

MEMORANDUM OF UNDERSTANDING

Date: 10 April 2017

Parties:
Auburn Tennis and Recreation Club Limited
(Auburn)
ABN 93 000 378 852
and
Bankstown District Sports Club Limited
(Bankstown)
ABN 88 000 243 916

This Memorandum of Understanding is made on

10 April
March 2017.

BETWEEN

**Auburn Tennis and Recreation Club Limited ABN 93 000 378 852 of 181
Chisholm Road Auburn NSW 2144 ("Auburn").**

AND

**Bankstown District Sports Club Limited ABN 000 88 000 243 916 of 8
Greenfield Parade Bankstown New South Wales 2200 ("Bankstown")**

BACKGROUND

- A Auburn and Bankstown are both registered clubs with premises respectively in the Auburn and Bankstown Local Government Areas.
- B Auburn called for expressions of interest for amalgamation from other registered clubs firstly that have premises within a radius of 50 kilometres from Auburn and secondly from any Club within the State of New South Wales.
- C Bankstown submitted an expression of interest and that expression of interest subject to certain variations was accepted by Auburn.
- D In accordance with the provisions of the RCA, the Regulations and the *Corporations Act 2001*, and subject to the approval of the Independent Liquor and Gaming Authority, Auburn and Bankstown propose to amalgamate.
- E Clause 6 of the Regulations require the clubs to enter into a Memorandum of Understanding to deal with or include the matters contained in clauses 3 to 9 inclusive below which reflect the matters listed in clauses 6(2)(a) through 6(2)(g) of the Regulations.

1 DEFINITIONS AND INTERPRETATIONS

1.1 In this memorandum unless the context otherwise requires:

“Amalgamated Club” means the amalgamated registered club of Auburn and Bankstown;

“Amalgamation” means the amalgamation of the Clubs in accordance with this Memorandum, the RCA, the Liquor Act and the Corporations Act .

“Amalgamation Application” means the application for the transfer of Auburn’s Club Licence to Bankstown pursuant to sections 60(6) and (7) of the Liquor Act by Auburn’s CEO and Bankstown’s CEO;

“Assets” means the assets referred to in clause 15.1 of this Memorandum.

“Bankstown CEO” means the individual who fulfils the position of Secretary and Chief Executive Officer of Bankstown;

“Club Licence” means a club licence granted or held by a registered club under the Liquor Act.

“Clubs” means both Auburn and Bankstown;

“Completion of Amalgamation” means the day on which:

- (a) the Assets of Auburn are transferred to Bankstown and Bankstown becomes entitled to be registered owner of the Real Property and buildings occupied by Auburn at 181 Chisholm Road, Auburn NSW 2144; and
- (b) The Club Licence held by Auburn is transferred to Bankstown pursuant to section 60 of the *Liquor Act*.

“Confidential Information” includes but is not limited to any document or information that is marked or stated as being confidential and any information or documents that relate to the finances, business plans, members and employees of a party and which is not publicly available and which is acquired by or made available to a party for the purposes of the Amalgamation of Auburn and Bankstown;

“Corporations Act” means the *Corporations Act 2001 (Commonwealth)* including any amendments and Regulations made under it;

“Auburn CEO” means the individual who fulfils the position of Secretary and Chief Executive Officer of Auburn;

“Liabilities” means all liabilities, obligations, losses, damages, outgoings, costs and expenses of Auburn (by whatever description) whether or not presently known and whether arising before or after the date of this Memorandum including all necessary or reasonably incurred costs and expenses in proceeding to Amalgamation Completion and subsequent dissolution, and including all amounts payable to employees of Auburn who do not accept employment with Bankstown;

“Liquor Act” means the *Liquor Act 2007*, including any amendments and Regulations made under it;

“Real Property” means Auburn’s land situated at 181 Chisholm Road, Auburn NSW 2144.

“Regulations” means the **Registered Clubs Act 1996**;

“RCA” means the *Registered Clubs Act 1976 (NSW)* including any amendments and Regulations made under it.

