



Memorandum of Understanding

Cabramatta Rugby League Club Ltd ACN 000 650 206
("Cabramatta Leagues Club")

Aberdeen Bowling Club Ltd ACN 001 039 845
("Aberdeen Bowling Club")

This Memorandum of Understanding is made on 15 September 2022.

BETWEEN: **Cabramatta Rugby League Club Ltd ACN 000 650 206** of 24-26 Sussex Street, Cabramatta NSW 2166 (“Cabramatta Leagues Club”)

AND **Aberdeen Bowling Club Ltd ACN 001 039 845** of Jefferson Park Aberdeen, NSW 2336 (“Aberdeen Bowling Club”)

RECITALS

- (A) Cabramatta Leagues Club and Aberdeen Bowling Club are both registered clubs under the Registered Clubs Act.
- (B) On 7 December 2021 Cabramatta Leagues Club called for expressions of interest to amalgamate from other clubs.
- (C) Aberdeen Bowling Club submitted an expression of interest to Cabramatta Leagues Club on 17 February 2022 indicating an interest in amalgamating with Cabramatta Leagues Club.
- (D) Cabramatta Leagues Club accepted the expression of interest from Aberdeen Bowling Club referred to in Recital (C) and Cabramatta Leagues Club and Aberdeen Bowling Club have agreed to amalgamate in accordance with the terms set out in this Memorandum of Understanding.
- (E) The amalgamation between Cabramatta Leagues Club and Aberdeen Bowling Club is also subject to the approval of both Clubs’ members and the Authority as required by the Registered Clubs Act.
- (F) The Amalgamation is always subject to compliance with the requirements of the Registered Clubs Act, the Registered Clubs Regulation 2015, the Liquor Act and the Corporations Act.
- (G) This Memorandum of Understanding satisfies the requirements of the Registered Clubs Regulations in that it deals with and legally binds Cabramatta Leagues Club and Aberdeen Bowling Club to all matters relating to the Amalgamation as required by Regulation 7 of the Registered Clubs Regulations.

OPERATIVE PROVISIONS

1. DEFINITIONS AND INTERPRETATIONS

1.1 In this Memorandum of Understanding unless the context otherwise requires:

“**Aberdeen Bowling Club CEO**” means the Approved Secretary of Aberdeen Bowling Club;

“**Aberdeen Bowling Club Premises**” means the approved licensed premises of Aberdeen Bowling Club known as Aberdeen Bowling Club in respect of Club Licence LIQC300242544 as at the date of this Memorandum situated at Jefferson Park, Aberdeen, NSW 2336 and as otherwise approved by the Authority from time to time and includes any future approved licensed premises on the Land (as the context may require);

“Amalgamated Club” means the amalgamated registered club of Cabramatta Leagues Club and Aberdeen Bowling, the continuing vehicle of which will be Cabramatta Leagues Club after Completion;

“Amalgamation” means the amalgamation of the Clubs in accordance with this Memorandum of Understanding;

“Amalgamation Application” means the application, or applications as the context may require, for the transfer of the Club Licence of Aberdeen Bowling Club to Cabramatta Leagues Club (including an application for provisional transfer) pursuant to Sections 60(6) and (7) of the Liquor Act;

“Approved Secretary” means a person approved by the Authority under section 33 of the Registered Clubs Act to act as secretary of a club.

“Assets” means all of the assets of Aberdeen Bowling Club as at Completion including without limitation the Land and those other assets listed in Schedule 1;

“Authority” means the Independent Liquor and Gaming Authority constituted under the Gaming and Liquor Administration Act 2007 (NSW);

“Board and Board of Directors” means the board of directors of Cabramatta Leagues Club, or, the Amalgamated Club after Completion (as the context may require);

“Business” means the business of Aberdeen Bowling Club or Cabramatta Leagues Club (as the context may require);

“Business Day” means a day that is not a Saturday, Sunday or public holiday or a bank holiday in New South Wales;

“Business Records” means all records relating exclusively to the Assets or the Business and, whether in paper or electronic form, other than those records which the Aberdeen Bowling Club is required by law to keep;

“Cabramatta Leagues Club CEO” means Approved Secretary of Cabramatta Leagues Club;

“Claim” means any claim, cost, damages, debt, expense, Tax, Liability, loss, allegation, suit, action, demand, cause of action or proceeding of any kind irrespective of:

- (i) how or when it arises;
- (ii) whether it is actual or contingent;
- (iii) whether or not it is in respect of legal or other costs, damages, expenses, fees or losses;
- (iv) whether or not it is in respect of a breach of trust or of a fiduciary or other duty or obligation; and

(v) whether or not it arises at law or in any other way.

“Clubs” means both Cabramatta Leagues Club and Aberdeen Bowling Club;

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

“Club Premises” means a licensed premises owned or controlled by Aberdeen Bowling Club or Cabramatta Leagues Club (as the context may require).

“Completion” means the day on which:

- (i) the Assets, Land, Liabilities and Club Licence of Aberdeen Bowling Club are transferred to Cabramatta Leagues Club as referred to in clause 19; and
- (ii) Cabramatta Leagues Club takes over responsibility for the management, business and affairs of the Club Premises of Aberdeen Bowling Club.

“Conditions Precedent” means the conditions precedent to Completion as set out in Clause 18 of this Memorandum of Understanding.

“Confidential Information” means all trade secrets and all financial, marketing and technical information, ideas, concepts, know-how, technology, business plans, strategic plans, member lists, gaming machine information, processes and knowledge which is confidential or of a sensitive nature but excludes that which is in the public domain.

“Consideration” for the purposes of clause 21 of this Memorandum of Understanding has the meaning given to that term by the GST law;

“Corporations Act” means the *Corporations Act 2001 (Commonwealth)* and the regulations made thereunder;

“EBITDA%” means earnings before interest, income tax, depreciation and amortisation as a percentage proportion of total club trading revenue;

“Encumbrance” means any:

- (a) security granted for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement and any “security interest” as defined in sections 12(1) or (2) of the *Personal Property Securities Act 2009 (Cth)*; or
- (b) right, interest or arrangement which has the effect of giving another person a preference, priority or advantage over creditors including any right of set-off; or
- (c) right that a person (other than the owner) has to remove something from land (known as a profit a prendre), easement, public right of way, restrictive or positive covenant, lease or licence to use or occupy; or

- (d) third party right or interest or any right arising as a consequence of the enforcement of a judgment.

"Employee Entitlements" means all entitlements to salary or wages, annual leave, long service leave and other entitlements (including paid personal/carer's leave) under any industrial instrument or agreement between Aberdeen Bowling Club and an employee of Aberdeen Bowling Club;

"Final Approval" means the confirmation pursuant to Section 60(8) of the *Liquor Act* by the Authority whereby Aberdeen Bowling Club's Club Licence will be approved to be transferred to Cabramatta Leagues Club;

"Gaming Machines Act" means the *Gaming Machines Act 2001 (NSW)* and the regulations made thereunder;

"GME" means a gaming machine entitlement;

"Government Agency" means:

- (a) a government, whether foreign, federal, state, territorial or local;
- (b) a department, office or minister of a government acting in that capacity; or
- (c) a commission, the Authority, delegate, instrumentality, agency, board, or other governmental, semi-governmental, judicial, administrative, monetary or fiscal authority, whether statutory or not.

"GST" means the goods and services tax as imposed by the GST Law.

"GST Act" means A New Tax System (Goods and Services Tax) Act 1999 or, if that Act does not exist for any reason, means any Act imposing or relating to the imposition of a goods and services tax in Australia.

"GST Amount" means in relation to a Taxable Supply the amount of GST for which the maker of the Taxable Supply ("**Supplier**") is liable in respect of the Taxable Supply.

"GST-Free" has the meaning given to that term by the GST Law.

"GST Group" has the meaning given to that term by the GST Law.

"GST Law" has the meaning given to that term in the GST Act.

"Insolvency Event" means the occurrence of any of the following events in relation to a party to this Memorandum of Understanding:

- (a) the party becomes insolvent as defined in the Corporations Act, states that it is insolvent or is presumed to be insolvent under an applicable law;
- (b) the party is wound up, dissolved or declared bankrupt or proposes its winding up or dissolution;

- (c) the party becomes an insolvent under administration as defined in the Corporations Act;
- (d) a liquidator, provisional liquidator, controller, administrator, trustee for creditors, trustee in bankruptcy or other similar person is appointed to, or takes possession or control of, any or all of the party's assets or undertaking;
- (e) the party enters into or becomes subject to:
 - (i) any arrangement or composition with one or more of its creditors or any assignment for the benefit of one or more of its creditors; or
 - (ii) it enters into or proposes to enter into any re-organisation, moratorium, deed of company arrangement or other administration involving one or more of its creditors;
- (f) the party is taken, under section 459F(1) of the Corporations Act, to have failed to comply with a statutory demand;
- (g) the person suspends payment of its debts, ceases or threatens to cease to carry on all or a material part of its business (otherwise than in compliance with any order made by a Government Agency) or becomes unable to pay its debts when they fall due;
- (h) the party is insolvent as disclosed in its accounts or otherwise states that it is insolvent or it is presumed to be insolvent under an applicable law.

“Land” means all land which Aberdeen Bowling Club owns, has an interest in or contractual entitlement to, as at Completion, and must include, without limitation Lot 12 DP 1136908.

“Land Purchase Contracts” means the contracts for sale of unencumbered title to all Land including without limitation with respect to the titles detailed in the definition of Land above;

“Liabilities” means all liabilities (actual or contingent), losses, damages, debts, outgoings, costs and expenses of Aberdeen Bowling Club (whatever description) as set out in Schedule 3 or incurred between the date of this MOU and Completion in accordance with clause 17.1 and 17.2;

“Liquor Act” means the *Liquor Act 2007 (NSW)* and the regulations made thereunder;

“Material Adverse Event” means any event, condition or change which:

- (a) materially and adversely affects; or
- (b) could reasonably be expected to affect materially and adversely;

the Business or Club Premises of a Party excluding:

- (c) any event, condition or change resulting directly or indirectly from circumstances or events which affect the Registered Clubs Industry generally either locally, or more broadly across New South Wales, including without limitation the issuing of Public Health Orders or prevailing and changing economic conditions; and
- (d) any event, condition or change which has an adverse quantifiable financial impact on the affected Party of less than \$1M per annum or \$2M in total aggregate;

“Material Adverse Regulatory Event” means any ruling or decision by the Authority:

- (i) in which the Authority absolutely refuses under any circumstances to give the Final Approval, or rejects any application for which approval would be, required in order to effect Completion; or
- (ii) grants, or indicates that it will only grant, a Final Approval on conditions which are inconsistent with the rights and obligations of a party under this Memorandum of Understanding.

