
THOMSON GEER

LAWYERS

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DEED OF AMALGAMATION

between

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

and

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

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18.1	To ensure the financial viability of CHBC after the date of this Deed, CHRG agrees to provide, within five (5) days of a request in writing from CHBC and CHBC providing to CHRG all duly executed loan and security documents and associated documentation reasonably required by CHRG in accordance with its loan agreement, financial accommodation to CHBC:	14

Reference: BAB:SSM:4661187

Legal/75735548_22

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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 each holding Club Licences.
- 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 agree to amalgamate subject to the terms of this Deed and the MOU.
- E. This Deed is supplementary to the MOU entered into by the parties in accordance with the requirements of Part 2 Division 1A of the Registered Clubs Act and clause 7 of the Registered Clubs Regulation, and is intended to provide for:
 - (a) commercial terms; and
 - (b) other details agreed by the parties with respect to the Amalgamation,which are not required to be included in the MOU under the Registered Clubs Regulation.

Now it is covenanted and agreed as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following definitions apply in the Recitals and this Deed unless the context requires otherwise:

Accounting Standard means:

- (a) the same thing as a reference to an accounting standard in the Act;
- (b) if there is no standard under the Act, then the standard available from the Australian Accounting Standards Board; or
- (c) if there is no standard under subclause (b), then the standard required by a qualified auditor;

Act means the *Corporations Act 2001* (Cth);

Amalgamation means the amalgamation of CHBC and CHRG in accordance with applicable law, the MOU and this Deed;

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

Amalgamation Completion means the day on which the Assets and CHBC's Club Licence are transferred to CHRG;

Application for Transfer means an application for transfer of the Club Licence held by CHBC to CHRG in accordance with section 60 of the Liquor Act;

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;

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

CHBC Premises has the meaning contained in the MOU;

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;

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

Confidential Information means all information which a party designates as being confidential, or, which would reasonably be considered to be confidential. This includes but is not limited to:

- (a) financial information;
- (b) business plans and marketing plans;
- (c) terms of agreements with third parties, including the details of those third parties;
- (d) membership records and information about persons which is subject to laws relating to privacy; and
- (e) information recorded in board and committee papers and minutes;

Force majeure means:

- (a) an event which is beyond the reasonable control of a party; and
- (b) includes but is not limited to:
 - (i) an act of God;
 - (ii) a breakdown or destruction of plant and equipment;
 - (iii) a shortage of or inability to secure fuel, power, material or labour;
 - (iv) a flood, earthquake, rockfall or landslide;
 - (v) a government act or regulation including but not limited to, exchange control by government having jurisdiction over the parties effected;
 - (vi) a blockade, riot, civil insurgence, act of terrorism or war;
 - (vii) lightning, fire or explosion; or
 - (viii) epidemic or quarantine restriction;

Insolvency Event:

- (a) means the happening of any of these events:
 - (i) an application is made to a court for an order or an order is made that a party be wound up;

- (ii) an application is made to a court for an order appointing a liquidator or provisional liquidator for a party;
 - (iii) a person is appointed as a liquidator or provisional liquidator for a party;
 - (iv) a party enters into, or resolves to enter into, a scheme of arrangement, deed of company arrangement or composition with, or assignment for the benefit of, all or any class of its creditors;
 - (v) a party proposes a reorganisation, moratorium or other administration involving a class of its creditors;
 - (vi) a party resolves to wind itself up, otherwise dissolve itself, gives notice of intention to do so or is otherwise wound up or dissolved;
 - (vii) a party is or states that it is unable to pay its debts when they fall due;
 - (viii) as a result of the operation of section 459F(1) of the Corporations Act, a party is taken to have failed to comply with a statutory demand;
 - (ix) a party is, or makes a statement from which it may be reasonably deduced that the party is, the subject of an event described in section 459C(2) or section 585 of the Corporations Act;
 - (x) a party takes any step to obtain protection or is granted protection from its creditors, under any applicable legislation or an administrator is appointed to a party;
 - (xi) anything analogous or having a substantially similar effect to any event specified in this definition happens under the law of any applicable jurisdiction;
- (b) does not include anything under paragraph (a) to effect Amalgamation Completion (including without limitation the dissolution of CHBC pursuant to clause 11.1);

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

Loss means all loss, liability, damage, costs and expenses including direct and indirect Loss (on an indemnity basis);

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

MOU means the memorandum of understanding entered into by the parties on or about the date of this Deed for the purposes of the Amalgamation and in accordance with clause 7 of the Registered Clubs Regulation;

Records means all documents, books, files, reports, accounts and plans of a party relating exclusively or substantially to its business including:

- (a) all marketing and member files and member lists;
- (b) promotional and sales literature and other advertising material and catalogues;
- (c) supplier lists;
- (d) all records of debtors and creditor claims;
- (e) wages and other employment benefit and payroll and personnel records of its employees;
- (f) all computer software (including the media on which the same is stored) and computer records;
- (g) financial records; and

(h) all records of contracts (including contracts of insurance);

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

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

Sunset Date means the date which is 12 months after the date of this Deed.

