



## **KARUAH & DISTRICT RSL CLUB**

### **BOARD BY-LAW 01 – CATERING FOR FUNCTIONS**

1. A member or group holding a function at Karuah & District RSL Club premises is not permitted to use self-catering or external caterers unless written permission has been given by the Karuah and District RSL Board of Directors.
2. The Club caterer is always to be given the first opportunity to cater for a function. If the Club caterer chooses not to cater for the function, or an agreement cannot be reached between the function organiser and the Club caterer, then the function organiser can write to, or email, the Board of Directors through the Chief Executive Officer (CEO) requesting to either self-cater or to engage an external caterer. The request must detail the reasons why the function organiser is asking to self-cater or to engage an external caterer.
3. In considering the request, the Board of Directors will base their decision on the information submitted by the function organiser and, if necessary, discussions with the Club caterer. The Board of Directors will reply in writing, or by email, to the function organiser through the CEO.
4. If permission is given to self-cater or engage an external caterer, then the function organiser is not limited in what food can be self-catered or supplied by an external caterer. However, all drinks for and during the function must be purchased from the Club and under no circumstances are any drinks, alcoholic or otherwise, allowed to be brought on to Club premises.

**Alistair Third**  
**President**  
**Karuah & District RSL Club**



## **KARUAH & DISTRICT RSL CLUB**

### **BOARD BY-LAW 02 – CITATION BY-LAW**

1. In accordance with the Karuah and District RSL Club's Constitution Rule 20 (Disciplinary Proceedings), if a complaint has been made against a member and the member is considered by the Chief Executive Officer (CEO) or the Board to have wilfully neglected to comply with any provisions of the Constitution or any By-Law or, in the reasonable opinion of the CEO or the Board, has engaged in conduct which is prejudicial to the interests of the Club or unbecoming of a member, then the CEO or the Board may cite the member to appear before the Board or the Disciplinary Committee to answer to the claims.
2. If it has been decided to cite the member, then, within seven (7) days of the complaint being made, that member shall be notified in writing of the nature of the complaint and the date of the meeting at which the complaint will be heard.
3. Once a member has been cited to appear at a meeting, the member is not permitted to enter Club premises for any reason except to appear for the citation at the agreed meeting. That exclusion includes, but is not limited to, the following:
  - a. Wakes
  - b. Weddings
  - c. Birthdays
  - d. Private functions
  - e. Sub-Branch meetings
  - f. Playing of bowls
  - g. The restaurant (dine in, or take away).
4. The member is not permitted to represent or play bowls for either the Karuah RSL Men's or Lady's Bowls Club in any competition including galas, club championships or pennants either home or away.
5. In accordance with Rule 21 of the Constitution, the Board may, by resolution, delegate all powers and functions given to the Board by Rule 20 to a Disciplinary Committee comprising not less than three (3) directors of the Board. The Disciplinary Committee shall comprise at least one (1) President or Vice President, one (1) director who is an Ordinary RSL member, and one (1) director who is an Ordinary member.
6. The member who has received notice of a disciplinary complaint shall be entitled to:
  - a. attend the meeting for the purpose of answering the disciplinary complaint; and

- b. submit to the meeting written representations for the purpose of answering the disciplinary complaint.
7. The disciplinary complaint is to be heard by the Disciplinary Committee within thirty (30) days of the date on which the complaint was made. The member is to have a minimum of fourteen (14) days to prepare for the hearing.
8. If the member fails to attend such meeting:
- a. the disciplinary complaint may be heard and dealt with and the Disciplinary Committee may decide on the evidence before it; and
  - b. the Disciplinary Committee may impose any penalties, the member's absence notwithstanding, but having regard to any representations which may have been made to it in writing by the member.
9. After the Disciplinary Committee has considered the evidence put before it, the Disciplinary Committee must come to a decision as to whether or not to uphold the disciplinary complaint.

**GUIDELINES FOR SANCTIONS**

If the cited member is well-known to, or a relative of, a director of the Citation Committee then the director must declare that information to the Disciplinary Committee who must decide whether to proceed, or adjourn and replace the director.

If the complaint is upheld then the following table should be used to determine a suitable sanction:

<b>OFFENCE</b>	<b>MINIMUM SANCTION</b>
Petty Theft - (Under \$300 value)	<b>1 Year</b>
Theft – (Over \$300 value)	<b>5 Years</b>
Threat of assault against a staff member/intimidation	<b>2 Years</b>
Threat of assault against a Patron	<b>6 Months</b>
Inciting a fight	<b>2 Years</b>
Physical Assault against a staff member	<b>Life</b>
Physical Assault against a Patron	<b>5 Years</b>
Conduct Unbecoming a Member impacting the reputation of the Club	<b>3 Months</b>
Failure to Quit (Leave when directed by Manager or Supervisor)	<b>6 Months</b>
Stalking, Harassment and Threatening Behaviour Staff	<b>5 Years</b>
Stalking, Harassment and Threatening Behaviour	<b>1 Year</b>
Intentional Property Damage Offences under \$300	<b>1 Year</b>
Intentional Property Damage Offences Over\$300	<b>2 Years</b>
Club must be reimbursed before member allowed back in	

The staff must feel that the Board is supporting and protecting them; consequently, if the guidelines are not followed, then the reasons must be discussed at the next board meeting.

10. When the Disciplinary Committee has made a decision as to whether or not the disciplinary complaint has been upheld, if the member is at the meeting, the Disciplinary Committee must inform the member of the decision. If the disciplinary complaint has been upheld, then the member must also be informed of the right to appeal.
11. If the disciplinary complaint has been upheld and the member is at the meeting, the member must be given a further opportunity at the meeting to address the Disciplinary Committee in relation to an appropriate penalty for the disciplinary complaint which has been upheld.
12. No motion by the Disciplinary Committee to reprimand, suspend or expel a member shall be deemed to be passed unless a two-thirds majority of the directors present in person vote in favour of such motion.
13. The Disciplinary Committee shall have the power to adjourn, for such period as it considers fit, the meeting pursuant to this Rule 20.
14. Following the decision by the Disciplinary Committee, the CEO is to write to the member informing them of the decision of the Disciplinary Committee and stating that the member has the right to appeal the decision and that that appeal must be received in writing within 14 days of the date of the letter.
15. At the Board Meeting following a Disciplinary Meeting, the decision of the Disciplinary Committee shall be reviewed by the Board. The Board retains the right to overturn the Disciplinary Committee's decision or amend the sanction imposed on the member. The decision of the Board shall be final and the Board is not required to give any reason for its decision.
16. If the member appeals the decision, then the Board's Disciplinary Appeals Committee must hear the appeal. within 14 days of receiving notification of the appeal from the member. Following receipt of the notification of appeal, the CEO is to inform the member of the date that the appeal will be heard.
17. The Disciplinary Appeals Committee must comprise at least one (1) President or Vice President, one (1) director who is an Ordinary RSL member, and one (1) director who is an Ordinary member, all of whom must not have been on the Disciplinary Committee that heard the initial complaint.
18. When the Disciplinary Appeals Committee has made a decision as to whether or not the decision by the Disciplinary Committee has been upheld, if the member is at the meeting, the Disciplinary Appeals Committee must inform the member of the decision. If the decision has been upheld, then the member must also be informed. There is no further right to appeal.
19. If the decision has been upheld and the member is at the meeting, the member must be given a further opportunity at the meeting to address the Disciplinary Appeals Committee.
20. The decision of the Disciplinary Committee shall be deemed to be passed if a majority of the directors present in person vote in favour of such motion.
21. The Disciplinary Appeals Committee shall have the power to adjourn, for such period as it considers fit, the meeting pursuant to this Rule 20.
22. Following the decision by the Disciplinary Appeals Committee, the CEO is to write to the member informing them of the decision of the Disciplinary Appeals Committee and stating that the member cannot appeal the decision.

**Alistair Third**  
**President**  
**Karuah & District RSL Club**



## **KARUAH & DISTRICT RSL CLUB**

### **BOARD BY-LAW 03 – USE OF KARUAH AND DISTRICT RSL CLUB COURTESY BUS OR UTILITY VEHICLE**

1. Only subsidiary clubs of Karuah & District RSL Club (the Club), local community organisations, including Karuah Public School, or members representing the Club can use a Club courtesy bus or utility vehicle (vehicle) providing the vehicle is not required by the Club. The representative from the subsidiary club, local organisation, or member must complete a **Request To Use RSL Club Vehicle**, see Annex A, and send it to the Chief Executive Officer (CEO) of the Club requesting the use of a Club vehicle stating which subsidiary club or organisation will be using the vehicle, the date, times, destination, purpose of the trip, and the names of the drivers.
2. If a member of the Club wishes to use a Club vehicle for any group other than a subsidiary club or local community organisation, the member must complete a **Request To Use RSL Club Vehicle**, see Annex A, and send it to the Board of Directors through the CEO requesting permission to use the vehicle. The request must include which group will be using the vehicle, the date, times, destination, purpose of the trip and the names of the drivers. The Board of Directors will consider the request and will reply in writing, or email, through the CEO to the member.
3. In every case, the drivers must have the appropriate license and must be on the Club's register of insured drivers. On return of the vehicle to the Club, the vehicle must be cleaned both inside and outside and refuelled; there will be no further charge for the use of the vehicle. However, if the vehicle is not refuelled or cleaned then the cost of doing so will be charged to the subsidiary club, organisation or group.
4. If there is any wilful or negligent damage to the vehicle then the subsidiary club, organisation or group will be liable to pay for the damage.
5. The Club vehicles are not to be used for the personal benefit of any member, staff member or member of the Board of Directors. That personal benefit includes, but is not limited to, driving a member or members to a train station, bus station or airport as part of a private trip or holiday, or driving a member or members to a retail outlet for the purpose of purchasing items for personal use, or for any trip where a member would reasonably be expected to use their own transport.

**Alistair Third**  
**President**  
**Karuah & District RSL Club**

Annex:

A. Request To Use RSL Club Vehicle



## KARUAH & DISTRICT RSL CLUB

### REQUEST TO USE KARUAH RSL CLUB VEHICLE

Name of Organisation Making Request:.....

Name of Person Making Request:.....

Reason For Request:.....

