

DRAFT MINUTES OF THE RESUMPTION OF THE ONE HUNDRED AND TWENTY NINTH ANNUAL GENERAL MEETING OF THE ROYAL JOHANNESBURG AND KENSINGTON GOLF CLUB HELD IN THE CLUBHOUSE ON TUESDAY 13 OCTOBER 2020 AT 18H00.



PRESENT: Christopher Bentley (C.E.O.), Gordon Odgers (Chairman), Marian Ledingham (Vice Chairlady), Nick Watt-Pringle (Club Captain), Wendy Huddy (Lady Captain) and Oliver Addleson (Board member).
Auditor in attendance from HLB – Malcolm Sheppard
Attorney in attendance from Ramsay Webber – Dean Milton
65 members in attendance

APOLOGIES: John Hare (Chairman of the Capital Fund Committee), Teran Peyper (Treasurer), Kath Jarvis, Mellony Maxwell, Brandon Bass, Dean Murray, Sheree Lloyd, Susan Rice, Ryan Lane, Alan Field, Gavin Fell, Yvonne von Gorbitz, Nigel Sands, Neville Clarke and Tom Nicholas.

<p>Welcome to the resumption of the 129th Annual General Meeting of the members of the Royal Johannesburg and Kensington Golf Club by the C.E.O., Chris Bentley stated how great it was to see such a good turnout. Thank you for taking the time to attend and we appreciate your understanding and support after having to adjourn the meeting on 17 September. We welcome members, Board members, staff and service providers. The Club has communicated to the membership in detail regarding the validity and the legal opinion received following the adjournment. We've welcomed members to meet to discuss any concerns. In this regard, no proposed resolutions or formal challenges have been received from the membership.</p> <p>Chris ran through a couple of key procedures. The Club has provided due notice of the resumption of the meeting and members are in receipt of the annual reports for the year ending 30 June 2020. The agenda and reports remain the foundation for the conclusion of tonight's meeting. We will attempt to pass the vote for special resolution no. 1 by a 75% majority show of hands, which we will ask our auditor, Malcolm Sheppard, to confirm. If not conclusive, we will then move to the voting slips which have been provided. If members will allow us to get through the remainder of the formalities and then the Chairman will open the floor for questions. There will be a roaming mic available which will be sanitized after each use. We encourage members to please keep your social distancing at all times. The meeting will still be recorded and the lady captain, Wendy Huddy, will continue to take the minutes of the meeting.</p> <p>Without further ado, I will now hand over to Mr Gordon Odgers, to resume the 129th Annual General Meeting. Thank you.</p>	<p>CHRIS BENTLEY</p>
<p>Good evening members and thank you for being here tonight and thank you for supporting the Club.</p> <p>The past Chairman has elected not to complete the AGM of 17th September that he chaired until adjournment. I will therefore complete the remaining agenda items.</p>	<p>GORDON ODGERS</p>

Firstly we need to confirm that there is a quorum. We are in excess of the requirement of twenty members so the meeting is duly reconstituted.

The adjourned AGM did not complete properly in terms of recognizing the retiring Board members. Serving on a Committee or Board is mostly a thankless commitment, but a task rooted in Club success and member pride.

Rohan Sheppard, Mavela Dlamini, Marc Kourie and Francois Schindehutte all added value to our Club's profile over the years of service. We thank them for dedicating their time, knowledge and for assisting the Club with the overall delivery, vision, strategy and leadership. To the past Chairman, Alan Field, who was Chairman for the past 3 years and committed a considerable amount of time, passion and effort to the Club. It is these proud members who are compelled by passion to enhance and protect our facility. We recognize all of you and thank you on behalf of the membership and staff.

Before we proceed any further I need to clarify the status of the AGM to the point of adjournment:

- The notice for the meeting was duly given.
- The required quorum was in place.
- The agenda was fully followed to the point of adjournment.
- There were technical hurdles to be overcome which were overcome.
- The matters were fully explored and member interaction was there.
- The required votes as necessary were duly and lawfully made.
- Certain accusations and inferences were unfortunately made at the adjourned AGM. Some have been dealt with, others are with the lawyers and others receiving the attention of the disciplinary committee for consideration. Some unnecessary, factually incorrect, unfounded and destructive statements were made, rather than being constructive.
- The past Chairman, decided to adjourn the meeting prior to the Special Resolutions and General being addressed.