1.2 Interpretation

The following rules of interpretation apply unless the context requires otherwise:

- (a) capitalised words which are not defined in this Deed have the same meaning as defined in the MOU;
- (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 Deed is novated;
- (g) a reference to **clause** or **schedule** is to a clause or schedule to this Deed;
- (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 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 Deed 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

- (a) The Amalgamation is intended to enhance the facilities and services available to all Members of the Amalgamated Club.
- (b) The parties agree to amalgamate:
 - (i) in accordance with the Registered Clubs Act and Liquor Act; and
 - (ii) on the terms of this Deed and the MOU.

2.2 Purpose of this Deed

This Deed is supplementary to the MOU and provides for:

- (a) commercial terms; and
- (b) other details agreed by the parties with respect to the Amalgamation,

which are not required to be included in the MOU under the Registered Clubs Regulation.

2.3 Effect of this Deed

This Deed is collateral to, and conditional upon execution of, the MOU and the terms of this Deed are legally binding on both parties

2.4 Effect of the MOU

The Clubs agree that:

- (a) the terms of the MOU will be taken to be terms of this Deed and are binding on both parties;
- (b) a breach of the MOU will be taken to be a breach of this Deed; and
- (c) if this Deed imposes an obligation on a party which would result in that party breaching a term of the MOU then:
 - (i) the MOU will prevail to the extent of the inconsistency; and
 - (ii) compliance by that party with the MOU will not be taken to be a breach of this Deed.

3 APPROVALS

3.1 CHBC Meeting

- (a) Unless otherwise agreed by the parties, CHBC will convene a general meeting of its Members entitled to vote under its constituent documents and the Registered Clubs Act to be held as soon as reasonably practicable after the date of this Deed.
- (b) At that meeting, the Ordinary members of CHBC will consider and vote on resolutions in accordance with section 17AEB(d) of the Registered Clubs Act to:
 - (i) approve the Amalgamation in principle;
 - (ii) approve the transfer of Assets from CHBC to CHRG in accordance with this Deed;
 - (iii) approve the making of the Application for Transfer; and
 - (iv) approve any other matters required to give effect to this Deed and the MOU.
- (c) The form of the resolutions referred to in clauses 3.1(b) to be put to Members of CHBC are contained in Schedule 1.

3.2 CHRG Meeting

- (a) CHRG will convene a general meeting of its Members entitled to vote under its constituent documents and the Registered Clubs Act to be held before or as soon as reasonably practicable after the CHBC meeting referred to in clause 3.1 above.
- (b) At that meeting the Members will consider and vote on resolutions in accordance with section 17AEB(d) of the Registered Clubs Act to:
 - (i) approve the Amalgamation in principle and

- (ii) approve the making of the Application for Transfer;
 - (iii) pass the special resolution contained to amend CHRG's Constitution and referred to in clause 4.1; and
 - (iv) approve any other matters required to give effect to this Deed and the MOU.
- (c) The form of the resolutions referred to in clause 3.2(b) to be put to Members of CHRG is contained in Schedule 2.

3.3 Application for Transfer

- (a) Within 10 Business Days of the meeting under clause 3.1, CHBC will give to CHRG:
- (i) a certified copy of the notice of meeting and minutes of the meeting; and
 - (ii) certification that the notice of meeting and MOU have been displayed as required by the Registered Clubs Act and Registered Clubs Regulation.
- (b) Within 10 Business Days of the meeting under clause 3.2, CHRG will give to CHBC:
- (i) a certified copy of the notice of meeting and minutes of the meeting; and
 - (ii) certification that the notice of meeting and MOU have been displayed as required by the Registered Clubs Act and Registered Clubs Regulation.
- (c) CHRG will prepare and lodge the Application for Transfer with the Authority as soon as reasonably practicable if approval is given by its members under clause 3.2.
- (d) CHBC agrees to sign all documents and provide all information reasonably necessary for CHRG to complete and lodge the Application for Transfer.

4 TRANSFER OF MEMBERS AND CHANGES TO THE CONSTITUTION

- 4.1 At the meeting under clause 3.2, the Members of CHRG will consider the special resolution as contained in Schedule 2 to this Deed to amend the constituent documents of CHRG (with effect from Amalgamation Completion) to:
- (a) add a new rule for identification purposes under section 17AC of the Registered Clubs Act to identify persons as "Castle Hill Bowling Club Members";
 - (b) create new ordinary classes of CHBC Foundation Bowling membership and CHBC Foundation Life membership with the benefits set out in the draft special resolution contained in Schedule 2 (with the class of CHBC Foundation Bowling membership being a closed class and the class of CHBC Foundation Life membership being open but new memberships, other than the transfer of eligible CHBC Life Members on Amalgamation Completion, being restricted to only 2 new nominations for each 12 month period).
- 4.2 As soon as practicable after provisional approval of the Application for Transfer has been given by the Authority, CHRG will send every Member of CHBC (who is not already a Member of CHRG) an invitation to become a member of the Amalgamated Club which includes the requirements for application for membership). CHRG will permit Members of CHBC who make application under this clause to be admitted as Members of the Amalgamated Club (without the need for a proposer and seconder to sign their application), as follows:
- (a) those members of CHBC who are eligible and who apply for membership as Foundation Life members or Foundation Bowling members will be admitted to those classes of membership; and
 - (b) all other members of CHBC who are eligible and who to apply for such other classes of ordinary membership of CHRG will be admitted to those classes of membership.