Which Vehicle? UTE BUS

Date Required:..... Time Required:.....

Date of Vehicle Return:..... Time of Vehicle Return:.....

Name of Driver(s).....

#### NOTES:

- FUEL USED MUST BE REPLACED
- VEHICLE MUST BE RETURNED CLEAN INSIDE AND OUTSIDE
- ANY UNSERVICEABILITIES MUST BE REPORTED TO THE CLUB
- THE CLUB IS NOT RESPONSIBLE FOR ANY INFRINGEMENTS
- VEHICLE CANNOT BE USED UNTIL THIS FORM IS APPROVED

#### For office Use:

Driver License(s) Seen: YES/NO

**APPROVED / NOT APPROVED**

**CHRIS FRASER**  
CEO

**ALISTAIR THIRD**  
PRESIDENT

Date:.....

Date:.....



## KARUAH & DISTRICT RSL CLUB

### BOARD BY-LAW 04 – DIRECTORS ALLOWANCES

1. At each Annual General Meeting of Karuah & District RSL Club, members are asked to endorse an Ordinary Resolution that approves the Club to expend a sum of money to fund certain ongoing activities of the directors which includes reasonable expenses incurred by directors in relation to certain activities including entertainment of special guests to the Club and hospitality to members or guests of the Club.

#### Directors' Hospitality Honorarium

2. To provide funds to enable directors to undertake such activities, a monthly honorarium is credited to each director's membership card. In addition to the uses listed above, directors can use the honorarium for personal use within the Club as well. However, as this benefits directors, the Board cannot vote on the amount set for the honorarium and cannot vote to increase the amount either as this would be a blatant conflict of interest. The Ordinary Resolution authorises the Club to expend the sum of money but does not authorise the directors to set the amount or increase the amount. As this is an expenditure by the Club, then the honorarium amount will be set by the CEO of the Club. The total honorarium credited to the directors each financial year is debited from the sum of money approved by the members under the Ordinary Resolution.

3. As at the AGM on 01 December 2024, the CEO has set the honorarium at \$100 per director per calendar month. The CEO will review this figure each year prior to the Club's AGM.

4. Honorariums can be expended at the directors' discretion at any bar area or Poppies Café for the following:

- Soft drinks.
- Non-alcoholic drinks or products
- Coffee, tea, or hot chocolate
- Food

The honorariums cannot be expended at the restaurant or used to buy raffle tickets or comparable purchases; additionally, the honorarium cannot be taken in cash or used in poker machines.

5. The Club, and hence the members, should not be expected to fund the directors' consumption of alcohol; consequently, the honorarium cannot be used by the directors to purchase alcoholic drinks or products. As the honorarium is provided by the Club, use of it by directors to obtain alcoholic drinks or products raises concerns about promoting excessive drinking which is in

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**DUE TO CONFLICT OF INTEREST, THIS BY-LAW CAN ONLY BE AMENDED AND APPROVED BY CLUB MEMBERS AT A GENERAL MEETING**

contravention of the objectives of the NSW Liquor Act 2007 No 90 Part 6 Division 1 Section 99 (2) with respect to:

- *Restricting or prohibiting the conduct of promotions or other activities including the discounting or supply of liquor free of charge that could result in misuse or abuse of liquor, such as binge drinking or excessive consumption,*
- *The standards to be observed on licensed premises in the sale and service of liquor, for the purpose of preventing misuse or abuse of liquor.*

6. Furthermore, if a director has alcohol funded by the Club through the honorarium and gets charged with Drinking and Driving, then, not only is this bad publicity for the Club, but it exposes the Club to possible prosecution for contravening the NSW Liquor Act 2007 No 90.

7. In addition to the regulatory considerations, health is another consideration. Alcohol is classed as a drug, is addictive, and affects people's well-being.

8. The Club will credit the honorarium to each eligible director monthly on the day of the board meeting. If a board meeting is not held in a month, then the honorarium will be credited on last Tuesday of the month.

9. Any unused credit on a director's card at the time of replenishment will be cancelled and not be carried over to the next month.

10. At the end of the Club's financial year, any honorarium amounts remaining on directors' membership cards are credited back to the Club and the membership cards are reset to zero for the start of the new financial year. In other words, honorariums are not carried across from financial year to financial year.

11. If the Club is closed for an extended period, as has happened during the COVID-19 outbreak, then monthly honorariums to directors are to be reviewed and maybe withheld. If they are withheld, then they are not to be credited retrospectively to directors when the Club re-opens.

### **Allowances for Attendance at Australasian Gaming Expo**

12. When directors attend the Australasian Gaming Expo (AGE) or similar event, then a daily allowance is payable to directors which is provided to fund meals and refreshments. The allowance is to include an amount each per breakfast, lunch and dinner and is calculated from the time the transport departs the Club until the time the transport arrives back at the Club. Directors will be given an advance of funds so that they do not have to expend their own funds. As this is a benefit for the directors, they cannot set the amount for the allowance; consequently, the CEO will determine the amount per meal. Spouses/partners who accompany directors will not be provided with any allowance but are welcome to attend.

13. The directors must reconcile their allowances with the Club's admin staff by providing receipts. Receipts for food, coffee or similar, soft drinks, bottled water, non-alcoholic drinks will be accepted; however, receipts for alcoholic drinks or products will not be accepted. Again, the intent is that the Club will not fund the drinking of alcohol by the directors. The difference between the receipted amount and the issued allowance must be repaid by directors to the Club. If the receipted amount is more than the issued allowance, then the director will not be paid the difference.

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**DUE TO CONFLICT OF INTEREST, THIS BY-LAW CAN ONLY BE AMENDED AND APPROVED BY CLUB MEMBERS AT A GENERAL MEETING**



14. If a director has lost a receipt, then the director cannot claim for that lost receipt as there is no evidence of the items purchased. Directors will be given two weeks to reconcile their expenses after which their non-payment will be reported to the Board.

## **Vehicle Expenses**

15. From time to time, directors may need to travel for Club business, for example to attend director training. If the Club is providing transportation, such as a bus or motor vehicle, then the director cannot claim any vehicle expenses if the director chooses to use their own vehicle. If the Club is not providing transportation, then the Club's motor vehicle will be made available; if the director chooses to use their own vehicle, then the director cannot claim vehicle expenses. If the Club's motor vehicle is not available, then the director may use their own vehicle for which an allowance will be provided based on the reasonable amount of fuel used for the distance covered. The intent is that the director is not out of pocket.

16. Allowances will not be paid to directors for travelling to the Club from their place of residence or for the return journey.

## **In Summary**

17. The Board has a responsibility to demonstrate to members that directors' allowances are fair and reasonable and that directors are not profiting from excessive allowances. The Board also has an obligation to members to demonstrate a Responsible Serving of Alcohol approach to directors by not funding alcohol for directors.

**Alistair Third**  
**President**  
**Karuah & District RSL Club**

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**DUE TO CONFLICT OF INTEREST, THIS BY-LAW CAN ONLY BE AMENDED AND APPROVED BY CLUB MEMBERS AT A GENERAL MEETING**



## **KARUAH & DISTRICT RSL CLUB**

### **BOARD BY-LAW 05 – DIRECTORS UNIFORM**

1. On election to the Karuah & District RSL Club (the Club), directors are entitled to be issued items of uniform free of charge. Once issued, directors are to wear uniform while undertaking duties at the Club; newly elected directors are permitted to undertake duties while they await issue of their uniform. Club uniform is not to be worn by directors if they are not undertaking Club duties. Only directors currently serving on the Board of Directors may wear Club uniform; past directors are not permitted to wear items of uniform that identify them as directors of the Club. When a director leaves the Board, the uniform must be handed back to the Club.
2. Each director is entitled to the following items of uniform:
  - a. Club jacket - one.
  - b. Dress shirt/blouse – two.
  - c. Casual shirts – two.
  - d. Casual pants/slacks – two.
  - e. Belt – one.
3. Each director is responsible for the cleaning and upkeep of their uniform. If an item of uniform is damaged whilst undertaking Club duties or needs to be replaced due to fair wear and tear then permission must be sought from the Board of Directors to replace the item.
4. Directors are issued with uniform to ensure each director looks to be part of the team by wearing a uniform of the same design. Furthermore, Directors are expected to present a professional appearance when undertaking Club duties and, consequently, are to wear the uniform issued to them and not to mix uniform with non-uniform items such as denim jeans. It is not acceptable to have a uniform shirt with a pair of jeans as this displays a shoddy and unprofessional appearance. During summer months, it is acceptable to wear tailored shorts provided they are of smart appearance; denim shorts are not considered acceptable.

**Alistair Third**  
**President**  
**Karuah & District RSL Club**



## **KARUAH & DISTRICT RSL CLUB**

### **BOARD BY-LAW 06 – MEDIA ENQUIRIES AND SOCIAL MEDIA**

1. Although media enquiries are not commonplace, it is important that Karuah and District RSL Board of Directors (the Board) and staff are aware of the appropriate response to any media questions to avoid any adverse publicity for the Club or the club industry.
2. The Chief Executive Officer (CEO) is responsible for any media releases and answering any questions from the media unless a director from the Board has been appointed by the Board to do so. No other person is to make a statement on behalf of the Club to the media or answer any questions unless directed to do so by the Board or the CEO.
3. If a representative of the media asks a member of the Board or a staff member a question or asks for a statement then the reply that is to be given is that you are not the best person to speak to and that the question or request for a statement is to be directed to the CEO or director who has been appointed by the Board as the media spokesperson. Be polite, but firm, and take the contact details for the media representative and tell them that you will pass them on to the appropriate person. Do not divulge any personal details of Board or staff members including any mobile phone numbers. If pressed for a contact, give the media representative the phone number of the Club.
4. Under no circumstances are sensitive issues such as Club policy on licensing laws, excessive consumption of alcohol, gaming laws or poker machine usage to be discussed.
5. With the proliferation of social media outlets such as Facebook, Twitter and Instagram, and including email, Board and staff members are not to post online or send anything that might be interpreted to be racist, sexist, abusive or bullying, or of a nature likely to offend. Any online posts or emails that can be interpreted as repeatedly behaving unreasonably towards a person or persons will be seen as bullying which will not be tolerated by the Club.

