



ACN 000 196 832
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ANNUAL FINANCIAL REPORT 30 JUNE 2020
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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Club Marconi Limited ACN 000 196 832 (Club) will be held at the Club's premises at 121-133 Prairie Vale Rd, Bossley Park at **11:00 am*** on **Sunday, 1 November 2020**.

*The Club will be holding an Extraordinary General Meeting at 10:30am on Sunday, 1 November 2020 (separate notice of which has been given) to consider an amalgamation with another registered club. If the Extraordinary General Meeting is still in progress at 11:00am, the commencement of the Annual General Meeting will be delayed and will commence immediately upon conclusion of the Extraordinary General Meeting.

BUSINESS

1. To confirm the minutes of the previous Annual General Meeting held on Sunday, 3 November 2019.
2. To consider and, if thought fit, to pass the resolutions under rule 27 of the Club's Constitution conferring Honorary Life Membership on members nominated by the Board. These resolutions are set out under the heading "Honorary Life Membership Resolutions."
3. For the purposes of clause 4(4) of the Registered Clubs Regulation 2015 (NSW), notice will be given of any expressions of interest in an amalgamation along with any unsolicited merger offers received by the Club in the previous 12 months (if any).
4. To consider and, if thought fit, to pass the Ordinary Resolutions set out under the heading "Ordinary Resolutions".
5. To consider and, if thought fit, to pass the Special Resolutions set out under the heading "Special Resolutions".
6. To receive and consider the Financial reports, Directors' report and Auditor's report.
7. General Business
 - 7.1 Questions with Notice

HONORARY LIFE MEMBERSHIP RESOLUTIONS

FIRST HONORARY LIFE MEMBERSHIP RESOLUTION

"That pursuant to rule 27 of the Club's Constitution, **Domenico Labbozzetta** is elected to Honorary Life Membership of the Club."

SECOND HONORARY LIFE MEMBERSHIP RESOLUTION

"That pursuant to rule 27 of the Club's Constitution, **Andrea Carnuccio**, is elected to Honorary Life Membership of the Club."

Explanatory Notes to Members regarding the Honorary Life Membership Resolutions

1. To be passed, the Honorary Life Membership Resolutions must each receive votes in their favour from a majority of members who are present and entitled to vote. Refer to the General Notes below regarding members eligible to vote.
2. The Board recommends that Domenico Labbozzetta & Andrea Carnuccio be elected as Honorary Life Members for their outstanding service to the Club.

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ORDINARY RESOLUTIONS

Members will be asked to consider and, if thought fit, to pass each of the following resolutions, which are proposed as Ordinary Resolutions:

FIRST ORDINARY RESOLUTION

"That pursuant to the Registered Clubs Act 1976 (NSW):

- (a) The members hereby approve and agree to expenditure by the Club in a sum not exceeding \$75,000 (excluding any Goods and Services Tax) until the next Annual General Meeting of the Club for the following activities:
 - (i) The reasonable cost of a meal and beverage for each Director immediately before or immediately after a Board or Committee meeting on the day of that meeting when that meeting corresponds with a normal meal time;
 - (ii) Reasonable expenses incurred by Directors in travelling to and from Directors' meetings or other duly constituted committee meetings as approved by the Board from time to time on production of invoices, receipts or other proper documentary evidence of such expenditure;
 - (iii) Reasonable expenses incurred by Directors in relation to such other duties including entertainment of special guests to the Club and other promotional activities performed by Directors which activities and the expenses therefrom are approved by the Board before payment is made on production of invoices, receipts or other proper documentary evidence of such expenditure;
 - (iv) The exclusive use by Directors and past Presidents of the Corporate Facility in Marconi Stadium for the purposes of promoting the Club, including entertaining guests of the Club, officials of other Football clubs, representatives of Football NSW and local and international dignitaries. The Corporate facility will not otherwise be available to members;
 - (v) The provision of a designated car parking space for the exclusive use of each Director;
 - (vi) The provision of Club blazers, ties, slacks, skirts, and casual jackets for the use of Directors in representing the Club; and
 - (vii) The reasonable cost of the Directors, the Chief Executive Officer and their partners attending Club functions as approved by the Board.
- (b) The members acknowledge that the benefits in paragraph (a) above are not available to members generally but only for those who are Directors of the Club and those persons (being members of the Club) who are directly involved in the above activities."