- 4.3 A Member of CHBC may accept the invitation by completing and returning the application for membership of the Amalgamated Club (in a class of membership for which they are eligible) to CHRG prior to Amalgamation Completion.
- 4.4 A Member of CHBC who applies for membership of the Amalgamated Club under this clause will, subject to any restrictions contained in the constituent documents of CHRG and the requirements of section 30(2) of Registered Clubs Act, be admitted to membership of the Amalgamated Club with effect from Amalgamation Completion.
- 4.5 Any person who, at Amalgamation Completion, is a Life Member of CHBC, and becomes a CHBC Foundation Life Member of the Amalgamated Club:
- (a) will continue to be recognised as a Life Member in respect of the CHBC Premises (and will be admitted to the new ordinary class of CHBC Foundation Life membership) and will not be required to pay an annual CHBC subscription; and
 - (b) will not be required to pay an annual subscription to the Amalgamated Club unless an annual subscription is required under the Registered Clubs Act or if the Amalgamated Club is directed by the Authority to charge an annual subscription, in which case such person will only be required to pay the Amalgamated Club the minimum annual subscription required by the Registered Clubs Act.

5 OBLIGATIONS OF CHBC AND CHRG

- 5.1 On and from the date of this Deed up to Amalgamation Completion CHBC must:
- (a) trade in the ordinary course of business and with due care and skill;
 - (b) maintain the following insurance policies with a reputable insurer in Australia:
 - (i) public liability insurance in the amount of \$20,000,000 for each single claim, and unlimited in aggregate;
 - (ii) property damage insurance to the full replacement value of all Assets insurable under such a policy; and
 - (iii) workers compensation insurance;
 - (c) maintain the Assets in the same state of repair as at the date of this Deed (subject to reasonable wear and tear) and keep the Assets insured in amounts representing their full replacement or reinstatement value against fire and other risks normally insured;
 - (d) give CHRG a copy of its certificates of currency for any insurance policy held under subclauses (b) and (c) on request;
 - (e) immediately notify CHRG of anything which may result in a claim on an insurance policy held under subclauses (b) and (c);
 - (f) comply with any agreement to which it is a party;
 - (g) carry on its operations with normal and prudent practice using best endeavours to reduce losses and increase profitability and use best endeavours to maintain and increase the value of the Assets;
 - (h) provide CHRG each week (or at such other times as requested) any details or documents relating to the operation and financial position of CHBC;
 - (i) include all trading liabilities of CHBC in the trading accounts of CHBC prior to Amalgamation Completion, and be fully transparent and cooperative with CHRG regarding any requests for information or documentation in relation to its current and non-current liabilities in its annual accounts;

- (j) comply with all applicable laws;
 - (k) not do anything which may damage its reputation or the reputation of CHRG; and
 - (l) not enter into any negotiations, discussions or communications with any other registered club with respect to a possible amalgamation with such a registered club.
- 5.2 On and from the date of this Deed to Amalgamation Completion CHBC must not without the prior written consent of CHRG:
- (a) incur any single actual debt or liability in excess of five thousand dollars (\$5,000) plus goods and services tax outside the usual ordinary course of business;
 - (b) incur any contingent liabilities whether in relation to those operations or otherwise;
 - (c) vary, enter into, or exercise any option to renew an agreement except in the ordinary course of its business;
 - (d) enter into, terminate or alter any term of any material contract, arrangement or understanding including a lease, licence or easement in relation to its operations or otherwise except in the ordinary course of its business;
 - (e) employ any person;
 - (f) seek to borrow or borrow money from any third party; or
 - (g) except in the usual and routine conduct of its operations, dispose of, lease, license, mortgage, charge or otherwise encumber, or permit any encumbrance to arise, over any of its Assets.

6 CO-OPERATION BETWEEN THE CLUBS

- 6.1 From the date of this Deed to Amalgamation Completion the parties will each nominate suitably authorised officers to hold regular discussions about:
- (a) the management of CHBC up to Amalgamation Completion;
 - (b) the efficient transfer of the Assets and Club Licence of CHBC to CHRG and efficient payment of liabilities of CHBC by CHRG;
 - (c) management of the transfer of the Members of CHBC to CHRG under this Deed and the MOU; and
 - (d) any other matters considered necessary by the parties.
- 6.2 Both parties agree to carry out all acts necessary to give effect to this Deed and the MOU promptly and in good faith.