**Alistair Third**  
**President**  
**Karuah & District RSL Club**



## **KARUAH & DISTRICT RSL CLUB**

### **BOARD BY-LAW 07 – DONATIONS**

1. Requests for donations for an organisation or individual must be submitted in writing to the Board of Directors (the Board) through the Chief Executive Officer (CEO). The application must state who the donation is for, what the requested amount is, and what the donation will be used for.
2. All donations from Karuah and District RSL must be approved by the Board. In considering a donation, the Board must take into account:
  - a. Is the organisation or individual deserving of a donation?
  - b. Does the donation fall into either ClubGRANTS Category 1 or 2? (See Annex for details)
  - c. Will the donation provide a benefit to the Club such as increased patronage, or advertising on sports gear, or lead to high regard for the Club?
  - d. Would the club members approve?
2. Once the Board has decided to donate to an organisation or individual, then the amount to donate must be determined and agreed by the Board. Based on the submission received, the Board may decide to donate the full request or may decide to donate less or more than requested. If the application is for \$1,000 or more then the Board may ask for additional information to support the request.
3. If the Board agrees to make a donation, then the organisation or individual making the request must be informed in writing by the CEO. This response must include any conditions that the Board has imposed such as what the organisation or individual must do to support the Club, or that advertising on sports gear or the like must be undertaken. The response must also include the requirement for a receipt from the organisation or individual.

**Alistair Third**  
**President**  
**Karuah & District RSL Club**

## ClubGRANTS CATEGORY1 AND 2 GUIDELINES

1. The following guidelines are provided by ClubGRANTS.

### CATEGORY 1

2. Eligible Category 1 donations is for specific community welfare and social services, community development, health services, and employment assistance activities, as well as donations aimed at improving the living standards of low income and disadvantaged people.

a. **Community Welfare and Social Services**

- family support
- supported emergency or low cost accommodation
- counselling services
- child care and child protection
- aged, disability or youth services
- veteran welfare services
- services to victims of natural or other disasters
- volunteer emergency services, such as surf life-saving and rural fire services.

b. **Community Development**

- neighbourhood centre activities
- community education programs
- youth drop-in facilities
- community transport services
- tenants' services
- state-wide or regional services developing social policies and providing advocacy for local community services.

c. **Community Health Services**

- early childhood health
- child and family services
- community nursing
- therapy, including art therapy
- community mental health services
- health promotion initiatives
- drug and alcohol services
- palliative care/women's health/dental/ disability services

- Aboriginal and Torres Strait Islander health services
- home and community care services Funding for buildings and equipment for in-patient care may be recognised as Category 1 expenditure in certain limited circumstances, so long as the expenditure is identified by the ClubGRANTS Local Committee to be of very considerable potential importance and value to the local community. Otherwise such grants will only be recognised as Category 2 expenditure. Funding for medical research is not eligible as Category 1 expenditure.

d. **Employment Assistance Activities**

- employment placement services
- group training
- employment advocacy
- community enterprises
- local job creation schemes

3. **Treatment of expenditure ‘in kind’.** Category 1 expenditure ‘in kind’ provided to the community is acceptable provided that claims for such expenditure do not exceed market value, are properly documented and are eligible for Category 1 expenditure as defined in these guidelines. Expenditure ‘in kind’ is not acceptable if the organisation receiving the expenditure makes a comparable reciprocal ‘in kind’ contribution to the club. ‘In kind’ expenditure cannot exceed 20% of combined Category 1 and Category 2 ClubGRANTS expenditure. However, clubs may apply to the Executive Director, Office of Liquor, Gaming and Racing, Department of Trade and Investment for exemptions to the 20% limit. Applications for exemptions must be accompanied by such information as may be required by the Executive Director.

## **CATEGORY 2**

4. Eligible Category 2 expenditure is that expenditure allocated to community development and support activities and projects not listed under Category 1 and expenditure allocated to a club’s core activities (such as sport, returned servicemen’s league/veteran welfare, golf course and bowling green maintenance, including for wages paid to staff to carry out the maintenance).

5. Category 2 expenditure can be allocated for professional sport purposes including National Rugby League with the exception of monetary payments to professional or semi professional sports persons and their coaches and managers.

6. There are a number of specific funding allocations that are disallowed under Category 2, as follows:

- professional entertainers and entertainment provided for club patrons and used for the purpose of directly promoting activities associated with the trading operations of the club;
- expenditure on a club's commercial activities or activities directly related to fulfilling its obligations under the legislative and licence requirements applying to its trading operations (for example, Occupational Health and Safety); and
- capital and related expenditure on club facilities where the project is primarily commercial in nature, or related to the upgrading or enhancement of gaming facilities, or when the facility is operated on a profit basis. However, this does not exclude funding for upgrading buildings, improving access to buildings, or upgrading communications technology or connections to utilities for club facilities, provided that the building or facility is not primarily commercial in nature, is not related to gaming and is not operated on a profit basis.

7. Despite the above, Category 2 funding may be allocated for establishing and/or improving a club's community care infrastructure or undertaking a capital upgrade to a club's core property or equipment in the circumstances described in paragraphs 11-14.

8. **Tourism Promotion.** Category 2 expenditure on the promotion of tourism is acceptable provided that the expenditure is not specifically targeted to promoting the club.

9. **Treatment of Expenditure 'in kind'.** Category 2 expenditure 'in kind' provided to the community is acceptable provided that claims for such expenditure do not exceed the market value, are properly documented and represent eligible expenditure as defined in these guidelines. Expenditure 'in kind' is not acceptable if the organisation receiving the expenditure makes a comparable reciprocal 'in kind' contribution to the club. As noted above, 'In kind' expenditure cannot exceed 20% of combined Category 1 and Category 2 ClubGRANTS expenditure.

10. Cultural activities, visual/performing arts Category 2 expenditure may be provided for non-profit cultural activities, or non-profit visual and performing art activities and programs.

11. **Capital Upgrades for Emergency Situations** Capital expenditure on an upgrade that relates to a club's core property or equipment may be recognised as Category 2 expenditure provided that the primary purpose of the upgrade is to improve a local community's preparedness for, response to and/or recovery from an emergency. An emergency has the same meaning given by section 4 of the State Emergency and Rescue Management Act 1989.

12. Category 2 expenditure on a capital upgrade that would improve a club's capability or capacity to act as an evacuation centre is acceptable only if a Local Emergency Management Committee has endorsed the club as a potential emergency evacuation centre. These committees typically maintain a list of potential centres for each local government area as part of local emergency management plans established under the State Emergency and Rescue Management Act 1989.

13. Further, clubs must be able to demonstrate that proposed upgrades are consistent with, and do not duplicate, established emergency management arrangements and infrastructure in New South Wales. In the event of an emergency, existing arrangements in most cases provide local communities access to mobile catering, off-site commercial accommodation, backup power generators, and child friendly spaces/play equipment. This will depend on the location and type of emergency. Clubs should therefore consult their Local Emergency Management Committee before undertaking a proposed capital upgrade.

14. Examples of eligible capital upgrades

a. Establishing backup power supplies, communications or other support capability necessary to set up a club as a potential emergency evacuation centre for a local community, where the Local Emergency Management Committee has confirmed that club's use for this purpose and the proposed upgrade is consistent with the role of an evacuation centre in an emergency.

b. Expanding a dam on club property where the Local Emergency Management Committee advises that the expansion would improve the local community's capacity to respond to a bushfire.



## **KARUAH & DISTRICT RSL CLUB**

### **BOARD BY-LAW 08 – DIRECTORS CONFIDENTIALITY**

1. To encourage and foster open and candid discussion at Board meetings, the Board of Directors of Karuah and District RSL Club, including the Chief Executive Officer (CEO), must maintain confidentiality pertaining to discussions and decisions undertaken during Board meetings.
2. Therefore, in line with the Corporations Act 2001, it is the ruling of the Board of Directors of Karuah and District RSL Club that each director and the CEO shall keep confidential all information relating to discussions and decisions at its meetings and all material such as correspondence, reports, citations etc unless compelled by legal process to disclose such information or as otherwise agreed by the Board. Board members can discuss the proceedings of Board meetings amongst themselves but these discussions must be discrete and not over-heard by non-Board individuals.
3. A director or CEO must not make improper use of information acquired as a director or CEO during or at any time after their term on the board. They must not make improper use of inside information or information on staff or members to gain, or seek to gain, a benefit or advantage for the director or CEO. They must maintain appropriate confidentiality when dealing with any staff or member issues.
3. Board members acknowledge that any infringement of this by-law could cause harm to Karuah and District RSL Club and hinder or discourage full and frank Board discussions and deliberations. Consequently, any board member who breaches this by-law may be subject to disciplinary action.
4. Board members shall sign the Confidentiality Agreement at Annex A to this by-law to acknowledge that they have read, understood and accept the conditions of Karuah and District RSL Club Confidentiality By-law.

**Alistair Third**  
**President**  
**Karuah & District RSL Club**

#### **ANNEX**

##### **A. Karuah and District RSL Club Confidentiality Agreement**



**ANNEX A TO  
CLUB BY-LAW 08 – DIRECTORS  
CONFIDENTIALITY**

**KARUAH AND DISTRICT RSL CLUB CONFIDENTIALITY AGREEMENT**

1. I hereby agree to keep all matters, discussions, papers and decisions relating to Karuah and District RSL Club Board proceedings strictly confidential in accordance with my duties under Section 183 of the Corporations Act 2001 and I agree not to disclose any such matters to any party or person without prior consent of the Board.

2. I accept my responsibilities under the Corporations Act 2001 and the Registered Clubs Act and any other relevant legislation as a member of the governing board responsible for the management of the business and affairs of the Club and will comply with the Constitution of the Club.

PRINT FULL NAME: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_



## **KARUAH & DISTRICT RSL CLUB**

### **BOARD BY-LAW 09 – RESPONSIBLE SERVICE OF ALCOHOL AND RESPONSIBLE CONDUCT OF GAMBLING**

1. The Board of Directors, Management and staff of the Karuah and District RSL Club (the Club) are committed to the Responsible Service of Alcohol (RSA) and the Responsible Conduct of Gambling.

