

Management contract notice

IMPORTANT INFORMATION FOR MEMBERS – PROPOSED MANAGEMENT CONTRACT

Clause 5(2) Registered Clubs Accountability Code, Registered Clubs Regulation 2015

Name of club

Rose Bay RSL Club Co-operative Limited (trading as Club Rose Bay)

This club is required by law to inform its members of a proposed management contract (within the meaning of clause 5 of the Registered Clubs Accountability Code within the Registered Clubs Regulation 2015).

Members are advised that the club intends to enter into a management as below.

1. Names of all parties to the proposed contract (insert details of the names of the parties to the proposed contract)

Rose Bay RSL Club Co-Op Limited (ABN 27 950 495 122) ("Club") & Hemmes Trading Pty Limited (ABN 29 105 332 652) ("Manager")

In this notice:

"DOCA" means Deed of Company Arrangement

"COMA" means Club Operations Management Agreement

2. Start date of the proposed contract *

1 February 2025

3. Duration of proposed contract, including any option to renew

12 Years 5 months. Renewal subject to Sub-Lease Renewal (0 - 20 Years)

4. Purpose of the contract, including how it will assist the club (Insert details of the purpose)

On 15 August 2024, the Club entered Administration. On 19 November 2024, the Creditors unanimously voted for a DOCA Proposal from the Manager, recommended by the Administrators and supported by the Club and the Rose Bay RSL sub-Branch.

The COMA satisfies a condition precedent of the DOCA, ensuring the Club's survival and emergence from administration, while engaging an experienced operator as a service provider to improve operations, renew premises, and provide access to capital.

The COMA also advances community objectives through enhanced accessibility, engagement, and financial stability, with the Board retaining ultimate authority, oversight, and control over operations, management, and governance of the Club.

5. Amount of proposed contract, and any periodic, or other, fees (insert amounts where applicable)

Applicable to Operations Revenue: 12.5% Fee, 11% Margin on supplies & services, Performance Incentives. Market-Rate Loan, Loan Forgiven at end of full Term if not repaid in full.

Members are advised that the club is required to lodge a report with Liquor & Gaming NSW to enable a review of the proposed contract for compliance with the legislation. Following that review, Liquor & Gaming NSW may issue a direction to not to enter into, or amend, the contract if it is of the opinion that it does not comply with the *Registered Clubs Act 1976*, the Registered Clubs Accountability Code within the Registered Clubs Regulation 2015 or it is not in the interests of the club or its members.

Should any members require further information about the proposed contract, they should contact the club on below details:

John S Bax, Chair C/- Carroll and O'Dea

02 9291 7100

Contact name

Club telephone number