Given the unprecedented nature of the formalities and what transpired in the meeting, the Board advised the membership that it would adjourn and take legal advice on the validity of what had been completed and how best to proceed. The Club's attorneys reviewed the entire virtual proceedings, studied case law and advised that the Club had convened the meeting and all voting took place lawfully prior to the adjournment.

Pragmatically:

- We all have a responsibility to keep progressing the Club and we cannot afford to stand still.
- Importantly, the Club's attorneys were asked to advise on how best to move forward, we did not state a preference, which is the opinion received.
- The Club provided a secure and stable platform. If a member was unable to vote in the facility, this would have been due to their

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<p>personal device, service provider, individual ability and/or category.</p> <ul style="list-style-type: none"> • We received informal consensus from a second attorney concerning the opinion. • We furthermore received procedural advice for the resumption of the meeting. <p>On this basis, the newly appointed Board communicated to the membership to reconvene and conclude the 129th AGM on Tuesday, 13 October 2020. With great care and consideration, the Board has taken the decision to remove the controversial 27 hole proposal from the agenda and will pursue alternate sustainability models. Insofar, special resolution no. 2 on the agenda (proxy votes) has also been removed.</p>	
<p>12</p> <p>The next item on the agenda was to ratify the refund of operating losses for the 2019/20 financial year when the funds become available:</p> <p>Special Resolution No. 1 – Annexure A <i>The operating losses of R4.5 million for the financial year ending June 2020 be paid from the Capital Fund when the funds become available.</i></p> <p>Members were asked to vote by a show of hands and if the vote is clearly more than 75%, members will not have to go to a written vote.</p> <p>The members showed a majority vote that was approved by the auditor, Mr Malcolm Sheppard.</p> <p>The members were thanked and the vote was passed.</p>	<p>GORDON ODGERS</p>
<p>Mr Odgers stated that before we move on to general, he unfortunately needed to deal with two personal matters.</p> <p>As has received disproportionate air time on the patio there was an incident that took place in the carpark some months ago. A number of us had a beer in the far end of the carpark. This was an error of judgement on my behalf. The CEO sent me an email to which I sincerely apologized and said it would not happen again. The CEO & past Chairman addressed the matter in line with the code of conduct, (grade 1 offence), it was further tabled to the Board who agreed the matter had been handled. I apologized again. The matter was closed. With there being lots of talk about this matter – I would like to take the opportunity to apologize here to all the members of Royal for my actions.</p> <p>We have a new Board of experienced and younger members which is very promising for the future. We have also invited the Capital Fund Chair to attend meetings as we will the, to be appointed, new project team leader. I have stepped down as the project leader for good governance and a member nomination process will follow to appoint a new project team in the coming weeks.</p>	<p>GORDON ODGERS</p>