SECOND ORDINARY RESOLUTION

"That pursuant to the Registered Clubs Act 1976 (NSW):

- (a) The members hereby approve and agree to expenditure by the Club in a sum not exceeding \$40,000 (excluding any Goods and Services Tax) for:
 - (i) The professional development and education of Directors and officers of the Club until the next Annual General Meeting and being:
 - A. The reasonable cost of Directors, the Chief Executive Officer, and their partners, where appropriate, attending the Registered Clubs Association of NSW's Annual General Meeting and Conference, the Club Managers Association Australia Annual Conference and Annual General Meetings and Conferences of other associations of which the Club is a member;
 - B. The reasonable cost of Directors, the Chief Executive Officer, and their partners, where appropriate, attending seminars, conferences, lectures, trade displays, organised study tours, fact-finding tours and other similar events, in Australia or overseas as may be determined by the Board from time to time;
 - C. The reasonable cost of Directors, the Chief Executive Officer, and their partners, where appropriate, attending other registered clubs and hospitality and gaming venues for the purpose of viewing and assessing their facilities and methods of operation provided such attendances are approved by the Board as being necessary for the betterment of the Club;
 - D. The reasonable cost of Directors, the Chief Executive Officer, and their partners, where appropriate, attending industry related functions where required to represent the Club; and
 - E. The reasonable cost of Directors attending training sessions in relation to their roles and responsibilities under the Registered Clubs Act 1976 (NSW), the Corporations Act 2001 (Cth) and any other relevant legislation.
 - (ii) Induction training of nominees for election to the Board as may be required under rule 55(c)(v) of the Club's Constitution.

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- (b) The members acknowledge that the benefits in paragraph (a) above are not available to members generally but only for those who are Directors and those persons (being members of the Club) who are directly involved in the above activities."

THIRD ORDINARY RESOLUTION

"That pursuant to the Registered Clubs Act 1976 (NSW):

- (a) The members hereby approve and agree to reasonable expenditure by the Club until the next Annual General Meeting, and being for reasonable expenditure as approved by the Board, in providing meals, bouquets and other presentations to members of the Club, in appreciation for the contribution and efforts they have made to the Club from time to time.
- (b) The members acknowledge that the benefits in paragraph (a) above are not available to members generally but only for those persons (being members of the Club) who are directly involved in the above activities."

FOURTH ORDINARY RESOLUTION

"That pursuant to the Registered Clubs Act 1976 (NSW):

- (a) The members hereby approve and agree to reasonable expenditure by the Club until the next Annual General Meeting, and being for reasonable expenditure as approved by the Board, in providing Honorary Life Members, Past Presidents and Foundation Members of the Club with an invitation to Club functions at no cost and providing those persons with meals and beverages at those functions, in appreciation for the contribution and efforts they have made to the Club in the past.
- (b) The members acknowledge that the benefits in paragraph (a) above are not available to members generally but only for those persons (being members of the Club) who are directly involved in the above activities."

FIFTH ORDINARY RESOLUTION

"That pursuant to the Registered Clubs Act 1976 (NSW):

- (a) The members hereby approve and agree to provision by the Club until the next Annual General Meeting a select number of designated car parking spaces for the exclusive use of Honorary Life Members, Past Presidents, VIPs, visiting guests and dignitaries who may be invited to attend the Club.
- (b) The members acknowledge that the benefits in paragraph (a) above are not available to members generally but only for those persons (being members of the Club) who are directly involved in the above activities."