#### **RESPONSIBLE SERVICE OF ALCOHOL**

2. RSA refers to the service, consumption and promotion of alcoholic products in a manner that minimises the potential harm that may be caused by alcohol consumption to individuals, their families and the community generally.

- The Club recognises that it is against the law to serve any person to intoxication
- The Club recognises that it is against the law to allow intoxication, disruptive or violent behaviour to occur on the premises
- The Club seeks to ensure that no harm comes to patrons as a result of service of alcohol
- The Club recognises that it is against the law to serve or supply alcohol to any person under the age of 18 years

3. **Measures Adopted to Ensure Responsible Service of Alcohol.** The Club has implemented a range of policies to ensure the responsible service of alcohol to patrons.

- The Club discourages excessive drinking
- Shots and doubles will only be served at management's discretion
- A range of drinks are offered on the premises including a range of non-alcoholic beverages
- Complimentary water is provided self-service at the bar
- The Club seeks to create an environment that discourages drunken, disruptive or violent behaviour
- The Club does not encourage rapid or excessive consumption of alcohol through pricing
- Low alcohol beers are stocked and promoted

- Staff have been made conversant with this Club by-law and have had the training necessary to implement it

4. **Under-Age Drinking.** The Club recognises that it is against the law to serve or supply alcohol to any person under the age of 18. Under-age drinking laws are in place to protect children from alcohol-related harm. Under the liquor laws, children under the age of 18 years old are referred to as minors.

- The Club has surveillance procedures designed to detect under-age persons seeking to enter the premises.
- If a staff member believes that a person who is ordering or being supplied alcohol is under 18 years of age, they will politely request proof of age.
- The following forms of identification (ID) can be accepted as evidence of age by licensed venues in NSW:
  - A driver's or rider's license or permit (issued by an Australian State or Territory or any foreign country)
  - Australian passport or a foreign passport issued by another country
  - NSW Photo Card (issued by Roads and Maritime Services NSW)
  - Proof of age card issued by a public authority of the Commonwealth or of another State or Territory for the purpose of attesting to a person's identity and age
  - Key-pass (over 18) identity card issued by Australia Post.
- If the person is less than 18 years of age, or refuses to produce identification, staff will refuse service and request that the person leaves the premises.

5. **Driving Whilst Above the Legal Limit of Alcohol.** The Club will actively seek to discourage anyone who is deemed to have a blood alcohol level higher than the legal limit. The Club offers regular free courtesy bus facilities for local and surrounding areas and will call a taxi and will hold car keys in a secure location.

6. **Refusal of Service.** If a staff member feels that a patron is becoming intoxicated then they will offer a range of options as an alternative to alcohol. If service is refused, the staff member will politely explain to the patron that it is illegal to serve to the point of intoxication. If the patron continues to ask for alcohol they will be politely asked to leave the premises. If the patron refuses to leave the premises, as a last resort, the staff member will contact the police and request the removal of the patron. The police may issue an on-the-spot fine of \$550 for refusal to leave the premises.

## **RESPONSIBLE CONDUCT OF GAMING**

7. Karuah and District RSL Club is a responsible corporate citizen in the local community and is committed to the responsible conduct of gaming. The Club ensures that its gaming facilities are operated in accordance with the responsible provision of gambling guidelines set by ClubsNSW and in accordance with Liquor and Gaming NSW compliance and enforcement policy.

8. The Club supports the provision of a responsible gambling environment for all patrons of our Club by:

- Ensuring all staff who have gambling-related duties are trained in the Responsible Conduct of Gambling (RCG) and can respond appropriately to a request for assistance from a problem gambler or other concerned person
- Prohibiting any form of credit or cash advances to members or guests for gaming purposes
- Prohibiting the cashing of cheques for the purpose of gambling
- Offering the option for paying all winnings by cheque
- Prohibiting ATM or EFTPOS or any form of cash withdrawal facilities in the gaming area
- Advertising the risks of gambling through pamphlets and signs in the gaming areas
- Not offering any inducements to play gaming machines
- Promoting the G-Line Gambling Help (NSW) that is available to anyone in NSW who wants to talk to a trained counsellor about their own or somebody else's gambling problem
- Making clocks visible in the gaming areas

9. In accordance with the Gaming Machines Act 2001, Division C Section 49, the Club operates and publicises a voluntary self-exclusion scheme for patrons and their guests. Patrons who are concerned about their inability to control their gambling habit can arrange for a ban on their entry to the Club.

**Alistair Third**  
**President**  
**Karuah & District RSL Club**



## **KARUAH & DISTRICT RSL CLUB**

### **BOARD BY-LAW 10 – MEMBERS DRESS CODE**

1. Karuah and District RSL Club is a “family friendly” club and members and guests are expected to adhere to the standards of dress that are appropriate for maintaining that image.
2. Members and guest must be neatly dressed at all times. The following items of clothing are not acceptable at any time within Club premises:
  - Dirty clothing
  - Muscle shirts
  - Shirts with offensive slogans, printing or design
  - T-Shirts of undergarment appearance
  - Brief shorts and immodest clothing
  - Leotards
  - Swimwear
3. Male Sleeveless shirts, including Singlets, are permitted in the Club every day until 4.00pm.
4. Suitable footwear must be worn at all times whilst on club premises.
5. All headwear must be removed on entry to the Club, except for medical or religious reasons.
6. Dress considered objectionable by management or not in the spirit of this Dress Code will not be allowed in the Club.

**Alistair Third**  
**President**  
**Karuah & District RSL Club**



## **KARUAH & DISTRICT RSL CLUB**

### **BOARD BY-LAW 11 – BULLYING AND HARRASMENT**

#### **Principles**

1. Karuah and District RSL Club is a “family friendly” club and members and guests are expected to adhere to the standards of behaviour that are appropriate for maintaining that image. The Club is committed to providing an environment that is free from unacceptable behaviour which includes bullying or harassment. It is a fundamental obligation of all directors, staff, members and visitors to behave appropriately in the Club and to treat each other with respect and dignity. Any director, staff member, club member or visitor found to have either committed or condoned bullying or harassment in the Club will be disciplined appropriately.

#### **What is Bullying**

2. Bullying is the use of force, threat or coercion to abuse, intimidate or aggressively dominate others. The behaviour is often repeated and habitual. Bullying is divided into four basic types of abuse – emotional (sometimes called relational), verbal, physical, and cyber. It typically involves subtle methods of coercion, such as intimidation. It is repeated, less favourable treatment of a person by another or others which is unreasonable and inappropriate and includes behaviour that could reasonably be expected to intimidate, offend, degrade, humiliate, undermine or threaten.

3. Bullying is physical or psychological behaviour or conduct where strength (including strength of personality) and/or a position of power is misused by a person in a position of authority or by a person who perceives that they are in a position of authority. It is generally associated with an ongoing pattern of behaviour and, although an isolated incident of behaviour is generally not considered bullying, it may lead to disciplinary action based on that single incident.

4. Bullying may be overt or covert:

a. Examples of overt bullying include:

- i. abusive behaviour towards another person such as threatening gestures or actual violence
- ii. aggressive, abusive or offensive language
- iii. threats
- iv. shouting
- v. constant demeaning remarks
- vi. constant unreasonable and non-constructive criticism.

b. Examples of covert bullying include:

- i. deliberate exclusion, isolation or alienation of the person from normal club interaction
- ii. placing unreasonably high workload demands on one person but not on others
- iii. allocation of demeaning jobs or meaningless tasks only
- iv. ignoring a person or undermining a person including encouraging others to 'gang up' on them
- v. deliberately withholding information that a person needs to do their assigned task.

5. It should be noted that providing guidance, conducting performance reviews, invoking unsatisfactory performance procedures of misconduct procedures is not bullying.

### **Effects of Bullying**

6. Bullying can result in reduced productivity, motivation, absenteeism from the Club and possibly resignation. It may also have significant social and health costs for an individual including loss of confidence, increased anxiety, depression, loss of sleep, headaches and increased blood pressure. Those who have been the targets of bullying can suffer from long term emotional and behavioural problems. Bullying can cause loneliness, depression, anxiety, lead to low self-esteem and increased susceptibility to illness.

7. In addition to the above, bullying has a marked affect on the morale of the Club and creates an atmosphere of distrust and negativity.

### **Responsibilities of the Board**

8. The Board has a responsibility to provide a safe and enjoyable environment that enables staff, members and visitors to enjoy the facilities of the Club. The Board will be alert to the possibility of bullying and will monitor key indicators such as the morale and culture of the Club.

9. The Board will not tolerate bullying or harassment in the Club and will investigate all complaints of bullying or harassment promptly, thoroughly and in accordance with due process.

**Alistair Third**  
**President**  
**Karuah & District RSL Club**



## **KARUAH & DISTRICT RSL CLUB**

### **BOARD BY-LAW 12 – BOARD OF DIRECTORS CODE OF CONDUCT**

#### **Principles**

1. The Directors of Karuah and District RSL Club are elected by the members to represent the Club and to provide governance for the Club. The Club is a family-friendly and ethical organisation and it is up to the directors to set the tone – not only in playing the leading role in formulating policies, guidelines and the code of ethics, but in adhering to those ethics to the letter. Directors are expected to be beyond reproach.
2. Ethics are the guiding principles that provide the Club's moral compass; they guide behaviour, inform decisions and provide standards of right and wrong. In essence, "ethics" is concerned with what it means to be a "good" person, and, by extension, a good Board.
3. Moral issues such as trust, equality, fair play, honesty and integrity are the very foundation of the ethics that directors are expected to uphold.

#### **Code of Conduct for the Board of Directors**

4. The members of the Board of Directors of the Club are bound by this Code of Conduct whose objective is to ensure that a high standard of corporate and individual behaviour is observed by the directors in their roles as directors of the Club. Directors are expected to:
  - a. Act with honesty and integrity:
    - be open and transparent in your dealings;
    - use power responsibly;
    - ensure that any possible conflict of interest is disclosed or avoided;
    - strive to earn and sustain public trust and the trust of the Club's membership at a high level.
  - b. Exercise due care, diligence and skill:
    - ascertain all relevant information;
    - make reasonable enquiries;
    - understand the financial, strategic and other implications of decisions.



