MOUNT PRITCHARD & DISTRICT COMMUNITY CLUB LIMITED

Board of Directors Election 2025

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ELECTION NOTICE

1 Candidate Nomination Form

We, the undersigned, being eligible to nominate a candidate in accordance with the Club's Constitution, hereby nominate:

_____

(Surname) *(Given Names)*

Of, _____

(Residential Address) *(Post-code)*

_____ _____ _____

(Member No) *(Years of Club Membership)* *(Mobile)*

_____ _____ _____

(Email) *(Home/Work Phone)* *(Director Identification Number (DIN))*

as a candidate for the office of DIRECTOR - Three (3) to be elected.

Name of Nominator	Residential Address	Membership Number	Signature

1. A completed Nomination Form must be received by the Returning Officer, not later than **12:00hrs AEDT Sunday 12 October 2025.**
2. To be qualified to be a director, a candidate must have been a financial member in the classes of Life membership or Club membership for either:
   (a) **Five (5)** years of continuous membership standing if the member was elected to membership the club prior to the 2012 Annual General Meeting **[s 53 (a) of the Constitution]**, or
   (b) **Ten (10)** years of continuous membership standing if the member was elected to membership of the Club after the conclusion of the Annual General Meeting in 2012 **[s53 (b) of the Constitution]**.
3. This nomination must be made by at least two (2) financial Life or Club members (other than the candidate) of the Mount Pritchard & District Community Club.

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2 Candidate Consent

My name should appear on the ballot paper as:

_____

(Surname) *(One Given Name)*

Only one given name and surname will appear on the ballot paper. Recognised abbreviations or derivatives of given names are acceptable, nicknames are not acceptable.

I, _____ do hereby consent to the nomination and declare:

(insert name of candidate)

(a) that I am not ineligible to be nominated by virtue of either s53(a) or s 53(b) of the Club Constitution and;

(b) that I have been provided with a copy of the Board Code of Conduct, and;

(c) that I have read and understood the code and agree to be bound by it, and

(d) that I have executed the Statutory Declaration which forms part of the Board Code of Conduct

_____ _____

(Signature of Candidate) *(Date)*

3 Candidate Profile

Completion of this Candidate Profile form is compulsory. **A strict word limit of 50 words applies.**

Details supplied by candidates will be displayed in the voting area during voting hours.

Please ensure you either print or write all information clearly. Alternatively, a typed statement may be affixed inside the boxed area. Information must be restricted to not more than 50 words, and annexures will not be accepted.

I_____

of_____

(Residential Address)

state the following in support of my candidature:

Full Name: _____

Membership number: _____ Years of Membership at Mounties_____

3. Information in support of candidature:

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

Note: Candidate must provide a good quality Passport size photograph, taken within the last 12 months. The photograph should be no larger than 10cm x 10cm. The candidate should not be identified as a current committee member and this would include the wearing of jackets, ties etc.

_____ _____

(Signature of Candidate) *(Date)*

A completed nomination form must be received by the Returning Officer, no later than, 12:00 hrs AEDT on Sunday 12 October 2025.

It may be:
scanned and emailed to bfarr@austelect.com
posted to: The Returning Officer, Australian Election Company, PO Box 3016, CABOOLTURE QLD 4510.

The Returning Officer will send an acknowledgement of receipt to the candidate at the email address provided. However, it is the responsibility of the candidate to ensure that their nomination is received by the Returning Officer before nominations close. **Nominations must be received by the closing date and time. There is no scope for any extension for any postal or other delay.**

MOUNT PRITCHARD & DISTRICT COMMUNITY CLUB LIMITED

BOARD of DIRECTORS - ELECTION 2025

TIMETABLE

Invite Nominations	Thursday 25 September 2025 (09:00 AEST)
Pre Nomination Info Session	VIDEO CONFERENCE 2 October 2025 (19:00 AEST)
Close Nominations	Sunday 12 October 2025 (12:00 AEDT)
Draw for Positions on Ballot Paper	Sunday 12 October 2025 (14:00 AEDT)
Close Roll	Sunday 19 October 2025 (12:00 AEDT)
Polling	Sunday 19 October 2025 to Saturday 25 October 2025 (12:00 AEDT – 20:00 AEDT)
Vote Count at Club	Saturday 25 October 2025 (20:00 AEDT)
Annual General Meeting	Sunday 26 October 2025 (10:00 AEDT)

5 By-Law 01: 2008

Mount Pritchard & District Community Club Limited
By-Law

Pursuant to Rule 57 of the Constitution of Mount Pritchard & District Community Club Limited, ("the Club") and subject to the requirements of the Constitution the Board resolves as follows with regard to the election of the Board of Directors of the Club:

1. A member, whether or not a candidate in an election for the Board of Directors of the Club, is not permitted either directly or indirectly to cause any statement or advertising to be published or distributed on or adjacent to the Club's premises or properties in any manner or in any form including by way of any printed material, or any electronic media, in relation to the candidature of any member in the election of the Board of Directors of the Club except for the submission of a photograph and a candidate profile of each candidate as required by Rule 56(a) of the Constitution.
2. A member, whether or not a candidate in an election of the Board of Directors of the Club will not directly or indirectly cause any "how to vote" material, seeking to influence how members vote in an election of the Board of Directors, to be distributed to members on or adjacent to the Club's premises or properties or to be distributed directly to members in any other way. Any member who is observed undertaking any action in breach of this sub-clause shall, on the request of the Secretary or his delegate, immediately hand over to that person all such "how to vote" materials.
3. Any member who breaches sub-paragraphs (1) or (2) herein will be subject to disciplinary proceedings under Rule 49 of the Club's Constitution and subject to the operation of Rule 49(c) of the Constitution, will be charged and immediately suspended from all rights and privileges of membership of the Club.
4. In this By-Law, "Club's premises or properties" means the licensed premises of the Club to which a club licence relates, or any other property owned or occupied by the club or any vehicles (including but not limited to buses) owned, leased or hired by the Club.
5. A member of the Club standing for election to the Board of Directors must have an understanding to make decisions which keep all members safe and therefore must hold Qualifications in Responsible Service of Alcohol and Responsible Conduct of Gaming before election.
6. A member of the Club standing for election to the board of Directors if elected will represent the Club in the community including events and activities involving children and therefore before election must have completed a "Working with Children" Certificate before election.
7. A member of the Club standing for election to the board of Directors if elected will be in a position of influence over financial resources and is required to undertake training in "Finance for Club Boards" within 3 months of being elected
8. A member of the Club standing for election to the board of Directors, if elected, will be in a position of trust and responsibility to all members and as such must complete a NSW Police check outlining any crime relevant to holding the position of Director.