7 DUE DILIGENCE

7.1 Due Diligence investigations

- (a) As at the date of this Deed, the parties have made available to the other their Records for the purposes of due diligence and, subject to this clause 7, have satisfactorily completed their due diligence investigations.
- (b) As at the date of this Deed, CHRG has not completed its due diligence inquiries in relation to the legal, financial, funding, accounting (including but not limited to payroll/superannuation records, accounts for current and non-current liabilities), compliance matters and the real property owned or licensed by CHBC. For that purpose:

- (i) CHBC must make its Records available to CHRG for inspection and copying by CHRG or its authorised representatives for the purposes of due diligence, within a reasonable time of receiving a request from the other party;
- (ii) CHBC permitting CHRG and its authorised representatives to enter and access any part of the land occupied by CHBC for the conduct of its business(es) on request, in order to carry out inspections, surveys or any other assessment of the land (provided that CHRG must use reasonable endeavours not to unduly interfere with the trading activities of CHBC on the CHBC Premises);
- (iii) CHBC signing all consents or applications (if necessary) as requested by CHRG to enable CHRG to complete its due diligence; and
- (iv) CHRG being satisfied (at its sole discretion) with the outcome of its due diligence investigations and not giving a notice of termination under clause 7.2.

7.2 Due Diligence timing

CHRG's due diligence investigations under clause 7.1 must be completed within 60 days of the date of this Deed.

7.3 Termination

Despite anything else in this Deed, if CHRG is not satisfied (in its sole discretion) with the outcome of its due diligence investigations under clause 7.1, CHRG may within 60 days after the date of this Deed give written notice of termination of this Deed with immediate effect to CHBC without penalty.

7.4 Effect of termination

Termination of this Deed pursuant to this clause 7 does not affect any right or Liability of a party accrued prior to such termination.

7.5 Confidentiality

Each party must comply with the terms of the Exclusivity and Confidentiality Deed and clause 10 of this Deed in respect of any information that is provided to it by the other club as part of the due diligence process.

8 PUBLICITY

A party must not make any public announcement or statement relating to the Amalgamation without the prior written consent of the other party (which must not be unreasonably withheld).

9 CONFIDENTIALITY

9.1 A party must not, and must ensure that its employees, agents and contractors do not, disclose any Confidential Information of the other party to any person except:

- (a) as required to carry out its obligations under this Deed and the MOU;
- (b) if required by law;
- (c) if the other party ceases to treat that information as being confidential; or
- (d) with the prior written consent of the other party.

9.2 If this Deed or the MOU is terminated, then a party must return or destroy any Confidential Information of the other party in its possession in any form, at the request of the other party except to the extent it is required to retain such a Record for financial reporting purposes or under any law.

10 LIABILITIES

- (a) CHRG will be responsible for and pay when due all debts and liabilities of CHBC:
 - (i) which have not been paid or discharged in full as at Amalgamation Completion, but CHRG may require a final reconciliation of all CHBC's debts (current and non-current liabilities); and
 - (ii) which are reasonably incurred after Amalgamation Completion, including without limitation the costs of the winding up of CHBC.
- (b) As at Amalgamation Completion, the total debts and liabilities of CHBC must not exceed \$442,000 plus GST (being the total of the amounts referred to in clause 17.1(c)), plus minor trading liabilities incurred by CHBC in accordance with this MOU (or such higher amount as agreed by CHRG). This amount excludes the legal costs of CHBC referred to in clause 17.1(b) and which are payable by CHRG in accordance with that clause.

11 TRANSFER OF ASSETS

11.1 Risk, title and insurance

The parties agree and acknowledge:

- (a) unencumbered legal and beneficial title to the business and in the Assets of CHBC will pass to CHRG on Amalgamation Completion;
- (b) until Amalgamation Completion, CHBC remains the owner of, and bears all risk in connection with, its business and the Assets; and
- (c) from Amalgamation Completion, the CHRG becomes the owner of and bears all risk in connection with such business and the Assets.

11.2 Benefit of contracts

If the Assets include the benefit of contracts with CHBC which cannot effectively be assigned to CHRG without the consent of a third party or except by an agreement or novation:

- (a) prior to and after Amalgamation Completion, the parties will use all reasonable endeavours to obtain consent to assignment or to procure a novation of particular contracts specified by CHRG; and
- (b) unless and until consent is obtained or such contracts are novated CHRG will for its own benefit and to the extent that the contracts permit, perform on behalf of CHBC (but at CHRG' expense) all the obligations of CHBC arising after Amalgamation Completion.