“Member” means a member of either Cabramatta Leagues Club or Aberdeen Bowling Club (as the case may be) as shown on the relevant club’s register of members at the relevant time;

“Memorandum of Understanding” “Memorandum” or “MOU” means this Memorandum of Understanding and it includes any attachments or annexures to it;

“Party” means Aberdeen Bowling Club and Cabramatta Leagues Club;

“Payment” means any amount payable under or in connection with this Memorandum of Understanding including any amount payable by way of indemnity, reimbursement or otherwise (other than a GST Amount) and includes the provision of any non-monetary consideration;

“Plant and Equipment” means all plant, equipment, furniture, fixtures and fittings, tools and other maintenance items, appliances, freehold or other improvements, and information technology items owned by Aberdeen Bowling Club;

“Recipient” for the purposes of clause 21 of this Memorandum of Understanding, has the meaning given to that term by the GST Law;

“Records” means all originals and copies in machine readable or printed form of all books, registers, files, accounts, records, reports, correspondence, files, manuals and other documents and information and materials created by, owned by, or under the control of each Club;

“RCA or Registered Clubs Act” means the *Registered Clubs Act 1976 (NSW)*; and

“Registered” for the purposes of clause 21 of this Memorandum of Understanding, has the meaning given to that term by the GST Law;

“RCR or Registered Club Regulations” means the regulations to the Registered Clubs Act.

“Stock” means all food and beverage stock and any other trading stock and consumables.

“Tax” means a tax, levy, charge, impost, deduction, withholding or duty of any nature (including stamp and transaction duty and goods and services, (value added) or similar tax) at any time:

- (a) imposed or levied by any Government Agency; or
- (b) required to be remitted to, or collected, withheld or assessed by, any Government Agency; and

any related interest, expense, fine, penalty or other charge on those amounts;

"**Tax Invoice**" has the meaning given to that term by the GST Law.

"**Taxable Supply**" has the meaning given to that term by the GST Law.

1.1 Business days

If the day on which any act is to be done under this document is a day other than a Business Day, that act must be done on the immediately following Business Day except where this document expressly specifies otherwise.

1.2 Construction

Unless expressed to the contrary, in this document:

- (a) words in the singular include the plural and vice versa;
- (b) any gender includes the other genders;
- (c) if a word or phrase is defined its other grammatical forms have corresponding meanings;
- (d) "includes" means includes without limitation;
- (e) no rule of construction will apply to a clause to the disadvantage of a party merely because that party put forward the clause or would otherwise benefit from it;
- (f) a reference to:
 - (i) a person includes a partnership, joint venture, unincorporated association, corporation and a government or statutory body or authority;
 - (ii) a person includes the person's legal personal representatives, successors, assigns and persons substituted by novation;
 - (iii) any legislation includes subordinate legislation under it and includes that legislation and subordinate legislation as modified or replaced;
 - (iv) an obligation includes a warranty or representation and a reference to a failure to comply with an obligation includes a breach of warranty or representation;
 - (v) a right includes a benefit, remedy, discretion or power;
 - (vi) time is to local time in Sydney, New South Wales;
 - (vii) "\$" or "dollars" is a reference to Australian currency;
 - (viii) this or any other document includes the document as novated, varied or replaced and despite any change in the identity of the parties;
 - (ix) writing includes any mode of representing or reproducing words in tangible and permanently visible form, and includes fax transmissions;
 - (x) this document includes all schedules and annexures to it; and
 - (xi) a clause, schedule or annexure is a reference to a clause, schedule or annexure, as the case may be, of this document;

- (g) a reference to legislation is to be construed as a reference to that legislation and any regulation made under it, any subordinate legislation under it and any regulation made under that subordinate legislation, and that legislation and regulations and subordinate legislation and regulations as amended, re-enacted or replaced for the time being;
- (h) if the date on or by which any act must be done under this document is not a Business Day, the act must be done on or by the next Business Day; and
- (i) where time is to be calculated by reference to a day or event, that day or the day of that event is excluded.

1.3 **Headings**

Headings do not affect the interpretation of this document.

2. AMALGAMATION

- 2.1 Cabramatta Leagues Club and Aberdeen Bowling Club agree to amalgamate in accordance with this Memorandum of Understanding, the Registered Clubs Act, the Registered Clubs Regulation, the Liquor Act and the Corporations Act subject to the provisions of this document.
- 2.2 The Amalgamation will be effected by the continuation of Cabramatta Leagues Club and the dissolution of Aberdeen Bowling Club.
- 2.3 The Amalgamation is intended to:
 - (i) preserve the existing facilities and amenities of Cabramatta Leagues Club and preserve, upgrade or redevelop the existing facilities and amenities of the Aberdeen Bowling Club Premises in the manner set out in this Memorandum of Understanding;
 - (ii) preserve the social facilities of Aberdeen Bowling Club in the manner set out in this Memorandum of Understanding; and
 - (iii) preserve the promotion of Aberdeen Bowling heritage in the manner set out in this Memorandum of Understanding.

3. THE AGREED STEPS TO ACHIEVE AMALGAMATION OF THE CLUBS

- 3.1 The steps that will be undertaken to achieve Completion of the Amalgamation will be as follows:
 - (i) The Clubs entering this Memorandum of Understanding which addresses both:
 - (A) The matters required to be addressed between the Clubs by Regulation 7(2) of the Registered Clubs Regulation in a memorandum of understanding stating each club's position on certain matters relating to the amalgamation; and

- (B) The due diligence process, member approval processes, Authority approval process and the processes and condition precedents including those related to the transfer of Assets including the Club Licence, and the transfer of Land, to complete the Amalgamation.
- (ii) Aberdeen Bowling Club may, at its own expense, undertaking a due diligence review of Cabramatta Leagues Club and for the purposes of this clause Cabramatta Leagues Club agrees to:
 - (A) make available to the Aberdeen Bowling Club its annual reports of the last three (3) years;
 - (B) provide further information, responses to queries and additional assistance to reasonably allow Aberdeen Bowling Club complete its due diligence properly to its satisfaction.
- (iii) Cabramatta Leagues Club, at its own expense, undertaking a due diligence review of Aberdeen Bowling Club's Assets including the Club Licence, liabilities, Land, and business operations and to give effect to this Aberdeen Bowling Club will immediately and up and until the sooner of Completion or termination of this Memorandum of Understanding:
 - (A) make available to Cabramatta Leagues Club its Records in any reasonably required formats
 - (B) provide further information, responses to queries and additional assistance to allow Cabramatta Leagues Club to complete its due diligence properly to its satisfaction and
 - (C) provide access to the Aberdeen Bowling Clubs' Club Premises, the Land and any other premises of Aberdeen Bowling Club, as required to view Records, conduct inspections and due diligence, view Assets and/or review business operations.
- (iv) In accordance with clause 15, Aberdeen Bowling Club will call and hold a general meeting of the ordinary members of Aberdeen Bowling Club to approve in principle, the Amalgamation (which includes without limitation the transfer of all Assets including the Club Licence, Liabilities and Land to Cabramatta Leagues Club.
- (v) In accordance with clause 15, the Board of Cabramatta Leagues Club will call and hold a separate general meeting of the ordinary members of Cabramatta Leagues Club to approve all of the following:
 - (A) In principle, the Amalgamation; and
 - (B) Amendments to the Cabramatta Leagues Club's constitution required to accommodate the transfer of members from Aberdeen Bowling Club to Cabramatta Leagues Club in the manner set out in this Memorandum and

to deal with any other matters required by this Memorandum.

- (vi) In accordance with clause 16, after the necessary member approvals as set out in paragraphs (iii) and (iv) above have been obtained, the Amalgamation Application will then be made by Cabramatta Leagues Club. The Amalgamation Application will be made in the manner provided for in clause 16 below.
- (vii) In accordance with clause 17, the Clubs respectively warrant certain matters and Aberdeen Bowling Club agrees to conduct its Business in a particular manner and subject to specific restrictions until Completion.
- (viii) In accordance with clause 20, after provisional approval of the Amalgamation Application is granted and the Conditions Precedent of Completion have either been achieved or waived as permitted by clause 18.3 then Completion will occur on that day in accordance with the terms and conditions of clauses 19 and 20 of this Memorandum of Understanding
- (ix) At the time or immediately after the Amalgamation Application is granted, but subject to prior or concurrent satisfaction of the Condition Precedents:
 - (A) The Assets will be transferred to Cabramatta Leagues Club;
 - (B) The Liabilities will be transferred to Cabramatta Leagues Club; and
 - (C) The premises of Aberdeen Bowling Club including without limitation the Aberdeen Bowling Club Premises, will become the additional licensed premises of Cabramatta Leagues Club and be available to all members of the Amalgamated Club; and
 - (D) All financial members of Aberdeen Bowling Club will be invited to become ordinary members of Cabramatta Leagues Club and will for the purposes of section 17AC(2) of the Registered Clubs Act all be identified in the separate class of membership called "Aberdeen Bowling Club Members".
- (x) After Completion:
 - (A) Cabramatta Leagues Club will continue as the body corporate of the Amalgamated Club; and
 - (B) Aberdeen Bowling Club will be wound up in accordance with the law and the requirement of clause 19.4.

4. THE MANNER IN WHICH THE PREMISES AND OTHER FACILITIES OF ABERDEEN BOWLING CLUB WILL BE MANAGED AND THE DEGREE OF AUTONOMY THAT WILL BE PERMITTED IN THE MANAGEMENT OF ABERDEEN BOWLING CLUB PREMISES AND FACILITIES [REGULATIONS – CLAUSE 7(2)(A)]

4.1 Premises and Facilities

- (i) The Aberdeen Bowling Club Premises and its associated facilities will become additional premises of Cabramatta Leagues Club.
- (ii) Cabramatta Leagues Club will take over responsibility and control of all Aberdeen Bowling Club Premises from Completion.
- (iii) The cash balance of Aberdeen Bowling Club will be transferred to Cabramatta Leagues Club on Completion and will be allocated to the cash balance of the Amalgamated Club.
- (iv) After Completion, the Club Premises of Cabramatta Leagues Club and the Club Premises of Aberdeen Bowling Club will be made available for the use of all members of the Amalgamated Club (subject to their rights and restrictions under its constitution and by-laws).

4.2 Name and Branding

- (i) The Aberdeen Bowling Club Premises will remain named and trade as “Aberdeen Bowling Club” but the logo incorporating the name will be altered to utilise the Cabramatta Leagues Club logo branding mechanisms.

4.3 Management

- (i) The Cabramatta Leagues Club CEO will be the Secretary and Chief Executive Officer of the Amalgamated Club.
- (ii) The Board of the Amalgamated Club will be the Board of Cabramatta Leagues Club consistent with Cabramatta Leagues Club being the continuing club upon Amalgamation.
- (iii) For the purposes of section 66 of the Liquor Act, the Amalgamated Club will appoint an approved manager for the Aberdeen Bowling Club Premises.

