

7 September 2016

Mr John Hollows
Via email: jhollow323@westnet.com.au

Dear John,
Re: Melbourne PC – Constitution Matters

Thank you for your emails and your telephone call this morning.

We have reviewed the letter from Mr Zadow of Sharrock Pitman Legal (SPL) dated 6 September 2016. Frankly, we do not have any concerns at all about the content of that letter. The letter is merely a summary of the obligations under the relevant rules concerning the holding of a Special General Meeting (SGM). It does no more than explain those rules to Mr Bade without providing any definitive advice as to whether the SGM is properly called and whether it can proceed.

Indeed, Mr Zadow quite clearly advises Mr Bade that provided the members have complied with the rules, then the members are entitled to hold the SGM and take the special resolution to a vote at that SGM. Any other "interpretation" by Mr Bade is incorrect. Mr Zadow provides no specific opinion that you have engaged in any improper conduct associated with the convening of the SGM and we do not understand why Mr Bade extends and thereby misrepresents his advice in that respect.

From our discussions and from Mr Zadow's, there is no suggestion that you and your fellow members have not complied with your notice requirements or any other requirements. In a nutshell, the SGM is validly called and can be held pursuant to the terms you outlined in your notice.

We specifically comment as follows:-

1. We agree that the Committee should check that the members have complied with the rules; but this does not extend to invalidating a properly convened SGM simply because the Committee has failed in its duty. This would be an absolute nonsense where a committee breaks its own rules and then prevents members from holding a properly convened meeting because of that committee's breach.
2. As to the delivery of the notice itself, you (the members) have - to the best of your ability - notified club members of the meeting in writing by email. You expressed some concern as to the completeness of the contact data base for members. The update of the data base is the responsibility of the Committee. You are entitled to rely on the Committee ensuring the completeness of the data base. Provided you have sent notices to the contact details via the best available data base and systems at the time, you have complied with all of your requirements. Further, it is not intended under the rules that a meeting can be cancelled because one or a relatively small number of members claim not to have received a notice. You are entitled at law to assume that emails and post have successfully delivered the notice to members; and you are entitled to assume that the data base is correct.
3. As to Mr Zadow's point 9, whether you have provided one notice to each family or several notices to each club member within the family is not an issue SPL have a clear view on and neither do we.

The only real piece of advice from SPL to Mr Bade is that the President has the right to make enquiries as to whether the rules have been followed. The President, however, does not have a general and overarching right to cancel any meeting because he is not satisfied about whether proper procedure is followed. If the President or any member/s believes the rules have not been properly followed, s/he/they can make an application to VCAT or the courts to have the matter litigated. The validity of any resolution passed at the SGM will then be determined by the tribunal member or the judges on the evidence.

In summary, your meeting complies with the rules and can proceed.

Yours sincerely,

E. Horsfield

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