1.2 In this Memorandum unless the context otherwise requires:

- (a) headings are for convenience only and do not affect interpretation;
- (b) the singular includes the plural and visa versa;
- (c) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (d) a reference to a person, trust, partnership, joint venture, association, corporation, organisation, society, firm, authority or other entity includes any of them;
- (e) a reference to any legislation or provision of legislation includes all amendments, consolidations or replacements and regulations or instruments issued under it;
- (f) a reference to a Party to a document includes that Party’s successors, permitted assigns, administrations and substitutes;
- (g) an agreement on the part of 2 or more persons binds them jointly and severally;
- (h) a reference to a notice from, consent or approval of a Party and agreement between the Parties for the purposes of this Deed means a written notice, consent, approval or agreement;
- (i) mentioning anything after ‘include’, ‘includes’ or ‘including’ does not limit what else might be included; and
- (j) a reference to “dollars” or “\$” is to Australian currency.

2 EACH CLUBS POSITION IN RELATION TO DIVISION 1A OF RCA AND SECTION 60 OF THE LIQUOR ACT 2007 AND THE AMALGAMATION

2.1 Auburn and Bankstown agree to amalgamate in accordance with the RCA and the Liquor Act.

2.2 The Amalgamation is intended to preserve and where possible enhance the existing facilities and amenities of both clubs but in particular Auburn.

2.3 The amalgamation will be effected by the continuation of Bankstown and the dissolution of Auburn and the transfer to Bankstown of the club licence under the Liquor Act held by Auburn.

2.4 Pursuant to the Amalgamation and with effect from Completion of the Amalgamation:

- (a) all of the assets of Auburn including Real Property will be transferred to Bankstown;

(b) all of the liabilities of Auburn will become the responsibility of Bankstown.

2.5 The processes for the amalgamation will be as follows:

- (a) The parties entering into this Memorandum.
- (b) The members of Auburn and Bankstown will be asked to approve the amalgamation at separate general meetings of the ordinary members of each club. Those meetings will be called pursuant to clause 13 of this Memorandum;
- (c) Once the approvals in paragraph (b) have been obtained application will then be made under the Liquor Act to transfer the club licence of Auburn to Bankstown and the date of the transfer will be the date of Completion of the Amalgamation. The application will be made pursuant to clause 14 of this Memorandum;
- (d) As at the date of Completion of Amalgamation Bankstown will subject to clause 2.4(b) assume, and be responsible for, all the Liabilities of Auburn;
- (e) Bankstown will continue as the body corporate of the Amalgamated Club;
- (f) After Completion of Amalgamation Auburn will call a general meeting of members for the purpose of passing a special resolution to effect a members voluntary winding up of Auburn;
- (g) Auburn's licensed premises will become additional licensed premises of Bankstown and will be available to all members of the Amalgamated Club as will all the other licensed premises and facilities of Bankstown;
- (h) All members of Auburn will, with their consent, be eligible to be admitted as members of Bankstown and will be (but only for the purposes of Section 17AC (2) of the RCA) identified as a separate class of membership called "Auburn". All Auburn members will have the same rights as Full members of Bankstown under the Constitution of Bankstown.
- (i) Bankstown will acknowledge that Life members of Auburn will continue as Life members of Auburn in relation to the Auburn premises only and that these Life members (but only those that are Life members as at the date of this Memorandum of Understanding) shall not be required to pay an annual subscription and / or entrance fee provided that this benefit shall not apply to any other person or persons who become a Life member or Life members of any sub club attached to Auburn.
- (j) Bankstown agree to abide by any previous disciplinary action taken by Auburn prior to the Date of Amalgamation and enforce the same sanction imposed by Auburn against that member.

3 THE MANNER IN WHICH PREMISES AND OTHER FACILITIES OF AUBURN WILL BE MANAGED AND THE DEGREE OF AUTONOMY THAT WILL BE PERMITTED IN THE MANAGEMENT OF AUBURN PREMISES AND FACILITIES
REGULATIONS – CLAUSES 6(2) (a)

3.1 The premises and facilities of Auburn will become additional premises and facilities of Bankstown and will be known as the Auburn Tennis and Recreation Club.

3.2 The Amalgamated Club will operate six (6) premises being:

- Bankstown City Bowling and Recreation Club
- Bankstown District Sports Club
- Birrong Bowling and Sports Club
- Baulkham Hills Sports Club
- The Acres Club
- Auburn Tennis and Recreation Club

3.3 For the purposes of the RCA and the Liquor Act 2007, Bankstown CEO will be the Secretary and Chief Executive Officer of the Amalgamated Club.