- c. Act in good faith in the best interests of the Club:
  - demonstrate accountability for your actions;
  - accept responsibility for your decisions;
  - avoid conduct that, in the reasonable opinion of the Board, is prejudicial to the interests of the Club or unbecoming a director.
- d. Act fairly and impartially:
  - avoid bias, discrimination, caprice or self-interest;
  - demonstrate respect for others by acting in a professional and courteous manner.
- e. Use information appropriately:
  - ensure information gained as a director is only applied to proper purposes and is kept confidential;
  - ensure that any personal information coming to your attention as a director is handled in compliance with the Club's privacy obligations.
- f. Use your position appropriately:
  - avoid the use of your position as a director to seek an undue advantage for yourself, family members or associates;
  - avoid the use of your position as a director to cause detriment to the Club;
  - ensure that you decline gifts or favours that may cast doubt on your ability to apply independent judgement as a Board member of the Club.
- g. Act in a financially responsible manner:
  - understand financial reports, audit reports and other financial material that comes before the Board;
  - actively inquire into this material.
- h. Comply with the Club's governance rules:
  - have a good working knowledge of the Club's governing documents pertaining to your role as a director;
  - act within the powers and for the functions set out in the Club's governing documents.
- i. Demonstrate leadership and stewardship:
  - promote and support the application of the Club's values;
  - acknowledge and act in accordance with the responsibility you as a director have in regard to the rights of members of the Club and other stakeholders of the Club;
  - act in accordance with this Code of Conduct.

## **Personal Conduct**

5. All directors are to conduct themselves in a manner conducive with their position as a Director of the Karuah & District RSL Club. As all directors uphold a position of trust that supports the public reputation of the Club, each director is to:

- a. treat each Club member and Club employee with due courtesy and sensitivity;
- b. recognise that the position of director has no power or authority when acting alone unless the Board has specifically delegated a specific task, function or responsibility to that director;
- c. recognise that no person employed by the Club in any capacity, including the CEO, works for, or can be instructed by, any individual director;
- d. exercise duties with honesty, good faith, loyalty, skill and care;
- e. abide by any Club policy restrictions on excessive or inappropriate consumption of alcohol;
- f. act at all times with decorum when undertaking the duties of director; and
- g. ensure that all duties undertaken as a director are executed with sobriety and not while under the influence of alcohol.

**Alistair Third**  
**President**  
**Karuah & District RSL Club**

**PRINT FULL NAME:** \_\_\_\_\_

**SIGNATURE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_



## **KARUAH & DISTRICT RSL CLUB**

### **BOARD BY-LAW 13 – WHISTLEBLOWER POLICY**

1. A transparent whistleblower policy is essential to good risk management and corporate governance. It helps uncover misconduct that may not otherwise be detected. Often, such wrongdoing only comes to light because of individuals (acting alone or together) who are prepared to disclose it, sometimes at great personal risk or financial risk.
2. The *Corporations Act 2001* Part 9.4AAA provides a consolidated whistleblower protection regime for Australia's corporate sector. This regime requires clubs to have a whistleblower policy that is available to their directors and employees. Karuah and District RSL Club has developed the attached Whistleblower Policy with guidance from ClubsNSW.

**Alistair Third**  
**President**  
**Karuah & District RSL Club**

Attachment:

Karuah and District RSL Club Whistleblower Policy

# KARUAH AND DISTRICT RSL CLUB WHISTLEBLOWER POLICY

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**Note:** This policy does not displace, override or supplement the legislative protections afforded to whistleblowers. Parts of this policy **summarise** the relevant legislation applying to whistleblowers, which means that some legislative information may be absent. Therefore, a person considering a whistleblower disclosure should not rely on this policy alone to assess whether the disclosure would qualify for protection.

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## REFERENCES

- Corporations Act 2001 Part 9.4AAA – Protection for Whistleblowers
- Australian Securities and Investments Commission Regulator Guide 270 – Whistleblower Policies

## OBJECTIVE

The objective of this policy is to make all employees and directors aware of their lawful rights to disclose any wrongdoing and provide protection for employees who disclose any such information. Karuah and District RSL Club is committed to the highest standards of conduct and ethical behaviour and fully upholds this policy.

## QUALIFYING FOR PROTECTION

The *Corporations Act 2001* (Cth) and other legislation provides special protections to people that disclose wrongdoing related to an organisation such as a club (whistleblowers). These protections prevent the organisation from subjecting the whistleblower to detriment, such as by dismissing, harassing or damaging the reputation of the whistleblower.

These legislative protections will apply to a person disclosing wrongdoing if three criteria are satisfied:

- the person making the disclosure is an **eligible whistleblower**; and
- the whistleblower suspects that the information being disclosed concerns wrongdoing in relation to Karuah and District RSL Club or any related Sub club of the Club (as defined in the Club's constitution (a **disclosable matter**); and
- the information is disclosed to a prescribed person or body (a **prescribed recipient**).

At the end of this section (Qualifying for Protection), the Policy describes two other avenues to qualify for protection, besides satisfying the three criteria above.

### Eligible whistleblowers

A person is an eligible whistleblower if they are a current or former employee or director of Karuah and District RSL Club.

A current or former volunteer staff member is also an eligible whistleblower.

The following people are also eligible whistleblowers:

- a supplier to Karuah and District RSL Club, as well as the supplier's staff (including volunteer staff); and
- a relative or dependant of a current or former director, employee, volunteer staff member or supplier (including a dependant of the supplier's staff). A relative or dependant includes a spouse, parent, brother, sister, grandparent or grandchild.

### Disclosable matters

This policy applies to the disclosure of information which a person has reasonable grounds to suspect concerns misconduct, or an improper state of affairs or circumstances in relation to Karuah and District RSL Club or any related Sub club. This may include:

- breaching Commonwealth, State or Territory legislation, or local authority by-laws;
- fraud or corruption;
- illegal activities or conduct (including theft, illicit drug sale/use, violence, threatened violence, or criminal damage against Karuah and District RSL Club's assets or property);
- discrimination, vilification, sexual harassment, harassment, bullying and victimisation;
- unsafe work-practices.

As noted above, a disclosure is a *disclosable matter* if the person making the disclosure “has reasonable grounds to suspect” wrongdoing.

Therefore, if a person discloses information about possible wrongdoing, and the allegation is ultimately found to be incorrect (i.e. the club did not in fact engage in wrongdoing), the disclosure may still qualify for protection if the person had “reasonable grounds to suspect” that the information concerned wrongdoing. However, a person who maliciously or vexatiously makes disclosures or makes disclosures which they know are false is unlikely to qualify for protection.

### **Is your disclosure about tax?**

Disclosures about tax wrongdoing are treated differently to other disclosures. For instance, the prescribed recipients are different depending on whether the disclosable matter relates to tax.

Tax disclosures refer to wrongdoing in relation to federal tax matters, such as tax avoidance or other breaches of tax legislation. Federal tax includes income tax (also known as corporate tax), capital gains tax (CGT), Goods and Services Tax (GST) and Fringe Benefits Tax (FBT).

Taxes that are regulated by state legislation must be treated as a non-tax matter for the purposes of whistleblower rules. Taxes regulated by state legislation include gaming tax, payroll tax and land tax.

For example, if an employee wishes to make a whistleblower disclosure because they suspect that a club is deliberately underpaying payroll tax or gaming tax, the employee should make the disclosure to a *prescribed recipient for non-tax matters* (described below) and not a *prescribed recipient for tax matters*.

Alternatively, if an employee wishes to make a whistleblower disclosure because they suspect that a club is deliberately underpaying corporate tax, the employee should make the disclosure to a *prescribed recipient for tax matters*.

Federal tax-related disclosures must satisfy an additional ground to be a *disclosable matter* (in addition to the description above), being that:

the person considers that the information may assist the recipient to perform their duties in relation to taxation.

### **Prescribed recipients for non-tax matters**

The following bodies and people are prescribed recipients. Therefore, disclosing information about wrongdoing will qualify the person for whistleblower protections, as long as the other two criteria are met (the person is an eligible whistleblower and the information is a disclosable matter):

- a director or senior manager of Karuah and District RSL Club;
- Karuah and District RSL Club’s internal or external auditor (or a member of the external audit team) and actuary;
- the Australian Securities and Investments Commission (ASIC); or the Australian Prudential Regulation Authority (APRA).

### **Prescribed recipients for tax matters**

The following bodies and people are prescribed recipients for disclosures related to federal taxes:

- Commissioner of Taxation;
- Karuah and District RSL Club’s internal or external auditor (or a member of the external audit team);
- a registered tax agent or BAS agent who provides services to Karuah and District RSL Club;
- a director or senior manager of Karuah and District RSL Club; or
- any employee or director with tax-related responsibilities.

## Other avenues to qualify for protection

Satisfying the three criteria above is one avenue for a prospective whistleblower to qualify for protection. There are two other avenues to qualify, as they may relate to Karuah and District RSL Club:

1. the disclosure is made to a legal practitioner for the purpose of obtaining legal advice or legal representation in relation to the whistleblower matter.
2. the disclosure is an *emergency disclosure*, because it satisfies **each** of the below criteria (this avenue does not apply to a tax-related matter):
  - the person has previously made a disclosure qualifying for protection;
  - a reasonable period of time has since passed;
  - there is a risk to public health or safety if the information is not acted on immediately; and
  - the person notifies Karuah and District RSL Club in writing that they intend to make an *emergency disclosure*; and
  - the disclosure is made to a State, Territory or Commonwealth member of Parliament or a journalist.

## PROTECTIONS AVAILABLE TO WHISTLEBLOWERS

If a person discloses information which qualifies for whistleblower protection, the below legal protections will apply. These protections will apply to internal whistleblowers (such as employees, volunteer staff and directors) as well as external whistleblowers (such as suppliers or relatives of club staff). Given these legislative protections, Karuah and District RSL Club is legally obligated to ensure these protections:

- identity protection (confidentiality);
- protection from detriment;
- compensation and other remedies; and
- protection from legal liability.

### Confidentiality

Karuah and District RSL Club recognises that maintaining appropriate confidentiality is crucial in ensuring that prospective whistleblowers come forward and make disclosures in an open and timely manner and without fear of reprisals being made against them.

It is illegal for Karuah and District RSL Club or any other person to identify a discloser or distribute information likely to lead to the discloser being identified.

