



MORNINGTON YACHT CLUB

Affiliated with Yachting Victoria

ABN 44 004 625 414

FREQUENTLY ASKED QUESTIONS AND ANSWER SHEET

WHY IS THE CLUB CHANGING ITS CONSTITUTION?

Over the past 18 months the Committee of the Club has undertaken a thorough review of its constitution and considered whether the constitution meets the needs of a modern sporting and community organisation. The review undertaken has also sought independent legal advice on best practice for an organisation such as ours.

Following this review, the recommendation of the Committee is to replace the existing constitution (known as a Memorandum and Articles of Association) with a new constitution. A copy of the proposed new constitution is attached for your consideration.

The existing constitution has stood relatively unchanged since 1964. Whilst the core objects of the Club, such as the promotion and encouragement of sailing and yacht racing and the provision of proper facilities for our members, have remained unchanged over time some of the clauses in the old constitution have become outdated and need refinement.

The new proposed constitution reflects the Club's legal advice as to best practice in member based organisations in relation to corporate governance, members' rights and board accountability.

WHAT ARE THE MAJOR CHANGES?

The new constitution has a number of major changes including the recognition of the fact that a Chief Executive Officer is responsible for the day to day management of the Club and that the Club conducts its affairs effectively through a Board of Directors. The fact that the Club also operates licensed premises has been recognised. The rights and obligations of members have been updated to reflect the rights and obligations that shareholders have under the Commonwealth Corporations Act. The clauses dealing with members' meetings as well as the election of the Club Officers now conforms with the procedures set down under the Corporations Act. The new constitution recognises that fact that the Club's Notice Board these days may also be the Club's website.

ARE MY RIGHTS AS A MEMBER EFFECTED BY THE NEW CONSTITUTION?

No, the rights of existing Club Members under the old constitution are protected under the new constitution. All existing members of the Club under the old constitution will be deemed members of the Club under the new constitution upon its approval.

WHAT NUMBER OF MEMBERS MUST VOTE IN FAVOUR OF THE RESOLUTION?

To replace the existing constitution and adopt the new proposed constitution requires a special resolution of the members of the Club. This means 75% of the votes cast by members entitled to vote on the resolution at the meeting need to vote in favour of the resolution.

WHAT AM I REQUIRED TO DO?

If you agree with the proposal that the Club adopts a new constitution, you can vote in favour of the resolution at the Extraordinary General Meeting of the Club which is to be held on **Wednesday 23 November 2016 at 7pm**. The meeting has been called to specifically deal with the new proposed constitution and to allow members to have their queries answered before any vote.

You can attend the Extraordinary General Meeting by proxy, using the attached proxy form, or in person.

WHAT IF I HAVE ANY QUERIES BEFORE THE MEETING?

Your thoughts on the new proposed constitution are important to us.

If you have any queries or feedback concerning about new proposed constitution, please free to contact any of the following.

- Sheryl Schumacher, Commodore, commodore@morningtonyc.net.au 0414 999 203
- Chris Jackson, Vice Commodore, vicecommodore @morningtonyc.net.au
- Rod Austin CEO/Secretary ceo@morningtonyc.net.au 0477 522 750
- Simon Purcell, Honorary Solicitor, simon.purcell@lex-tech.com.au

DATED: 22 OCTOBER 2016