11.3 Amalgamation completion

- (a) CHBC must on Amalgamation Completion (unless it is required to retain such items by law until completion of the winding up and de-registration of CHBC):
 - (i) **(Assets)** deliver to CHRG duly signed transfer and similar forms in respect of all Assets that require such forms for their transfer. For the avoidance of doubt, this does not include the CHBC Retained Funds;
 - (ii) **(intellectual property rights)** assign and transfer absolutely all its right, title and interest in all intellectual property rights (including but not limited to all proposals, expressions of interest, plans, feasibility studies and any other documentation relating to CHBC's proposed alternate uses and redevelopment and ongoing operation prepared by Augusta Advisors) by delivering to CHRG deeds of

assignment or transfers of such Assets all in form and substance reasonably required by CHRGR;

- (iii) **(delivery)** deliver to CHRGR those Assets, including plant and equipment, capable of transfer by leaving those Assets in situ at the CHBC Premises;
 - (iv) **(possession)** permit CHRGR to take possession of all those Assets which are not on the CHBC Premises, at the location where they are usually retained;
 - (v) **(Records)** deliver to CHRGR the Records;
 - (vi) **(IT Asset licences)** deliver to CHRGR executed transfers or assignments in favour of CHRGR of all information technology Asset licences;
 - (vii) **(deeds of assignment or novation)** deliver to CHRGR duly executed deeds of assignment or novation, all in form and substance as reasonably required by CHRGR in respect of all contracts;
 - (viii) **(release of encumbrances)** deliver evidence satisfactory to CHRGR of the release of all encumbrances (if any) over its business and the Assets;
 - (ix) **(consents and approvals)** deliver to CHRGR signed copies of all required Government Agency and regulatory approvals or other third party approvals and consents to the actions required by this Deed;
 - (x) **(utilities)** surrender or cause to be surrendered all telephone and related lines, electricity, gas and other utility services as relate to the CHBC Premises
 - (xi) **(general)** deliver to CHRGR such other documents and material and do all other things reasonably required to effect the transfer of the business of CHBC and the Assets to CHRGR on Amalgamation Completion and perform all other obligations to be performed by CHBC on Amalgamation Completion under this Deed.
- (b) CHBC must give CHRGR or its solicitors all such documents within a reasonable period prior to Amalgamation Completion for stamping where necessary. All such documents must be held by CHRGR or its solicitors in escrow pending Amalgamation Completion.
- (c) On winding up of CHBC it must give to CHRGR the balance of all records described in clause 11.3(a).

12 DISSOLUTION OF CHBC

- 12.1 After Amalgamation Completion at such time as agreed between CHBC and CHRGR, CHBC will:
- (a) call a general meeting of its Members entitled to vote under its constituent documents to consider and, if thought fit, pass the resolutions required for a members voluntary winding up of CHBC ; and
 - (b) carry out all acts necessary to effect such winding up after the approval of those Members has been given.
- 12.2 Each of the parties warrant to the other that it will co-operate with the other and their respective advisors, and provide all documents and information reasonably required, for the preparation, lodgement and finalisation of matters referred to in this clause 12.
- 12.3 This clause 12 survives Amalgamation Completion.

13 FORCE MAJEURE

- 13.1 A party is deemed not to be in breach of an obligation under this Deed or the MOU if it cannot comply with its obligations because of a Force Majeure event.
- 13.2 A party which is subject to a Force Majeure event must take all reasonable steps to mitigate the effects of that event, keep the other party notified of progress of mitigation actions, and comply with its obligations under this Deed and the MOU.

14 REPRESENTATIONS AND WARRANTIES

14.1 General

Each party represents and warrants that:

- (a) it has full power and authority to enter into and perform its obligations under this Deed and the MOU;
- (b) to the best of its knowledge:
 - (i) the Records and accounts which it has given to the other party before the execution of this Deed contain all information necessary to give a true and fair view of its financial situation and state of affairs and are prepared in accordance with any applicable Accounting Standard;
 - (ii) it has complied with all laws relating to payment of taxes;
 - (iii) each of the representations and warranties it has made in this Deed and the MOU are correct; and
 - (iv) all information that it has provided to the other party is true and correct in all respects and is not misleading by omission of information.

14.2 CHBC warranties

CHBC represents and warrants that:

- (a) it is the registered proprietor of the CHBC Premises;
- (b) it is not a tenant or licensee of any premises; and
- (c) it does not own, lease or licence any premises other than the CHBC Premises.

15 DISPUTE RESOLUTION

- 15.1 A party must not commence proceedings in relation to a dispute under this Deed or the MOU without first following the procedures in this clause, except to seek urgent injunctive or other interlocutory relief.
- 15.2 If there is a dispute between the parties, then either party may give a notice to the other which must:
- (a) succinctly set out the details of the dispute; and
 - (b) state that it is a dispute notice given under this clause.
- 15.3 The parties must meet within 5 Business Days after the date of delivery of the dispute notice and attempt to resolve the dispute.
- 15.4 Each party must use its best endeavours to resolve the dispute and act in good faith.

- 15.5 If the parties cannot solve the dispute within a further 10 Business Days, either party may refer the dispute for mediation by giving the other party notice.
- 15.6 A mediation conducted under this clause will be in accordance with the mediation rules of the Law Society of New South Wales and the President of the Law Society of NSW (or his or her nominee) will determine the mediator's remuneration.
- 15.7 If a dispute is not resolved by mediation under this clause within 30 Business Days of referral to a mediator, or a longer period agreed by the parties, any party may take any action available to it at law.