4.4 Bowling Activities and Bowling Sub Clubs

- (i) On or before Completion the Amalgamated Club will establish a Men’s Bowling Sub-Club and a Women’s Bowling Sub-Club under rule 29.10 of its constitution to jointly manage, conduct and administer bowling at the Aberdeen Bowling Club Premises on behalf of the Amalgamated Club.
- (i) The rules of the Men’s Bowling Sub Club and Women’s Bowling Sub Club will be prepared and agreed upon by the Board of Cabramatta Leagues Club and the Board

of Aberdeen Bowling Club before Completion. Any amendments to those rules after Completion must be approved by the Board of the Amalgamated Club.

- (ii) The Men's Bowling Sub Club and the Women's Bowling Sub Club will:
 - (A) have their committees, and members including ordinary, bowling and life members,
 - (B) be entitled to use of their existing names, insignia, and uniforms,
 - (C) have the members of the respective sub-clubs elect their own committees,
 - (D) be eligible to affiliate with such bodies controlling bowls in NSW and Australia on such terms and conditions as such controlling bodies may from time to time require;
 - (E) be able to recognise the members of the sub-clubs who are life members.
- (iii) The Amalgamated Club will provide funding of five thousand dollars (\$5,000) per annum (increased by CPI annually) to the Men's and Women's Bowling Sub Clubs to be shared equally between the Men's Bowling Sub Club and the Women's Bowling Sub Club. The Men's and Women's Bowling Sub Clubs will provide an annual budget to the Board of the Amalgamated Club for its approval not less than three (3) months before the commencement of each financial year. The annual budget must cover:
 - (A) all relevant insurances applicable to the respective sub-clubs and their activities,
 - (B) all relevant fees payable to relevant associations with respect to the sub club not individual bowling members (including affiliation fees) in respect of the bowling sub-club's activities,
 - (C) all relevant trophies, prizes and prize money for bowling club competitions and events and the recoupment of entry fees,
 - (D) such other expenses as the bowling sub-clubs consider appropriate.
- (iv) The Amalgamated Club shall be responsible for all costs associated with the maintenance, repair and replacement of the bowling greens and surrounds at the Aberdeen Bowling Club Premises and these costs do not form part of the annual budgets for the sub clubs referred to in clause 4.4(iii).
- (v) Any monies fundraised separately by the Men's and Women's Bowling Sub Clubs may be used by the respective sub-clubs and those funds shall remain the funds of the respective sub-clubs at all times. Additionally, any monies held by the existing

bowling sub clubs of Aberdeen Bowling Club as at Completion shall be transferred to the Men's Bowling Sub Club and the Women's Bowling Sub Club.

- (vi) The yearly budget allocation for the Men's and Women's Bowling Sub Clubs may be utilised at the discretion of the respective committee to promote and grow bowls. This allocation may be accumulated over several years (subject to approval of the CEO of the Amalgamated Club) and be used for any reasonable purpose associated with the activities of the sub clubs.
- (vii) The annual subscriptions of the Men's and Women's Bowling Sub Clubs applicable to each member class shall be an amount determined by the Board of the Amalgamated Club and the committees of the sub-clubs will support the collection of such annual subscriptions from the respective sub club members.
- (viii) Cabramatta Rugby League Club will commit to support financially and operationally the following events and tournaments, to the same extent they have been supported in the past, and any other the bowls events and tournaments as agreed to by the Amalgamated Club and the respective bowls sub-committees:
 - (A) Sponsored Bowls Tournaments for Aberdeen Bowling Club; and
 - (B) Pennant play for men on Saturdays;
 - (C) Pennant play for women on Tuesdays/Thursdays;
 - (D) Men's Triples (2-day event usually late September to early October);
 - (E) Versatility Pairs (run over 6 nights in Summer);
 - (F) Women's Carnival (2-day event usually held in late September to early October);
 - (G) Daryl Croft Charity Bowls Day (Heart Foundation) (1 Day event with all proceeds given to the Heart Foundation);
 - (H) Zone 11 Bowls days;
 - (I) Women's regional Games.
- (ix) The Amalgamated Club will:
 - (A) maintain the existing playing times for both competition and registered bowlers at the Aberdeen Bowling Club Premises, together with its associated social and fund-raising activities.
 - (B) give precedence to competition and organised social bowls of the Men's and Women's Bowling Sub Clubs in terms of use of bowling greens at the Aberdeen Bowling Club Premises;

- (C) provide free access to the bowling greens to the Men's and Women's Bowling Sub Clubs for casual coaching, roll-ups and informal practice games when the greens are not in use for organised, social and/or barefoot bowls;
- (D) allow the Men's and Women's Bowling Sub Clubs to hold a combined maximum number of six (6) social functions at the Aberdeen Bowling Premises each year;
- (E) assist the Men's and Women's Bowling Sub Clubs by proactively promoting and marketing the game of bowls for the purpose of increasing bowling membership at the Aberdeen Bowling Club Premises;
- (F) assist with the provision of subsidised registered bowls uniforms to both new and existing registered bowlers but once only for each member. This obligation only applies if and when the uniform is changed to include Cabramatta Leagues Club's branding or insignia.
- (G) allow Men's and Women's Bowling Sub Clubs to hold bowling events and pursue their own sponsorships;
- (H) provide the necessary equipment and support (administrative, legal and financial) to the sub club committees to enable them to discharge their duties and responsibilities;
- (I) provide a permanent notice board for use by the Men's and Women's Bowling Sub Clubs at the Aberdeen Bowling Club Premises;
- (J) ensure that the Aberdeen Bowling Club Premises is open and trading from 8:00am when the events referred to in sub paragraph (viii) are being conducted at the Aberdeen Bowling Club Premises. The parties agree that this clause does not require the Amalgamated Club to provide a "full club offering" from 8:00am on those days but the Amalgamated Club must ensure that suitable food and beverage options are available for consumption and purchase from 8:00am on those days.

4.5 **Aberdeen Bowls Advisory Committee**

- (i) On or before Completion, the Board of the Amalgamated Club will create the Aberdeen Bowls Advisory Committee ("**Advisory Committee**") in respect of the Aberdeen Bowling Club Premises and the following shall apply in respect of the Advisory Committee:
 - (A) The initial Advisory Committee will consist of the approved manager for the Aberdeen Bowling Club Premises and the existing

directors of Aberdeen Bowling Club who, as at the date of Completion, have given written consent to Cabramatta Leagues Club to be members of the Advisory Committee;

- (B) The initial Advisory Committee will sit until the first election of the Advisory Committee which shall occur in 2023 or 2024 (depending on the date of Completion);
 - (C) From the first election of the Advisory Committee, the Advisory Committee will be elected biennially and consist of two (2) members.
 - (D) Only members of the Men's Bowling Sub Club and the Women's Bowling Sub Club can be a committee member on the Advisory Committee or vote in the election of the Advisory Committee.
 - (E) The Advisory Committee Chairperson will be appointed by the members of the Advisory Committee;
 - (F) If any casual vacancies arise on the Advisory Committee, the remaining members of the Advisory Committee, subject to the requirements in sub paragraph (D) above, can appoint an eligible person to fill that casual vacancy.
 - (G) The Advisory Committee will be required to meet monthly and forward any recommendations and reports to the CEO of the Amalgamated Club.
- (ii) Subject at all times to the approval of the Board of the Amalgamated Club it is envisaged that the Advisory Committee will:
- (A) assist and provide direction to the Men's and Women's Bowling Sub Clubs with respect to the management, operation and administration by them of bowls activities at the Aberdeen Bowling Club Premises
 - (B) make recommendations about the Aberdeen Bowling Club Premises for consideration by the board of Cabramatta Leagues Club via the Cabramatta Leagues Club CEO or his delegate.
 - (C) provide advice to the CEO and the Board of the Amalgamated Club via the Cabramatta Leagues Club CEO or his delegate in relation to bowling activities at the Aberdeen Bowling Club Premises;
 - (D) make recommendations to the Amalgamated Club in relation to the ClubGRANTS and other community support and sponsorships to be made by the Amalgamated Club that are attributable to the Aberdeen Bowling Club Premises.

- (E) Cabramatta Leagues Club CEO or his delegate shall be entitled to attend a participate in all meetings of the Advisory Committee but he shall have no voting rights at such meetings
- (iii) The Advisory Committee:
 - (A) is subject to the overall control and direction of the Board and management of the Amalgamated Club
 - (B) will have no function in the governance or management of the Amalgamated Club or the Aberdeen Bowling Club Premises (except if specifically delegated by Board resolution to it by the Board of the Amalgamated Club).
- (iv) Cabramatta League Club will adopt by-laws which give effect to this clause 4.5 and the rules of the Advisory Committee shall be prepared and reasonably agreed upon by the Board of Cabramatta Leagues Club and the Board of Aberdeen Bowling Club before Completion.
- (v) Subject to any necessary member approvals (if any) first being obtained, the Amalgamated Club will reimburse certain reasonable and properly incurred expenses of the Advisory Committee members limited to only meal and drink expenses (when associated with monthly committee meetings), reasonable travel and accommodation expenses when attending the Club Premises of Cabramatta Leagues Club for official purposes and annual uniform expenses (with uniforms to be as agreed with Cabramatta Leagues Club) with all such expenses reimbursement subject to an annual aggregated budget as pre-approved by the Board of the Amalgamated Club. If any members approvals are required for the reimbursement of reasonable and properly incurred expenses of the Advisory Committee members, the Board of the Amalgamated Club must ensure that the necessary resolutions are included in the relevant notices of annual general meeting.
- (vi) The Advisory Committee shall remain in force for as long as the Amalgamated Club trades from the Aberdeen Bowling Club Premises.

5. A LIST OF THE TRADITIONS, AMENITIES AND COMMUNITY SUPPORT THAT WILL BE PRESERVED OR CONTINUED BY THE AMALGAMATED CLUB [REGULATIONS – CLAUSE 7(2) (B)]

5.1 Traditions, Amenities and Community Support

- (i) The Amalgamated Club from Completion will:
 - (A) maintain the traditions and memorabilia of Aberdeen Bowling Club as set out in Schedule 2; and
 - (B) continue the same, or provide a greater amount, of support and sponsorship to community and sporting groups in the local community of Aberdeen Bowling Club Premises as set out in Schedule 5.