3.4 The Amalgamated Club agrees to appoint the Auburn CEO as the approved manager pursuant to section 66 of the *Liquor Act* to the premises of Auburn following Completion of the Amalgamation.

3.5 The Board of Bankstown will be the governing body of the Amalgamated Club.

4 A LIST OF THE TRADITIONS, AMENITIES AND COMMUNITY SUPPORT THAT WILL BE PRESERVED OR CONTINUED BY THE AMALGAMATED CLUB

REGULATIONS – CLAUSES 6(2) (b)

4.1 Subject at all times to the continued operation of a registered club facility at the site of the Auburn premises the Amalgamated Club will:

- (a) provide support to the community as part of the community support provided by Bankstown each year;
- (b) maintain at the premises of Auburn appropriate facilities and amenities for responsible gaming, dining and food service, reasonable and responsible service of alcohol and private community functions;
- (c) retain in situ the honour boards and memorabilia of Auburn.

5 INTENTIONS REGARDING THE FUTURE DIRECTION OF THE AMALGAMATED CLUB

REGULATIONS – CLAUSE 6(2) (c)

5.1 The future direction of the Amalgamated Club will be subject to the overall strategic plan of the Amalgamated Club and its finances but in relation to the premises of Auburn the Amalgamated Club will:

- (a) continue to trade the premises of Auburn for at least ten (10) years from Completion of Amalgamation;
- (b) to promote and develop the facilities at the premises of Auburn so that those premises become the club of choice for the residents in the area which the Amalgamated Club presently and potentially can service;
- (c) to improve the trading of the Auburn premises so that those premises are financially viable without subsidy or financial support from the other premises of Bankstown;

- (d) provide funding of \$25,000 per annum to the Berala Carramar Hardcourt Tennis Association which will be increased by CPI each year for a period of ten (10) years. The purpose of the funding will be to administer and promote tennis activities at Auburn;
 - (e) provide funding of \$5,000 per annum to the Golf Club Committee of Auburn which will be increased by CPI each year for a period of ten (10) years. The purpose of the funding will be to administer and promote golf activities at Auburn.
 - (f) invest a minimum \$200,000 within the first twelve (12) months of amalgamation to improve gaming and the food and beverage options within Auburn to encourage visitation. Further to pay out the debt due to Auburn's secured creditor being the National Australia Bank and the debt due to the Berala Carramar Hardcourt Tennis Association.
 - (g) retain all staff on terms no worse than what currently exists, either at Auburn or any other venue associated with Bankstown Sports, subject to acceptability by individual staff of Auburn;
- 5.2 Subject to the requirements of the Liquor Act and the RCA, the premises of Auburn will be named and promoted as "**Auburn Tennis and Recreation Club**" but may be identified as being part of Bankstown.

6 THE EXTENT TO WHICH THE EMPLOYEES OF THE AMALGAMATED CLUB WILL BE PROTECTED

REGULATIONS – CLAUSE 6(2) (D)

- 6.1 From the date of this Memorandum until Completion of Amalgamation, Auburn will not without prior written consent of Bankstown's CEO, engage any new employee whether on a full-time, part-time or casual basis.
- 6.2 Before Completion of Amalgamation, Bankstown, in consultation with Auburn, will establish within the management structure of Bankstown a management and employment structure for the premises of Auburn, which will take effect on Completion of Amalgamation.
- 6.3 All employees of Auburn will be offered employment in the Amalgamated Club with effect from the date of Completion of Amalgamation. The Auburn CEO will be offered the position of approved manager of the Auburn premises. Further employment levels at Auburn will be determined by the operational needs of Auburn and the satisfactory work performance of employees in accordance with the Amalgamated Clubs policies and procedures.
- 6.4 If:
- (a) an employee does not wish to remain in employment with the Amalgamated Club; or
 - (b) the Amalgamated Club does not wish to continue the employment of a former employee of Auburn then either party will give the appropriate

notice of termination of employment to the other and that employee will be paid out all entitlements including those accrued during his/her employment with Auburn.

- 6.5 In relation to each of the employees of Auburn who continue in employment with the Amalgamated Club, Auburn must deliver to Bankstown on Completion of the Amalgamation a statement setting out full details of any accrued entitlements of those employees up to Completion of the Amalgamation, The Amalgamated Club must treat those employees of Auburn who continue employment with the Amalgamated Club, and deal with all of their entitlements, as if the entitlements accrued during employments with Auburn had been accrued whilst in the employment of the Amalgamated Club.