It is a requirement of any person elected to the Board of Directors to undertake and pass the following course within three (3) months of being elected to the Board.

- Director Foundation & Management Collaboration
- Finance for Club Boards
- Conduct on board
- Directors' induction course three (3) months of being elected to the Board.

6 By-Law 01: 2010

DOCUMENT HISTORY TABLE			
Version Number	**Date Issue**	**Board Approval Date**	**Description of changes**
1	08/06/2010	8962: MGM 597 08/06/2010	Original
2	14/09/2010	9311: MGM 600 14/09/2010	Amendments to clause 12 (12.1.a) Deleted clause (12.1.d)
	October 2012	Statutory Declaration	Changes were made to the Statutory Declaration form for the Elections in 2012 (these amendments made at the time of elections 2012)
3	09/04/2013	2778: MGM 631 09/04/2013	Adopted with following proposed amendments approved: Changes to 5.2 Changes to 5.3 Changes to 6.1 Changes to 6.2 Changes to 14.2 Changes to Stat Declaration clause 10
	14/05/2013	2888: MGM 632 14/05/2013	Adopted as amended
4	11/02/2014	3783: MGM 641 11/02/2014	Adopted with following amendments approved: Changes to 2 Common Terms “Authority” delete Casino Liquor and Gaming Control Authority insert Independent Liquor & Gaming 12.2 inserting words “including sub clubs” after “external trade promotions”
5	12/07/2016	771: MGM 670 **** 12//07/2016	Amendments 1, 13, 11 (b), 12.1 (c), 12.2, 13.3 (a), 18.2, 18.6 Amendments to 12 to clarify director participating in raffles Amendments to Stat declaration
6	28/01/2020	MGM 712 - 28/1/2020	Amendments clause 9.3 only (with some consequential insertion of definitions in clause 2
7	27/10/2024	MGM 768 – 8/10/24	Amendments 12.3 – reference Directors Handbook A Director is legally considered to be an employee of the Club as they are “involved in leadership” of the organisation and therefore may not purchase raffle tickets in any raffle or promotion run by Mounties Group even if from his/her own funds.
8	13/12/2022	MGM 747 – 13/12/2022	Amendments - – reference Directors Handbook Clause 4.1 AML/CTF Act (referencing “including any other Acts”)

7 Board Code of Conduct

1. A Director must ensure that he or she is eligible under the Constitution and by laws to be a Director at all times during the Director's term of office.
2. A Director must exercise due care and diligence in fulfilling his or her role.
3. A Director must act honestly, in good faith and in the best interests of the Club as a whole.
4. A Director must only use information and the Club's property for proper purposes.
5. A Director must not make improper use of:
   a. his or her position as a Director; or
   b. information obtained while a Director,
   for his or her own benefit, or for the benefit of any person other than the Club and its members.
6. A Director must treat confidential information obtained in his or her position as a Director as confidential, unless disclosure has been authorised by the Club or is required by law.
7. A Director must fully, frankly and immediately disclose any interests of the Director in the Club's affairs as required by law.
8. A Director must not accept benefits/gratuities prohibited by law.
9. A Director must be aware of the business and affairs of the Club and must not permit the Club to trade while it is insolvent.
10. A Director must take appropriate steps to ensure that he or she is aware of the Club's legal obligations and the Director's own personal legal obligations.
11. A Director must respect and abide by the decisions of the Board.
12. A Director must not do anything which exceeds his or her own authority.
13. A Director must not engage in conduct which is, or is likely to, bring the Club into disrepute or damage the Club's reputation and standing in the community.
14. A Director must:
   a. treat others with courtesy and respect;
   b. act honestly and with integrity;
   c. act in a responsible and appropriate manner when representing the Club; and
   d. seek to promote the interests of the Club and act for the Club's benefit,
   as each Director will be seen by the Club's members and guests, the community and the public at large as a representative of the Club.
15. A Director acknowledges the Club's responsibilities to the community within which it operates.
16. A Director must at all times comply with the spirit as well as the letter of all relevant law and the principles in this Code.

1. THE FOUNDATION OF THE CODE

Directors have legal obligations and responsibilities to the Club, its members, and its creditors and other stakeholders (in certain circumstances). Adoption of a code of conduct for Directors assists the Directors to understand their obligations and helps to maintain confidence of the Club's members in the management and operation of the Club. The following provisions explain and set out the basis for the Code, and also specify the standards of conduct expected of the Board and individual Directors in the Code.

2. COMMON TERMS

In this Code of Conduct the following terms mean (unless otherwise indicated):

Accountability Code means the Registered Clubs Accountability Code set out in Schedule 2 of the Registered Clubs Regulation.

Authority means the Independent Liquor and Gaming Authority.

Board means the Board of Directors of the Club.

CEO means the Chief Executive Officer of the Club.

Club means Mt Pritchard & District Community Club Limited.

Code means this Code of Conduct.

Corporations Act means the Corporations Act 2001 (Cth).

Gaming Machines Act means the Gaming Machines Act 2001 (NSW).

Liquor Act means the Liquor Act 2007 (NSW).

Registered Clubs Act means the Registered Clubs Act 1976 (NSW).

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

3. INTRODUCTION

3.1 The Board undertakes to support and apply this Code in a manner which encourages the responsible behaviour of Directors and management.

3.2 A person who accepts the office of a Director accepts the responsibilities of acting with due care and skill, honesty, impartiality, confidentiality and loyalty to the Club. These responsibilities include acting collectively with the other Directors to manage the business and affairs of the Club through the CEO.