6. INTENTIONS REGARDING THE FUTURE DIRECTION OF THE AMALGAMATED CLUB [REGULATIONS – CLAUSE 7(2) (C)]

6.1 Future Direction

- (i) The future direction of the Amalgamated Club will be subject to the overall strategic plan of the Amalgamated Club and its finances as determined by its Board of Directors.
- (ii) The Board of Directors of the Amalgamated Club intend to be financially prudent at all times to ensure continuity of the Amalgamated Club and all decisions are subject to available finances on an ongoing basis.
- (iii) Cabramatta Leagues Club will spend not less than \$1M in relation to the Aberdeen Bowling Club Premises following Amalgamation including the undertaking of the following:
 - (1) Bowling Green Replacement – within the first 2 - 3 years after Completion or such longer period as may be agreed by the Advisory Committee replace the artificial bowling green;
 - (2) Technology Upgrades - Point of Sale System and associated IT Infrastructure upgrades – installation to occur as soon as practicable following Completion ;
 - (3) Sign In Kiosks – installation of electronic sign in kiosks to allow members to sign in by swipe within 6 months of completion;
 - (4) Painting & Signage – paint the external of the Club premises and installation of new signs as soon as practicable after Completion
- (iv) Cabramatta Leagues Club will work to consider alternative uses for parts of the Land (including the Aberdeen Bowling Club Premises) to generate additional sources of income to improve the profitability of the Aberdeen Bowling Club Premises. If there is any disposal of the Land, the requirements of the Registered Clubs Act and this Memorandum must be satisfied.
- (v) Cabramatta Leagues Clubs’ intention is that it will work to evaluate the opportunity to redevelopment of the Land in a manner that incorporates into any redevelopment a new and modern club premises.

6.2 Club Operations

- (i) The Amalgamated Club will, subject to this Memorandum of Understanding:
 - (A) carry on the business of a licensed registered club at Aberdeen Bowling Club Premises with all the facilities and amenities of a registered club (subject to any period of temporary closure required for renovation or redevelopment); and

- (B) continue to offer one (1) bowling green and other associated bowling facilities for sub-club use at Aberdeen Bowling Club Premises (subject to any period of temporary closure required for renovation or redevelopment).
- (ii) For as long as the Amalgamated Club trades from the Aberdeen Bowling Club Premises, it must ensure that all general meetings (including Annual General Meetings) are physically held at both the Club Premises of Cabramatta Leagues Club and the Aberdeen Bowling Club Premises except when such general meeting is a hybrid general meeting held both physically and by electronic means or a meeting held only by electronic means.. This will ensure that Aberdeen Bowling Club’s members can attend, participate and vote at all general meetings of the Amalgamated Club. If required, Cabramatta Leagues Club will amend its Constitution at the general meeting referred to in clauses 15.3 and 15.5 to incorporate this obligation.

7. THE EXTENT TO WHICH THE EMPLOYEES OF THE AMALGAMATED CLUB WILL BE PROTECTED [REGULATIONS – CLAUSE 7(2) (D)]

- 7.1 Prior to Completion, Cabramatta Leagues Club will offer employment to all of Aberdeen Bowling Club’s employees on terms no less favourable than existing terms of employment.
- 7.2 Any employee of Aberdeen Bowling Club who accepts in writing the offer of employment with Cabramatta Leagues Club will become an employee of the Amalgamated Club on Completion and receive continuity of employment with Cabramatta Leagues Club and their Employee Entitlements as employees of Aberdeen Bowling Club will be honoured by Cabramatta Leagues Club.
- 7.3 Any employee of Aberdeen Bowling Club who does not accept the offer of employment with Cabramatta Leagues Club will be paid their full Employee Entitlements by Aberdeen Bowling Club on Completion when their employment with Aberdeen Bowling Club comes to an end.

8. INTENTIONS REGARDING THE FOLLOWING ASSETS OF ABERDEEN BOWLING CLUB:

- 1. ANY CORE PROPERTY OF ABERDEEN BOWLING CLUB;**
 - 2. ANY CASH OR INVESTMENTS HELD BY ABERDEEN BOWLING CLUB;**
 - 3. ANY GAMING MACHINE ENTITLEMENTS HELD BY ABERDEEN BOWLING CLUB**
- [REGULATIONS – CLAUSE 7(2) (E)]**
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Core Property

- 8.1 For the purposes of the Registered Clubs Act, the Land (including the Aberdeen Bowling Club Premises) is currently “core property” of Aberdeen Bowling Club.
- 8.2 The Land (including the Aberdeen Bowling Club Premises) will become core property of the Amalgamated Club as and from Completion and it will, subject to the requirements of the Registered Clubs Act, remain core property.

- 8.3 Should redevelopment occur then the Aberdeen Bowling Club Premises following redevelopment will be core property.
- 8.4 The Amalgamated Club must take out and maintain appropriate building insurance for the Aberdeen Bowling Club Premises, if available on reasonable commercial terms, sufficient to cover reinstatement of the Aberdeen Bowling Club Premises to the same or better standard they were in as at Completion.

Cash and Investments

- 8.5 The cash and investments (if any) of Aberdeen Bowling Club will be transferred to the general reserves of the Amalgamated Club.

Gaming Machine Entitlements

- 8.6 Aberdeen Bowling Club has 12 GMEs as recorded on the Aberdeen Bowling Club licence for the Aberdeen Bowling Club Premises issued pursuant to the Liquor Act.
- 8.7 The Amalgamated Club must retain 12 GMEs at the Aberdeen Bowling Club Premises for as long as it trades from the Aberdeen Bowling Club Premises.

9. THE RISKS OF NOT MEETING ANY SPECIFIED INTENTIONS REGARDING THE PRESERVATION OF THE CORE PROPERTY OF THE DISSOLVED CLUB AND HOW THOSE RISKS ARE TO BE ADDRESSED IF REALISED [REGULATIONS – CLAUSE 7(2) (E1)]

Risks

- 9.1 The amalgamation as set out in this Memorandum of Understanding will see the Aberdeen Bowling Club Premises become premises of a larger Registered Club of financial standing and net asset value.
- 9.2 The “core property” of Aberdeen Bowling Club as set out in clause 8.1 above will, following Completion, be wholly owned by the Amalgamated Club with mortgagee interest on title. Other than unlikely risks associated with changes in laws which may affecting Registered Clubs there is no other risk that the Amalgamated Club will not be in control of the core property post Completion.
- 9.3 The risks identified in clause 9.2 are set out in order to comply with the requirements of the Registered Club Regulations only. The likelihood that those risks will be realised is low and such risks are mitigated because there are restrictions on disposal of core property of Aberdeen Bowling Club contained in the Registered Clubs Act.

10. ANY AGREEMENT UNDER SECTION 17AI (1) OF THE ACT RELATING TO THE PERIOD DURING WHICH THE MAJOR ASSETS OF THE DISSOLVED CLUB MUST NOT BE DISPOSED OF [REGULATIONS – CLAUSE 7(2) (E2)]

Disposal of the Major Assets of the Dissolved Club

- 10.1 For the purposes of section 17AI of the RCA, the Clubs agree that the major assets of

Aberdeen Bowling Club are the “core property” of Aberdeen Bowling Club as set out in clause 8.1 above being the Land (including the Aberdeen Bowling Club Premises) and subject to the Registered Clubs Act and this Memorandum, the major assets of Aberdeen Bowling Club cannot be disposed of within the first ten (10) years after Completion.

- 10.2 As set out in clause 6.1(iv) and (v) above the Amalgamated Club will consider a potential renovation and/or redevelopment of the Land incorporating a new and modern Aberdeen Bowling Club Premises. Such renovation or redevelopment may require a disposal of core property or major assets for the purposes of the Registered Clubs Act for the benefit of the Amalgamated Club. If this is the case then the Amalgamated Club will seek the required member approval for any disposal of core property or major assets in accordance with the requirements of the Registered Clubs Act and Registered Clubs Regulation and it must obtain the necessary approvals before any disposal can occur. The Amalgamated Club as part of any renovation / redevelopment will reinstate a club house and one (1) bowling green. For the avoidance of doubt, any bowling green must be the same size, same number of rinks and same quality as at bowling green on the Club Premises of Aberdeen Bowling Club as at the date of this Memorandum of Understanding.
- 10.3 The Aberdeen Bowling Club Premises will continue to trade in accordance with restrictions set out in clauses 11 and 12 of this Memorandum of Understanding.

11. THE CIRCUMSTANCES THAT WOULD PERMIT THE AMALGAMATED CLUB TO CEASE TRADING ON THE PREMISES OF ABERDEEN BOWLING CLUB OR TO SUBSTANTIALLY CHANGE THE OBJECTS OF ABERDEEN BOWLING CLUB [REGULATIONS – CLAUSE 7(2) (F)]

Premises

- 11.1 Cabramatta Leagues Club does not intend to cease trading from the Aberdeen Bowling Club Premises and/or cease bowling activities and/or bowls being played at the Aberdeen Bowling Club Premises or any renovated and/or redeveloped premises (other than as may be required for a redevelopment as per clause 6.1 (iv) and (v) set out above).
- 11.2 The objects of Cabramatta Leagues Club will become the objects of Aberdeen Bowling Club with effect from Completion.
- 11.3 Cabramatta Leagues Club intends to operate the Amalgamated Club in the manner referred to in clause 6 of this Memorandum of Understanding.
- 11.4 For the purposes of clause 7(2)(f) of the Regulations, Cabramatta Leagues Club and Aberdeen Bowling Club have agreed that the Amalgamated Club may cease trading from the Aberdeen Bowling Club Premises and/or cease bowling activities and/or bowls being conducted at the Aberdeen Bowling Club Premises (or any renovated and/or redeveloped premises) in the following circumstances:
- (i) If it does so in a manner that complies with section 17A1 of the Registered Clubs Act;
 - (ii) upon the order of any Court, Government Agency or body with jurisdiction to administer the laws in relation to liquor, gaming and registered clubs which

orders the permanent closure of the Aberdeen Bowling Club Premises;

- (iii) upon the lawful order of any Government Agency to permanently cease trading from the Aberdeen Bowling Club Premises, or revoking any licence, approval or consent necessary for the Amalgamated Club to continue trading from the Club Premises and it is not reasonably possible for the licences, approvals or consents to be re-instated or new/replacement licences, approvals or consents to be obtained;
- (iv) if the Aberdeen Bowling Club Premises are destroyed or partially destroyed and the resulting insurance claim is not sufficient to re-instate or re-build an operational clubhouse at Aberdeen Bowling Club Premises; ;
- (v) if required to avoid an Insolvency Event occurring in respect of the Amalgamated Club in the opinion of the Board of the Amalgamated Club; or
- (vi) with respect to cessation of trade from the Aberdeen Bowling Club Premises during the period from ten (10) to fifteen (15) years after Completion if:
 - (1) the Board of the Amalgamated Club determines that continued trading from the Aberdeen Bowling Club Premises is not in the best interests of the Amalgamated Club; and
 - (2) the Aberdeen Bowling Club Premises has traded over any rolling 12-month period at an EBITDA% (as defined in clause 1) of 10% or less as evaluated at the end of each quarter on a rolling basis where the most recent quarter and the three preceding quarters are aggregated for the purposes of the calculation;
- (vii) with respect to the cessation of bowling activities and/or bowls being conducted at the Aberdeen Bowling Club Premises (or any renovated and/or redeveloped premises) during the period from ten (10) to fifteen (15) years after Completion if:
 - (1) the Board of the Amalgamated Club determines that the continuation of bowling activities and/or bowls being played at the Aberdeen Bowling Club Premises is not in the best interests of the Amalgamated Club; and
 - (2) there are less than 12 men (one full pennant team) and 8 women (one full pennant team) of active bowlers regularly playing bowls at the Aberdeen Bowling Club Premises;
- (viii) after expiry of the period referred to in clause 12.3 (being fifteen (15) years after Completion) if the Board of the Amalgamated Club determines that continued trading from the Aberdeen Bowling Club Premises and/or cease bowling activities and/or bowls being played at the Aberdeen Bowling Club Premises is not in the best interests of the Amalgamated Club.