<p>13</p>	<p>We now move to the last point in the agenda – General.</p> <p>We will not be speaking about our sustainability challenges tonight. We have an open evening planned for the 29th October for this. In preparation we will be circulating prior to the meeting, the relevant financial and risk information necessary to make important informed decisions. We will then ask for member perspectives on our challenges at our informal but very important meeting. No vote, no formal proposal, just member interface and counsel. We will also be addressing all the sweeping statements made, at the 29th.</p> <p>In the interim, the new Board continues to search and negotiate alternate solutions to meet our objectives and overcome the severe risks.</p> <p>Thereafter, if clarity and support is clear, we will develop up a proposal. We will not be drilling down in the extreme nor negotiating all the issues. Only when we have member support above 75% in a SGM next year will this be done. The successful Royal, Kensington merger was done on this basis. John Saker had shared a document with the Chairman a few weeks ago and what was clear there was that both Club's agreed on the concept of merging the two Club's. There weren't exact details of what was going to happen to people's playing fees, subscriptions etc – it was a concept that was agreed by both sets of members and thereafter the two Boards were charged with getting into all the details and sorting out what would happen on the exact issues on the merger. This is a good way of moving forward so when we do find the right solution for Royal, which we have to do, we will do it on the same basis. We will go the members for the support – 75% is a big number but is the right number as big events do need big support. It does require just about unanimous support to get through so until we get to that position, we will not be negotiating these things in great detail.</p> <p>Mr Odgers then opened for questions under general and these can be answered by either the Chairman or the C.E.O.</p>	<p>GORDON ODGERS</p>
<p>13.1</p>	<p>After introducing himself, Richard Pollock said that he too had a couple of apologies to make: firstly, his fourball also had a beer in the car park and apologies were made for that and secondly, apologies were made to anyone he may have offended on the adjourned AGM on 17 September. It was not his intention to offend anybody but he will not apologise for his interest and passion for the Golf Club. There were views expressed that evening and Mr Pollock was not sure if the Chairman's reference to investigations and lawyers looking into things had anything to do with him, but he has heard nothing but if it is, the Chairman is welcome to get hold of him.</p> <p>Richard Pollock raised that we voted in favour of this proposal, (special resolution 1), which has already been passed, but there is a tendency to make reference to an AGM that was held</p>	<p>RICHARD POLLOCK</p>

	<p>in 2015 where the members ‘insisted’ that the Club losses be paid out of the capital fund. Mr Pollock suggested that this is the last year that the losses get paid out of the capital fund – for two reasons. 1) there is hardly a capital fund left and 2) the finances of this Club have been decimated in the last few years. The Club has spent so much money unnecessarily eg, moving furniture, re doing the Clubhouse, re doing the entrance, moving the halfway house, redoing the bar, putting memory stones down etc. In December 2013, the net asset value of the Club was R28 mil on the balance sheet prepared by the current auditors and on the 30 June 2019, there was a negative of R 7 mil, R16 mil was used for the East Championship Course upgrade but this still leaves a massive shortfall and it is felt that the cash has been spent ‘foolishly’ as we didn’t have the money in the bank. The Club has spent recklessly and in advance of receiving funds. The spending must stop and this Board must ensure that next year, when we hold the AGM, there is no loss that has to be drawn down from the capital fund.</p> <p>Mr Richard Pollock was thanked by the Chairman.</p>	<p>RICHARD POLLOCK</p> <p>GORDON ODGERS</p>
<p>13.2</p>	<p>Mr John Warwick was the next to hold the floor and began by asking the Chairman a few questions.</p> <p>Mr John Warwick was the guy who was chastised, was stripped down like a kid when a letter was written purely to defend the Club as he did not want the Club to be brought into disrepute. Mr John Warwick was ‘shouted’ at by the Chairman and the Chairman never wanted to speak to him again. Mr John Warwick thought the behaviour of the Chairman up until now, has been abominable and as a member of the Board, that proposed this rule about suspension if we slipped up on the COVID-19 rules, why was the Chairman not suspended. If Mr John Warwick had done that, he would have been suspended.</p> <p>Furthermore, the Chairman had John Warwick ‘thrown out’ of the Saturday Bullets Group and John Warwick felt that the Chairman had brought the Club into disrepute and as a member of the R&A, the Chairman should have shown a better example.</p> <p>To say that the AGM that we had was the fault of the members, is not right and instead of listening to what the members want, it was decided to take the legal route. Many members would like to have the AGM rescheduled now that we can and felt that due to the behaviour of Mr Odgers, he should step down as Chairman.</p>	<p>JOHN WARWICK</p>
<p>13.3</p>	<p>Mr Mookesh Desai introduced himself and wanted to echo a few of Mr Richard Pollock’s sentiments and wished the new Board the best of luck in the huge task that lay ahead for them in making the Club the great Club that it deserves to be. It is nice to see someone under the age of 50 serving on the Board and that augurs well for the future of the Club. Congratulations</p>	