7 INTENTIONS REGARDING THE FOLLOWING ASSETS OF AUBURN:

1. ANY CORE PROPERTY;
2. ANY CASH OR INVESTMENTS;
3. ANY POKER MACHINE ENTITLEMENTS

REGULATIONS – CLAUSE 6(2) (e)

Core Property

- 7.1 For the purposes of the RCA, the “core property” of Auburn is constituted by Real Property comprising the premises at 181 Chisholm Road, Auburn NSW 2144. The intentions of the Amalgamated Club in relation to the core property are stated in clauses 8.1 and 9.1.

Cash and Investments

- 7.2 The cash and investments (if any), of Auburn on Completion of the Amalgamation will be transferred to the general reserves of the Amalgamated Club.

Gaming Machine Entitlements

- 7.3 Ownership of the 53 poker machine entitlements and the poker machines held by Auburn will be transferred to the Amalgamated Club with effect from Completion of the Amalgamation. The Amalgamated Club will ensure that sufficient poker machine and poker machine entitlements are retained at the Auburn premises of the Amalgamated Club to meet demand from members and guests and the financial needs of those premises consistent with clause 9.1.

8 THE CIRCUMSTANCES THAT WOULD PERMIT THE AMALGAMATED CLUB TO CEASE TRADING ON THE PREMISES OF AUBURN OR TO SUBSTANTIALLY CHANGE THE OBJECTS OF AUBURN

REGULATIONS – CLAUSE 6(2) (f)

- 8.1 The Amalgamated Club would cease trading on the premises of Auburn in the following circumstances;
- (a) upon an order of any Court or body with jurisdiction to administer the laws in relation to liquor, gaming and registered clubs compelling trading to cease;

- (b) on the lawful order of any local government authority compelling trading to cease;
- (c) if the premises are destroyed or partially destroyed by fire, flood, storm etc. so that it was not possible to continue to trade from the premises.
- (d) if the premises are not financially viable but subject to Clause 9.1.

9 AN AGREED PERIOD OF TIME BEFORE THE AMALGAMATED CLUB WILL CEASE TRADING FROM AUBURN PREMISES OR SUBSTANTIALLY CHANGE THE OBJECTS OF AUBURN PREMISES

REGULATIONS – CLAUSE 6(2) (g)

- 9.1 The Amalgamated Club will continue to trade from the Auburn premises for ten (10) years from the date of Completion of Amalgamation. This time limit is not an indication that Bankstown believes that the Auburn premises will not become financially viable. Bankstown believes and is committed to making the Auburn premises financially viable.

10 ADDITIONAL MATTERS

- 10.1 Provide a guaranteed term to support the ongoing operations of Auburn Tennis and Recreation Club for a period of ten (10) years.
- 10.2 Provide funding of \$25,000 per annum to the Berala Carramar Hardcourt Tennis Association which will be increased by CPI each year for a period of ten (10) years. The purpose of the funding will be to administer and promote tennis activities at Auburn.
- 10.3 Provide funding of \$5,000 per annum to the Golf Committee of Auburn which will be increased by CPI each year for a period of ten (10) years. The purpose of the funding will be to administer and promote golf activities at Auburn.
- 10.4 Invest a minimum a \$200,000 within the first twelve (12) months of amalgamation to improve gaming and the food and beverage options within the Auburn premises to encourage visitation.
- 10.5 Retain all staff, either at Auburn or any other venue associated with Bankstown Sports, subject to acceptability by individual staff of Auburn.

11 BINDING EFFECT OF MEMORANDUM OF UNDERSTANDING

For the avoidance of doubt Bankstown and Auburn agree that the Memorandum of Understanding is binding on them and for that purpose is executed as a Deed.

12 CALLING OF MEETINGS

- 12.1 Auburn will call a general meeting of the ordinary members of Auburn for the purposes of considering and if thought fit passing a resolution approving in principle the amalgamation in accordance with section 17AEB (d) of the RCA.
- 12.2 The meeting referred to in clause 12.1 will be held on or before or such further time as the parties may agree on.