11.5 The time period specified in clause 12.3, and the circumstances in which the Amalgamated Club may cease trading from the Aberdeen Bowling Club Premises are not

an indication that Cabramatta Leagues Club believes that the use of such premises cannot remain financially viable following an operational review and/or renovation and/or site redevelopment. Cabramatta Leagues Club is committed to using reasonable endeavours to maintain and improve the Aberdeen Bowling Club Premises financial viability in accordance with its obligations under this MOU.

12. AN AGREED PERIOD OF TIME BEFORE THE AMALGAMATED CLUB IS PERMITTED TO CEASE TRADING FROM ABERDEEN BOWLING CLUB PREMISES OR SUBSTANTIALLY CHANGE THE OBJECTS OF ABERDEEN BOWLING CLUB PREMISES [REGULATIONS – CLAUSE 7(2) (G)]

12.1 Cabramatta Leagues Club does not intend to cease trading from, nor cease bowling being conducted from or providing on (1) bowling green, at the Aberdeen Bowling Club Premises (except temporarily during any operational review, renovation or redevelopment). Cabramatta Leagues Club intends to operate the Amalgamated Club in the manner referred to in clause 4 and would only cease to do so in the circumstances referred to in clause 11.

12.2 As mentioned above the objects of Cabramatta Leagues Club will become the objects of Aberdeen Bowling Club Premises, as set out in its constitution, with effect from Completion.

12.3 For the purposes of clause 7(2)(g) of the Regulations, Cabramatta Leagues Club and Aberdeen Bowling Club have agreed that the Amalgamated Club will continue:

- (i) to trade from the Aberdeen Bowling Club Premises for a minimum of 15 years from Completion;
- (ii) to retain and maintain not less than one (1) bowling green at the Aberdeen Bowling Club Premises for 15 years from Completion,

(except in any of the circumstances referred to in clause 11.4(i) to (vii) inclusive). This clause does not prevent the Amalgamated Club from ceasing to trade from the Aberdeen Bowling Club Premises or bowls temporarily if it is required for the redevelopment of the Land (subject to clause 6.1(v)) or renovation and/or redevelopment of the Aberdeen Bowling Club Premises.

13. DE -AMALGAMATION

13.1 If the Amalgamated Club wishes to cease trading from the Aberdeen Bowling Club Premises under clause 11.4(vi) or (viii) , the Amalgamated Club must first make a de-amalgamation offer (“De-Amalgamation offer”) to the Advisory Committee, as representatives of the Aberdeen Bowling Club Premises, for a De-Amalgamation between the Amalgamated Club and the Aberdeen Bowling Club Premises (represented by a company limited by guarantee established by the Advisory Committee to represent the interests of the Aberdeen Bowling Club Premises in the de-amalgamation) (New Aberdeen Bowling Club) (De-Amalgamation)

13.2 The De-Amalgamation offer made by the Amalgamated Club will be that the Amalgamated Club will call for expressions of interest from other registered clubs in

accordance with Registered Clubs Act such to achieve an amalgamation where the Aberdeen Bowling Club Premises will de-amalgamate from Cabramatta Leagues Club to the New Aberdeen Bowling Club and simultaneously amalgamate with a third party registered club (**Amalgamation Club Partner**) in accordance with the terms of clauses 13.4 and 13.5.

13.3 Should no third party registered club respond to the call for expressions of interest referred to in clause 13.2 above within three (3) months of the issuing of the invitation for expressions of interest and agree in principle of basis of the de-amalgamation and simultaneous amalgamation, then the de-amalgamation offer will be altered by the Amalgamated Club to allow for the Aberdeen Bowling Club Premises to de-amalgamated to New Aberdeen Bowling Club on the terms set out in clauses 13.4 and 13.5.

13.4 As part of the De-Amalgamation (and simultaneous De-Amalgamation and amalgamation), the Amalgamated Club must transfer the following assets to the New Aberdeen Bowling Club:

- (i) the Club License for the Aberdeen Bowling Club Premises (with 12 Gaming Machine Entitlements on it);
- (ii) 12 electronic gaming machines held by the Amalgamated Club in relation to the Aberdeen Bowling Club Premises;
- (iii) the Aberdeen Bowling Club Premises as it is then as at the date of de-amalgamation including its plant, equipment and chattels;
- (iv) the cash reserves of Aberdeen Bowling Club which were transferred to the Amalgamated Club as part of the Amalgamation;
- (v) the land title on which the Aberdeen Bowling Club Premises is located (including for the avoidance of doubt the bowling green) unencumbered and any improvements on the land title.

13.5 As part of the De-Amalgamation (and any simultaneous De-Amalgamation and amalgamation), New Aberdeen Bowling Club (or the Amalgamation Club Partner) must pay the net balance of the following amounts to Cabramatta Leagues Club:

- (i) all costs (including legal), expenses and duties paid by Cabramatta Leagues Club in respect of the Amalgamation and any de-amalgamation process; and
- (ii) the cost of any capital expenditure or purchase incurred in connection with the Aberdeen Bowling Club Premises, and the land title on which it is located, since Completion of the Amalgamation (excluding with respect to any assets to be retained by the Amalgamated Club following any de-amalgamation); and
- (iii) the amount of any cash flow support provided between amalgamation and de-amalgamation by Cabramatta Leagues Club;
- (iv) the dollar value of liabilities of Aberdeen Bowling Club at Completion of the

Amalgamation; and

- (v) the dollar value of any continuing liabilities of the Amalgamated Club that relate to the Aberdeen Bowling Club Premises from De-Amalgamation

less:

- (vi) any depreciation applicable to any capital expenditure or purchase incurred in connection with the Aberdeen Bowling Club Premises since Completion of the Amalgamation as per 13.5(ii) above; and
- (vii) the depreciated value of land and assets retained by the Amalgamated Club (if any) as at Completion which at Completion were then owned by Aberdeen Bowling Club (excluding changes and improvements made to such land and assets since Completion)

13.6 The Amalgamated Club can immediately cease trading from the Aberdeen Bowling Club Premises and not proceed with the de-Amalgamation if:

- (i) the Advisory Committee does not accept De-Amalgamation Offer within one (1) month of the De-Amalgamation Offer; or
- (ii) the Amalgamated Club and New Aberdeen Bowling Club do not enter into an agreement for the De-Amalgamation on terms reasonably acceptable to the Amalgamated Club within six (6) months of the De-Amalgamation Offer; or
- (iii) The Members of the Amalgamated Club do not approve the de-Amalgamation within six (6) months of the de-Amalgamation Offer; or
- (iv) The members of the New Club do not approve the De-Amalgamation within six (6) months of the de-Amalgamation Offer; or
- (v) If applicable, the members of the Amalgamated Club Partner do not approve the amalgamation with New Aberdeen Bowling Club within six (6) months of the de-Amalgamation Offer;
- (vi) The Authority does not approve the de-Amalgamation; or
- (vii) The de-Amalgamation and if applicable, the amalgamation is not completed within twelve (12) months of the date of the De-Amalgamation Offer (or such longer period acceptable to the Amalgamated Club).

13.7 Notwithstanding anything contained in this Memorandum of Understanding, the Amalgamated Club may temporarily cease trading from the Aberdeen Bowling Club Premises from the date that the process for the de-amalgamation or simultaneous de-amalgamation and amalgamation commences and until the end of the applicable process.

14. BINDING EFFECT OF MEMORANDUM OF UNDERSTANDING

- 14.1 Cabramatta Leagues Club and Aberdeen Bowling Club agree that this Memorandum of Understanding is legally binding on them.

15. CALLING OF MEETINGS AND ADMISSION OF ABERDEEN BOWLING CLUB MEMBERS TO MEMBERSHIP OF CABRAMATTA LEAGUES CLUB

- 15.1 Aberdeen Bowling Club must call a general meeting of the ordinary members of Aberdeen Bowling Club for the purposes of considering and if thought fit passing :

- (i) a resolution approving in principle the Amalgamation in accordance with section 17AEB(d) of the Registered Clubs Act with such amalgamation to be effected by:

(A) The continuation of Cabramatta Leagues Club; and

(B) The transfer of the Aberdeen Bowling Club's Club Licence, Assets, Land and Liabilities to Cabramatta Leagues Club.

- 15.2 The meeting referred to in clause 15.1 must be held as soon as practicable after the date of this Memorandum of Understanding. For the avoidance of doubt, there is no obligation on Aberdeen Bowling Club to call and hold more than one general meeting to seek and obtain the approvals referred to in clause 15.1 and such general meeting must be held within six (6) months of the date of this Memorandum..

- 15.3 Cabramatta Leagues Club must call a general meeting of the ordinary members of Cabramatta Leagues Club for the purposes of considering and if thought fit passing a resolutions:

- (i) approving in principle the Amalgamation in accordance with section 17AEB (d) of the Registered Clubs Act to be effected by:

(A) the continuation of Cabramatta Leagues Club; and

(B) the transfer of the Club Licences, Assets, Land and Liabilities of Aberdeen Bowling Club to Cabramatta Leagues Club.

- 15.4 The meeting referred to in clause 15.3 must be held as soon as reasonably practicable after Aberdeen Bowling Club passes the resolution referred to in clause 15.1 (or at such prior time as may be determined by Cabramatta Leagues Club in its absolute discretion).

- 15.5 In addition to the resolution referred to in clause 15.3, Cabramatta Leagues Club will, at the meeting referred to in clause 15.3 submit to those members eligible to attend and vote, a special resolution to amend the Constitution of Cabramatta Leagues Club (with effect only from Completion) to the following effect:

- (i) All financial members of Aberdeen Bowling Club will be invited to apply for

ordinary membership of Cabramatta Leagues Club in the manner referred to in paragraphs (ii) and (vii) inclusive of this clause 15.5;

- (ii) All transferring members will be ordinary members of Cabramatta Leagues Club;
- (iii) All transferring members will be subject to the usual restrictions applicable to new Cabramatta Leagues Club members provided that full bowling members of Aberdeen Bowling Club with more than two (2) years consecutive financial membership as at Completion will not be subject to any “qualifying periods” in the Cabramatta Leagues Club’s Constitution.
- (iv) For the purposes of section 17AC(2) of the Registered Clubs Act, all transferring members will be identified in Cabramatta Leagues Club membership register as “Aberdeen Bowling Club Members”;
- (v) All transferring members will be given free membership of the Amalgamated Club for twelve (12) months from the date of Completion;
- (vi) Prior to Completion, Cabramatta Leagues Club will forward to each member of Aberdeen Bowling Club a written invitation to become a Club member or Junior member of Cabramatta Leagues Club;
- (vii) Any member of Aberdeen Bowling Club who accepts the invitation to become a Club member agrees to pay the appropriate fees and subscriptions for that class of membership and agrees in writing to be bound by the constitution of Cabramatta Leagues Club will (subject to the name of that person being displayed on the noticeboard of Cabramatta Leagues Club for not less than seven (7) days and a period of not less than fourteen (14) days elapsing after the receipt of the acceptance by Cabramatta Leagues Club) be elected by a resolution of the Board of Cabramatta Leagues Club to membership of Cabramatta Leagues Club; and
- (viii) All general meetings (including annual general meetings) of the Amalgamated Club must be physically held at both the Club Premises of Cabramatta Leagues Club and the Aberdeen Bowling Club Premises to ensure Aberdeen Bowling Club members can attend, participate and vote at all general meetings (including annual general meetings) of the Amalgamated Club except if such general meeting is to be a general meeting held by both physical and electronic means or by electronic means only. .