	<p>and the Board will get all the support that is needed to take the Club forward.</p> <p>There were two things that Mr Desai wanted to talk about. Firstly - the Club has had more than its' fair share of vanity projects over the years and these projects have cost the Club dearly. Let's hope that these vanity projects do not carry on as we are in a place now where we can longer afford this. Should any member of the Board have this vain streak in them, this be put away as there is no money for vanity.</p> <p>Secondly – as the Chairman has said, there was quite a bit of talk in the corridors and on the patio and to witness the behaviour of the past Chairman, the current Chairman and just everybody around the petty politics, it was actually unbecoming and the behaviour is not condonable. It was in poor taste and was just boorish. This is not the kind of stuff that this Club deserves.</p> <p>Lastly, we need to concentrate on where we are going to in the future. A request was made by Mr Mookesh Desai for the Chairman, Vice Chair, Club Captain and Lady Captain to give the membership one new thing that each were thinking about in order to take the Club forward and make this Club a better place.</p> <p>Mr Mookesh Desai was thanked and the Chairman said a response would be given after all questions had been asked.</p>	<p>MOOKESH DESAI</p> <p>GORDON ODGERS</p>
<p>13.4</p>	<p>Mrs Liza van Wyk introduced herself to the membership. Just wanted to bring up the discussion around discipline. Mrs Liza van Wyk 's concern that perhaps the management and Board put too much emphasis on discipline and instead of addressing the underlying issues. Very often there is a feeling of defensiveness that you feel when you bring something up that makes you concerned to even take the time when your intention is to improve things for the members or for the Club, But you get a feeling that you dare not say it because of the backlash that comes through.</p> <p>Mrs Liza van Wyk would like to suggest the Board's stance on how it deals with discipline and looks at possibilities of working together with the members rather than building up what feels to be a more of a confrontational, conflictive approach.</p> <p>Mrs Liza van Wyk was thanked by the Chairman.</p>	<p>LIZA VAN WYK</p> <p>GORDON ODGERS</p>
<p>13.5</p>	<p>Mr Neil Urmson introduced himself and wanted to discuss the speed of play.</p> <p>Although acknowledging that Covid played a role in slow play, we need to look at things that will help with speeding up play and one of these areas to look at could be halfway house. Halfway could be pre-paid and this could be a minimal offering</p>	<p>NEIL URMSON</p>

	<p>which could save 20 mins on a round. River Club and Blair Athol have done this effectively.</p> <p>Mr Neil Urmson was thanked by the Chairman.</p>	<p>GORDON ODGERS</p>
13.6	<p>Mr John Warwick suggested that moving forward, the Club carries on with members bringing their own towels, as they have been doing. This will be cost effective and is a luxury that we can do without and with the scarcity of water, it is something we can do without.</p>	<p>JOHN WARWICK</p>
13.7	<p>Mr Richard Pollock asked the Chairman for an update on the possible merger with Glendower.</p> <p>The Chairman responded with a 'motivation' about the potential merger discussions with Glendower:</p> <ul style="list-style-type: none"> • It is not the solution to all the Royal stuff as it does not get us certain things that we don't have – it is not the silver bullet • Although there are several hurdles to overcome, it may be a bolt on to whatever we do and may solve the objectives that we have • Glendower have a staff compliment of 44 – they reduced their staff dramatically as they lost a lot of money last year. • Their income has also been reduced. • The idea of merging was that we would keep that Golf Club as it is a great course – they approached us to talk about it. • The idea would be to change the cost base there. The whole management structure would be run out of Royal • Glendower have agreed to this in principle – they understand that they do not have a membership base to run that golf course and by having one management structure, we could save in excess of R 3 mil per annum. • They have sold their driving range and staff houses down the left hand side of the property to Rand Aid for a retirement complex. This was done a year or so ago and the deal was that they sold 8 hectares for R 75 mill on the basis that they could draw down R 15 mill which they have done and spent and the balance of R 60 mill would come when the land is rezoned and the title changes to Rand Aid. • Glendower is saying that they could bring R 35 mill across to Royal and this could be favourable for the members at Royal having the Glendower course as a satellite course. • There are a lot of issues and these seem to be growing from both sides. • We will only go down that road any further if that is what the members want. 	<p>RICHARD POLLOCK</p> <p>GORDON ODGERS</p>

