

**MOTION NO: AGM/2022/06**

**TO ESTABLISH THE TRANSFER OF AN ORDINARY MEMBERSHIP BY ORDINARY MEMBERS WHO HAVE (1) BEEN ORDINARY MEMBERS FOR A MINIMUM OF 30 CONTINUOUS YEARS AND (2) ATTAINED THE AGE OF 75; ("TRANSFEROR MEMBER") TO A CONNECTED PERSON OF SUCH TRANSFEROR MEMBER ("TRANSFEEE MEMBER") AND SUCH TRANSFEROR MEMBER AND HIS SPOUSE (IF ANY) SHALL BE PERMITTED TO CONVERT OVER TO BE ASSOCIATE MEMBERS OF THE SAID TRANSFEEE MEMBER – ADDITION OF NEW CLUB RULE 14.8 AND ADDITION OF NEW CLUB RULE 7.6.3**

To add new Club Rule 14.8 and add new Club Rule 7.6.3 to allow the transfer of an Ordinary Membership by an Ordinary Member ("Transferor Member") to a Connected Person of such Ordinary Member ("Transferee Member"), and such Transferor Member and his spouse (if any) shall be permitted to convert over to be Associate Members of the said Transferee Member, provided that the said Transferor Member has (1) been an Ordinary Member for a minimum of thirty (30) continuous years; and (2) has attained the age of seventy five (75).

Club Rule	Presently	Proposed New Rule	Notes:
<b>14 – TRANSFERABLE MEMBERSHIP AND TRANSFER FEE</b>			
14.8		An Ordinary Member who has (1) been an Ordinary Member for a minimum of thirty (30) continuous years; and (2) attained the age of seventy five (75) may elect to transfer the Ordinary Membership to a Connected Person and such Transferor member aforesaid and/or his spouse (if any) shall be permitted to convert over to be Associate Members of the Transferee Member who is a Connected Person, pursuant to Rule 7.6.3, and with it the rights of an Associate Member SUBJECT ALWAYS to compliance with the provisions under Rule 14.1 as are applicable.	
<b>7.6 – ASSOCIATE MEMBER</b>			
7.6.1	Only one spouse of an Ordinary, Honorary Life Member, Honorary Member, Term Member or Corporate	Only one spouse of an Ordinary, Honorary Life Member, Honorary Member, Term Member or Corporate Representative shall ipso facto be an Associate Member unless he or she applies for and is	For reference only and remains unchanged .

	Representative shall ipso facto be an Associate Member unless he or she applies for and is elected to membership as an Ordinary Member.	elected to membership as an Ordinary Member.	
7.6.2	In the event of an Ordinary, Honorary Life Member, Honorary Member, Term Member or Corporate Representative divorcing and re-marrying a non-member, the former spouse shall relinquish the rights of Associate membership in favour of the new spouse of such Member.	In the event of an Ordinary, Honorary Life Member, Honorary Member, Term Member or Corporate Representative divorcing and re-marrying a non-member, the former spouse shall relinquish the rights of Associate membership in favour of the new spouse of such Member.	For reference only and remains unchanged .
7.6.3		<b>The Transferor Member and his spouse (if any) shall ipso facto be Associate Members of the Transferee Member who acquired the Ordinary Membership from such Transferor Member under Rule 14.8 unless he or she applies for and is elected to membership as an Ordinary Member.</b>	

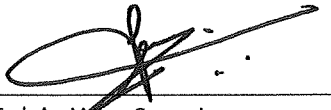
#### **EXPLANATORY NOTES TO THE MOTION**

1. The Management Committee wishes to acknowledge the senior Ordinary Members of the Sarawak Club who have steadfastly contributed their service and subscription to the club over the decades of their membership.
2. The Management Committee also acknowledges that when the membership limit of 4,000 members is reached, there will not be any available memberships to assign to Junior Members for conversion into Ordinary Members. When this happens, there will be a significant loss of income of the collection of the conversion fees. In 2021, the collection of the conversion fees amounted to RM936,000, and in 2020 it was RM612,000.
3. The Management Committee proposes to introduce a new initiative to address the above two points, by establishing a new transfer policy for qualified senior Ordinary Members to specifically transfer their membership to a Connected

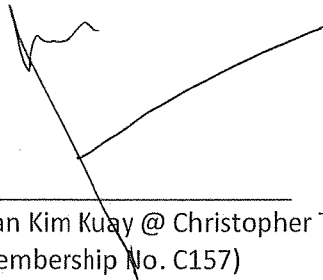
Person (a sibling or child or grandchild) - and to then allow the Transferor Member and his spouse (if any) to convert over to be Associate Members of the Transferee Member who is a Connected Person. Only Ordinary Members who fulfill both the following criterion shall qualify for this new transfer initiative:

- i. Minimum of thirty (30) continuous years as an Ordinary Member; and
  - ii. Having attained the age of seventy five (75)
4. Such transfer of the Ordinary Membership to a Connected Person promotes the keeping of the membership within the family, and helps to cover for the lack of available memberships for Junior Members to convert to Ordinary Members.
  5. The Transferor Member and his spouse (if any) will be allowed to convert over to be Associate Members of the Transferee Member upon the successful "Transfer" when the Transferee Member is elected. The converted Associate Member(s) can continue to enjoy the use of the club facilities *sans* voting rights.
  6. When an elected Transferee Member later transfers the membership and ceases to be a member, all the Associate Member(s) associated to that Ordinary Membership shall also cease.
  7. The number of Associate members are presently not limited under the Club's constitution.
  8. The new transfer initiative could incentivize more senior members to transfer, helping to (1) increase Club's income from Transfer Fees, and (2) increase the Club's income from Associate Member subscription.
  9. Assuming year 2023 as the pioneer year of this new transfer initiative, there will be 264 Ordinary Members who would qualify and benefit from this.

Dated: 08 June 2022



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Proposer for the motion



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Secunder for the motion