15.6 Notwithstanding anything contained in this Memorandum of Understanding, any member of Aberdeen Bowling Club who, at Completion, is then:

- (i) duly in the ordinary course refused admission to or has been turned out of the Cabramatta Leagues Club Premises;
- (ii) suspended from Cabramatta Leagues Club; or
- (iii) expelled from Cabramatta Leagues Club;

shall only be entitled to attend at and use the facilities at Aberdeen Bowling Club Premises, and for the avoidance of doubt, shall not be entitled to attend at or use the facilities at Cabramatta Leagues Club Premises, until such time as:

- (i) The person is again permitted to enter the Cabramatta Leagues Club Premises; or
- (ii) the period of suspension has been served; or
- (iii) The Board of the Amalgamated Club has overturned the person's expulsion from Cabramatta Leagues Club or has readmitted the person to membership of Cabramatta Leagues Club.

15.7 This Memorandum of Understanding is to be:

- (i) made available to the ordinary members of Aberdeen Bowling Club and Cabramatta Leagues Club at least 21 days before any meeting of the members of the respective club for the purpose of voting on whether to approve the proposed amalgamation; and
- (ii) made available for inspection on the premises of each club and on the website of each club for at least 21 days before any such meeting is held.

15.8 Before this Memorandum of Understanding was executed, the parties acknowledge that each Club displayed the intentions and proposals notices to members which are required under section 17AE of the Registered Clubs Act and clause 4(5) of the Registered Club Regulations.

16. AMALGAMATION APPLICATION TO THE INDEPENDENT LIQUOR AND GAMING AUTHORITY

16.1 As soon as reasonably practicable after the meetings referred to in clauses 15.1 and 15.3, each Club must prepare and provide to the lawyers for Cabramatta Leagues Club for the purposes of the Amalgamation Application the following documents:

- (i) A true copy of the notice of the meeting at which the resolution was passed; and
- (ii) 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.

16.2 Cabramatta Leagues Club and its lawyers will prepare and file the Amalgamation Application. Cabramatta Leagues Club will provide Aberdeen Bowling Club with a copy of the Amalgamation Application.

16.3 Aberdeen Bowling Club will co-operate with Cabramatta Leagues Club and the lawyers for Cabramatta Leagues Club and will provide all documents and information reasonably required for the preparation, lodgement and finalisation of the Amalgamation Application and will cause Aberdeen Bowling Club's CEO to sign the Amalgamation Application if required to do so.

16.4 Cabramatta Leagues Club will seek an approval in principle from the Authority of the

Amalgamation Application with final transfer of the Aberdeen Bowling Club's Club Licence to Cabramatta Leagues Club to occur on Completion.

16.5 After the Amalgamation Application is granted and the Conditions Precedent have either been achieved or waived as permitted by clause 18.3 then Completion will occur and:

- (i) Cabramatta Leagues Club will continue as the body corporate of the Amalgamated Club; and
- (ii) Aberdeen Bowling Club will be dissolved wound up in accordance with law.

16.6 This Memorandum of Understanding is to be lodged with any application under section 60 of the Liquor Act 2007 to transfer the club licence held by Aberdeen Bowling Club to Cabramatta Leagues Club.

17. WARRANTIES AND OPERATIONAL ARRANGEMENTS

17.1 Aberdeen Bowling Club warrants to Cabramatta Leagues Club that:

- (a) from the date of this Memorandum of Understanding to the date of Completion, Aberdeen Bowling Club shall not do any of the following without the prior written consent of Cabramatta Leagues Club:
 - (i) Manage and conduct the business other than in its ordinary and usual course including without limitation the payment of all debts as an when they fall due;
 - (ii) incur liabilities in the aggregate of more than \$10,000 per month other than as incurred in the usual and ordinary course of business;
 - (iii) incur in aggregate any capital expenses or repairs of more than \$2,000;
 - (iv) enter any commitment which will involve capital expenditure relating to its Business;
 - (v) other than disposals of Stock in the ordinary course of business, dispose of, create any Encumbrance over, or declare itself trustee of any asset of its Business;
 - (vi) hire any new permanent or part time employee, hire any new casual employee, terminate the employment of any employee or vary the terms of employment or engagement of any employee, agent, distributor or independent contractor, or agree to do any of those things except in the ordinary course of business or as required by law;
 - (vii) enter into any new contract or vary the term of any existing contract ;
 - (viii) enter into any transaction other than on arm's length terms;

- (ix) fail to maintain the level of Stock levels appropriate in quality and volume for the ongoing needs of the Business;
 - (x) fail to maintain, repair and replace the Plant and Equipment in the ordinary course of the business (subject to (ii) and (iii) above);
 - (xi) engage in discussions or negotiations with anyone other than Cabramatta Leagues Club concerning a possible amalgamation and/or the sale of all or any part of Aberdeen Bowling Club's Assets and Aberdeen Bowling Club must advise Cabramatta Leagues Club of any solicitation by any third party in respect of any such discussion or negotiation;
 - (xii) borrow any money or obtain any draw down or advance from any existing facility; or
 - (xiii) reduce any membership or playing fees payable by members or other patrons and
- (b) that Schedule 3 includes all liabilities (actual or contingent), losses, damages, debts, outgoings, costs and expenses of Aberdeen Bowling Club (whatever description) as at the date of the MOU.
- 17.2 Until completion Aberdeen Bowling Club must maintain the following insurance policies in respect of the Assets and the Aberdeen Bowling Club Business:
- (i) public liability insurance in the amount of at least \$20 million for each single occurrence, 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 as required by law.
- 17.3 Each of Aberdeen Bowling Club's warranties contained in clause 17.1 remain in full force and effect notwithstanding Completion.
- 17.4 Without limiting its other rights, and notwithstanding any other provision of this Memorandum of Understanding, Cabramatta Leagues Club may terminate this Memorandum of Understanding and the amalgamation at any time prior to Completion if there is any breach of any of Aberdeen Bowling Club's warranties set out in clause 17.1.
- 17.5 If, before Completion, in relation to either party to this Memorandum of Understanding:
- (i) A Material Adverse Event occurs;
 - (ii) A Material Adverse Regulatory Event occurs;
 - (iii) An event occurs which makes any warranty, or any of a party's representations or other warranties made or given to the other party untrue or misleading;

- (iv) Any Claim of any nature is threatened or asserted by or against a party; or
- (v) There is any material adverse change in the condition (financial or otherwise) or prospects of a party or of its operations,

then the respective party in relation to which one or more of the events or circumstances set out in (i), (ii), (iii), (iv) or (v) above has occurred or been subject to, as the case maybe, must within a reasonable time on becoming aware of the circumstances, give notice to the other Club fully describing the circumstances.

17.6 Title to, property in and risk of Aberdeen Bowling Club's Assets remain solely with Aberdeen Bowling Club until such time as they are passed to the Amalgamated Club in accordance with clause 19.

17.7 Each party represents and warrants that:

- (i) It has full power and authority to enter into and perform its obligations under this Memorandum of Understanding;
- (ii) The accounts given to the other party 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;
- (iii) It has complied with all laws relating to payment of Taxes and Employee Entitlements;
- (iv) Each of the representations and warranties it has made in this Memorandum of Understanding are correct; and
- (v) 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.

18. CONDITION PRECEDENTS TO COMPLETION OF THE AMALGAMATION

18.1 Completion of this Memorandum of Understanding is subject to and conditional upon the following:

- (i) Aberdeen Bowling Club making available the Records for review and copying by Cabramatta Leagues Club for due diligence purposes;
- (ii) Cabramatta Leagues Club's due diligence being satisfactory to Cabramatta Leagues Club in relation to Aberdeen Bowling Club's Premises, Club Licence, Business, Liabilities ;
- (iii) All Assets (including the Land) on Completion being transferred to Cabramatta Leagues Club free of any and all Encumbrances with, subject to clause 19.1, any necessary releases being provided on Completion to Cabramatta Leagues Club;
- (iv) Aberdeen Bowling Club passing the resolutions set out in clause 15.1 of this

Memorandum of Understanding;

- (v) Cabramatta Leagues Club passing the resolutions set out in clause 15.3 and 15.5 of this Memorandum of Understanding;
 - (vi) The Final Approval being issued by the Authority to transfer Aberdeen Bowling Club's Club Licence to Cabramatta Leagues Club;
 - (vii) Aberdeen Bowling Club's Club Licence when transferred to Cabramatta Leagues Club having twelve (12) GMEs; and
 - (viii) The completion of all Land Purchase Contracts between Aberdeen Bowling Club and Cabramatta Leagues Club with respect to all Land and the transfer or such Land to Cabramatta Leagues Club free from any and all Encumbrances; and
 - (ix) All loan facilities have been paid out in full by Aberdeen Bowling Club other than monies owned to Cabramatta Leagues Club.
- 18.2 Aberdeen Bowling Club and Cabramatta Leagues Club will use all reasonable endeavours to ensure the satisfaction of the conditions set out in clause 18.1 above as far as they lie within their respective powers to do so.
- 18.3 If any of the above conditions in clauses 18.1 are not satisfied or waived by Cabramatta Leagues Club, either partially or fully, on or before the date which is 24 months from the date of this Memorandum of Understanding then Cabramatta Leagues Club may from that date terminate this Memorandum of Understanding by providing Aberdeen Bowling Club written notice of the same and neither party shall be entitled to make a claim against the other party in connection with this Memorandum of Understanding.

