees charged by the Amalgamated Club must be competitive in the market and must be consistent with those fees charged by other bowling clubs in Sydney North West Bowls Zone 10, but in the event that the zone changes, by other bowling clubs who compete in the same zone in which the Bowls Sub-Club competes.

- (e) The Amalgamated Club will:
- (i) give precedence to competition and organised and approved bowls games over barefoot bowls in terms of use of bowling greens at the CHBC Premises consistent with requirements of clause 3.3(b)(v)(A);
 - (ii) provide and manage appropriate space to the Bowling Sub Club at the CHBC Premises for social gatherings before and after approved games of bowls;
 - (iii) allow the Bowling Sub Club to hold a combined maximum number of six (6) social functions at the CHBC Premises each year (free of any facility hire costs), with such events to be first approved by the Management of the Amalgamated Club in its absolute discretion;
 - (iv) assist the Bowling Sub Club by proactively promoting and marketing the game of bowls for the purpose of increasing registered bowling membership at the CHBC Premises;
 - (v) where possible, hold stock of uniforms for new registered bowling members;
 - (vi) allow the Bowling Sub Club to pursue its own sponsorships for its activities provided that:
 - (A) any sponsorship arrangements must be first approved by the Management of the Amalgamated Club with such approval not to be unreasonably withheld and provided that all advertising, marketing and promotion of Bowling Sub Club sponsorships must be in accordance with the standards and policies of CHRG's branding as amended from time to time; and
 - (B) CHRG/Amalgamated Club reserves for itself all sponsorships, promotions and sponsorship arrangements pertaining to the CHBC Premises, bowls games or tournaments conducted at the CHBC Premises by TV, radio, or other mass media, streaming, blogging, vlogging, broadcasting, podcasting organisations and their relevant platforms;
 - (vii) support all major bowling club tournaments and bowling events at the CHBC Premises, including championships and finals matches; and
 - (viii) provide a permanent notice board for use by the Bowling Advisory Committee at the CHBC Premises.

4.4 Bowls Sub-Club

Following Amalgamation Completion, the Amalgamated Club will:

- (a) create the Bowls Sub-Club under rule 59 of the Constitution which is to operate from the CHBC Premises, membership of which will be open to all eligible full members of the Amalgamated Club; and
- (b) prepare a constitution for the Bowls Sub-Club which:
 - (i) is to be approved initially by CHBC Members who join the Bowls Sub-Club but with subsequent amendments to the Bowls Sub-Clubs constitution being subject to approval of all members of the Bowls Sub-Club, whether they are CHBC Members who joined the Bowls Sub-Club or not, but any such amendments to the initial constitution must otherwise be consistent with the requirements of this clause 4.4(b) and all changes to the constitution being subject to the Board's approval;
 - (ii) shall provide, amongst other things, for:

- (A) the appointment and/or election of the Bowls Advisory Committee and its size from CHBC Members who join the Bowls Sub-Club;
 - (B) the Bowls Advisory Committee shall be the committee of the Bowls Sub-Club for as long as the Bowls Advisory Committee exists, otherwise a committee of the Bowls Sub-Club shall be formed in accordance with its constitution; and
 - (C) voting members of the Bowls Sub-Club shall comprise of the general membership of the Bowls Sub-Club, with CHBC Members who join the Bowls Sub-Club being the only members able to hold office on the Bowls Advisory Committee. However, if the Bowls Advisory Committee ceases to exist pursuant to the terms of this MOU, then the committee of the Bowls Sub-Club may comprise of any eligible member of the Bowls Sub-Club.
- (c) subject to clause 10(d)(i), provide the following annual funding (in each financial year of the Amalgamated Club) to the Bowls Sub-Club:
- (i) an annual in advance grant in the amount of \$5,000, such amount being subject to annual adjustment according to movements in the CPI on each anniversary of the Amalgamation Completion date, to cover the entry fees of all bowling members to the Bowls Sub-Club for their participation in Pennants and Association events, competitions and interclub competitions which are approved from time to time by the Bowls Advisory Committee, for as long as the Bowls Sub-Club participates in such events and competitions. For the first year after Amalgamation Completion, the grant under this clause will be on a pro-rata basis, according to when Amalgamation Completion takes place during the Amalgamated Club's relevant financial year;
 - (ii) an annual payment of \$100 (which is not subject to annual CPI adjustments or increases) to be made to the Bowls Sub-Club per each member of the Bowls Sub-Club who is a registered bowler or who is a life member of the CHBC Premises (or was a life member of CHBC as at Amalgamation Completion), up to a cap of 200 such members, to be utilised by the Bowls Advisory Committee at its discretion for championship prize money or hospitality for special and major events, for example but not limited to, food after Pennants and Association competitions, for the Minimum Period. For the first year after Amalgamation Completion, the payment under this clause will be on a pro-rata basis, according to when Amalgamation Completion takes place during the Amalgamated Club's relevant financial year.