	<ul style="list-style-type: none"> When they spoke to us initially, they were very keen on the concept of Royal becoming a country club/family club and having a meaningful capital fund. <p>Mr Richard Pollock stated that they are currently our competitors and the merger could be a very attractive deal.</p>	RICHARD POLLOCK
13.8	<p>Mr Keith Kourie introduced himself. Keith asked if the money that had been generated from sales of the property had been deposited into the capital fund or to wherever and are we going ahead with the plans that we had pre Covid re the Club improvements. We must continue to be known as the prestigious Club that we are.</p> <p>Keith's personal opinion was that apologies that have been given for misdemeanours should be accepted, and members must forget about personalities and let's go forward and build this Club together.</p> <p>Mr Keith Kourie was thanked by the Chairman. The Chairman reported that the money that was due to have been paid by the developers has been paid. There is still R 20 mill to come by September 2022 for the balance of the property. In addition to that, the developers owe us R 10 mil to do something for the family centre and they owe us R 5 mill to rebuild the 6th hole, which has to be done. The 6th hole will probably need to be built in winter of 2022. This property is taking the longest time to re zone.</p>	KEITH KOURIE GORDON ODGERS
13.9	<p>Mr Mookesh Desai asked that the disciplinary hearings that were mentioned at the start of the meeting need to be recorded in the minutes and recorded and this detail needs to be looked at and have these minutes and recordings available for the members.</p> <p>The minutes and recordings of the previous meeting must also be available so that we can look at what disciplinary action is going to be taken and why these disciplinary hearings will be necessary. Let the minutes reflect this please.</p>	MOOKESH DESAI
13.10	<p>Mr Alastair MacDonald took the microphone. Based on Glendower cutting their operating costs, would it not be a good idea if Royal followed that lead and did the same.</p> <p>The Chairman replied that when we send out the information sheets in the next ten days or so prior to the members meeting, there will be quite a lot of information included on that. The cost base for June 2020 was some R 29 mill and the cost base for this year's budget is R 24 mill. Mr Alastair MacDonald's point was taken and will be a challenge for the Board and management</p>	ALASTAIR MACDONALD GORDON ODGERS
13.11	<p>Mr Colin Garden asked how many members Glendower would bring across if the merger took place.</p>	COLIN GARDEN

	The Chairman reported that they have about 200 active members of a membership of 400.	GORDON ODGERS
13.12	<p>Mr Richard Pollock asked for the Chairman to give an indication of how many people were retrenched due to Covid, whether as a Club we applied for the TERS relief and if an application was made to get relief from the fund set up by Johan Rupert and friends.</p> <p>The Chairman reported that there were 22 retrenchments and there was still some outstanding TERS money due. We have had to bring the caterers in house for a while but the plan is to outsource.</p>	RICHARD POLLOCK GORDON ODGERS
13.13	<p>Mr Colin Garden asked if the Club conducts exit interviews with members on their resignation.</p> <p>The C,E.O.replied that that the staff do try and get as much information as possible from members who are leaving. Pre Covid most members were relocating but post Covid, resignations have been largely for financial reasons.</p>	COLIN GARDEN CHRIS BENTLEY
13.14	<p>Mr Guy Grossmith asked moving forward, what do the resignations look like at the Club and how have we been affected.</p> <p>The C.E.O. reported that we have a nett decrease of 86 members YTD but we have also received new members of a similar number. Corporate membership has grown from 3 to 21 over the last 5 years. We lost 4 corporate members through Covid and AON, the SA Amateur title sponsor.</p>	GUY GROSSMITH CHRIS BENTLEY
13.15	<p>Mr Dean Harding said that every single golf course that he had come across in the Gauteng area had been choc a block with players and you could barely get a time.</p> <p>Dr Lawrence Retief replied by saying that these smaller Clubs are charging next to nothing for players to play on their courses so as to fill their fields. This can't be sustained.</p>	DEAN HARDING LAWRENCE RETIEF
13.16	<p>In response to Mr Mookesh Desai's request (13.3) :</p> <p>Mr Nick Watt-Pringle (Club Captain) reported that every six weeks, the Club will be arranging an inter-school challenge between the various schools. It will be run in a similar fashion to the senior betterball league side and schools will be mixing with other schools.</p> <p>Mrs Wendy Huddy (Lady Captain). The ladies are an integral and necessary part of Club life at Royal and are very well supported. Moving forward the ladies will be encouraged to enter all forms of knockout at the Club – be it foursomes, greensomes, singles, betterball and Nick and I will be working</p>	MOOKESH DESAI NICK WATT-PRINGLE WENDY HUDDY