In the following instances, Karuah and District RSL Club may lawfully disclose the identity of the whistleblower:

- to ASIC, APRA or the Australian Federal Police;
- to a legal practitioner (to obtain legal assistance);
- if the prospective whistleblower consents.

Karuah and District RSL Club or a person investigating the whistleblower complaint may also disclose information about the complaint, which could lead to the person's identity being deciphered, if the person's name is redacted and the investigator has taken all reasonable steps to prevent the whistleblower's identification.

Note: Whistleblowers may complain to ASIC if their confidentiality has been breached.

In appropriate cases, disclosure of the identity of the whistleblower, or the allegation made by them, may be unavoidable, such as if court proceedings result from a disclosure pursuant to this policy.

## **Protection from detriment**

The following types of detriment to a whistleblower are unlawful:

- terminating the whistleblower's employment;
- altering characteristics of the whistleblower's employment, such as their position or duties;
- harassing or intimidating the whistleblower;
- damaging the whistleblower's reputation, property or financial position;
- injuring or harming the whistleblower (including psychological harm).

Karuah and District RSL Club may take adverse action against a whistleblower if the disclosure reveals that the whistleblower engaged in misconduct.

If a disclosure qualifies for protection under the applicable legislation, the protection afforded to the discloser overrides any provision of their employment contract, including any confidentiality clause.

## **Compensation and other remedies**

A whistleblower is entitled to seek compensation and other relief through the courts if:

- they suffer detriment due to making the disclosure; and
- Karuah and District RSL Club failed to prevent the detriment.

## **Protection from legal liability**

A whistleblower is protected from the following outcomes:

- legal action being commenced against the whistleblower, such as for breach of confidentiality or any other obligations in their employment contract or elsewhere;
- criminal prosecution, such as for unlawfully releasing information; and
- administrative action, for example, a BAS agent cannot be sanctioned or disciplined under the accounting profession's code of conduct due to making a whistleblower disclosure. (BAS is a Business Activity Statement that is submitted to the Australian Taxation Office by a registered business entity (such as accountant) to report tax obligations.

# **HOW THE CLUB WILL SUPPORT WHISTLEBLOWERS**

## **How the Club will support confidentiality**

As noted earlier in this Policy, Karuah and District RSL Club is legally obligated to take steps to maintain a whistleblower's confidentiality. Where necessary, Karuah and District RSL Club will take the following actions to protect a whistleblower's confidentiality:

- redact the whistleblower's name, personal information and information which could lead to the identification of the whistleblower, in any written material which describes the disclosure;
- the whistleblower will always be referred to in a gender-neutral context;
- where possible, Karuah and District RSL Club will contact the whistleblower to ascertain certain information which could cause another person to identify the whistleblower (for example, there may be unique characteristics about how and when the whistleblower discovered information about the wrongdoing, and if these characteristics are disclosed, it may cause another person to identify the whistleblower);
- documents or information relating to the investigation will not be sent to a printer or email address that can be accessed by other staff.



## **How the Club will prevent detriment**

Karuah and District RSL Club will also take steps to prevent the whistleblower from experiencing any detriment, including:

- move the whistleblower to another team or position (with the whistleblower's consent);
- after a whistleblower complaint is made, senior managers and directors privy to the complaint, may meet to assess the risk of detriment to the whistleblower and actions to mitigate that risk;
- if detriment has already occurred – intervening to protect the whistleblower, such as by taking disciplinary action against a person responsible for the detriment.

Any reprisals against a whistleblower are a serious breach of this policy and may result in disciplinary action, including dismissal. Where the Club becomes aware of any reprisals against a whistleblower for complying with this policy or the legislation, the Club will take steps to either overturn, or deem void, the decision or action. This protection applies to anyone providing information related to an investigation pursuant to this policy.

## **HANDLING AND INVESTIGATING A DISCLOSURE**

### **Reporting**

Karuah and District RSL Club has several channels for reporting wrongdoing. In the first instance, any person who has reasonable grounds to suspect that a breach of a law or other standard of behaviour has occurred, is encouraged to report that suspicion to the Club's Chief Executive Officer.

If this is considered inappropriate, the person should raise the concern with the President, by phone or email, or in writing. You may also raise the matter with any director of Karuah and District RSL Club.

If neither of these channels are considered appropriate, disclosures may be made to the Club's auditor, Cutcher & Neale, via:

- Email: [cnmail@cutcher.com.au](mailto:cnmail@cutcher.com.au)
- Postal address: The Bolton Building, 25 Bolton Street, Newcastle, NSW 2300
- Telephone: 02 4928 8500

Where an allegation of wrongdoing relates to Karuah and District RSL Club's tax affairs, a person may qualify for protection by disclosing the allegation to other recipients; the Commissioner of Taxation or a registered tax agent or BAS agent (this may be Karuah and District RSL Club's accountant, Cutcher & Neale).

All disclosures should provide specific, adequate and pertinent information with respect to, among other things, dates, places, persons, witnesses, amounts, and other relevant information, in order to allow a reasonable investigation to be conducted.

If the whistleblower discloses his or her name, the person receiving the disclosure will acknowledge receipt of the disclosure and may initiate a follow-up meeting. However, if the disclosure is submitted on an anonymous basis, there will be no follow-up meeting regarding the disclosure and Karuah and District RSL Club will be unable to communicate with the whistleblower if more information is required, or if the matter is to be referred to external parties for further investigation.

All disclosures received will be dealt with on a confidential basis.

## **Handling a disclosure**

A person who receives a disclosure cannot circulate your identity to other staff without your consent.

After receiving a disclosure, Karuah and District RSL Club will assess whether the disclosure qualifies for protection and whether a formal investigation is required.

In conducting this assessment, Karuah and District RSL Club may seek professional legal advice.

If a person makes a disclosure in good faith, and Karuah and District RSL Club subsequently concludes that the disclosure does not qualify for protection, the Club may choose to protect the discloser's confidentiality, and protect the discloser from detriment, despite the absence of legislative protections.

## **Investigating a disclosure**

Any investigation in relation to a disclosure will be conducted promptly and fairly, with due regard for the nature of the allegation and the rights of the persons involved in the investigation. A disclosure will not be investigated by persons implicated in the wrongdoing.

The purpose of investigating the disclosure is to determine whether there is enough evidence to substantiate or refute the allegation. Accordingly, during the investigation, Karuah and District RSL Club may request additional information from a whistleblower, to attain sufficient evidence to make this assessment.

Investigating a disclosure may also require Karuah and District RSL Club to seek outside assistance of a technical, financial or legal nature.

Karuah and District RSL Club will ensure that, provided the disclosure was not made anonymously, the whistleblower is kept informed of the outcomes of the investigation of his or her allegations, subject to the considerations of privacy of those against whom allegations are made.

The investigation findings will be documented and circulated to the board and senior managers, in accordance with Karuah and District RSL Club's obligation to maintain the whistleblower's confidentiality.

In addition to protecting the whistleblower's confidentiality, Karuah and District RSL Club may also choose not to circulate the findings of the investigation to persons implicated in the wrongdoing.

## **INDIVIDUALS MENTIONED IN A DISCLOSURE**

Karuah and District RSL Club will take steps to ensure the fair treatment of individuals mentioned in a disclosure, including where those individuals are implicated in wrongdoing.

Karuah and District RSL Club will adhere to the principles of natural justice in taking any disciplinary action against persons implicated by a whistleblower disclosure. This means that the implicated person will be advised about the substance of the disclosure prior to any actions being taken.

Karuah and District RSL Club will also take reasonable steps to protect the confidentiality of persons implicated in a whistleblower disclosure.

## **HOW THE POLICY WILL BE MADE AVAILABLE**

This policy will be given to all employees and directors of Karuah and District RSL Club when their employment or tenure commences.

This policy will also be made available via the Club's website.

For further information about this policy please contact the Club's Chief Executive Officer.



## KARUAH & DISTRICT RSL CLUB

### BOARD BY-LAW 14 – BOARD OF DIRECTORS’ RESPONSIBILITIES

1. The function of the Board of Karuah and District RSL Club (the Club) is to collectively ensure the delivery of the organisation’s Mission, to set its strategic direction, and to uphold its values. The Board is collectively responsible and accountable to the members for ensuring and monitoring that the Club is performing well, is solvent, and is complying with all its legal, financial, constitutional and ethical obligations. It is the responsibility of the Board to establish and maintain standing orders, policies and procedures, and systems of financial control, internal control, and performance reporting.
2. It is the responsibility of the Board to clearly demarcate and delegate the functions of sub-committees, officers, the CEO, and other staff and agents.
3. It is the responsibility of the CEO to address key management and operational issues within the direction of Club policies and on behalf of and laid down by the Board. The CEO will assist in the development and implementation of organisational strategies and making recommendations to the Board on significant strategic initiatives that they may develop (CEO Duties are detailed within Board Policy 15).

### PROCEDURES

#### Internal Controls.

4. The Board is to set and maintain standing orders, policies and procedures, and systems of financial control (on a monthly, quarterly and Financial Yearly basis), with internal control, and performance reporting. The Board should ensure that there is a system for the regular review of the effectiveness of its financial control, internal control, performance reporting, and policies and procedures. The Board is to review and approve, when appropriate, the annual CEO proposed budget, setting and confirming sponsorship targets and supported organisations annually.
5. The Board is bound<sup>1</sup> by the Corporations Act 2001<sup>2</sup> (the Act), which requires directors to avoid conflicts of interest. Under the Act, directors must:
  - a. Exercise their powers and discharge their duties with a reasonable degree of care and diligence (section 180).

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<sup>1</sup> <https://www.aicd.com.au/organisational-culture/business-ethics/issues/managing-conflicts-of-interest.html#:~:text=%20On%20this%20basis%2C%20Dwyer%20says%20there%20are,may%20create%20a%20conflict%20of%20interest.%20More%20> dated 28 Aug 2020.

