



**THIS MEMORANDUM OF UNDERSTANDING** dated 27<sup>TH</sup> OCTOBER 2011

**PARTIES:** Randwick Labor Club Limited ACN 000 353 417 of 135 Alison Road, Randwick, NSW 2031 (“the Labor Club”)

Kensington War Memorial Club Limited ACN 001 027 078 of 2 Goodwood Street, Kensington, NSW 2033 (“the War Memorial Club”)

## 1. DEFINITIONS

“**Amalgamated Club**” means the amalgamated registered club of the Labor Club and the War Memorial Club.

“**Amalgamation Application**” means the provisional application for the transfer of the War Memorial Club’s Liquor Licence to the Labor Club pursuant to Sections 60(6) and (7) of the Liquor Act.

“**Amalgamated Club Premises**” means the Labor Club Premises and the War Memorial Club Premises.

“**Asset**” means all of the goodwill, personal property, equipment, stock, intellectual property, poker machine entitlements, poker machines and all other property, tangible or intangible belonging to the War Memorial Club at the date of completion of amalgamation.

“**Authority**” means the Casino, Liquor and Gaming Control Authority.

“**Club Act**” means the *Registered Clubs Act* 1976 (NSW) including any amendments to the Club Act and the regulations to the Club Act.

“**Consultative Committee**” means the consultative committee referred to in clause 3.2.

“**Courtesy Bus**” means a courtesy bus purchased from the War Memorial Club Cash Assets (or otherwise provided by the Amalgamated Club).

“**Courtesy Bus Area**” means the geographical area (determined by the Board of the Amalgamated Club in consultation with the Consultative Committee) in which courtesy bus services will be provided by the Amalgamated Club.

“**Courtesy Bus Hours**” means the hours (determined by the Board of the Amalgamated Club in consultation with the Consultative Committee) in which courtesy bus services will be provided by the Amalgamated Club.

“**date of completion of amalgamation**” means the date on which the Authority approves the transfer of the Liquor Licence of the War Memorial Club to the Labor Club in accordance with section 60(8) of the Liquor Act.

“**Deed of Amalgamation**” means the Deed of Amalgamation entered into by the Labor Club and the War Memorial Club.

**“Labor Club Premises”** means the Labor Club’s premises located at 135 Alison Road, Randwick, NSW 2031 and / or 2 The Avenue, Randwick, NSW 2031.

**“Liquor Act”** means the Liquor Act 2007 (NSW) including any amendments to the Liquor Act and regulations to the Liquor Act.

**“Liquor Licence”** means the licence issued to a registered club under the Liquor Act.

**“War Memorial Club Cash Assets”** means the cash assets of the War Memorial Club which will be transferred to the Amalgamated Club as part of the amalgamation.

**“War Memorial Club Premises”** means the War Memorial Club’s premises located at 2 Goodwood Street, Kensington, NSW.

## **2. POSITION WITH RESPECT TO AMALGAMATION**

- 2.1** The Labor Club’s position in respect to the proposed amalgamation is that it is a suitable amalgamation partner of the War Memorial Club and an amalgamation with the Labor Club would retain the War Memorial Club’s Assets within the immediate Randwick City and Kensington area for the benefit of the War Memorial Club’s members and community.
- 2.2** The War Memorial Club’s position in respect to the proposed amalgamation is that the Labor Club is the preferred amalgamation partner for the War Memorial Club.
- 2.3** The Labor Club and the War Memorial Club agree to amalgamate in accordance with the Club Act and the Liquor Act.
- 2.4** The amalgamation will be effected by the continuation of the Labor Club and the dissolution of the War Memorial Club.
- 2.5** Subject to this Memorandum of Understanding and the terms and conditions of the Deed of Amalgamation between the clubs, the process for the amalgamation will be as follows:
- (a) the members of the Labor Club and the War Memorial Club will be asked to approve the amalgamation at separate general meetings of the ordinary members of each club;
  - (b) once the approvals in paragraph (a) have been obtained, the Amalgamation Application will then be made;
  - (c) once the Amalgamation Application is granted the War Memorial Club’s Assets, debts and liabilities will be transferred to the Labor Club;
  - (d) once the Amalgamation Application is granted all members of the War Memorial Club will, with their consent, be admitted as members of the Labor Club from the date of completion of amalgamation and will be identified as a separate class of membership called “Kensington War Memorial Club Members”;

- (e) once the Amalgamation Application is granted employees of the War Memorial Club will be dealt with in the manner referred to in clause 6 below;
- (f) the Labor Club will continue as the body corporate of the Amalgamated Club; and
- (g) the Amalgamated Club will cease to trade from the War Memorial Club Premises from the date of completion of amalgamation.

### **3. MANAGEMENT OF PREMISES AND OTHER FACILITIES**

**3.1** The Board of the Labor Club will be the Board of the Amalgamated Club. The Secretary Manager of the Labor Club will be the Secretary Manager of the Amalgamated Club.

**3.2** The Amalgamated Club will create the Consultative Committee made up as follows:  
(a) only persons who are “Kensington War Memorial Club Members” of the Amalgamated Club will be entitled to be elected or appointed to the Consultative Committee;

- (b) The Consultative Committee shall be comprised of three (3) members who shall be:
  - (i) initially nominated by the Board of the War Memorial Club; and
  - (ii) thereafter elected annually by the “Kensington War Memorial Club Members” of the Amalgamated Club.