3.3 A person who accepts the office of a Director also acknowledges that he or she is expected to carry out his or her duties to the same standard expected from a Director of any other public company.

3.4 This Code supplements the Clubs NSW Code of Practice and Best Practice Guidelines which are endorsed by the Board.

4. ELECTION OR APPOINTMENT OF DIRECTORS

4.1 Each nominee for election or appointment to the Board will sign the attached Statutory Declaration to the effect that he or she is aware of his or her responsibilities as a Director under the Corporations Act, Registered Clubs Act, Liquor Act and Gaming Machines Act and any other relevant Acts.

4.2 It is an offence under the Oaths Act 1900 (NSW) for a person to swear a false declaration and may result in imprisonment for up to 5 years.

4.3 A person should only agree to be nominated for election or appointment to the Board if that person is fully aware of his or her duties and responsibilities as a Director.

4.4 The Board will supply a copy of this Code with every nomination form in respect of an election of the Board. A nominee for election to the Board will signify on the nomination form that he or she has read and understood this Code and agrees to be bound by it.

5. LEGAL ENVIRONMENT

5.1 Each Director will constantly seek to improve his or her knowledge of the legal environment in which the Club conducts its business. The range of legislation which has an impact on the performance of Directors' duties includes laws relating to corporations, liquor and gaming, anti- discrimination, occupational health and safety, employment, taxation, environment and trade practices.

5.2 Each Director must complete a corporate governance seminar, whether conducted internally or externally, reasonably approved by the Board, at least once every 2 years. A newly elected or appointed Director must complete such a training seminar within 12 months of his or her election or appointment.

5.3 The Board will review the approved corporate governance training programs on at least an annual basis.

5.4 Each candidate nominated for election to the Board will complete a training session conducted by the Club prior to the elections for that election year on this Code of Conduct.

5.5 The Club is registered as a company with 'limited liability'. This means that Directors who act in accordance with the law, in good faith and with due care and diligence are generally not personally liable for the acts or omissions of the Club, including the acts or omissions of the Board or of an individual Director who acts on the Club's behalf.

5.6 In some situations a Director may incur personal liability if the Director or the Club breaches applicable laws. An increasing amount of legislation now imposes 'offence' and 'liability' provisions on individual Directors as well on as the Club as a whole. For example, if the Club contravenes a provision of the Gaming Machines Act or the regulations to it, the CEO and Directors are also each taken to have contravened the provision unless it is proved that:

(a) the contravention occurred without their knowledge;
(b) they were not in a position to influence the affairs of the Club in relation to the contravention, or
(c) they used all due diligence to prevent the contravention.

5.7 This Code is a starting point, each individual Director should acquire additional knowledge through self-education and attendance at training courses and seminars. In addition to any training courses and seminars prescribed by law or in this Code, each Director will endeavour to attend appropriate training courses and seminars as may be recommended to the Board by the CEO.

5.8 Directors acknowledge that the Club operates in a highly regulated industry, and that while publications such as the Clubs NSW Code of Practice and Best Practice Guidelines will assist the Club at an operational level, individual Directors need to continually update and improve their understanding of the regulatory environment in which the Club operates.

6. ROLE OF THE BOARD AND PERFORMANCE OF DIRECTORS

6.1 The role of the Board is to formulate policies and to ensure that those policies are carried out by the Club's management. A copy of all policies affecting the day-to-day activities of the club is maintained by the Chief Executive Officer and a copy of those policies will be provided to each newly appointed director upon election, and any revisions to policies will be reissued to all directors as those revisions occur. Each director will acknowledge receipt of the clubs policy document and any revisions thereto.

6.2 A Director will not interfere with the day to day running of the Club nor interfere with employees or contractors in the performance of their duties. A Director will make all enquiries concerning employees, contractors or the operation of the Club to the CEO. A Director acting alone has no authority or power unless the Board has specifically delegated a specific task, function or responsibility to that Director. Otherwise, Directors can only effectively exercise their powers through a resolution of the Board at a duly constituted Board Meeting.

6.3 A Director will only act in the overall best interests of the Club, notwithstanding that a Director may see himself or herself being elected to "represent" a part of the membership having particular interests, for example, representing an internal club involved in a particular sport or social activity.

6.4 The Board will conduct the business and affairs of the Club in accordance with the Club's Constitution and in the best interests of the Club and members as a whole.

7. FUNCTIONS OF THE BOARD

7.1 The Board (being the Directors acting collectively) has the following fundamental duties:

(a) to set goals for the Club;

(b) to appoint the CEO;

(c) to oversee the plans of managers for the acquisition and organisation of financial and human resources towards the attainment of the Club's goals; and

(d) to review at reasonable intervals the progress of the Club towards achieving its goals.

7.2 The Board also has the following responsibilities which are generally delegated to managers and are to be read subject to the duties of the CEO as stated in any relevant industrial award or contract of employment:

(a) to establish procedures designed to protect the Club's financial position and to ensure that the Club is able to meet its debts as and when these debts fall due;

(b) to ensure that people who have prepared reports or given advice or opinions on which the Directors or other officers or employees of the Club have relied, were honest, competent and reliable;

(c) to adopt an annual budget for the financial performance of the Club and ensure that its results are regularly monitored;

(d) to put in place adequate measures to ensure that decisions made by individual managers and employees are monitored by the Board and that those decision-makers had sufficient information about the subject matter of the decisions;

(e) to ensure that Directors and managers have done all that can be done to avoid a conflict of their financial or other interests with the interests of the Club;

(f) to adopt clearly defined delegations of authority between the Board and the CEO;

(g) to put in place adequate internal controls, both operationally and financially, and to ensure that the ability to regularly monitor these controls also exists;

(h) to ensure that the Club's accounts meet the Australian Accounting Standards and are true and fair;

(i) to adopt a compliance program designed to ensure that the Club complies with the provisions of applicable law; and

(j) to review on a regular basis the Board's effectiveness, the balance of skills it contains and areas in which its composition and deliberations should be improved.