4.5 CHBC Premises works

- (a) Immediately prior to Amalgamation Completion, CHRГ will review CHBC's fire safety audit documents to determine any associated safety/compliance risks. The Amalgamated Club will carry out any necessary rectification or maintenance works as soon as practicable following Amalgamation Completion.
- (b) Within 12 months after Amalgamation Completion, CHRГ must use all reasonable endeavours to obtain required Approvals to:
 - (i) to construct a new purpose-built modern mixed-use Bowling, Sports, Leisure and hospitality venue on the western side of the CHBC Premises comprising of food, beverage, gaming events and indoor and alfresco areas, that will accommodate the operational needs of CHBC bowlers, plus guests and other patrons;
 - (ii) replace green #1 with a synthetic 7 rink green with weather proof roof and championship standard lighting state of the art bowling green furniture e.g. seating, score boards etc.; and
 - (iii) install additional championship standard lighting over the green #2

- (c) Within 5 years after obtaining all required Approvals, CHRG must use all reasonable endeavours to complete the works referred to in clause 4.5(b)(i), subject to and in accordance with any required Approvals and requirements of Government Agencies.
- (d) Following completion of construction of the works referred to in clause 4.5(b), the CHBC Premises and the Bowling Greens will be developed and promoted as a bowling centre of excellence which will be a modern mixed use bowling, leisure and hospitality venue. CHRG will provide operational management of the facility in consultation with the Bowls Advisory Committee on matters bowls related matters.
- (e) The new clubhouse will incorporate a dedicated memorabilia area which will be designed and constructed by CHRG in consultation with the Bowls Advisory Committee. The Bowls Advisory Committee will determine the content to be displayed and will be responsible for updating and maintaining the dedicated memorabilia area.
- (f) Within 2 years after Amalgamation Completion, CHRG must use all reasonable endeavours to commence the works referred to in clauses 4.5(b)(ii) and 4.5(b)(iii), subject to and in accordance with any required Approvals and requirements of Government Agencies.
- (g) Subject to this clause 4.5, the Amalgamated Club may consolidate the whole of the land comprising the CHBC's Premises into CHRG's adjacent land and premises so that access and egress to and from any part of the consolidated/entire site will be in accordance with a master plan to be developed by the CHRG, provided the master plan does not prevent the satisfaction of the commitments of the Amalgamated Club under this MOU. Without limitation, this may include widening of an access driveway through the land comprising the CHBC Premises to a car park located on the CHBC Premises and/or the adjacent CHRG land and premises.
- (h) CHBC and CHRG agree that CHRG will only be permitted to consolidate the land and alter the access and egress driveway through the land comprising the CHBC Premises to a car park located on the CHBC Premises and/or the adjacent CHRG land and premises, following completion of construction of the works referred to in clause 4.5(b).
- (i) Despite clause 4.5(h), CHBC and CHRG agree that following CHRG obtaining all relevant Approvals, CHRG may use other parts of the CHBC Premises as it deems necessary, in consultation with the Bowls Advisory Committee, provided the installations or uses do not affect the ability of members to access and use the the CHBC Premises and participate in the game of bowls.