- 12.3 The resolution which will be submitted to the members referred to in clause 12.1 will be in or to the effect referred to in Schedule A to this Deed.
- 12.4 Subject to Auburn passing the resolution referred to in clause 12.1 Bankstown will call a general meeting of the ordinary members of Bankstown for the purposes of considering and if thought fit passing a resolution approving in he principle the amalgamation in accordance with section 17AEB (d) of the RCA.
- 12.5 The meeting referred to in clause 12.4 and which may be the Annual General Meeting of Bankstown will be held on or before 1 July 2017, or such further time as the parties may agree on.
- 12.6 The resolution which will be submitted to the meeting referred in clause 12.4 will also be in or to the effect set out in Schedule A to this Deed but will be subject to the members of Auburn having passed the resolution referred to in clause 12.3.
- 12.7 In addition to the resolution referred to in clause 12.6 Bankstown will (if appropriate) at the meeting referred to in clause 12.4 submit to those members eligible to attend and vote a Special Resolution to amend the Constitution of Bankstown as follows:
- (a) with effect from Completion of Amalgamation:
 - (i) All members of Auburn who apply to become members of Bankstown will be admitted to membership of Bankstown;
 - (ii) All members of Auburn will be able to apply for membership of Bankstown in the manner referred to in sub paragraph (iii) to (v).
 - (iii) A member of Auburn will not be required to be proposed or seconded for membership of Bankstown.
 - (iv) As soon as practicable after Auburn and Bankstown have passed the resolution approving in principle the Amalgamation Bankstown will forward to each member of Auburn a written invitation to become a member of Bankstown.
 - (v) Any member of Auburn who accepts the invitation and agrees in writing to be bound by the Constitution of Bankstown will, (subject to the name of that person being displayed on the noticeboard of Bankstown for not less than seven (7) days and a period of not less than fourteen (14) days elapsing after the receipt to the acceptance by Bankstown) be elected by a resolution of the Board of Bankstown to membership of Bankstown with effect from the date of Completion of the Amalgamation.
 - (b) Auburn members who are admitted to membership of Bankstown will be identified as a separate class called Auburn Members but may transfer to any other class of membership of Bankstown for which they are eligible to join.

13 THE APPLICATION TO THE INDEPENDENT LIQUOR AND GAMING AUTHORITY

- 13.1 Within ten (10) business days of the meeting referred to in clauses 13.1 and 13.4 each Club must forward to the lawyers for Bankstown the following documents:
- (a) a true copy of the notice of the meeting at which the resolution was passed;
 - (b) a true copy of the minutes of the meeting which will include the number of members present at the meeting and whether or not the resolution was passed.
- 13.2 Bankstown and its lawyers will be responsible for the preparation and filing of an Amalgamation Application pursuant to section 60 of the *Liquor Act* to transfer the Club licence held by Auburn to Bankstown which transfer will be affected on the date of Completion of the Amalgamation.
- 13.3 Auburn will co-operate with Bankstown and the lawyers for Bankstown and will provide all documents and information reasonably required for the preparation, lodgement and finalisation of the Amalgamation Application and will cause the approved Secretary of Auburn to sign the Amalgamation Application if required to do so.
- 13.4 Nothing herein will prevent Auburn having its own advisors and legal representation in relation to the application.

14 ASSURANCE BY AUBURN

- 14.1 Auburn assures Bankstown that from the date of this Deed to the date of Completion of the Amalgamation Auburn:
- (a) will carry on its business in the usual and ordinary course and in a diligent manner and will not incur any single debt or liability over the sum of \$5,000.00 plus GST without the prior approval of Bankstown's CEO;
 - (b) will not do anything which may damage the goodwill of its business; or that of Bankstown;
 - (c) will keep all assets insured in amounts representing their full replaceable or reinstatement value against fire and other risks normally insured;
 - (d) will not mortgage, charge, create any security interests in relation to the assets of Auburn.
- 14.2 The CEO of Bankstown and the CEO of Auburn will have regular discussions about management and operations of Auburn with the objects of (but without limitation):
- (a) providing for an orderly transfer of the management and operations of Auburn to Bankstown on Completion of the Amalgamation;
 - (b) achieving efficiencies and cost savings in Auburn.