8. ELIGIBILITY FOR APPOINTMENT OR ELECTION AS A DIRECTOR

The Club's Constitution sets out who is eligible to stand for election to the Board and be a Director. There are, in addition, legal requirements for persons to be eligible as Directors of public companies. A person is not eligible to be a Director if:

(a) they have been disqualified by a Court;

(b) they have been disqualified by ASIC;

(c) the Authority has made a declaration that the person is ineligible to stand for election, be appointed to, or to hold office in, the position of secretary or member of the governing body (or both of those positions) in the Club or any other registered club; or

(d) they are ineligible under any provision of the Club's Constitution.

9. DIRECTORS' DUTIES AND ACCOUNTABILITY

This section sets out some key duties of individual Directors. Other more specific duties arise in various situations. The Board should seek appropriate professional advice if a situation arises which is not completely addressed in this Code. A Director's primary duty is to the Club (i.e. the company). In times of financial difficulty, this will be balanced against the Director's duty to the Club's creditors.1

9.1 Summary of key Corporations Act Duties:

(a) Duty of Care and Diligence (section 180 of the Corporations Act)

In exercising his or her powers and in the discharge of his or her duties, a Director must exercise the

degree of care and diligence that a reasonable person in a similar position, in a company in similar circumstances to the Club, would exercise.

(b) Duty to Act in Good Faith and for a Proper Purpose (section 181 of the Corporations Act)

A Director must at all times act in good faith in the best interests of the Club and for a proper purpose in the exercise of his or her powers and the discharge of his or her duties.

(c) Duty Not to Make Improper Use of Information or Position (sections 182 and 183 of the Corporations Act)

A Director must not make use of information acquired in his or her position as a Director to gain (directly or indirectly) an advantage for himself or herself, or for any other person, or to cause detriment to the Club. A Director must not make improper use of his or her position to gain, directly or indirectly, an advantage for themselves or any other person or to cause detriment to the Club. For example, a Director must not use his or her position to instruct an employee of the Club to act inconsistently with the Club's responsible service of alcohol policy.

(d) Criminal Offences (section 184 of the Corporations Act)

It is an offence under section 184(1) of the Corporations Act for a Director to be reckless or intentionally dishonest, and fail to exercise their powers and discharge their duties in good faith, and in the best interests of the Club, or for a proper purpose.

Offences may also be committed under sections 184(2) and 184(3) by a Director if they:

(i) use their position dishonestly with the intention of directly or indirectly gaining an advantage for themselves or someone else, causing detriment to the Club;

(ii) use their position dishonestly or recklessly as to whether the use may result in (directly or indirectly) gaining an advantage for themselves or someone else, or in causing detriment to the Club;

(iii) obtain information because of their position or former position and use the information dishonestly with the intention of (directly or indirectly) gaining an advantage for themselves or someone else, or causing detriment to the Club; or

(iv) obtain information because of their position or former position and use the information dishonestly or recklessly as to whether the use may result in (directly or indirectly) gaining an advantage for themselves or someone else, or in causing detriment to the Club.

(e) Duty to Prevent Insolvent Trading (section 588G of the Corporations Act)

Each Director is under a duty to prevent the Club from trading while insolvent. A Director breaches this duty if the Director fails to prevent the Club incurring debts when there are reasonable grounds for suspecting that the Club may not be able to pay these debts as and when they fall due. This requires Directors to ensure that there are adequate reporting and supervisory systems in place which facilitate the effective monitoring of the Club's financial position.

If there is the slightest risk that the Club may have difficulty in paying any creditor then Directors should seriously consider obtaining financial/accounting and legal advice as soon as possible. It is not sufficient for a Director to say that he or she was unaware of relevant facts, matters and circumstances relating to the business and affairs and finances of the Club. Directors are not only entitled to receive all relevant information relating to the Club's management and finances, but if the Board is not getting that information, the Board must insist on obtaining the information. Ignorance is not generally a defence for Directors.

[2] This duty is reflected in Rule 80(c) of the Club's Constitution which provides that a Director who fails to declare a material personal interest, ceases to be a Director as they vacate their position on the Board.

(f) Duty to Disclose Material Personal Interests (sections 191 and 192 of the Corporations Act)[2]

A Director must disclose any 'material personal interest' in any matter relating to their affairs of the Club at the first available Board meeting after the Director becomes aware of that interest (this must be done formally even if the other members of the Board are already aware of the interest informally). This would include any possible or actual conflict of interest between a duty owed to the Club and a duty owed to another person or organisation. Examples of a conflict of interest range from the most benign when a Director is elected to a committee of an internal section or 'sub club' to the most apparent where a Director has an interest in a competitive business such as a hotel or restaurant or an external organisation which has made or is likely to make a request to the Board for funding of its activities.

A Director has a 'material personal interest' if he or she has any interest (be it financial or personal, or both) in a matter that relates to the affairs of the Club. A material personal interest includes an interest in any contract which the Club has entered into, or in any proposed contract involving the Club. Another common example of a 'material personal interest' is when a Director has a financial or personal interest in a business which is supplying or may supply goods or services to the Club.

A Director is prohibited from voting on any matter in which that Director has a "material personal interest" or a conflict of interest and from being present at a meeting of the Board while that matter is being considered, unless approved by the Board in accordance with the requirements of the Corporations Act or by ASIC.

9.2 Key duties in General Law

Directors also have duties imposed by general or 'common law'. In many cases they are similar to the duties imposed by the Corporations Act.

(a) Duty to Act in Good Faith and Loyalty (general law)

A Director must exercise his or her powers in good faith in the best interests of the Club. The receipt of an incidental benefit may be grounds to challenge the good faith of a Director's decision.

(b) Duty to Act for a Proper Purpose (general law)

A Director must exercise his or her powers for the purpose for which those powers are expressly or impliedly conferred, and not for other purposes. Honest mistakes and behaviour by a Director can still breach this duty if the Director did not act for a proper purpose.

(c) Duty to Give Adequate Consideration to Matters for Decision and to Keep Discretions Unfettered (general law)

Directors have a duty to give adequate consideration when exercising their discretion and the Board must retain its discretions. The Board cannot fetter its future exercise of discretions in the absence of specific authority.