Explanatory Notes to Members Regarding the First to Fifth Ordinary Resolutions

1. To be passed each Ordinary Resolution must receive votes in its favour from not less than a simple majority of those members, who being entitled to do so, vote in person on the resolution.
2. Under section 10(1)(i) of the Registered Clubs Act 1976 (NSW) (Registered Clubs Act), a member of the Club is not entitled 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 except with (in the case of the subject matter of these resolutions) the authorisation of the members of the Club in general meeting under section 10(6A)(b) of the Registered Clubs Act.
3. The First Ordinary Resolution is to have the members approve a sum not exceeding \$75,000 (excluding GST) for the expenditure by the Club until the next Annual General Meeting in relation to duties performed primarily by the Club's Directors and the Chief Executive Officer.
4. The Second Ordinary Resolution is to have the members approve a sum not exceeding \$40,000 (excluding GST) for the expenditure by the Club until the next Annual General Meeting for Directors, the Chief Executive Officer, and their partners, where appropriate, to attend the Registered Clubs Association of NSW Annual General Meeting and Conference and the Club Managers Association Australia Annual Conference, to attend seminars, conferences, lectures, trade displays and other similar events (whether in Australia or overseas), and to attend other clubs, hospitality and gaming venues to assess their operations, all of which enable the Board and the Chief Executive Officer to keep abreast of current trends and developments which may have a significant bearing on the nature and way in which the Club conducts its business.
5. The Third Ordinary Resolution is to have the members approve the Club providing meals, bouquets and other presentations to members of the Club, in appreciation for the contribution and efforts they have made to the Club from time to time. The Board believes this benefit is appropriate and well deserved.
6. The Fourth Ordinary Resolution is to have the members approve the Club providing Honorary Life Members, Past Presidents and Foundation Members of the Club with an invitation to Club functions at

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no cost and providing those persons with meals and beverages at those functions, in appreciation for the contribution and efforts they have made to the Club in the past. The Board believes this benefit is appropriate and well deserved.

7. The Fifth Ordinary Resolution is to have the members approve the Club providing a select number of designated car parking spaces for the exclusive use of Honorary Life Members, Past Presidents, VIPs, visiting guests and dignitaries who may be invited to attend the Club. The Board believes this benefit for Honorary Life Members and Past Presidents is appropriate and well deserved. The Board also believes it is appropriate to allocate car parking spaces for VIPs, guests and dignitaries who may be invited to attend the Club.

SIXTH ORDINARY RESOLUTION

"That members declare, for the purposes of section 41E of the Registered Clubs Act 1976 (NSW), the land identified as Development Land on the plan attached to this notice and consisting of part lot 3B in Deposited Plan 407243 located at 121-133 Prairie Vale Road, Bossley Park NSW 2176, to be core property of the Club."

Explanatory notes regarding the Sixth Ordinary Resolution

1. To be passed, the Sixth Ordinary Resolution must receive votes in its favour from not less than a simple majority of those members, who being entitled to do so, vote in person on the resolution.
2. At a Special General Meeting of Club members held on 23 July 2017, the land shown on the plan attached to this notice (Development Land) was declared to be "non-core" property of the Club because the Club was proposing to sell the land to SWIAA Limited ABN 35 146 811 181, otherwise known as "South West Italian Association" (SWIAA), in connection with a proposed land swap between Fairfield City Council and SWIAA. Members were previously advised that if the transaction did not proceed, then a resolution would be put to the members to have the Development Land declared to be "core property" of the Club again for the purposes of section 41E of the Registered Clubs Act. The Board has been informed that SWIAA's transaction with the Council is no longer proceeding, so this resolution is being put forward to have the Development Land declared as "core property" of the Club.
3. The Development Land forms part of lot 3B in Deposited Plan 407243, which is only one of the parcels of land which makes up the Club's property at 121-133 Prairie Vale Road, Bossley Park. The Development Land has an area of 3,532 square metres and is currently vacant green space which is unused by the Club. All other land owned by the Club at 121-133 Prairie Vale Road, Bossley Park is already "core property" therefore, this resolution only deals with the Development Land.
4. If the Sixth Ordinary Resolution is passed, the Development Land will once again be subject to section 41E of the Registered Clubs Act which places restrictions on the disposal of core property by a registered club. Core property cannot be disposed of unless the Club complies with the requirements of section 41E of the Registered Clubs Act or clause 29B of the Registered Clubs Regulation 2015 (NSW).