4.6 Continuing support of Bowls Coordinator, Traditions, Amenities and Bowls during and after the Minimum Period

- (a) During the Minimum Period, or as otherwise provided in Schedule 2 of the Deed of Amalgamation, as the case may be, the Amalgamated Club must continue to maintain its obligations regarding:
 - (i) the benefits granted to to CHBC Foundation Bowling Members and CHBC Foundation Life Members under proposed new rules 24(d) and 24(e) of the Constitution made pursuant to schedule 2 of the Deed of Amalgamation);
 - (ii) General operations and naming (clause 3.1);
 - (iii) Bowls Advisory Committee (clause 3.3);
 - (iv) Bowls Coordinator (clause 3.4);
 - (v) Traditions (clause 4.1);
 - (vi) Amenities (clause 4.2);
 - (vii) Support of Bowls, Sport and Games (clause 4.3);

- (viii) Bowls Sub-Club (clause 4.4); and
- (ix) CHBC Premises Works (clause 4.5).

However, the Amalgamated Club's specific obligations under clause 4.4(c) (payments and funding to the Bowls Sub-Club) during the Minimum Period are set out in that clause.

- (b) After the Minimum Period the Amalgamated Club will continue to maintain its obligations regarding the matters specified in clause 4.6(a) except that:
 - (i) the funding of the Bowls Sub-Club shall continue in accordance with the provisions contained in clause 4.4(c);
 - (ii) the Amalgamated Club may review and modify the commercial terms contained in the following clauses:
 - (A) General operations and naming (clause 3.1);
 - (B) Bowls Advisory Committee (clause 3.3);
 - (C) Bowls Coordinator (clause 3.4);
 - (D) Traditions (clause 4.1);
 - (E) Amenities (clause 4.2); and
 - (F) Support of Bowls, Sport and Games (clause 4.3),

in the best interests of the Amalgamated Club and the financial viability of the CHBC Premises; or
 - (iii) where those commercial terms relate to maintenance and/or repair of those premises, for example regarding the Bowls Coordinator (clause 3.4) or Amenities (clause 4.2), the Amalgamated Club's obligations under this clause 4.6(b) is subject to continued trading from the CHBC Premises.
- (c) The benefits granted to registered bowlers who become CHBC Foundation Bowling Members and CHBC Foundation Life Members under proposed new rules 24(d) and 24(f) of the Constitution pursuant to schedule 2 of the Deed of Amalgamation shall be maintained for as long as the Bowls Sub-Club continues in operation, regardless of the number of active registered bowlers and shall not otherwise be subject to a review under clauses 4.6(a)(i).

5 Future direction of the Amalgamated Club

Clause 7(2) (c) of the Registered Clubs Regulation

5.1 General

- (a) The future direction of the Amalgamated Club will be subject to the overall general strategic plan of the Amalgamated Club and its finances.
- (b) The Amalgamated Club will prepare master and business plans and departmental operational reviews for the continued operation of the CHBC Premises, including their maintenance in a fit for purpose condition and future revenue sources which can be established at the CHBC Premises whilst retaining the registered club activities. The plans referred to in this clause will be subject to regular review by the Amalgamated Club when appropriate.

5.2 Specific

The Amalgamated Club will:

- (a) promote, encourage and foster the game of bowls at the CHBC Premises;
- (b) maintain and promote the CHBC Premises;
- (c) provide high quality facilities and services to members of the Amalgamated Club;
- (d) develop a dedicated marketing plan for improving community engagement and membership growth at the CHBC Premises; and
- (e) seek to maintain and improve the trading position and increase the value of the Assets of the Amalgamated Club.