(d) Duty Not to Misuse Club Property and Information

A Director must not misuse the Club's property (including confidential information), either by direct misuse or by diverting opportunities available to the Club's elsewhere, for example for the benefit of any other person or for the benefit of that Director personally.

A Director must not take the Club's property without authority and then use it for the Director's own purposes, such as using the Club's funds to purchase private property. Examples of indirect misuse of the Club's property are less obvious and could include a situation where a Director uses the Club's feasibility study in relation to a proposed project to enable an entity controlled by the Director to tender for the same project.

A Director must not make "secret profits", irrespective of whether the opportunity exploited was one which was open to the Club or not, or whether the Director acted honestly and in good faith.

(e) Duties to Creditors

A Director also owes a duty to creditors not to prejudice the creditors' interests, particularly where the Club is suffering financial instability to such a degree that its creditors' money is at risk (see paragraph 9.1(e) above).

[2] This duty is reflected in Rule 80(c) of the Club's Constitution which provides that a Director who fails to declare a material personal interest, ceases to be a Director as they vacate their position on the Board.

9.3 Registered Clubs Act Duties of Accountability and Disclosure

There are further duties of accountability and disclosure found in the Registered Clubs Act and Registered Clubs Regulation (including the Accountability Code). A breach of any of these duties may lead to an inquiry by Liquor & Gaming NSW and subsequent findings and legal action against the Director or the Club. Parts 4 and 4A of the Registered Clubs Act together with the Accountability Code supplement the duties contained in the Corporations Act. Some of these duties are set out below:

(a) Disclosure of interests in contracts (clause 8(a) of the Accountability Code)

A Director must disclose to the CEO any material personal interest in a matter that relates to the affairs of

the Club within 21 days after the Director becomes aware of the matter.

(b) **Disclosure of interests in contracts relating to the procurement of goods or services and major capital works (clause 8(b) of the Accountability Code)**
A Director must disclose to the CEO any personal or financial interest that the Director has in a contract relating to the procurement of goods or services or any major capital works of the Club within 21 days after becoming aware of the matter.

(c) **Disclosure of financial interests in hotels (clause 8(c) of the Accountability Code)**
A Director must disclose financial interests in hotels situated within 40 km of the Club's premises to the CEO within 21 days of becoming aware of the matter.

(d) **Disclosure of gifts and remuneration from affiliated bodies (clause 8(d) of the Accountability Code)**
A Director must disclose to the CEO receipt of gifts (including money, hospitality or discounts) or remuneration (including any fee for service) valued at or for an amount of $1,000 or more received from an affiliated body of the Club. An 'affiliated body' includes a related body corporate or any other body, that within 12 months immediately preceding the receipt of the gift or remuneration, obtained a grant or subsidy from the Club. The disclosure must be made within 21 days after the Director becomes aware of the matter.

(e) **Disclosure of gifts and remuneration from contractors (clause 8(d) of the Accountability Code)**
A Director must disclose to the CEO receipt of any gifts (including money, hospitality or discounts) or remuneration (including any fee for service) valued at or for the amount of $1,000 or more received from a contractor to the Club. The disclosure must be made within 21 days after the Director becomes aware of the matter.

(f) **Annual reporting requirements under the Accountability Code**
The Club must keep registers of declarations and disclosures made by Directors under the above requirements in accordance with the Accountability Code. This information must be made available for members to review within 4 months of the end of the Club's financial year.

(g) **Disposal of land (Section 41E of the Registered Clubs Act)**
Section 41E prohibits disposal of 'core property' of the Club unless it is first approved by ordinary members of the Club in general meeting, the disposal is by way of public auction or open tender conducted by an independent real estate agent or auctioneer, and, a valuation is first obtained from an independent real estate valuer. Certain exceptions to this are set out in the Registered Clubs Regulation.
'Core property' means any real property owned or occupied by the Club that comprises:

(i) the liquor licensed premises of the Club, or

(ii) any facility provided by the Club for the use of its members and their guests, or

(iii) any other property declared, by a resolution passed by a majority of the members present at a general meeting of the ordinary members of the Club, to be core property of the Club.

"Core property" does not include any property that is declared, by a resolution passed by a majority of the members present at a general meeting of the ordinary members of the Club, not to be core property of the Club.

'Dispose' of core property means to sell, lease or licence the property or to otherwise deal with the property in a manner as may be prescribed by the Regulations.
In addition to section 41E, other restrictions may be contained in the constitution of the Club in relation to disposal of its land.

(h) **Contracts in which a Director/top executive has a pecuniary interest (clause 4 of the Accountability Code)**
Contracts between the Club and a Director, and contracts between the Club and a company or other body in which a Director has a pecuniary interest must first be approved by the Board of Directors,

otherwise such contracts are prohibited. The same rules apply to Club contracts in which a 'top executive' has a pecuniary interest (but do not apply to contracts of employment with the top executive).

(i) Contracts with secretary, manager or close relatives and others (clause 4 of the Accountability Code)

The Club must not enter into contracts with the CEO or an approved manager of one of its liquor licensed premises.

The Club must not enter into contracts with a close relative of the CEO or such a manager, or a company in which they or one of their close relatives has a controlling interest.

A 'close relative' means:

- a parent, child or sibling of the CEO or manager in question; or
- a spouse or de facto partner of the CEO or manager in question (or of a person referred to above).

A person has a 'controlling interest' in a company or body if the person has the capacity to determine the outcome of decisions about the financial and operating policies of the company or body.

These restrictions do not apply to contracts of employment or to contracts that result from an open tender process.

(j) Remuneration of top executives (clause 3 of the Accountability Code)

The Club must ensure it has a written contract of employment with each top executive that deals with the terms of employment, the role and responsibilities of the top executive, remuneration (including fees for service) and termination of employment. The Club must not enter into any such contract of employment of a top executive unless the contract has first been reviewed by an independent and qualified adviser (such as a lawyer) and then been approved by the Board.

(k) Club loans to directors (clause 6 of the Accountability Code)

Loans by the Club to Directors are prohibited and loans by the Club to employees must comply with the requirements of clause 6 of the Accountability Code.