SPECIAL RESOLUTIONS

FIRST SPECIAL RESOLUTION

"That the Constitution of Club Marconi Limited is amended by:

- deleting rule 10 and inserting instead the following new rule 10:

"10. The Club has the following objects:

(a) Main object

The main object for which the Club is established is for the encouragement of sport, and without limiting the generality of the main object, includes:

- (i) to operate and maintain football facilities in accordance with good business and environmental practices;
- (ii) to promote, encourage and foster the playing of the game of football in NSW and elsewhere and in particular to promote, encourage and foster the Marconi Stallions Football Club including provision of training, development and teaching facilities for football;
- (iii) to promote, encourage and foster the playing of any other indoor or outdoor sporting activities such as, but not limited to, bocce, golf, tennis, bowls, cricket, fencing, netball, rugby league, snooker, and cycling as determined by the Board from time to time, and to provide all things incidental to the attainment of these objects; and
- (iv) to promote and advance sporting activities, subject to any other provision of this constitution.

(b) Ancillary objects

Without limiting Rule 10(a), the ancillary and incidental objects for which the Club is established are:

- (i) to conduct a club, a clubhouse and associated facilities for the use of members and visitors;

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- (ii) to establish and carry on a club for the use and benefit of its members and to afford to its members the usual privileges, advantages, conveniences and accommodation of a club;
 - (iii) to carry on the business of a registered club and to hold such licences for (either by itself or its employees, agents or nominees), and provide all such things, as are commonly or conveniently consumed in a club;
 - (iv) to promote and advance social, cultural, educational, charitable and community activities, subject to any other provision of this constitution;
 - (v) to promote, maintain and encourage education in relation to the Italian language, culture, heritage and traditions; and
 - (vi) to acquire by purchase, lease or otherwise property and buildings for the improvement, betterment and growth of the Club and use of members and visitors.”
- adding the following new rule 59(s) after rule 59(r):
“(s) To generally do all such other things as may appear to be incidental or conducive to the attainment of the Club’s objects (subject to any restrictions contained in this Constitution).”

Explanatory notes regarding the First Special Resolution

1. The purpose of the First Special Resolution is to make the Club’s objects clearer.
2. Under sections 125 and 126 of the Corporations Act 2001 (Cth), a company is not required to include object clauses within its constitution, however inclusion of object clauses in a constitution can provide an indication of the goals of a company or nature of a company’s business. Where object clauses are included in a constitution, they do not restrict what a company can or cannot do simply because a matter is not referred to in the objects. However, if a particular matter is prohibited by the objects or in the constitution, then the company cannot do that thing.
3. The Club currently has sporting club tax exemption status, which means the Club is exempt from paying income tax because it is established for the encouragement of sport. That status is confirmed by the Australian Taxation Office every 3 years.
4. To ensure the Australian Taxation Office continues to recognise the Club’s sporting tax exemption, it is desirable to ensure the objects regarding the Club’s sporting purpose are very clearly stated. If the First Special Resolution is passed, the new rule 10(a) will more clearly set out the Club’s sporting purpose.
5. Rule 10(b) incorporates most of the objects found in existing rule 10, including promotion of the Italian language, culture, heritage and traditions. However, the proposed new rule 10 excludes matters which should be included in Board powers in rule 59. The proposed new rule 59(s) picks up what is currently in rule 10(k), namely that the (Board) has the power to do such things as are incidental or conducive to the attainment of the Club’s objects, subject to restrictions which are contained in the Constitution. There is no need to include existing rule 10(j) as its subject matter is already contained in rule 59(k), i.e. the Board’s power to deal with the Club’s assets generally, including in relation to land, subject to the Registered Clubs Act.

SECOND SPECIAL RESOLUTION

“That the Constitution of Club Marconi Limited is amended deleting rule 43 and inserting instead the following new rule 43:

“43. If the entrance fee and/or subscription or any part thereof, or any other money or part thereof, of any unfinancial member is not paid within a period of sixty days from the date upon which it falls due for payment or is not paid on any other date as may be specified by the Board from time to time, the unfinancial member shall immediately cease to be a member of the Club. Neither the provisions of Rule 47 of this Constitution nor the rules of natural justice shall apply to any procedure taken pursuant to this Rule.”