16 TERMINATION

- 16.1 In addition to the termination right of CHRГ contained in clause 7.3, a party may terminate this Deed immediately by giving notice to the other party if:
- (a) the Members of either party do not approve the resolutions proposed under clause 3;
 - (b) the Authority refuses the Application for Transfer;
 - (c) Amalgamation Completion does not occur by the Sunset Date (or such later date as may be agreed by the parties in writing);
 - (d) the other party is in breach of an obligation under this Deed (including without limitation, any obligation set out in clause 4.5 of this Deed) or the MOU and:
 - (i) that breach is not capable of rectification; or
 - (ii) the other party fails to rectify that breach within 10 Business Days of being given notice to do so; or
 - (e) the other party suffers an Insolvency Event, subject to the Act.
- 16.2 CHRГ may terminate this Deed immediately by giving notice to CHBC if the total debts and liabilities of CHBC as at Amalgamation Completion exceed the amount stated in clause 10(b) (or such higher amount as may be agreed by CHRГ under that clause).
- 16.3 Termination of this Deed by a party under clauses 16.1(a), 16.1(b) or 16.2 is without penalty to either party.

17 COSTS AND EXPENSES

17.1 Cost and expenses

- (a) Subject to any other express provision of this Deed (including clauses 17.1(b) and 17.1(c)), each party must pay its own legal and other costs and expenses relating to:
 - (i) negotiation, preparation and execution of this Deed and the MOU; and
 - (ii) effecting Amalgamation Completion.
- (b) If CHBC does not pay (by agreement with its legal representative its own legal costs referred to in clause 17.1(a) prior to Amalgamation Completion, CHRГ will pay the reasonable legal costs of CHBC as soon as practicable after Amalgamation Completion subject to satisfactory tax invoices detailing the work carried out by CHBC's legal representative. CHRГ may in its discretion pay such fees prior to Amalgamation Completion, with or without conditions.

- (c) On Amalgamation Completion, CHRГ will pay directly the costs of \$342,000 plus GST payable by CHBC to Augusta Advisors upon receipt of a valid tax invoice approved by the CHBC board from the above named firm.

17.2 Stamp duty

CHRГ must pay any stamp duty assessable in relation to this Deed.

18 FINANCIAL ACCOMMODATION

18.1 To ensure the financial viability of CHBC after the date of this Deed, CHRГ agrees to provide, within five (5) days of a request in writing from CHBC and CHBC providing to CHRГ all duly executed loan and security documents and associated documentation reasonably required by CHRГ in accordance with its loan agreement, financial accommodation to CHBC:

- (a) for a period of twelve (12) months from the date of this Deed (**expiry date**);
- (b) of up to \$75,000.00;
- (c) with compound non-default interest payable at five percent (5%) per annum (and a default rate of 7% per annum);
- (d) with no interest or principal repayments until the expiry date; and
- (e) interest and principal payable on the expiry date ,

to pay out its creditors and provide operating capital in the ordinary course of its registered club business.

18.2 CHRГ and CHBC agree that:

- (a) CHRГ may require CHBC to enter into:
 - (i) a Deed of Loan; and
 - (ii) General Security Deed,both of which will contain the usual commercial terms and will not, either directly or indirectly, vary any of the terms or conditions of this Deed or the MOU; and
- (b) a request for financial accommodation under this clause will not constitute an Insolvency Event for the purpose of this Deed or the MOU.

19 NOTICES

19.1 A notice, approval, consent or other communication to a person relating to this Deed:

- (a) must be in legible writing;
- (b) executed by duly authorised person(s); and
- (c) in English.

19.2 If the notice is to CHRГ then it must be addressed as follows:

Name: Castle Hill RSL Club Ltd ABN 35 001 043 910

Attention: David O'Neil, Chief Executive Officer

Address: 77 Castle Street, Castle Hill NSW 2154

Email: oneild@chrg.com.au

19.3 If the notice is to CHBC then it must be addressed as follows:

Name: Castle Hill Bowling Club Ltd ACN 000 932 758

Attention: Noel Benson - Chairman

Address: 79 Castle Street, Castle Hill NSW 2154

Email: noel.benson1951@bigpond.com

19.4 Notice is sent by the sender and received by the receiver:

- (a) if the notice is hand delivered, upon delivery to the receiving party;
- (b) if the notice is sent by email, upon the successful completion of the relevant transmission;
- (c) if the notice is sent by pre-paid registered mail within Australia, 2 Business Days after the registration of the notice of posting.

20 ASSIGNMENT

A party can not assign its rights and obligations under this Deed.

21 GENERAL

21.1 Governing law and Jurisdiction

- (a) This Deed is governed by the laws of New South Wales.
- (b) The parties submit to the New South Wales. The parties' submission to the jurisdiction includes submission to a court of appeal.

