

Australian Turf Club®

ROYAL
RANDWICK

ROSEHILL
GARDENS

CANTERBURY
PARK

WARWICK
FARM

Dear Members

On behalf of the Australian Turf Club Board of Directors, I want to thank you again for your support over the past few months as we continue to manage through this COVID period. It has been a situation that has created challenges for us all in our family, community, social and working lives.

The unique nature of this Club, with its deep history through the Australian Jockey Club and the Sydney Turf Club, to your merged Australian Turf Club, has ensured it as an organization integral to the fabric of Sydney and Australia.

We continue to be committed to providing our Members the best race day and thoroughbred experiences with exceptional events culminating in Autumn and Spring Carnivals featuring both time honored and new and exciting feature races.

An important role of the Board is to continue to invest in tracks and facilities to attract and retain the best trainers, jockeys and horses which is a highlight of being a Member of the Australian Turf Club. We have an unwavering commitment to the welfare of both our horses and people whom work and operate within the Australian Turf Club.

Currently we have a number of projects that cross over all ATC Race Courses to ensure the future health and prosperity of your Club. These include ...

- Race Track refurbishment and rebuild plan
- Warwick Farm Training Centre,
- Night racing at Royal Randwick
- Upcoming build of the Winx Stand
- Work to be done on the heritage listed Official Stand at Royal Randwick. This is an iconic Sydney landmark which has witnessed the best of racing and social interaction.

Critical projects such as these, are long term and take time to complete in the way originally planned. Therefore, these projects and others in development, would benefit from the consistency and continuity of thought brought about by the increased tenure of Board members.

Today we seek your consideration of the modification to the Australian Turf Club 'Constitution' by way of supporting this Special Resolution.

With your approval, this Special Resolution seeks to extend the Director tenures from the current maximum of eight years to a new maximum of twelve years. This Special Resolution appears in the attachment.

The current configuration of the Board and current tenure restrictions will result in five of the seven current Directors leaving over the next 24 months. The loss of corporate memory and continuity are key reasons to support the Special Resolution to correct this issue now and into the future.

Any change to the ATC Constitution is taken with a great degree of consideration to ensure it has a positive effect on the governance and operation of your Club. The ATC is a Members Club and that is core to our purpose. With that comes the responsibility as the premier race club in Australia to ensure we create an environment where we have the highest standards on and off the track.

A move to the 12-year tenure is comparable to our interstate peers being the Victorian Race Club [VRC] and Melbourne Race Club [MRC]. Supporting the Australian Turf Club Special Resolution will bring us in line with those tenure limits.

Importantly the governance of how Directors achieve the role in the Australian Turf Club does not change. Member Elected Directors will still hold four-year terms after which they put themselves up for re- election to our Members.

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Currently, Independent Directors can be appointed between one to four-year terms. They apply when a vacancy arises and are interviewed by two ATC Directors and a RNSW Director, with their recommendation taken to the Minister for appointment.

The importance of the extension from an eight-year term to a twelve-year term, goes well beyond this Board. This Resolution, as described, is for the long term benefit of the Australian Turf Club.

As noted earlier, five of the current Directors are due to retire over the next twenty-four months. In fact, current Director and Honorary Treasurer Bill Evans completes his eligible tenure this year, having served seven years on the Board.

He will not be eligible for re-election at the November 2020 Annual General Meeting [AGM] unless this Resolution is passed.

Passing this Resolution would afford members the opportunity, in these challenging financial times, to have Bill Evans, the Chief Economist of Westpac, as one the candidates in that election who would be seeking a four year term.

The construct of the Australian Turf Club Board remains the same with four Member Elected and three Independent Directors post the result of this Special Resolution.

The seeking of Member approval by way of a Special Resolution does require 75% of Members to support this. It is a significant outcome and one that requires Members to consider the strong reasons for such a change.

By approving the Special Resolution, it allows Members to continue to elect Directors every four years, and where they deem a re-standing Director has the talent and skill required for the Club, can now extend that individual to an extra four years.

Similarly, through the Independent Director model, ATC Directors hold a significant decision as they decide whom to endorse to the Minister whom then confirms the skill set of that candidate for approval for a new term. Again, that re-applying Director may hold skills and experience which are paramount for the ATC to hold for this additional four years.

Your current Board as an example has a broad range of skills and all with the interests of the Australian Turf Club and Horse Racing at its core. It is in the Members hands at each election to consider those skills and passion for the Club, and also within existing ATC Directors to perform that same function when considering those candidates for Appointment.

The Australian Turf Club is a complex business being multi-site and multi-faceted. The need for the Board to over-see the business and endorse strategies for the Executive to execute is essential. With that comes planning across Member facilities and services, and across racing infrastructure such as training. Plus ensuring that we plan and execute effectively on the 110 race days across the year which include very special and significant events.

Finally, we can expect the continued COVID situation, which affected this year's Autumn Carnival, to continue to impact racing. It has been a great deal of work for the current Board and Executive to ensure our finances have remained strong and sustained, to ensure the long term viability of your great Club. Again, the loyalty and patience shown by you, our Members is most appreciated.

We are confident through this period, the ATC will deliver an Operating Surplus for the Financial Year 2020. This is a very important result for it displays the need for the skills and the experience at Board level to manage through what has been a significantly difficult operating time. The current and ongoing COVID time does provide an insight for Members into the performance of this Board.

Please support this Special Resolution with your approval and I and the Board look forward to serving our Members into the period ahead.

Kind regards



Matthew McGrath
Chairman

SPECIAL RESOLUTION.

The ATC Board recommends that members vote in favour of the proposed constitutional amendment to remove the Director Tenure limit of 8 years, except for Directors of the First Board, and replace it with a tenure limit of 12 years.