(l) Employment of close relatives (clause 7 of the Accountability Code)

A Director must not take part in any decision relating to the employment of a close relative of that Director who is being considered for employment by the Club. A 'close relative' means:

- a parent, child or sibling of the Director; or
- a spouse or de factor partner of the Director or a person referred to above.

Before any such close relative is employed, the person's employment must be approved by the Board.

10. CONFLICTS OF INTERESTS AND LOBBYING

10.1 One of the key obligations of a Director is to act in the best interests of the Club. This means putting aside other interests a Director may have. However, it does not mean that a Director can put the Club's goals and interests ahead of compliance with any applicable legal standard.

10.2 Where a Director has an interest or holds an public or corporate office that the Director considers may be of benefit to the Club, issues may arise for that Director in respect of both positions i.e. as a Director and in the other position. It is important that a Director does not seek to use other positions, connections or interests to improperly advance the interests of the Club or be seen to do so. There is a fine line between using a position of influence and corrupt conduct.

10.3 The Club values ethical behaviour and seeks to advance its business projects in clear, transparent, open processes.

10.4 A Director must not seek to influence any public official or officer of a public authority to exercise their duties other than in an honest and impartial manner. A Director must also avoid the perception that he or she sought to improperly influence a public official for the benefit of the Club.

10.5 Where a Director holds a political office the Director may need to absent himself or herself from decisions or

negotiations where his or her involvement may be seen to confer preferential treatment on the Club.

10.6 In the appointment of contracts with the Club a Director must seek to avoid any perception that contracts are awarded on the basis of nepotism or cronyism.

10.7 This does not prevent Directors from appropriately seeking to advance the position of the Club, but to ensure that in doing so, no criticism can be levelled at either the Director of the Club that a Director has acted improperly.

10.8 If a Director is concerned about whether a particular course of conduct may be corrupt, the Independent Commission Against Corruption website www.icac.nsw.gov.au provides useful definitions and examples of corruption.

11. BENEFITS TO DIRECTORS

11.1 Benefits to Directors (and other members) - Registered Clubs Act

(a) Any benefit, reimbursement, honorarium, gift or advantage received by a Director from the Club or people or organisations associated with the Club must be very carefully scrutinised, monitored and disclosed to ensure that the conduct of each Director is not only being undertaken in a scrupulously honest way, but is also seen to be undertaken in that way.

(b) All claims by Directors for reimbursement of their expenses must be reasonable. Excessive claims will be rejected. The Club requires verification of expenses incurred or payable, such as production of receipts or invoices.

(c) The Registered Clubs Act imposes very strict requirements (which if breached can result in complaint proceedings under the Registered Clubs Act against the Director) regarding the receipt of benefits such as out-of-pocket expenses and honoraria.

(d) In general, an individual Director is not entitled to any benefit which is not equally available to any member of the Club who is not a Director, unless the members in General Meeting have authorised the giving of that different benefit to the Director.

(e) Section 10(1)(i) of the Registered Clubs Act provides that Directors (and members) are not entitled under the rules of the Club or otherwise to derive directly or indirectly any profit, benefit or advantage from the Club that is not offered equally to every full member of the Club.

(f) The exceptions to Section 10(1)(i) of the Registered Clubs Act are:

- (i) where the member derived or became entitled to derive the benefit pursuant to a contract or agreement with the Club and the benefit is in the opinion of the Authority reasonable in the circumstances of the case (Section10(6)(a));
- (ii) an honorarium approved by the members in General Meeting (Section 10(6)(b));
- (iii) reasonable food and refreshment offered by a licensed poker machine dealer or seller in the premises of that dealer or seller or at poker machine display in New South Wales for the purposes of promoting poker machines and related products and services (Section 10(6)l);
- (iv) reasonable out of pocket expenses incurred by the CEO, an employee or a member of the Club in the course of carrying out his or her duties in relation to the Club and paid pursuant to a current resolution of the Board (Section 10(6)(d)); and
- (v) under Section 10(6A)(b), the Club can provide different benefits for different classes of members if the different benefits (not being in the form of money or a cheque or a promissory note) have been approved by the members in General Meeting prior to the benefit being provided.

11.2 Directors' Honoraria

Any payment of an honorarium to a Director in respect of his or her services to the Club as a Director must first be approved by a resolution passed at a General Meeting of the Club.

11.3 Related party transactions

Section 210 of the Corporations Act provides that the Club must not give a 'financial benefit' to a 'related party' of the Club unless the terms of the arrangement have been approved by the Club's members following the process set out in that Act. In summary:

(a) a 'related party' includes a director, a director's spouse, parent or child, and any entity controlled by a

director; and

(b) a ‘financial benefit’ includes buying/selling assets, leasing, benefits under services agreements, taking up and releasing obligations.

This means that the Club must not contract with, or give other financial benefits to, a director, a director’s immediate family, or a company/trust a director controls without getting member approval, unless the arrangement falls within a specific exception under that Act.

The most likely exceptions to apply to the Club will be if:

(a) the benefit is reasonable remuneration to an officer or employee of the Club;

(b) the benefit is reimbursement of expenses incurred by an officer or employee of the Club in carrying out their duties;

(c) the benefit/contract is on ‘arms length terms’ in the ordinary course of the Club’s business;

(d) if the benefit relates to insurance such as D&O insurance; or

(e) it is a benefit that the director has on the same basis as the other full members (and which is also permitted under the Registered Clubs Act and the Club’s Constitution).

11.4 Unreasonable director related transactions

The Corporations Act has a specific provision regarding “unreasonable director related transactions”. A payment, conveyance, transfer or other disposition of property to a director, a close associate of a director (e.g. a relative, de facto spouse, a relative of a director’s spouse or de facto spouse) or a person on behalf of, or for the benefit of, a director or close associate of a director may be recovered by a liquidator if a reasonable person in the Club’s circumstances would not have entered into the transaction having regard to the benefits (if any) to the Club, the detriment to the Club, the respective benefits to other parties to the transaction or any other relevant matter (section 588FDA of the Corporations Act).