	<p>together to reintroduce Mixed Open competitions and Mixed Knockouts.</p> <p>Ms Marian Ledingham (Vice Chair). Has a passion for the Club and golf and has been a member for 39 years and is set to restore the vibrant spirit and culture that we are renowned for at Royal.</p> <p>Mr Mookesh Desai thanked all for their answers.</p>	<p>MARIAN LEDINGHAM</p> <p>MOOKESH DESAI</p>
<p>The C.E.O, with the permission of the Chairman, closed the meeting:</p> <p>I have made some important notes that I would like to share, following the questions received:</p> <ul style="list-style-type: none"> • Hindsight analysis is a wonderful thing but not proactive. • In 2015, the Board put forward a proposal to the membership for R 30 mill. It was a combination of a couple of things – property, the East Course renovation, operational losses, capital replacement, etc • The members approved that proposal of R 30 mill. By the time the Board started auctioning these plans, the fund had already dipped to R 27 mil but simplistically the members and the Board spent money that was approved, we did have the money, it was not money that we didn't have or unnecessarily spent. • To touch on the so called vanity projects that we have spent money on, because the word vanity is used, doesn't make it correct: • The bar renovation did not cost the Club one cent – it was funded from the outsourcing of the food and beverage department and this was certainly necessary because the bar was rotting and we required improved flow for functions. • Furthermore, when the floors were replaced, it was because of a flood and this was paid for by insurance. • Not one cent has been squandered or abused over the past seven years and the Board and management team over the years, have done exactly what the members have asked/approved of them and have done so in the best interests of the Club progression. • Every single day we are here to improve the Club. • Discussions surrounding disciplinary actions are becoming quite a topic at the moment and I don't believe the majority of the membership want to hear about every disciplinary matter. Over the last couple of years, we have only had three formal disciplinary hearings. The rest have been dealt with accordingly under the code of conduct that is available to the members on the website. We uphold the standards required. • Member disciplinaries are operational matters that the Board and management are entrusted to handle on behalf of the members. • Pace of play – when we redid the East Course in 2017, we initiated the comfort stations that did not prove to be popular with the members and that is why we went back to the original halfway house. 		<p>CHRIS BENTLEY</p>

<ul style="list-style-type: none"> • The new halfway house was part of the strategic plan and was paid for by the developer and the old halfway house will become part of the family centre and all those plans are on track. • In closing, from the management team, the C.E.O. would like to thank all the members for their support and reminded members that there is an open door policy and they are welcome to discuss any concerns etc. • It continues to be an honour to work for and serve this Club. 	
<p>The Vice Chair thanked the management team and reiterated that the Club had the best management team in the country. The team were commended for all that they have done.</p>	<p>MARIAN LEDINGHAM</p>
<p>The Chairman thanked the Vice Chair for her words and said that he couldn't have put it better. The Chairman thanked the members, the Board, the management team and the staff and invited all attendees to join him in the bar for a drink.</p>	<p>GORDON ODGERS</p>
<p>Before leaving the room, Mr Keith Kourie proposed a vote of confidence in the new Board and asked that the membership supported the Board as they continued to work in the best interests of the Club.</p>	<p>KEITH KOURIE</p>
<p>There being no further business to discuss, the resumption of the 129th Annual General Meeting was declared closed at 18h57</p>	