15 PREPARATION FOR COMPLETION OF THE AMALGAMATION

15.1 On or before Completion of the Amalgamation Auburn will do all things necessary and execute all documents to cause all of the assets of Auburn to be transferred to or assigned to Bankstown with effect from the date of Completion of the Amalgamation and such transfers and assignments will without limitation be in respect of:

- (a) all Real Property;
- (b) all poker machines;
- (c) all poker machine entitlements;
- (d) all contract rights including leases and hire purchase agreements;
- (e) all intellectual property rights;
- (f) all physical assets, furniture and fittings and stock in trade owned or entered into by Auburn.

15.2 The transfers and assignments referred to in clause 15.1 will be executed by Auburn in escrow pending Completion of the Amalgamation.

16 ACCESS TO RECORDS OF AUBURN

From the date of this Deed Auburn will provide Bankstown at all reasonable times access to Auburn's premises, its records and assets and other information and material reasonably required by Bankstown.

17 CONFIDENTIALITY

17.1 A party must not without the prior written approval of the other disclose the other party's Confidential Information.

17.2 Each party must take all reasonable steps to ensure its employees and agents, subcontractors and consultants do not disclose or make public the other parties Confidential Information.

17.3 A party must on demand return to the other any documents supplied by the other in connection with this Deed.

17.4 This clause 17 survives termination of this Deed and the Amalgamation.

18 DISSOLUTION OF AUBURN

Promptly after Completion of Amalgamation Auburn will do all things necessary and take all steps to:

- (a) nominate a liquidator to be appointed to dissolve Auburn and will notify Bankstown of the name of the liquidator;
- (b) cause an application for approval of the liquidator of Auburn to be prepared and lodged with the Independent Liquor and Gaming Authority in accordance with section 41 of the RCA;

- (c) call a general meeting or conduct a special postal ballot of its members at which members of Auburn will consider, and if thought fit, pass all the necessary resolutions for Auburn to go into voluntary liquidation including
 - (i) a special resolution to wind-up Auburn passed by at least 80% of the formal votes cast in its favour; and
 - (j) a resolution approving the distribution of any remaining Assets and Liabilities of Auburn to Bankstown, and
- (k) assist the liquidator to wind up Auburn.

19 RESOLUTION OF DISPUTES ARISING UNDER THIS DEED OR THE MEMORANDUM OF UNDERSTANDING

- 19.1 A party must not commence any Court or arbitration proceedings relating to a dispute unless it complies with this clause.
- 19.2 A party claiming a dispute has arisen under or in relation to this Memorandum of Understanding or the amalgamation process must give written notice to the other party specifying the nature of the dispute.
- 19.3 On receipt of that notice by the other party the parties must endeavour in good faith to resolve the dispute expeditiously using informal dispute resolution techniques, such as mediation, expert evaluation or expert determination or other techniques as may be agreed by them.
- 19.4 If the parties do not within seven (7) days of the receipt of the notice referred to in clause 19.2 or any extended period agree in writing between the parties as to:
 - (a) the dispute resolution technique or procedures to be adopted;
 - (b) the timetable for steps in those procedures; and
 - (c) the selection and compensation of an independent person required for such dispute resolution technique or procedures,

the parties must mediate the dispute in accordance with the mediation rules of the Law Society of New South Wales. The parties must request the President of the Law Society of New South Wales or the President's nominee to select the mediator and determine the mediator's remuneration.
- 19.5 If the dispute is not resolved within twenty eight (28) days after notice is given under clause 19.2 a party which has complied with the provisions of this clause 19 may by written notice to the other terminate any dispute resolution process undertaken pursuant to this clause and may then refer the dispute to arbitration or commence Court proceedings in relation to the dispute.
- 19.6 The parties acknowledge the purpose of any exchange of information or documents or the making of any offer of settlement pursuant to this clause 19 is to settle the dispute concerned. Neither party may use any information or documents obtained through any dispute resolution process undertaken pursuant to this clause for any purpose other than in an attempt to settle the dispute.

20 COSTS

Bankstown will pay the costs of the preparation, execution and completion of this Memorandum for both parties and for the avoidance of doubt this includes the costs of both parties completing the Amalgamation as contemplated in this Memorandum.

21 STAMP DUTY

21.1 The parties acknowledge that section 65(3) of the *Duties Act (NSW)* provides no duty is chargeable on a transfer of dutiable property to give effect to an amalgamation of two registered clubs provided such information and documents as the Chief Commissioner of the Office of State Revenue requires are provided.

21.2 Despite the exemption from duty referred to in clause 21.1 the parties agree that any duty payable by either party to bring into effect the provisions of this Memorandum shall be paid by Bankstown.