<sup>2</sup>[Corporations Act 2001 \(legislation.gov.au\)](https://www.legislation.gov.au)

- b. Act in good faith in the best interests of the company or for a proper purpose (section 181).
  - c. Not use their position to obtain an advantage for either themselves or a third party, or to cause detriment to the company (section 182).
  - d. Not improperly use information gained through their position as a director to obtain an advantage for either themselves or a third party, or to cause detriment to the company (section 183).
  - e. Disclose to other directors any material personal interest in a transaction (section 191).
6. In essence, The Club directors must act individually and collectively in the best interest of all Club members and must not merely represent elements of the Club (be it a “Sub Club” or an “associated club organisation, group or body”). To act otherwise could be seen as a conflict of interest as described above and contravene “the Act”. Traditionally, this is avoided by excluding a director from any vote that may cause such a conflict or who may be perceived as representing such a risk of conflict or a vote concerning an issue which may involve such a third party as described in sub-para 5c above.

### **Managing Risk.**

7. The Board should undertake a full risk assessment (either periodically or on a rolling basis) and take appropriate steps to manage the organisation’s exposure to significant risks. The Board must regularly review the risks to which the organisation is subject, and take action to mitigate risks identified (a hard copy of the Club Risk Management policy 16 and planning document is kept in the Club front office).

### **Board Review.**

8. The Board is to review its annual conformance with the Club’s Strategic Plan, noting divergences and resetting direction where appropriate to conform with the Plan. Where a divergence from the plan is seen to be “appropriate” or due to an “evolution in regulations or demographic requirements” a full review of the plan should be conducted.
9. The Board should ensure that there is a system for the regular review of its own efficiency and effectiveness in setting and meeting any tasks it sets itself and its responsibilities.

## **RELATED DOCUMENTS**

10. The Board should review and update where necessary organisational policy at least annually. New policies can be formulated by the Board to meet arising needs and evolutions of function. Board members and all Club members must comply with policies. Policies include;

- 01 – Catering for Functions Policy
- 02 – Citation Policy
- 03 – Use of the Courtesy Bus/Utility Policy
- 04 – Directors Entertainment Allowance Policy
- 05 – Directors Uniform Policy
- 06 – Media Enquiries and social media Policy
- 07 – Requests for Donations Policy
- 08 – Directors Confidentiality Policy

- 09 – Commitment to RSA and RCG Policy
- 10 – Dress Code Policy
- 11 – Bullying and Harassment Policy
- 12 – Board of Directors Code of Conduct Policy
- 13 – Whistleblower Policy
- 14 – Board of Directors Responsibilities
- 15 – CEO Duties Description Policy
- 16 – Associated Clubs Policy
- 17 – Asset and Logistic Control Policy
- 18 – Security Policy
- 19 – WH&S Policy
- 20 –Maintenance Policy
- 21 – Risk Management Policy

**Alistair Third**  
**President**  
**Karuah & District RSL Club**



## **KARUAH & DISTRICT RSL CLUB**

### **BOARD BY-LAW 15 – CEO DUTIES**

The Chief Executive Officer (CEO) of Karuah RSL Club is appointed by the Club's Board of Directors to manage the day-to-day operations of the Club. The CEO, or, in the CEO's absence, the nominated temporary replacement, is responsible to the Club's Board of Directors for the following duties:

- Managing the day-to-day operations of the Club in accordance with the Board's strategies and instructions
- Ensuring compliance with all NSW laws and regulations governing registered clubs
- Ensuring compliance with the Club's constitution
- Undertaking the obligations of Secretary of the Club and acting as secretary to the Board of Directors at all minuted meetings
- Providing advice and acting as secretary to the Club's Citation Committee
- Keeping the Board and regulators informed about any issues that may impact on the Club's legal requirements
- Produce monthly board papers and reports including a CEO's report
- Supervising the Club's staff and managing staff numbers to appropriate levels including hiring and firing staff
- Managing staff holiday pay (annual leave) and ensuring it is capped at a reasonable level approved by the Board
- Determining the best option for the Club with respect to operating the restaurant and working with the restaurant proprietors to ensure the restaurant strives to provide the best possible cuisine and operates to meet the expectations of the members
- Ensuring that the café and the restaurant meet the obligatory food safety standards
- In conjunction with the Board:
  - Assist in the development of Club by-laws
  - Facilitate the Board's Strategic Management Planning
  - Acting as advisor on club refurbishments to the Board's building sub-committee and liaising with builders during any refurbishment works
- Hold the position of the Club WH&S Officer and develop the Club's WH&S policy for the Board's approval and review it annually
- Hold the position of the Club's Security Officer and develop and draft the Club's Security policy for the Board's approval and review it annually
- Act as the Club's COVID Safety Officer
- Maintain an effective Risk Management Framework
- Managing the Club's finances:

- Developing the annual budget for the Board's approval and managing operations within the budget
- Keeping the Board informed of any issues that may impact negatively on the Club's performance
- Overseeing all purchasing and invoicing activities including the prompt payment of accounts and contractor
- Ensuring the appropriate auditing, both externally and internally, of all Club elements and sub-clubs
- Exercise appropriate Club financial delegations and hold appropriate Club credit cards
- Maintain liaison with the Club's bankers, monitoring all accounts and loans, and advising the Board of Director's monthly of the Club's financial position
- Management of club assets, and the associated logistics, including, but not limited to, furniture, fittings, electronics, club-owned properties, vehicles, and acquisition and disposal. Sign-off is authorised as follows:
  - CEO – up to \$5,000
  - CEO and President jointly – up to \$10,000
  - Board – over \$10,000
- Ordering stock and managing stock to sufficient levels that meet requirements but are not excessive
- Ensuring items procured through suppliers are purchased at the best price and in the best interests of the Club
- Responsible for developing best-practice club communications to the Board, staff, club members and contractors, taking into consideration the club demographics, on the following platforms:
  - Social media
  - Club website
  - Emails or SMS
  - Print media
  - Club signage
- Maintaining liaison and communications with associated clubs and community groups or individuals that are either seeking or have been granted sponsorship from the Club.
- Any emerging tasks as allocated by the Board.

Alistair Third  
 President  
 Karuah RSL Club



## KARUAH & DISTRICT RSL CLUB

### BOARD BY-LAW 16 - ASSOCIATED CLUBS POLICY

#### Background

1. The Karuah and District RSL Club Inc. is a NSW Registered Club that is owned by its members, managed by a Board of Directors, and with an appointed Chief Executive Officer (CEO). Both the Board and the CEO are governed by and are required to comply with the NSW Registered Clubs Act of 1971<sup>1</sup> and the Australian Corporations Act 2001<sup>2</sup>. Karuah and District RSL Club Inc. (the RSL Club) fosters 3 main categories of association with other clubs. The first category of association, referred to as “Sub Clubs”, is with clubs which are hierarchically and constitutionally linked to the Club and who include the Karuah RSL name within their title. The second category of association is with clubs or groups that while they have a constitutional link with the RSL Club, having some special status granted through the RSL Club constitution, are separate entities from the Club. The third category, is groups who are separate entity Clubs who are not part of the RSL Club and are not constitutionally linked with the RSL Club but who receive sponsorship status and/or share some bill payment status with the RSL Club.

#### Sub Clubs (category 1)

2. The Sub Club category of association consists of those clubs that have their own separate constitution (e.g., the Karuah RSL Men’s Bowling Club and the Karuah RSL Women’s Bowling Club) but who are hierarchically linked to the RSL Clubs constitution by their own constitution and who are dependent on the RSL Club for the provision of all their facilities. Details of the constitutional link shared by these clubs is described in the RSL Club constitution<sup>3</sup>. While there are presently only 2 Sub Clubs, there is scope for the Club to form other Sub Clubs should there be an interest in doing this.

3. Members of Sub Clubs must be members of the Karuah and District RSL Club and comply with that constitution to qualify for membership of their associated Club. If their membership of the RSL Club expires and is not renewed then the member is no longer eligible to be a member of their associated Sub Club. Should members of Sub Clubs be suspended from the RSL Club through citation or imposed punishment, then they are prevented from entering the RSL Club and, concurrently, they lose (or are suspended from) their membership of their dependent Club. In a similar fashion, if a Sub Club imposes a punishment on a member for a

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<sup>1</sup> Current version for 29 November 2021 to date (accessed 8 August 2022 at 10:35). [Registered Clubs Act 1976 No 31 - NSW Legislation](#)

<sup>2</sup> [Corporations Act 2001 \(legislation.gov.au\)](#)

<sup>3</sup> Rules 29.10 thru 29.16



constitutionally imposed breach, while they may not be banned from the RSL Club, the RSL Club must be informed.

4. The Sub Club members enjoy substantial benefits through their membership both individually and through their constitutionally linked Club. These benefits include;

- Access to the RSL Club purchased and maintained equipment loaned to the constitutionally linked Club,
- The service of both specialised and general RSL Club staff (e.g., Greenkeeper and Bar and admin staff),
- The provision of equipment for the use of specialised staff (e.g., greens maintenance mowers, rollers, etc).
- Their constitutionally linked Club activities are covered by the RSL Club insurance policies.
- Access to the RSL Club vehicles for constitutionally linked Club endorsed and requested activities (including fuel costs)<sup>4</sup>.
- Financial sponsorship, where this is requested and approved by the Club's Board of Directors.
- Use of the Club kitchen, honour board display areas, meeting and storage areas.
- Out of normal operating hours access to the RSL Club house for competitions/meetings.
- The costs of the utilities provided to their constitutionally linked Club activities met by the RSL Club.
- Some office expendables, photo copying, postal address, reception, phone calls answered and provided by the Club.

5. In exchange for these services provided without cost to the Sub Clubs, the RSL Club requires that the Sub Clubs operate within their own constitution and the constitution of the RSL Club. They are also requested to provide monthly financial reports and meeting minutes in order that they be included in the monthly Board of Directors reports to be used by the Directors to ensure that the Sub Clubs are being managed appropriately. The RSL Club also ask that a copy of the Sub Club annual AGM minutes and reports be provided to the Club for inclusion in their records and the Club AGM reports.