21.2 Service

A document may be served on a party by delivering it to that party in accordance with the notice provisions of clause 18.

21.3 Severability

- (a) If a provision of this Deed is invalid, illegal or unenforceable, then that provision to the extent of the invalidity, illegality or unenforceability must be ignored in the interpretation of this Deed.
- (b) All the other provisions of this Deed remain in full force and effect.

21.4 No waiver

- (a) A party's agreement to waive a right or entitlement under this Deed is only effective if that party gives written notice of that waiver to the party seeking the benefit of the waiver.
- (b) Waiver by a party of anything required to be done under this Deed is not a waiver of any other thing required to be done under this Deed.
- (c) A failure or delay in exercising a right arising from a breach of this Deed is not a waiver of that right.

21.5 Variation

The parties can only vary a term of this Deed if the variation is in writing and both parties sign.

21.6 Further assurances

Each party must do everything necessary in good faith to give full effect to this Deed.

21.7 Entire agreement

This Deed and the MOU:

- (a) are the entire agreement between the parties with respect to the Amalgamation; and
- (b) supersede all previous agreements.

21.8 Counterparts

- (a) A party may execute this Deed by signing any counterpart. All counterparts constitute one document when taken together.
- (b) Satisfactory evidence of execution of this Deed 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.

Schedule 1

Resolutions to be put to members of CHBC
--

First Ordinary Resolution

"That the ordinary members of Castle Hill Bowling Club Limited declare for the purposes of Section 41E of the Registered Clubs Act 1976, all of the land at 79 Castle Street Castle Hill NSW 2154 comprised in certificate of title folio identifier 1/227204 and owned by the Club, to be core property of the Club."

Second Ordinary Resolution

"That the ordinary members of Castle Hill Bowling Club Limited hereby:

1. *approve in principle the amalgamation of Castle Hill Bowling Club Ltd ACN 000 932 758 ("CHBC") with Castle Hill RSL Club Ltd ABN 35 001 043 910 ("CHRG"), such an amalgamation to be effected by:
 - (a) *the continuation of CHRG (as the amalgamated club) and the dissolution of CHBC;*
 - (b) *the transfer of CHBC's assets to CHRG; and*
 - (c) *the transfer of the club licence of CHBC to CHRG;**
2. *approve in principle the making of an application to the Independent Liquor and Gaming Authority for the transfer of the club licence of CHBC to CHRG."*

Schedule 2

Resolutions to be put to members of CHRГ
--

Ordinary Resolution

"That the members hereby:

1. approve in principle the amalgamation of Castle Hill Bowling Club Ltd ACN 000 932 758 ("**CHBC**") with Castle Hill RSL Club Ltd ABN 35 001 043 910 ("**CHRГ**"), such an amalgamation to be effected by:
 - (a) *the continuation of CHRГ (as the amalgamated club) and the dissolution of CHBC; and*
 - (b) *the transfer of CHBC 's assets to CHRГ; and*
 - (c) *the transfer of the club licence of CHBC to CHRГ,*

and

2. *approve in principle the making of an application to the Independent Liquor and Gaming Authority for the transfer of the club licence of CHBC to CHRГ for the purposes of such an amalgamation."*

Special Resolution (to be considered only if the Ordinary Resolution is passed)

*"That on the date on which the Independent Liquor and Gaming Authority transfers the club licence of Castle Hill Bowling Club Ltd ACN 000 932 758 ("**CHBC**") to Castle Hill RSL Club Ltd ABN 35 001 043 910 ("**CHRГ**"), the Constitution of CHRГ Club Ltd be amended by:*

- *Deleting existing Rule 20(a) and inserting instead the following new rule 20(a):*

"(a) Unless and until otherwise determined by the Board, the classes of Ordinary membership are:

 - (i) Category 1 members;*
 - (ii) Category 2 members;*
 - (iii) Junior Sporting members;*
 - (iv) 40+ Year members;*
 - (v) CHBC Foundation Bowling members;*
 - (vi) CHBC Foundation Life members; and*
 - (vii) Staff members."*
 - *inserting the following new Rule 20(d) after rule 20(c):*

*"(d). Those members who were financial full members of Castle Hill Bowling Club Ltd ACN 000 932 758 ("**CHBC**") located at 79 Castle Street, Castle Hill and whose names were entered in the Register of Members of CHBC on the date on which the Independent Liquor and Gaming Authority transfers the club licence of CHBC to the Club shall, for the purposes of section 17AC(2) of the Registered Clubs Act, be identified in the Club's Register of Members as "Castle Hill Bowling Club Members."*

- Inserting at the end of rule 21, after paragraph appearing under the heading "Lynwood Country Club Members", the following new headings and paragraphs:

"CHBC Foundation Bowling Members

Any person who was a financial Bowling Member of CHBC as at the date of its General Meeting to approve in principle the amalgamation referred to in rule 20(e) with the Club and who is elected or transferred to CHBC Foundation Bowling membership by the Board.