Explanatory notes regarding the Second Special Resolution

1. Currently rule 43 provides that entrance fees and/or subscriptions or any other moneys owing to the Club are to be paid within 90 days of the due date, or on any other date specified by the Board, failing which the relevant member is removed from the membership register (i.e. ceases to be a member).
2. The period of 90 days for cancelling a person’s membership for failing to pay money owed to the Club is considered too long, given that all members are given advance notices of renewal of membership and subscriptions payable.
3. If the Second Special Resolution is passed, a member who fails to pay money owing to the Club within 60 days of the due date will have their membership cancelled, unless the Board allows additional time for payment.

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THIRD SPECIAL RESOLUTION

"That the Constitution of Club Marconi Limited is amended by replacing "4 weeks" in rule 49(c) with "6 weeks" so that rule 49(c) will read as follows:

"(c) Any suspension of a member by the Secretary or the senior employee pursuant to Rule 49(b) will continue until further notice is given to the member pursuant to Rule 47 or for 6 weeks, whichever is the earlier."

Explanatory notes regarding the Third Special Resolution

1. Under rule 49(b), the Club's Secretary/CEO or a senior employee on duty can immediately suspend a person's membership if they are refused entry to the Club's premises or property or required to leave. The immediate suspension runs until the Board or Disciplinary Committee issues a notice of disciplinary charge against the member or for 4 weeks, whichever is the earlier. Under rule 47, the Board or Disciplinary Committee can resolve to continue the immediate suspension when it issues the notice of disciplinary charge until the hearing date of the charge.
2. It is desirable to have an immediate suspension pending a possible disciplinary hearing run for 6 weeks instead of 4 weeks to give the Board or Disciplinary Committee sufficient time to have a Board or Disciplinary Committee meeting following an incident and to arrange for a notice of disciplinary charge to be issued. The current period of 4 weeks immediate suspension may mean that any incident report to be considered cannot occur for at least 5 or 6 weeks because the Board or Disciplinary Committee meeting for the relevant month has just occurred or is about to occur.

FOURTH SPECIAL RESOLUTION

"That the Constitution of Club Marconi Limited is amended by deleting rule 76 and inserting instead the following new rule 76:

"76. The Board shall not be compelled to fill a casual vacancy provided always that the Board has power at any time and from time to time, to appoint any eligible member to the Board to fill a casual vacancy. Any member so appointed shall hold office during such time as the person in whose place he or she was appointed would have held office."

Explanatory notes regarding the Fourth Special Resolution

1. The current rule 76 provides that a member appointed to fill a casual vacancy on the Board holds office only until the next Annual General Meeting. As the Board elections are held every 2 years, a member appointed to fill a casual vacancy in the year immediately following a Board election can only hold office until the conclusion of that year's Annual General Meeting, rather than until the conclusion of the Annual General Meeting at which a Board election is conducted.
2. It is appropriate that any member appointed by the Board to fill a casual vacancy holds office for the duration of the term of the former Director they replaced. This would occur if the Fourth Special Resolution is passed. Many registered clubs have a similar provision.

FIFTH SPECIAL RESOLUTION

That the Constitution of Club Marconi Limited is amended by:

- Deleting rule 17 and inserting the following new rule 17:

"17. (a) Unless and until otherwise determined by the Board, Ordinary Membership of the Club shall consist of the following classes:

- (i) Financial Life Member; and
- (ii) Club Member.

- (b) Unless a member applies for and is transferred to another class of membership (subject to eligibility), each member from the existing class in the left column in the table below will be transferred to the class of Ordinary Membership in the right column, effective on and from the conclusion of the 2020 Annual General Meeting:

<i>Existing class as at the commencement of the 2020 Annual General Meeting</i>	<i>Class to which the existing class will be transferred on and from the conclusion of the 2020 Annual General Meeting</i>
<i>Associate Members</i>	<i>Club Members</i>

- Deleting rules 20, 21 and 22 and inserting instead the following new rules 20, 21 and 22:

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- "20. The eligibility of the classes of financial members referred to in Rule 19 to exercise the rights specified in Rule 19 shall be subject to the following qualification periods:
- (a) not less than 5 consecutive years of full membership, in respect of any member who became a Full Member after the conclusion of the 2018 Annual General Meeting; and
 - (b) not less than 3 consecutive years of full membership, in respect of any member who was a Club Member or Social Member* before the conclusion of the 2018 Annual General Meeting.