19. DISSOLUTION OF ABERDEEN BOWLING CLUB, TRANSFER OF ASSETS AND LIABILITIES POSITION UNDER THIS AMALGAMATION

- 19.1 On Completion Aberdeen Bowling Club must transfer to Cabramatta Leagues Club the Assets and Land free from all Encumbrances (less an amount sufficient for the purposes of liquidating Aberdeen Bowling Club in the manner referred to in clause 16.5 and for directors' and officers' liability insurance pending deregistration). For the purposes of this clause, Cabramatta Leagues Club will be deemed to have unencumbered title and ownership of an Asset (that is not the Land) if Aberdeen Bowling Club has obtained a written undertaking from the relevant secured party on or before Completion which states that the relevant secured party will release their interest in the Asset after Completion and the undertaking is acceptable to Cabramatta Leagues Club.
- 19.2 Subject to clause 19.3(ii), Cabramatta Leagues Club will honour and accept the novation or assignment of all contracts between Aberdeen Bowling Club and third parties for the remainder of their existing term provided that such contracts have been available for inspection by Cabramatta Leagues Club during its due diligence process, and are specified in Schedule 4, or they have been entered into with the prior written consent of Cabramatta Leagues Club after the date of this Memorandum of Understanding.

- 19.3 Cabramatta Leagues Club will be responsible for and pay when due all debt and liabilities of Aberdeen Bowling Club which:
- (i) have not been paid or otherwise discharged in full by Aberdeen Bowling Club as at Completion, with such debts being amounts as set out in Schedule 3 or incurred in accordance with clauses 17.1(a);
 - (ii) are reasonably incurred by Aberdeen Bowling Club after Completion with Cabramatta Leagues Club's prior written consent, including without limitation the costs of winding up Aberdeen Bowling Club and the costs of directors' and officers' liability insurance pending deregistration of Aberdeen Bowling Club as a corporate entity;
 - (iii) arise from Cabramatta Leagues Club not accepting the assignment or novation of any contracts as required by clause 19.2.
- 19.4 As soon as practicable after Completion, Aberdeen Bowling Club must ensure Aberdeen Bowling Club is wound up.

20. COMPLETION

- 20.1 Subject to the satisfaction, or valid waiver, of the Conditions Precedent set out in clause 18.1, Completion will take place on the date which Final Approval is issued by the Authority at a time, location and in the manner as specified by Cabramatta Leagues Club (acting reasonably and after consultation with Aberdeen Bowling Club).
- 20.2 Aberdeen Bowling Club must on Completion:
- (i) (Assets) deliver to Cabramatta Leagues Club duly signed transfer and similar forms in respect of all Assets that require such forms for their transfer;
 - (ii) (business name) deliver to Cabramatta Leagues Club the online transfer key to transfer each Business name to Cabramatta Leagues Club;
 - (iii) (Intellectual Property rights) assign and transfer absolutely all its rights, title and interest in all intellectual property rights by delivering to Cabramatta Leagues Club deeds of assignment or transfers of such Assets all in form and substance reasonably required by Cabramatta Leagues Club;
 - (iv) (delivery) deliver to Cabramatta Leagues Club those Assets, including plant and equipment, capable of transfer by leaving those Assets in situ on the Land;
 - (v) (possession) permit Cabramatta Leagues Club to take possession of all those Assets which are not on the Land, at the location where they are usually retained;
 - (vi) (Records) deliver to Cabramatta Leagues Club the Records;
 - (vii) (IT Asset licences) deliver to Cabramatta Leagues Club executed transfers or assignments in favour of Cabramatta Leagues Club of all information technology

Asset licences;

- (viii) (deeds of assignment or novation) deliver to Cabramatta Leagues Club duly executed deeds of assignment or novation, all in form and substance as reasonably required by Cabramatta Leagues Club in respect of all contracts agreed to be honoured by Cabramatta Leagues Club;
- (ix) (release of Encumbrances) deliver evidence satisfactory to Cabramatta Leagues Club of the release of all Encumbrances (if any) over its Business and the Assets;
- (x) (consents and approvals) deliver to Cabramatta Leagues Club signed copies of all required governmental and regulatory approvals or other third-party approvals and consents to the actions required by this Deed;
- (xi) (utilities) surrender or cause to be surrendered all telephone and related lines, electricity, gas and other utility services as relate to the Land and use its best endeavours to assist the transfer or grant of those services or the grant of similar new services to Cabramatta Leagues Club;
- (xii) (Rental Assets) deliver to Cabramatta Leagues Club such other documents and material as Cabramatta Leagues Club requires to effect the transfer of any rental assets to Cabramatta Leagues Club;
- (xiii) (third party items) deliver to Cabramatta Leagues Club a comprehensive list of all items on the Premises owned by a party other than Aberdeen Bowling Club (not including member personal effects but including any items of memorabilia on display);
- (xiv) (general) deliver to Cabramatta Leagues Club such other documents and material and do all other things reasonably required to effect the transfer of the business of Aberdeen Bowling Club and the Assets to Cabramatta Leagues Club on Completion and perform all other obligations to be performed by Aberdeen Bowling Club on Completion under this Deed.

20.3 Where Aberdeen Bowling Club is required to give any form of transfer, assignment or other documents to effect the transfer or assignment of any property or chose in action to Cabramatta Leagues Club on Completion in a form required by Cabramatta Leagues Club (the 'Transfer Documents'), Cabramatta Leagues Club must, not less than 7 days before the proposed date of Completion, deliver the Transfer Documents to Aberdeen Bowling Club or its solicitors for execution by Aberdeen Bowling Club.

20.4 Aberdeen Bowling Club must give Cabramatta Leagues Club or its solicitors all such Transfer Documents within a reasonable period (having regard to when any such Transfer Documents were provided to Aberdeen Bowling Club or its solicitors) prior to Completion for stamping where necessary. All such documents must be held by Cabramatta Leagues Club or its solicitors in escrow pending Completion.

20.5 On winding up of Aberdeen Bowling Club it must give to Cabramatta Leagues Club the balance of all Records.

- 20.6 Any document or other item specified in clause 20.2 may be delivered to Cabramatta Leagues Club by leaving that document or other item in a safe and appropriate place at which it is located on the date of Completion or otherwise delivered in accordance with Cabramatta Leagues Club's instructions.
- 20.7 For the purposes of clause 19.1, Aberdeen Bowling Club must do all things necessary and execute all documents to cause all of the Assets to be transferred to or assigned to the Cabramatta Leagues Club with effect from the date of Final Approval.
- 20.8 The obligations of the parties under this clause 20 are interdependent and must be performed, as nearly as possible, simultaneously. If any obligation specified in clauses 20.2 to 20.4 is not performed on or before Completion then, without limiting any other rights of the parties, Completion is taken not to have occurred and any document delivered, or payment made, under clauses 20.2 to 20.4 must be returned to the party that delivered it or paid it.
- 20.9 Each of the parties warrant to the other 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 the matters referred to in this clause 20.

21. GST

- 21.1 The parties agree that:
- (a) All Payments, save to the extent provided for otherwise elsewhere in this Memorandum of Understanding, have been calculated without regard to GST;
 - (b) If the whole or any part of any Payment, is Consideration for a Taxable Supply, the Recipient of the Taxable Supply must pay to the Supplier an amount additional to the relevant Consideration provided for elsewhere in this Memorandum of Understanding equal to the GST Amount. Unless otherwise agreed in writing, such amount equal to the GST Amount is to be paid within five Business Days of the Supplier issuing to the Recipient a valid Tax Invoice for the Taxable Supply. The amount equal to the GST Amount must be paid in full and without deduction, notwithstanding any entitlement that the Purchaser may have to a credit or offset however arising;
 - (c) If either party is required to reimburse to the other any cost or expense or other amount incurred by the other party under or in connection with this Memorandum of Understanding, the amount to be reimbursed must be reduced by any part of that amount for which that other party can claim an Input Tax Credit, partial Input Tax Credit or other like set-off;
 - (d) If a party is a member of a GST Group, references to GST for which the party is liable and to Input Tax Credits to which the party is entitled include GST for which the Representative Member of the GST Group is liable and Input Tax Credits to which the Representative Member is entitled; and

- (e) If, in relation to a Taxable Supply, an Adjustment Event occurs that gives rise to an Adjustment then the GST Amount will be adjusted accordingly and where necessary a payment will be made to reflect that adjustment. If a payment is required it will be made within five Business Days of the date on which the Adjustment Note is issued by the Supplier.

22. CONFIDENTIALITY

- 22.1 Subject to clauses 22.2 and 22.3, each party must not disclose any Confidential Information without the prior written consent of the other party.
- 22.2 A party may disclose matters referred to in clause 22.1:
 - (i) To those of its employees, officers, professional or financial advisers and bankers as the party reasonably thinks necessary but only on a strictly confidential basis; and
 - (ii) If required by law, after the form and terms of that disclosure have been notified to the other party and the other party has had a reasonable opportunity to comment on the form and terms.
- 22.3 A party may make announcements or statements at any time in the form and on the terms previously agreed by the parties in writing.
- 22.4 If this Memorandum of Understanding is terminated prior to Completion, each party must:
 - (i) return any Confidential Information of the other party in its possession to that other party; and
 - (ii) do everything reasonably required by the other party to reverse any action taken under this Memorandum of Understanding.
- 22.5 This clause 22 will survive the termination of this Memorandum of Understanding.

23. RESOLUTION OF DISPUTES ARISING UNDER THIS MEMORANDUM OF UNDERSTANDING

- 23.1 If a dispute arises out of or in relation to this Memorandum of Understanding (“**Dispute**”) no party to the Dispute (“**Disputant**”) will start court proceedings (except proceedings seeking interlocutory relief) unless it has complied with this clause 23.
- 23.2 A party claiming that a Dispute has arisen must notify each other Disputant in writing giving details of the Dispute and its proposal for a resolution.
- 23.3 For a 14 day period after a notice is given (“**Initial Period**”) each Disputant must use all reasonable endeavours to resolve the Dispute and the Representative of each Disputant will meet within the first seven days of that period with that aim.
- 23.4 If the Dispute remains unresolved at the end of the Initial Period, it must be referred, by

written notice from a Disputant to each other Disputant, to an Expert:

- (i) agreed on by the Disputants; or
 - (ii) if agreement is not reached within seven days of the notice for referral, a person appointed by the President of the Law Society of NSW.
- 23.5 Each Disputant must use all reasonable endeavours to ensure that the Expert is able to be appointed including, but not limited to:
- (i) providing the Expert with all information it requests;
 - (ii) agreeing to the reasonable terms of appointment of the Expert; and
 - (iii) providing the Expert with such fees, indemnities and releases as the Expert may reasonably require.
- 23.6 The Expert will act as an Expert and not as an arbitrator. The decision of the Expert will be final and binding on all parties in the absence of manifest error.
- 23.7 Unless otherwise agreed between the Disputants, the place of the resolution of the Dispute will be in Sydney and the Disputants will be entitled to legal representation. The rules of evidence will apply to the resolution process.
- 23.8 Each Disputant must use all reasonable endeavours to ensure that the Expert is able to make a decision as soon as is practical, including, but not limited to, providing the Expert with all information relevant to the Dispute or that the Expert otherwise requests.
- 23.9 Any information or documents disclosed by a Disputant under this clause must be kept confidential and may not be used except to attempt to resolve the Dispute or the parties agree otherwise.
- 23.10 Each Disputant must bear its own costs of complying with this clause 23 and the Disputants must bear equally the Expert's costs unless the decision of the Expert states otherwise.
- 23.11 If, in relation to a Dispute, a Disputant breaches any provision of clauses 23.1 to 23.9, each other Disputant need not comply with those clauses in relation to that Dispute.
- 23.12 Despite the existence of a Dispute, each party must continue to perform its obligations under this agreement.