CHBC Foundation Life Members

Any person who:

- (a) *was a Life Member of CHBC as at the date of its General Meeting to approve in principle the amalgamation referred to in rule 20(e) with Club; or*
- (b) *is nominated as a Life Member of the bowls sub-club operating from the former CHBC premises pursuant to that bowls sub-club's constitution (provided that no more than two (2) Life Members may be nominated under this sub-rule (b) in any 12 month period),*

and who is elected or transferred to CHBC Foundation Life membership by the Board."

- Deleting rule 24(b) and inserting instead the following new rule 24(b)
 - "(b) *A financial Category 2 member, financial CHBC Foundation Bowling member and financial CHBC Foundation Life member is entitled to attend and to vote at any General Meeting on any Ordinary Resolution but not with respect to any Special Resolution."*
- Inserting the following new rules 24(d) and 24(e) immediately after rule 24(c):
 - "(d) *Financial CHBC Foundation Bowling members who register as bowlers of the bowls sub-club operating from the former CHBC premises and who have nominated that bowls sub-club as their primary bowling club with the relevant bowls controlling body will:*
 - (i) *not be required to pay affiliation or capitation fees to the relevant bowls controlling body as these will be covered by the Club until the later of:*
 - (A) *three (3) years from completion of the amalgamation referred to in rule 20(e); or*
 - (B) *until completion of construction of a new clubhouse on the former CHBC premises,*

notwithstanding Rule 59(c), provided that once (A) or (B) have been satisfied, such affiliation or capitation fees will be payable by CHBC Foundation Bowling members; and
 - (ii) *have their bowling uniforms (consisting of 2 collared bowls shirts, one short/pant/skirt, as may be selected by the member, and an all-weather jacket) supplied by the Club in the first year after which the Independent Liquor and Gaming Authority transfers the club licence of CHBC to the Club and referred to in Rule 20(d). Three years after receiving their initial uniform pack under this rule, financial CHBC Foundation Bowling members will receive a discount on all branded uniforms purchased, such discount being equal to 50% of the cost of the first year's uniform pack.*
 - (e) *CHBC Foundation Life members:*
 - (i) *will not be required to pay any annual subscription for membership of the Club or the bowls sub-club;*
 - (ii) *who register as bowlers of the bowls sub-club operating from the former CHBC premises and who have nominated that bowls sub-club as their primary bowling club with the relevant bowls controlling body will not be required to pay affiliation or capitation fees to the relevant bowls controlling body as these will be covered by the Club which may also request the submission of an appropriate application made under*

the Club Grants Scheme operated under the Gaming Machines Tax Act 2001 (NSW), notwithstanding Rule 59(c);

(iii) will have their bowling uniforms, when individually requested, (consisting of 2 collared bowls shirts, one short/pant/skirt, as may be selected by the member, and an all-weather jacket) supplied by the Club in the first year after which the Independent Liquor and Gaming Authority transfers the club licence of CHBC to the Club and referred to in Rule 20(d). Three years after receiving their initial uniform pack under this rule, CHBC Foundation Life members will receive a discount on all branded uniforms purchased, such discount being equal to 50% of the cost of the first year's uniform pack.

- Deleting rule 49(a) and inserting instead the following new rule 49(a):

"(a) Subject to this rule 49 and any other restriction or qualification contained in this Constitution, only the following classes of members are eligible to be nominated for, elected to and hold office on the Board:

- (i) Category 1 members;*
- (ii) Life members;*
- (iii) Category 2 members;*
- (iv) 40+ Year members;*
- (v) CHBC Foundation Bowling members; and*
- (vi) CHBC Foundation Life Members."*

- Unless rule 49(b) is replaced as proposed by special resolutions being put to the Club's 2022 Annual General Meeting, adding among the classes of members listed in that rule, CHBC Foundation Bowling members and CHBC Foundation Life members. The intent being that such members are required to have at least 3 continuous years of full membership of the Club immediately prior to their nomination for a position on the Board.
- Adding to rule 49(c) reference to CHBC Foundation Bowling members and CHBC Foundation Life members when referring to Category 2 members. The intent being that such members will, together with Category 2 members, be limited in total number on the Board at any one time.
- Unless rule 49(d) is deleted as proposed by special resolutions being put to the Club's 2022 Annual General Meeting, adding reference to CHBC Foundation Bowling members and CHBC Foundation Life members when referring to Category 2 members.

NOTE: *References in the above draft resolutions to rule numbers in CHRG's constitution may change depending on non-amalgamation related amendments to the constitution to be considered at its 2022 Annual General Meeting.*

Executed as a deed

17th AUGUST 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

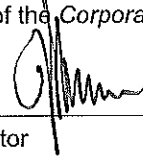


*Director/*Company Secretary

DAVID O'NEILL

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

Neel Benson

Name of Director
BLOCK LETTERS



*Director/*Company Secretary

PAUL BRYAN

Name of *Director/*Company Secretary
BLOCK LETTERS
*please strike out as appropriate