



Clubs SA Annual General Meeting 2018

Special Business

Item 12

Consideration and adoption of the Licensed Clubs' Association of SA Inc. (Clubs SA) and The Licensed Clubs Industry Training Foundation of SA Inc. (CHTS)

Consideration and adoption of the following motions in respect to the constitution of the Licensed Clubs' Association of SA Inc. (Clubs SA):

Motion 1: That the revised constitution of Clubs SA dated 8 September 2018 and published on the Clubs SA website be adopted.

Motion 2: That consequent upon adoption of Motion 1, the Clubs SA constitution dated 16 March 2015 be repealed in accordance with Clause 36 of that Constitution,

Consideration and adoption of the following motions in respect to the constitution of The Licensed Clubs Industry Training Foundation of SA Inc. (CHTS):

Motion 3: That the revised constitution CHTS dated 8 September 2018 and published on the Clubs SA website be adopted.

Motion 4: That consequent upon adoption of Motion 3, the CHTS constitution dated 21 February 2005 be repealed.

EXPLANATORY NOTES

In early 2017 the Executive Committee undertook a strategic review of Clubs SA's operations and a matter identified for immediate attention was a review of the constitutions governing the Licensed Clubs' Association and The Licensed Clubs Training Foundation, which have both been in force for many years.

The Committee engaged in a comprehensive review, with the assistance of expert external advice, over a period of several months with a view to creating documents which will serve the needs of the Associations for the foreseeable future, and has endorsed revised Constitutions for consideration by members and adoption at the 2018 Annual General Meeting.

In addition to creating more coherent and definitive documents, significant modifications to the governance structure and operations of each association are:

LICENSED CLUBS' ASSOCIATION (Clubs SA)

Membership (Clause 5)

The Association currently has 387 member clubs; ranging from large to quite small.

It is proposed that the structure of the membership categories be such that a club may be a member in its own right or, in the interests of smaller clubs, may gain membership privileges through being under the umbrella of a representative association. In this way, the Committee believes that many more clubs will be attracted to Club SA membership.

As a result, of this change the Committee will establish categories of membership which reflect the potential demands on Association services and which will be reflected in an equitable fee structure.

The revised Constitution provides that membership will be open to not only licensed clubs but also unlicensed clubs as Clubs SA can provide many services to these clubs besides liquor licensing.

Board of Directors (Clause 6)

To better reflect the governance needs of the Association, the Board will comprise five (5) Directors elected by member clubs and up to three (3) Directors with special expertise appointed by the Board to meet contemporary needs.

The terms of office for elected Directors will be three (3) years.

Delegates and Proxies (Clause 11)

In order to provide Members with a more controlled input into general meetings, where a delegate(s) is unable to attend a meeting the Member will be able to lodge with the chair of the meeting a proxy vote which will provide an opportunity to record a vote on any issue before the meeting or to delegate authority to the chair on the Member's behalf.

Communication (Clause 17)

In accord with modern practices the revised Constitution will provide the flexibility for the Association Board and management to communicate formally with members utilising contemporary technology.

THE LICENSED CLUBS TRAINING FOUNDATION

Objects and Powers (Clause 3)

In recognition of the changed, and changing operations of the Association to provide training opportunities to those in, and seeking employment in the hospitality industry beyond the immediate needs of Clubs SA Members, the objectives have been expanded.

Board of Directors (Clause 5)

To better reflect the governance needs of the Association, the Board will comprise up to four (4) Directors appointed by Clubs SA, one of which must have a background in finance, and up to two (2) Directors with special expertise appointed by the Board to meet contemporary needs