6 Employees

Clause 7(2) (d) of the Registered Clubs Regulation

6.1 CHBC employees

- (a) CHRSG will give each current non-management part time employee of CHBC, a written offer of part time employment:
 - (i) on terms no less favourable than those provided by an applicable industrial instrument, subject to a three month probationary period; and
 - (ii) otherwise on those terms generally applicable to an employee in a similar role at CHRSG,
- (b) at least 10 Business Days prior to the anticipated date of Amalgamation Completion.
- (c) CHBC will terminate the employment of all its employees in writing, or accept their written resignation, on Amalgamation Completion.
- (d) Any employee who accepts in writing an offer from CHRSG made under clause 6.1(a) will be employed by the Amalgamated Club on Amalgamation Completion on the terms of that offer, and that person's Employee Entitlements accrued with CHBC up to and including Amalgamation Completion will be recognised by the Amalgamated Club.
- (e) If any employee of CHBC does not accept an offer of employment from CHRSG in accordance with clause 6.1(d), then:
 - (i) that employee will be paid all accrued and verified Employee Entitlements by CHBC as at Amalgamation Completion, which will be the end date of that employee's employment by CHBC;
 - (ii) CHBC must make all superannuation contributions it is obliged to make for that employee up to the date of Amalgamation Completion; and
 - (iii) CHBC will obtain written acknowledgment of receipt of such payments from that employee as at Amalgamation Completion.

6.2 CHRSG employees

Each employee of CHRSG will continue to be employed by the Amalgamated Club after Amalgamation Completion, subject to the terms and conditions of employment between each such employee and CHRSG.

7 Intentions for CHBC Assets

Clause 7(2) (e) of the Registered Clubs Regulation

7.1 Core property/Major Assets of CHBC and gaming machines and gaming machine entitlements

- (a) The CHBC Premises will be core property of CHBC for the purposes of section 41E of the Registered Clubs Act and are major assets of CHBC for the purposes of section 17A(3) of the Registered Clubs Act and clause 8 of the Registered Clubs Regulation.
- (b) CHBC represents and warrants that it does not hold any interest in real property, freehold, leasehold or otherwise, other than as specified in clause 7.1(a).
- (c) The parties agree that all Major Assets will be transferred to the ownership of CHRG effective on and from Amalgamation Completion.
- (d) As at the date of this MOU, the number of gaming machine entitlements held for the CHBC Club Licence and for the CHBC Premises is 14. CHBC must ensure that all of the 14 gaming machine entitlements held in respect of CHBC's Club Licence, and all of the gaming machines kept at the CHBC Premises as at the date of this MOU (and any additional gaming machines kept at the CHBC Premises as at Amalgamation Completion) and all its other Assets are transferred to the Amalgamated Club as part of the amalgamation.
- (e) CHRG must:
 - (i) retain occupation of the Major Assets of CHBC;
 - (ii) operate the CHBC Premises as a separate set of registered club premises of the Amalgamated Club,
 in the manner referred to in clause 5.2 but subject to clauses 10 and 11.
- (f) Subject to clauses 10 and 11 of this MOU, CHBC and CHRG intends that the Amalgamated Club will:
 - (i) continue to trade from the CHBC Premises; and
 - (ii) retain the core property of CHBC/Major Assets of CHBC,
 for at least the Minimum Period. Continuation of trade and retention of the Major Assets after the Minimum Period is subject to clauses 10 and 11.

7.2 Other assets

Other Assets will form part of the assets of the Amalgamated Club on Amalgamation Completion and may be used, maintained or disposed of in the ordinary course of its business, but the Major Assets of CHBC must be retained in accordance with this clause 7 and subject to clauses 10 and 11.

8 Risks of not meeting any specified intentions regarding preservation of the core property of CHBC

Clause 7(2)(e1) of the Registered Clubs Regulation

- (a) The risks of the Amalgamated Club not meeting the intentions to preserve the core property of CHBC include that:

- (i) the only core property of CHBC is the CHBC Premises; and
 - (ii) if the CHBC Premises are disposed, then the ability to use the CHBC Premises as a registered club will cease.
- (b) The likelihood that the risks outlined in clause 8(a) will be realised are mitigated because of the restrictions on disposal of the Major Assets of CHBC contained in the Registered Clubs Act and the additional restrictions set out in clauses 10 and 11 of this MOU.

9 Agreement under section 17A(1) of the Registered Clubs Act relating to the period during which the Major Assets of CHBC must not be disposed

Clause 7(2)(e2) of the Registered Clubs Regulation

The Amalgamated Club may not dispose of the Major Assets of CHBC for the Minimum Period after Amalgamation Completion unless the disposal has been approved by the Authority and is made in accordance with the Registered Clubs Act, or in accordance with clauses 10(d) and 11.