12. PARTICIPATION IN INTERNAL AND EXTERNAL TRADE PROMOTION LOTTERIES OR RAFFLES

12.1 Internal trade promotions

(a) To avoid the perception of unfairness Directors must not participate in trade promotions that are conducted by the club. The conditions of any approval for trade promotions will contain a clause which excludes directors from participating.

(b) If a Director wins a ’lucky door’ or ‘lucky seat’ prize at a Club function, the director should return the prize to the Club.

(c) This does not prevent a Director from making any donation of any prize won or contribution to a charitable or other worthy cause at any fundraising function conducted by the Club.

12.2 External trade promotion including Sub Club lotteries or raffles

Directors may be provided with expense money or reimbursed from time to time by the Club for their purchase of tickets in external trade promotion lotteries or raffles conducted by or on behalf of other organisations, such as Sub Clubs, sponsors of the Club, or Charities or for other fund raising events. In these circumstances, any prizes won are to be declared at the next Board meeting and returned to the club.

12.3 Lotteries or raffles (other than above)

A Director is legally considered to be an employee of the Club as they are “involved in leadership” of the organisation and therefore may not purchase raffle tickets in any raffle or promotion run by Mounties Group even if from his/her own funds.

13. CORPORATE GOVERNANCE

13.1 The Board endorses the ClubsNSW Best Practice Guidelines to be used by the Club where appropriate (except where a departure is required by particular circumstances).

13.2 The Board is responsible for the overall corporate governance of the Club. The Board will aim to achieve managerial best practice by ensuring maximum efficiency and effectiveness in decision- making processes and by ensuring that the legal obligations of the Club are routinely and systematically met.

13.3 The Board will put in place a set of systems to ensure that there are recognised procedures in respect of every aspect of managing the Club. For example, the Board will:

(a) ensure that there are no conflicts of interest which may affect the Directors' abilities to properly discharge their duties to the Club;

(b) adopt compliance programs and policies dealing with environmental issues, occupational health and safety issues and equal opportunity practices; and

(c) put in place procedures to ensure that all areas of financial risk to which the Club is exposed are contained to acceptable levels and that the Club has effective internal financial controls.

14. DELIBERATIONS OF THE BOARD

14.1 Directors must prepare for all Board meetings. This will include reading any material circulated prior to the relevant meetings, reading the minutes of an immediately preceding meeting and consideration of those or other matters to be discussed at the relevant meetings.

14.2 The CEO will ensure that Board papers are provided to each director at least four (4) days before each meeting where possible. Directors must read and consider Board papers prior to the relevant meeting.

14.3 To comply with their Directors' duties, Directors will ensure that any decision made by the Board is the subject of adequate Board scrutiny. That scrutiny should be comprised of a thorough examination of the merits and disadvantages of each proposed course of action.

14.4 Where the Directors do not have the requisite degree of knowledge or experience to conduct this examination in isolation, the Board should obtain appropriate professional advice.

14.5 The final decision of the Board in any given instance should be in the form of a resolution of the Board. The resolution should be the product of a fully informed debate on all relevant issues concerning the proposal and that process should be reflected in the minutes maintained by the Board.

14.6 A Director must not reveal the proceedings of meetings of the Board or of Board committees to persons who are not Directors unless authorised by a current resolution of the Board or if the Director is under an obligation to disclose that information (e.g. it is required by law). For example, a Director must not disclose details of competing tenders to a friend who may also be a tenderer for providing services to the Club, and, a Director must not disclose details of Board or Board committee discussions to Sub-Clubs or other organisations.

14.7 While constructive debate on any issue before the Board is welcomed, Directors must treat each other (and any other person present at a Board meeting), employees, members and their guests, and any other person dealing with the Club, with courtesy and respect.

15. PASSING RESOLUTIONS – UNITY OF DIRECTORS

15.1 The Board will follow the voting procedure for the passing of resolutions as provided in the Club's Constitution and By-laws.

15.2 Once a resolution is passed, that resolution becomes a resolution of the Board. An individual Director who may have voted against a particular resolution is bound by that resolution and will not publicly dissent or speak against the resolution. For example, it is not appropriate for a dissenting Director to speak against a decision of the Board at a meeting of Members.

15.3 A Director who disagrees with a decision of the Board should speak against it at the Board meeting where the matter is under consideration. A Director may ask to have his or dissent noted in the minutes and write to the Board expressing the reasons for his or her disagreement formally. In serious circumstances a Director may elect to resign from the Board.

15.4 A dissenting Director must still keep confidential Board information 'confidential' unless required to disclose it to a regulatory authority or otherwise by law.

16. PUBLIC STATEMENTS

16.1 Directors recognise that to ensure resolutions of the board and other key decisions of the Club are communicated clearly to members, stakeholders and others, only one representative of the Club will have authority to speak on behalf of the Club.

16.2 The authority to make public statements on behalf of the Club is vested in the CEO who may delegate this either

on an ongoing basis or for defined matters to another nominated person. Unless specifically authorised by the CEO, no Director will comment to the press or make any other public statement and will refer all enquiries to the CEO.

16.3 If it is necessary to make a statement specifically on behalf of the Board, the authority to make such a statement is vested in the President who may delegate this either on an ongoing basis or for defined matters to another nominated Director. Unless specifically authorised, no Director will comment to the press or make any other public statement and will refer all enquiries about the operation of the Board to the President.

17. UNDERTAKING

17.1 Each Director undertakes to follow this Code in a manner which encourages the responsible behaviour of Directors and ensures that all members and their guests can enjoy the facilities and services provided by the Club.

17.2 Each nominee for election as a Director will be asked to sign the attached Statutory Declaration (which relates to the nominee's understanding of this Code and the nominee's agreement, if elected to the Board, to comply with this Code) and return it to the CEO with his or her nomination form.

18. IMPLICATIONS OF CENSURE

18.1 If a Director fails to comply with any provisions of this Code, including swearing a false or misleading Statutory Declaration, it may result in the Board and/or the Club taking action against that Director.

18.2 If a Director becomes aware that another Director has acted in breach of this Code or any legal obligation (or may have done so), then it should be raised courteously with the Chairman who will raise the matter with the Director in question.