22 GENERAL

22.1 This Memorandum constitutes the whole and entire agreement between the parties and any warranty, representation, guarantee or other term or condition of any nature not contained or recorded in this Memorandum is of no force or effect.

22.2 If any provision of this Memorandum is invalid and not enforceable in accordance with its terms, other provisions which are self sustaining and capable of enforcement are and continue to be valid and enforceable in accordance with their terms.

22.3 Neither party assigns this Memorandum or any benefit under it without prior written consent of the other which it may refuse in its absolute discretion.

22.4 Each party must do, sign and deliver all acts and documents reasonably required of it by notice from the other to effectively carry out and give full effect to this Memorandum.

22.5 This Memorandum is governed by and is to be construed in accordance with the law of New South Wales and the parties submit to the non exclusive jurisdiction of the Courts of New South Wales and any Court bearing appeals from those Courts.

23 TERMINATION

(a) Notwithstanding anything contained in this Memorandum if Completion of the Amalgamation has not occurred by 30 June 2018 either party in its absolute discretion and without penalty may terminate this Memorandum and thereby terminate the Amalgamation of Bankstown with Auburn.

(b) Termination pursuant to clause 23(a) can not be effected unless the party terminating this Memorandum of Understanding has given the other party no less than twenty one (21) days notice in writing of its intention to terminate pursuant to this clause 23(a).

(c) Any delay or forbearance in giving or the withdrawal of a notice

pursuant to paragraph (b) of this clause 23(a) by a party shall not prejudice its rights to subsequently terminate this Memorandum of Understanding pursuant to this clause 23(a).

24 NOTICES

- 24.1 A notice to be given by one club to the other pursuant to this Deed must be:
- (a) in writing;
 - (b) directed to the recipients address specified in this Deed or as varied by written notice;
 - (c) left at, or sent by pre-paid registered post, hand delivered or by facsimile to that address;
- 24.2 A notice given in accordance with subparagraphs (a), (b), (c) of paragraph 24.1 will be deemed to be duly given;
- (a) on the day of delivery;
 - (b) two days after the date of posting by pre-paid post;
 - (c) if sent by facsimile, when the answer back message confirmation is received
- as the case may be.


NOTES

This Memorandum is to be:


1. Made available to the ordinary members of Auburn and Bankstown at least 21 days before any meeting of the members of each club for the purpose of voting on whether to approve the proposed amalgamation.
2. Made available for inspection on the premises of each club and on the website of each club for at least 21 days before any meeting as referred to in paragraph 1 is held.
3. Lodged with any application under section 60 of the Liquor Act 2007 to transfer the club licence held by Auburn to Bankstown.

Memorandum of Understanding

Executed by
**Auburn Tennis and Recreation Club
Limited** ABN 93 000 378 852
pursuant to Section 127 of the
Corporations Act 2001


.....
Director / Secretary

CHRIS PATER
.....
Name of Director / Secretary
(print name)

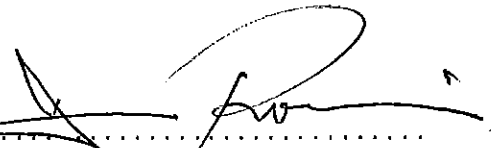

.....
~~Director~~ / Secretary

GLENN FRASER
.....
Name of Director / Secretary
(print name)

Executed by
**Bankstown District Sports Club
Limited** ABN 88 000 243 916
pursuant to Section 127 of the
Corporations Act 2001


.....
Director / Secretary

RICHARD PHILLIPS
.....
Name of Director / Secretary
(print name)


.....
Director / Secretary

JIM RONIS
.....
Name of Director / Secretary
(print name)

Schedule A

ORDINARY RESOLUTION

"That the members hereby approve in principle:

1. The amalgamation of Auburn Tennis and Recreation Club Limited ABN 93 000 378 852 with Bankstown District Sports Club Limited ABN 88 000 243 916, such an amalgamation to be effected by;
 - (a) the continuation of Bankstown (as the amalgamated club) and the dissolution of Auburn; and
 - (b) the transfer of the club licence of Auburn to Bankstown; and
2. The making of an application to the Independent Liquor and Gaming Authority for the transfer of the club licence of Auburn to Bankstown for the purposes of such amalgamation".