10 Ceasing to Trade from the CHBC Premises or Changing Objects

Clause 7(2)(f) of the Registered Clubs Regulation

- (a) CHRG does not intend to cease trading from the CHBC Premises for at least the Minimum Period.
- (b) With effect from Amalgamation Completion, the objects of the Amalgamated Club will be the objects of CHRG.
- (c) CHRG intends to operate the Amalgamated Club in the manner referred to in clause 5.
- (d) For the purposes of clauses 7(2)(f) and 7(2)(g) of the Registered Clubs Regulation, CHRG and CHBC have agreed that the Amalgamated Club may cease trading at the CHBC Premises in the following circumstances:
 - (i) after the Minimum Period and only after the Board considers any modifications to:
 - (A) any of the commercial terms referred to in the clause 4.6(b)(ii),
 - (B) the funding to the Bowls Sub-Club under clause 4.4(c),
 which it can make in order to keep trading from the CHBC Premises and which the Board considers will be in the best interests of the Amalgamated Club and the financial viability of the CHBC Premises.
 - (ii) upon the order of any Court or body with jurisdiction to administer the laws in relation to liquor, gaming and registered clubs;
 - (iii) upon the lawful order of any Government Agency;
 - (iv) if the CHBC Premises were destroyed or partially destroyed by fire, flood, storm etc., except where appropriate insurance cover is available to reinstate the CHBC Premises or where it is otherwise economically viable to do so; or

- (v) if required to avoid an Insolvency Event occurring in respect of the Amalgamated Club as determined by an independent company auditor.

11 Minimum Period

Clause 7(2)(g) of the Registered Clubs Regulation

CHRG does not intend to cease trading from the CHBC Premises and intends to operate the CHBC Premises in the manner referred to in clause 5 for the Minimum Period and would only cease to trade in the circumstances referred to in clause 10.

12 Termination

This MOU is terminated immediately on termination of the Deed of Amalgamation and clause 16 of the Deed of Amalgamation will apply to termination of this MOU.

13 General

13.1 Stamp duty

CHRG must pay all stamp duty (including any penalties) payable or assessed in connection with this MOU and any document required by or contemplated under this MOU.

13.2 Legal costs

Subject to any other express provision of this MOU, each party must pay its own legal and other costs and expenses relating to:

- (a) negotiation, preparation and execution of this MOU and the Deed of Amalgamation; and
- (b) effecting Amalgamation Completion.

13.3 Entire agreement

This MOU and the Deed of Amalgamation:

- (a) are the entire agreement between the parties in relation to the proposed amalgamation of the parties; and
- (b) supersede all previous agreements.

13.4 Counterparts

- (a) A party may execute this MOU by signing any counterpart. All counterparts constitute one document when taken together.
- (b) Satisfactory evidence of execution of this MOU will include evidence by email or facsimile of execution by the relevant party and in such case the executing party undertakes to provide the other party with an original of the executing party's counterpart as soon as reasonably practicable after execution.


13.5 Variation

The parties can only vary a term of this MOU if the variation is in writing and both parties sign, and approval is given by the Members of both parties in general meeting.

Executed as a deed

17th AUGUST ~~OCTOBER~~ 2022

Executed by Castle Hill RSL Club Ltd ABN 35 001 043 910 in accordance with section 127 of the Corporations Act 2001 (Cth);



Director

JOHN PAYNE

Name of Director

BLOCK LETTERS



*Director/*Company Secretary


DAVID O'NEIL

Name of *Director/*Company Secretary

BLOCK LETTERS

*please strike out as appropriate

Executed by Castle Hill Bowling Club Ltd ACN 000 932 758 in accordance with section 127 of the Corporations Act 2001 (Cth);

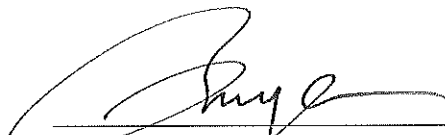


Director

Noel Benson

Name of Director

BLOCK LETTERS



*Director/*Company Secretary

Paul Bryan

Name of *Director/*Company Secretary

BLOCK LETTERS

*please strike out as appropriate