24. COSTS

- 24.1 Each party will bear its own costs in relation to the negotiation, preparation and execution of this Memorandum of Understanding and the Amalgamation..
- 24.2 Cabramatta Leagues Club must bear and is responsible for all filing fees, transaction fees (including PEXA fees), duties, stamp duties or other similar imposts on or in respect of this Memorandum of Understanding and any document or transaction contemplated by this Memorandum of Understanding.

24.3 This clause 24 survives the termination of this Memorandum.

25. GENERAL PROVISIONS

- 25.1 This Memorandum of Understanding constitutes the entire agreement between the parties in relation to its subject matter. All prior discussions, undertakings, agreements, representations, warranties and indemnities in relation to that subject matter are replaced by this Memorandum of Understanding and have no further effect.
- 25.2 If this Memorandum of Understanding conflicts with any other document, agreement or arrangement, this Memorandum of Understanding prevails to the extent of the inconsistency.
- 25.3 The provisions of this Memorandum of Understanding will not merge on Completion of any transaction contemplated in this Memorandum of Understanding and, to the extent any provision has not been fulfilled, will remain in force.
- 25.4 Each person who executes this Memorandum of Understanding on behalf of a party under a power of attorney warrants that he or she has no notice of the revocation of that power or of any fact or circumstance that might affect his or her authority to execute this Memorandum of Understanding under that power.
- 25.5 This Memorandum of Understanding may not be amended or varied unless the amendment or variation is in writing signed by all parties.
- 25.6 No party may assign, transfer or otherwise deal with this Memorandum of Understanding or any right or obligation under this Memorandum of Understanding without the prior written consent of each other party.
- 25.7 Part or all of any provision of this Memorandum of Understanding that is illegal or unenforceable will be severed from this Memorandum of Understanding and will not affect the continued operation of the remaining provision or provisions of this Memorandum of Understanding.
- 25.8 Waiver of any power or right under this Memorandum of Understanding:
- (i) must be in writing signed by the party entitled to the benefit of that power or right; and
 - (ii) is effective only to the extent set out in that written waiver.
- 25.9 Any rights and remedies that a person may have under this Memorandum of Understanding are in addition to and do not replace or limit any other rights or remedies that the person may have.
- 25.10 Each party must do or cause to be done all things necessary or reasonably desirable to give full effect to this Memorandum of Understanding and the transactions contemplated by it (including the execution of documents).

- 25.11 This Memorandum of Understanding may be executed in any number of counterparts and all counterparts taken together will constitute one document.
- 25.12 If a party delivers an executed counterpart of this Memorandum of Understanding or any other document executed in connection with it ("**Relevant Document**") by email or other electronic means:
- (i) the delivery will be deemed to be an effective delivery of an originally executed counterpart; and
 - (ii) the party will still be obliged to deliver an originally executed counterpart, but the failure to do so will not affect the validity or effectiveness of the Relevant Document.
- 25.13 This Memorandum of Understanding will be governed by and construed in accordance with the laws in force in the State of New South Wales and each party submits to the exclusive jurisdiction of the courts of that State.

26. TERMINATION

- 26.1 Cabramatta Leagues Club may terminate this Memorandum of Understanding at any time, without penalty, by giving written notice to Aberdeen Bowling Club if:
- (i) The ongoing due diligence review undertaken by it on Aberdeen Bowling Club is not at any time satisfactory to the Board of Cabramatta Leagues Club at any time prior to Completion;
 - (ii) Aberdeen Bowling Club breaches any warranty contained in clause 17;
 - (iii) The circumstances in clause 17.5 exist in relation to Aberdeen Bowling Club;
 - (iv) Aberdeen Bowling Club's members do not pass the resolution referred to in clause 15.1 at a general meeting within six (6) months of the date of this Memorandum;
 - (v) Cabramatta Leagues Club's members do not pass the resolutions referred to in clauses 15.3 and 15.5 at a general meeting of Cabramatta Leagues Club;
 - (vi) Aberdeen Bowling Club is in breach of this Memorandum of Understanding and that breach is not capable of rectification or if able to be rectified it fails to rectify that breach within 10 Business Days of being given notice to do so;
 - (vii) The Authority does not grant Final Approval of the Amalgamation Application before the first anniversary of the date of this document; or
 - (viii) Aberdeen Bowling Club suffers a Material Adverse Event or a Material Adverse Regulatory Event.
- 26.2 Aberdeen Bowling Club may terminate this Memorandum of Understanding at any time,

without penalty, by giving written notice to Cabramatta Leagues Club if:

- (i) Aberdeen Bowling Club's members do not pass the resolution referred to in clause 15.1 at its general meeting;
- (ii) Cabramatta Leagues Club's members do not pass the resolutions referred to in clauses 15.3 and 15.5 at the general meeting of Cabramatta Leagues Club; or
- (iii) Cabramatta Leagues Club is in breach of this Memorandum of Understanding and that breach is not capable of rectification or it fails to rectify that breach within 10 Business Days of being given notice to do so.

26.3 Either party may immediately terminate this Memorandum of Understanding at any time, without penalty, by giving written notice to the other if for any reason:

- (i) the other party suffers a Material Adverse Event provided that the Parties representatives have previously met and discussed such termination; or
- (ii) a Material Adverse Regulatory Event occurs which is not appealable in any way or if appealable neither party has commenced such an appeal within sixty (60) days of such Material Adverse Regulatory Event.

26.4 Notwithstanding any other provision of this Memorandum of Understanding, if Completion has not occurred within twenty - four (24) months of the date of this Memorandum of Understanding then either party by giving written notice to the other may, without penalty or liability to the other party, terminate this Memorandum of Understanding on one (1) month's written notice.

26.5 Termination of this Memorandum of Understanding does not affect the rights and remedies of any party accrued prior to termination.

27. NOTICES

27.1 All notices, requests, demands, consents, approvals, offers, agreements or other communications ("**notices**") given by a party under or in connection with this agreement must be:

- (i) in writing;
- (ii) signed by a person duly authorised by the sender or, where transmitted by e-mail, sent by a person duly authorised by the sender;
- (iii) directed to the recipient's address (as specified in clause 27.3 or as varied by any notice); and
- (iv) hand delivered or sent by prepaid post to that address; or
- (v) transmitted by email to the recipient's nominated email address (as specified in clause 27.3 or as varied by notice).

27.2 A notice given in accordance with this clause is taken as having been given and received:

- (i) if hand delivered at or before 4.30pm on a Business Day, on delivery, otherwise at 9.30am on the next Business Day;
- (ii) if sent by prepaid post:
 - (A) within Australia, on the seventh Business Day after the date of posting;
 - (B) to or from a place outside Australia, on the fourteenth Business Day after the date of posting;
- (iii) if transmitted by e-mail at or before 4.30pm on a Business Day, on transmission, otherwise at 9.30am on the next Business Day.

27.3 Unless varied by notice in accordance with this clause 27, the parties' addresses and other details are:

Party: **Aberdeen Bowling Club**
Attention: Mr Gary Watson
Aberdeen Bowling Club
Address: PO Box 35 Aberdeen
E-mail: aberdeenbowlo@westnet.com.au

Party: **Cabramatta Leagues Club**
Attention: Mr Victor Nguyen
Address: 24-26 Sussex Street, Cabramatta NSW 2166
E-mail: vguyen@cabramattarlc.com.au

SCHEDULE 1

ASSETS

All assets which are owned by Aberdeen Bowling Club at Completion including without limitation:

1. all of the goodwill;
2. all real property including without limitation the Land which includes without limitation Lot 12 in DP1136908.
3. all Plant & Equipment;
4. all Gaming Machine Entitlements;
5. all gaming machines ;
6. all intellectual property rights;
7. all memorabilia;
8. all assets of trade;
9. all business names;
10. all cash on hand, general reserves and investments;
11. the Club Licence for the Aberdeen Bowling Premises with not less than twelve (12) gaming machine entitlements on it;
12. stock in trade;
13. domain names;
14. all other tangible and intangible assets;
15. insurance policies;
16. insurance claims; and
17. debtors.

SCHEDULE 2

TRADITIONS AND MEMORABILIA OF ABERDEEN BOWLING CLUB

1. Memorabilia currently at Aberdeen Bowling Club Premises will be displayed in an appropriate cabinet.
2. Provide a venue for social and cultural events, companionship and social interaction for members of the bowling community in Aberdeen.

SCHEDULE 3

DEBTS AND LIABILITIES OF ABERDEEN BOWLING CLUB AS AT DATE OF MOU

1. Solar Panel Loan - \$24K
2. Commonwealth Bank of Australia - Bowling Green Loan - \$30-35K

SCHEDULE 4

CONTRACTS

1. Lion Nathan
2. Senpos
3. Aristocrat Lease Agreement re 1 Gaming Machine Mars Cabinet

SCHEDULE 5


COMMUNITY SUPPORT

Community support totals around \$20,000 to \$25,000 per year, and in some cases use of club facilities, and includes support of:

- Aberdeen Men's Bowling Club
- Aberdeen Women's Bowling Club
- Aberdeen Senior Rugby League
- Aberdeen Junior Rugby League
- Aberdeen Darts Association
- Aberdeen Highland Games
- Aberdeen Cricket Club
- Aberdeen Golf Club
- Zone 11 Bowls \$200
- Aberdeen Social Riders
- Aberdeen Old Boys
- Transcare (Use of club facilities)
- Aberdeen / Rouchel Red Cross (Use of club facilities)
- Aberdeen Primary school (Use of club facilities) School sport + minor financial support
- St Joseph's High School Aberdeen (Use of club facilities) School sport + minor financial support
- Old Time Dancing, cost of the band
- Line Dancing, (Use of club facilities)
- Rock and Roll Dancing, (Use of club facilities)
- Tie Kwon Do, (Use of club facilities)
- Golden Oldies movies (Use of club facilities)
- Aberdeen Junior Cricket

EXECUTED as a DEED:


Executed by **Cabramatta Rugby League Club Ltd ACN 000 650 206** pursuant to Section 127 of the Corporations Act 2001)
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Director / Secretary

Edward Flahey

Name of Director/Secretary
(print name)

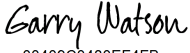
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Director / Secretary

Victor Nguyen

Name of Director/Secretary
(print name)


Executed by **Aberdeen Bowling Club Ltd ACN 001 039 845** pursuant to Section 127 of the Corporations Act 2001:)
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Director / Secretary

Garry Watson

Name of Director/Secretary
(print name)

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Director / Secretary

Scott wheatley

Name of Director/Secretary
(print name)