18.3 If the Director in question is unable to adequately explain or declines to rectify the situation, then the matter may be raised with the Board.

18.4 If the Board is satisfied that there has been any breach of this Code or failure to meet another obligation by a Director, the Board may request the Director to rectify the situation. If the Director fails to do so, the Board may pass a Censure Motion against that Director.

18.5 If a Censure Motion is passed, or if more than one Censure Motions are passed, against a Director, the Board may resolve to take action against the Director. For example, the Board may resolve to:

(a) exclude the Director from attending conferences on behalf of the Club;

(b) exclude the Director from taking part in committees, functions or roles allocated to that Director; and/ or

(c) terminate the Director's appointment to a Board committee, function or role (as the case may be).

18.6 The Board does not have the power to remove a Director from office or prevent him or her from fulfilling his or her legal (statutory and general law) duties as a Director, and must not attempt to do so. In particular, the Board must not attempt to prevent a Director from attending Board meetings and must ensure that the Director receives all Board papers, minutes and other Board documents on the same basis as the rest of the Board. The right to remove a Director from office rests with the members of the Club in General Meeting (or with ASIC, other authorities with jurisdiction, and the courts).

18.7 Nothing in this Code:

(a) affects the Board's right to report any improper conduct of a Director to the members in General Meeting and/or or any obligation to report such conduct to any relevant regulatory authority; or

(b) affects the right of the Board to take disciplinary action against a Director in his or her capacity as a member of the Club under the Club's Constitution.

8 Statutory Declaration

OATHS ACT 1900, NINTH SCHEDULE

I, _____ of _____

[name of declarant] *[residence]*

do solemnly declare and affirm that

1. I acknowledge and agree that I accept all duties and obligations of a director of Mount Pritchard & District Community Club Limited ACN 000 458 622 (Club).
2. I declare that I am eligible to hold office as a Director.
3. I am not subject to a declaration or order by the Independent Liquor and Gaming Authority or the Director of Liquor and Gaming preventing me from being nominated for election or holding office as a Director.
4. I am not subject to section 206B (automatic disqualification for certain prior convictions or for bankruptcy, deed of arrangement or composition with creditors), sections 206C, 206D or 206E (court power of disqualification) or section 206F (Australian Securities and Investments Commission's power of disqualification) of the Corporations Act 2001 (Corporations Act).
5. I am aware of my responsibilities under sections 180 to 184 (care, diligence, good faith, use of position and use of information), sections 285 to 344 (financial reports and audit) and sections 588G to 588Q (duty to prevent insolvent trading, liability to compensate the Club or creditors of the Club and offences by directors and officers) of the Corporations Act.
6. I specifically and expressly agree that I will keep all business discussed and/or transacted at Board meetings of the Club confidential and all other confidential information which I become aware of or that comes into my possession or knowledge as a result of my being a director of the Club will be kept confidential. I am aware of the provisions of section 183 of the Corporations Act concerning improper use of information and am aware that it is a serious offence to make improper use of information acquired by myself as a Director.
7. I am aware of my obligations to disclose the following in relation to the Directors' report and obligations under sections 299 and 300 of the Corporations Act and Parts 4 and 4A of the Registered Clubs Act 1976 (Registered Clubs Act) which may include:
    (a) Qualifications – tertiary, professional bodies or associations, diplomas, certificates, degrees etc.
    (b) Experience as outlined in areas such as:
    (c) Business activities.
    (d) Other directorships.
    (e) Relevant business experience.
    (f) Other relevant experience
    (g) Special responsibilities e.g., finance director, membership committee, building committee etc.
    (h) Any material personal interest or other interest (including a direct or indirect interest in a contract or proposed contract involving the Club) which I must declare and/or obtain prior approval as the case may be pursuant to the Corporations Act (sections 191 or 192) and the of the accountability provisions in Part 4A of the Registered Clubs Act and Part 4 of the Regulations to that Act.

8. I am aware that under section 195 of the Corporations Act I cannot vote on any matter that is being considered at a meeting of the Board or of directors in which I have a material personal interest nor can I be present while the matter is being considered at the meeting.
9. As a Director of the Club I am aware of and will undertake, my responsibilities pursuant to the Corporations Act, Registered Clubs Act, Liquor Act 2007, Gaming Machines Act 2001 and regulations to those Acts, other relevant legislation and the Constitution of the Club.
10. I declare that I have received the education and training material for club directors that is approved by the Director of Liquor and Gaming (if any), that I have completed the training referred to in paragraph 5.4 of the Code of Conduct and that I have/will complete the training referred to in paragraph 5.2 of the Code of Conduct.
11. I have read and understood the Code of Conduct attached to this declaration. I undertake to comply with that Code of Conduct and such other Code(s) of Conduct of the Club applicable from time to time.
12. I understand that to be qualified to be a director, I must have been a financial member in the classes of Life membership or Club membership for either:
    (a) Five (5) years of continuous membership standing if I was elected to membership the club prior to the 2012 Annual General Meeting [s 53 (a) of the Constitution], or
    (b) Ten (10) years of continuous membership standing if Iwas elected to membership of the Club after the conclusion of the Annual General Meeting in 2012 [s53 (b) of the Constitution].
13. I declare I have obtained a personal Director Information Number from the Australian Securities and Investments Commission and provided that to the Club.

I make this solemn declaration, as to the matter (or matters) aforesaid, according to the law in this behalf made – and subject to the punishment by law provided for any wilfully false statement in any such declaration.

Declared at: _____ on _____

[place] *[date]*

_____

[Signature of declarant]

In the presence of an authorised witness, who states:

I, _____, a_____

[name of authorised witness] *[qualification of authorised witness]*
(Must be either a JP, Lawyer or Notary Public)

certify the following matters concerning the making of this statutory declaration by the person who made it:
[please cross out any text that does not apply].*

1. *I saw the face of the person OR *I did not see the face of the person because the person was wearing a face covering, but I am satisfied that the person had a special justification for not removing the covering, and;
2. *I have known the person for at least 12 months OR * I have confirmed the person's identity using an identification document and the document I relied on was

_____

[describe identification document relied on]

_____ _____

[signature of authorised witness] *[date]*