**3.3** The Consultative Committee will have the following responsibilities:

- (a) Provide advice and make recommendations to the Board of the Amalgamated Club on the utilisation of the War Memorial Club Cash Assets; and
- (b) Provide advice and make recommendations to the Board of the Amalgamated Club on the preservation, location and display of the memorabilia, photos, plaques and honour boards of the War Memorial Club after the Amalgamated Club ceases to trade from the War Memorial Club Premises.

### **4. TRADITIONS, AMENITIES AND COMMUNITY SUPPORT**

**4.1** The Amalgamated Club will:

- (a) in consultation with the Consultative Committee, use its best endeavours to preserve and display the War Memorial Club’s memorabilia and honour boards at the Labor Club Premises;
- (b) in consultation with the Consultative Committee, provide a suitable area in the Labor Club Premises for a plaque and photos to be displayed honouring and detailing the history of the War Memorial Club;

- (c) in consultation with the Consultative Committee, provide a suitable area in the Labor Club Premises for a plaque to be displayed acknowledging the Life members of the War Memorial Club;
- (d) for at least three (3) calendar years after the date of completion of amalgamation:
  - (i) operate the Courtesy Bus in the Courtesy Bus Area during the Courtesy Bus Hours; and
  - (ii) operate the Courtesy Bus such that it provides courtesy bus services for members of the Amalgamated Club that reside in the Courtesy Bus Area, from their residences to and from any of the Amalgamated Club Premises.
- (e) outside of the Courtesy Bus Hours, the Amalgamated Club must make the Courtesy Bus available to community groups to assist with community service.

## **5. FUTURE DIRECTION**

- 5.1** The Amalgamated Club will cease to trade from the War Memorial Club Premises from the date of completion of amalgamation.
- 5.2** The Amalgamated Club will only operate from the Labor Club Premises (located at 135 Alison Road and 2 The Avenue, Randwick, NSW 2031).
- 5.3** The Amalgamated Club will consider the name “Rusty Shovel” in any re-branding of the Amalgamated Club’s facilities or services.

## **6. PROTECTION OF EMPLOYEES**

- 6.1** From the date of this Memorandum of Understanding, the War Memorial Club will only employ new employees on a casual basis, unless approved by the Labor Club.
- 6.2** As soon as reasonably practicable after lodgement of the Amalgamation Application with the Authority, the Labor Club will conduct a review of staff at the War Memorial Club and upon completion of the review will inform the War Memorial Club of which employees it intends to offer employment to at one of the Labor Club Premises.
- 6.3** Those employees who it is intended to offer employment to will be offered employment on the same terms and conditions offered to employees of the Labor Club provided it does not result in any employee receiving lesser benefits or entitlements than those currently received.
- 6.3** Any employee of the War Memorial Club at the date of completion of amalgamation who is not offered employment and who is entitled to redundancy will be paid such redundancy by the War Memorial Club in accordance with the national employment standards.

## **7. ASSETS**

### **7.1 Core Property**

For the purposes of the Club Act, the War Memorial Club Premises are the War Memorial Club's "Core Property".

The War Memorial Club presently leases the War Memorial Club Premises.

The Amalgamated Club will cease to trade from the War Memorial Club Premises from the date of completion of the amalgamation and will terminate the lease in respect of the War Memorial Club Premises.

### **7.2 Cash**

The Amalgamated Club will, in consultation with the Consultative Committee, utilise the War Memorial Club Cash Assets to:

- (i) improve and provide member facilities at any of the Amalgamated Club Premises; or
- (ii) provide community support.

When the Amalgamated Club utilises any of the War Memorial Club Cash Assets to provide community support, the Amalgamated Club will acknowledge the War Memorial Club as providing and making support possible. The Amalgamated Club will refer to the "Rusty Shovel" when acknowledging support.

### **7.3 Poker Machine Entitlements**

It is intended that the Poker Machine Entitlements of the War Memorial Club will be transferred to the Labor Club.

## **8. CESSATION OF TRADE**


**8.1** The Amalgamated Club will cease to trade from the War Memorial Club Premises immediately after the date of completion of amalgamation.

**EXECUTED** for and on behalf of  
**RANDWICK LABOR CLUB LIMITED**  
ACN 000 353 417 in accordance with  
Section 127(1) of *the Corporations Act*  
2001 by authority of the Directors:

  
.....  
Signature of Director

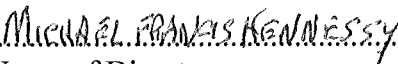
  
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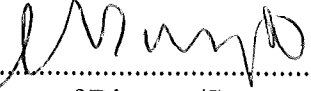
  
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Signature of Director/Secretary

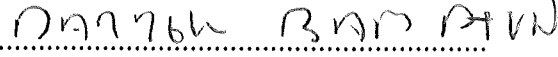
  
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Name of Director/Secretary

**EXECUTED** for and on behalf of  
**KENSINGTON WAR MEMORIAL**  
**CLUB LIMITED** ACN 001 027 078 in  
accordance with Section 127(1) of *the*  
*Corporations Act* 2001 by authority of the  
Directors:

  
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Signature of Director

  
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Name of Director

  
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Signature of Director/Secretary

  
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Name of Director/Secretary