#### **Constitutionally linked Clubs Separate to The RSL Club (category 2)**

6. Constitutionally linked Clubs that exist entirely outside of the RSL Club but who utilise the RSL Club facilities are a second category of associated group within the RSL Club. This category presently accounts for the Karuah and District Returned & Services League of NSW sub-Branch (sub-Branch). The sub-Branch has no hierarchical link to the RSL Club, has no obligation for its members to even be members of the RSL Club (note that those who are members of the RSL Club must meet the constraints of the Clubs constitution and those who are not members are classified as "visitors" whenever attending the RSL Club) and which operates in accordance with the constitution and SOPs of the Returned & Services League of NSW as a "Charitable Organisation"<sup>5</sup>. It must be noted and understood that members of the sub-Branch who are not members of the RSL Club cannot vote at the RSL Club's AGM or any other RSL Club meeting and they cannot become a director of the RSL Club. Although a separate organisation, the sub-Branch, through its historical links to the RSL Club is entitled to some

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<sup>4</sup> See Board Policy 03 – Use of The RSL Club courtesy buses.

<sup>5</sup>[NSW RSL Constitution - Search \(bing.com\)](#) [\\*SOP-1-Final-DPC-Board-approved.pdf \(rslnsw.org.au\)](#) ,

constitutional benefits which include special constitutional status in their membership classification and powers to veto constitutional change and gain representation on the RSL Club Board<sup>6</sup>. Although not granted a part of any existing MOU or other Board agreement, they have been previously allowed, at the Boards discretion:

- Appropriate use of the RSL Club's kitchen, a sub-Branch office, the designated memorabilia display and honour board display areas, use of meeting areas and some storage areas.
- The costs of the utilities provided to their constitutionally linked Club activities met by the RSL Club.
- Some office expendables including, photo copying, postal address, reception, phone calls answered and provided by the Club. and
- They receive a cash sponsorship by the RSL Club monthly to fund their charitable work and on occasions utilise the RSL Clubs purchasing arrangements to minimise their costs.

### **Non-Constitutionally linked Clubs and Groups (category 3)**

7. Non-constitutionally linked Clubs are those who have sought and gained a sponsorship arrangement on an annual basis from the RSL Club. The association with these non-constitutionally linked clubs can change on a yearly basis, as their relationship and support of and by the RSL Club changes. These local clubs or groups (can be sporting clubs or interest groups) traditionally apply on an annual basis to retain their sponsorship (either financial or in gifted equipment or facility usage), detailing to the RSL Club their requirements and their justifications for seeking that support. These are then voted for or against by the Board of Directors. Some of the associated clubs and groups that are in this category of association with the RSL Club are;

- Karuah Roo's Rugby League Club,
- Tea Gardens and Karuah Cricket Club,
- Tea Gardens and Karuah Junior Soccer Club,
- The Karuah Timber and Oyster Festival,
- The Karuah Working Together Group,
- The Karuah History Association,
- The Karuah Progress association, and
- The Karuah After School Care Group.

8. It is not unusual for the Board of Directors of the Karuah RSL to appoint a member in a liaison role between the Board and the non-constitutionally linked associated club or group in order that the Board is aware of and able to assist in matters where this is possible and in a timely manner. There are no reporting obligations to the Board of Directors of the RSL Club from non-constitutionally linked associated clubs or groups.

### **Conclusion**

9. The RSL Club is owned by its members and overseen by the Board of Directors who appoint a CEO to manage the Club's day-to-day operations, all in accordance with the Club's constitution. The directors recognise that the Club occupies a pivotal and essential position within the Karuah community and that numerous other clubs, organisations and groups look to it for support and sponsorship. The relationships, status and numbers of groups detailed in this policy are dynamic in nature and can evolve depending on numerous factors. Aging and changing

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<sup>6</sup> See The Karuah and District RSL Club Inc. Constitution.

demographics may, given no action to counter their effects on membership, affect many of the groups mentioned in this policy over the medium term and this policy may be required to evolve to meet those changes. Executives, Committees and Boards of associated clubs, organisations, groups and branches should firstly familiarise themselves with all of the RSL Club by-laws and in particular this by-law. They should take the opportunity to liaise with the RSL Club, its CEO and Board to explore the implications of this by-law and opportunities to gain or maintain present levels of support and any increase in levels of support.

**Alistair Third**  
**President**  
**Karuah & District RSL Club**



## KARUAH & DISTRICT RSL CLUB

### BOARD BY-LAW 17 – CONFLICTS OF INTEREST

#### What is a Conflict of Interest?

1. It can be described as:

“A situation in which someone cannot make a fair decision because they will be affected by the result.”

#### Identify a Conflict of Interest

2. A conflict of interest exists when a reasonable person might perceive that a director’s personal interests could be favoured or have influence over their Club duties. When identifying a conflict of interest, a director should consider the following common categories of conflicts.

- **Actual** – a conflict that currently exists between the director’s Club duties and their personal interests.
- **Pecuniary Interests** – pecuniary interest (also known as ‘financial interests’) involves an actual or potential financial gain or loss. Money does not need to change hands for an interest to be pecuniary. Directors would have a pecuniary interest if they (or a relative or other close associate) own property, hold shares, have a position in a company bidding for Club work, or receive benefits (such as concessions, discounts, gifts, or hospitality) from a particular source.
- **Non-pecuniary interests** – do not have a financial component. These may arise from personal relationships, or involvement in sporting, social or cultural activities. They include any tendency towards favour or prejudice resulting from friendship, animosity, or other personal involvement with another person or group.
- **Potential** – no conflict currently exists, but circumstances do exist where a conflict could arise in the future.
- **Perceived** – where a reasonable person might perceive or believe that a conflict exists.

#### Private Interests

##### Personal interests

3. As a rule, the personal interests of the director, the director’s family members and close connections are the director’s personal interests.

### **People who are more than acquaintances.**

4. Any relationship with a person who is more than an acquaintance, could also be a personal interest. This typically includes spouses, relatives (including relatives by marriage), friends, intimate partners, close colleagues, mentors, and social connections. It can also include people with whom the director formerly had a close relationship, for example, a previous spouse, ex-colleague, or an old friend. Feelings of animosity or hatred towards a person may also constitute a personal interest.

### **Organisations, clubs and political parties, and people connected to them.**

5. A personal interest may arise from a connection with organisations or clubs that may be professional, political, sporting, recreational, community, arts, social and so forth. Hobbies about which a director is passionate could also be classed as a personal interest.

### **Connections to people and entities who have given benefits or favours.**

6. Directors may have a personal interest if they could feel indebted or obligated to anyone who has provided gifts, benefits, hospitality, or favours. It is not necessarily the gift or benefit itself that causes the conflict of interest, but the potential relationship and sense of obligation or expectation that could arise.

### **Financial interests**

7. Financial interests can be direct or indirect, potential, contingent or realised, short or long term, and can stem from both gains and losses. The financial interests of the director's immediate family members or any other member of your family economic unit are normally deemed to be the director's interests. Examples of financial interests include:

- sources of income, including secondary employment
- financial trusts
- ownership or lease of land, buildings, and property
- shares or investments in companies, partnerships, or other entities
- beneficial interest in a trust or deceased estate
- loans or debts
- an option to buy or sell an asset or any other anticipated future financial benefit

### **Connections to people who have provided or may provide income.**

8. People and entities associated with a financial interest are also likely to be personal interests. Examples can include:

- any current provider of secondary or other employment
- current or former business partners
- customers, significant suppliers or contractors of a private business or other employer
- providers of future employment or business opportunities

9. Directors should assess their private interests and whether they conflict, or have the potential to conflict, with their Club duties. Some situations that could be considered a conflict are:

- participation in, memberships of or shareholdings in certain incorporated associations, unincorporated associations, Pty Limited companies, company limited by guarantee, industry, and manufacturing associations.
- Membership of, or association with, organisations or boards that seek grants or donations from the Club.
- approval of transactions which provide a personal financial benefit to the director (for example, directors' hospitality allowance, or expense reimbursement matters).
- being a member of a trust, partnership, board, or committee.
- historical dealings as a former employee, shareholder, contractor, or partner of any service providers that you may seek to engage to undertake work for the Club.
- a relationship that goes beyond a professional working relationship with someone that the Club is dealing with.
- an intimate relationship with a Club employee.
- seeking discounts or favourable terms from suppliers and service providers of the Club for private business purchases.

### **Strategies for avoiding a conflict of interest**

Generally, a conflict-of-interest situation arises when a board member's duty to Karuah and District RSL Club clashes with their duties, obligations or interests elsewhere – their business or workplace interests, for example, or other organisations they may be a member of or associated with, or even those of their family or friends. If there's a chance that a director, or their business or workplace, or another organisation in which they have an interest, or their family or friends, are going to benefit from a decision made by the Board, then the Board needs to know about it. In NSW, the consequence of a Conflict of Interest is that the director must leave the room and not vote on the matter. Directors of the Club must be aware that their first loyalty and duty is to the Club.

10. However, directors do not live within the confines of their board work but have a broad range of other personal and professional interests and relationships, and also may be members of other organisations or clubs. Consequently, it is likely that directors will come across a real, potential or perceived conflict of interest at some point. Prevention is always a better cure and, accordingly, directors must disclose their interest. The Club has a Register of Interests, and all directors should declare any conflict of interest using that register. Gifts to directors should also be declared in the register.

11. If relatives or friends of a director are going to be hired by the Club or considered for contracts, then the director must declare the relationship. If such a situation arises, then the CEO shall make the decision independent of the Board.

12. Essentially, the best way to avoid conflicts of interest is to ensure all decisions are made fairly and transparently. This will help remove any perceptions that the Board processes are carried out in undue secrecy or that things are being hidden.

## **What to do when there is a conflict of interest**

13. Despite best intentions, a director may one day be exposed to a conflict-of-interest situation. Again, there are steps that the director can take to protect the director and your board from damage:

- As soon as a director encounters a possible conflict of interest, notify the board immediately. Provide information about the interest and how it may conflict with the director's board role.
- Ask not to be posted any board or internal papers that discuss the matter.
- Avoid any informal discussions that might influence fellow board members on the matter.
- When the matter is raised formally during a meeting, declare the interest and leave the room. Don't wait to be asked. Ask to be called back when the item has been dealt with. Ensure the minute-taker notes why and when the director left and rejoined the meeting.
- Seek legal advice if there are doubts about how to handle a real or potential conflict of interest. If it is impossible to resolve the conflict, then the director should consider resigning from the board.

**Alistair Third**  
**President**  
**Karuah & District RSL Club**