Note: *The class of Social membership was transferred to the class of Associate membership after the conclusion of the 2018 Annual General Meeting. Associate Members were transferred to the class of Club membership at the conclusion of the 2020 Annual General Meeting in accordance with rule 17(b).

21. Deleted.

22. Deleted."

- Deleting rule 25(c).
- Deleting rule 36(a) and replacing it with the following new rule 36(a):

"(a) The Board, in its absolute discretion, may on the written application of a financial member transfer that financial member's membership number to any other financial Club Member."

Explanatory notes regarding the Fifth Special Resolution

1. The Club currently has 3 classes of Ordinary membership, namely, Financial Life membership, Club membership and Associate membership.
2. After the conclusion of the 2018 Annual General Meeting, the class formerly known as Social Members were transferred to Associate membership. Rules 21 and 22 contain qualification periods for the rights of Associate Members and former Social Members (since transferred to Associate membership) for voting on Ordinary Resolutions and voting in Board elections.
3. If the Fifth Special Resolution is passed, Associate Members will be transferred to the class of Club membership. Subject to the qualification periods of membership set out in rule 20, Club Members (along with Foundation Life Members, Honorary Life Members and Financial Life Members) are able to vote on all matters at General Meetings, including Annual General Meetings, nominate for and hold office on the Board.
4. If Associate Members are transferred to Club membership, rules 21 and 22 will become unnecessary and can be deleted. All Associate Members (and former Social Members) who are transferred to Club membership will be subject to the qualification periods in proposed new rule 20 for nominating or holding office on the Board and for voting at General Meetings.
5. The transfer of Associate Members to Club membership will further simplify the Club's membership structure. The difference in annual subscriptions between Associate membership and Club membership is relatively insignificant. Applying Club membership to existing Associate Members and to new members is not considered to adversely impact on the Club's ability to retain existing members or attract new members.

GENERAL NOTES TO MEMBERS REGARDING THE HONORARY LIFE MEMBERSHIP, ORDINARY RESOLUTIONS AND SPECIAL RESOLUTIONS

1. Each of the resolutions must be passed as a whole and cannot be divided into two or more separate resolutions.
2. The members entitled to vote on the Honorary Life Membership Resolutions and First to Fifth Ordinary Resolutions are financial members who are:
 - (a) Foundation Life Members;
 - (b) Honorary Life Members;
 - (c) Financial Life Members
 - (d) Club Members; and
 - (e) Associate Members,

subject to the following qualification periods:

- (f) at least 3 consecutive years of Full membership where they were a Club Member before the conclusion of the 2018 Annual General Meeting held on 28 October 2018; or
- (g) at least 3 consecutive years of Full membership where they were a Social Member before the conclusion of the 2018 Annual General Meeting held on 28 October 2018; or
- (h) at least 1 year of Full membership where they were an Associate Member before the conclusion of

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the 2018 Annual General Meeting held on 28 October 2018; or

- (i) at least 1 year of Full membership where they were a Financial Life Member before the conclusion of the 2018 Annual General Meeting held on 28 October 2018.

Persons who became Full Members after the conclusion of the 2018 Annual General Meeting held on 28 October 2018 and who are members in any of the abovementioned classes of membership must have at least 5 consecutive years of Full membership of the Club to be entitled to vote at General Meetings. They will not be eligible to vote on the Honorary Life Membership Resolutions or Ordinary Resolutions except the Sixth Ordinary Resolution (see point 3 below).

3. Under section 41E of the Registered Clubs Act, financial members in all classes of Ordinary membership (and Life membership) of the Club are entitled to vote on Sixth Ordinary Resolution.
4. The members entitled to vote on the Special Resolutions are the members listed in point 2 above who satisfy the relevant qualification period, except for Associate Members, who are not eligible to vote on Special Resolutions.
5. Members who are employees of the Club are not entitled to vote and proxy voting is prohibited by the Registered Clubs Act. The Board recommends the Ordinary Resolutions, Life Membership Resolutions and Special Resolutions to members.



Anthony Zappia
Chief Executive Officer
By Order of the Board

21 September 2020

