

ANNEX 5

NOTICE OF RESOLUTION TENDERED PURSUANT TO RULE 57(D) OF THE RULES OF THE SINGAPORE CRICKET CLUB

RESOLUTION ONE

That in accordance with Rule 37, the Committee be permitted to incur an expenditure of up to S\$400,000/- (four hundred thousand dollars) to purchase an appropriate air-cooled chiller system to replace the existing 2 (two) RT (refrigeration ton) air-cooled chillers at the Club premises, inclusive of all other associate professional fees, taxes, and expenses.

RESOLUTION TWO

That in accordance with Rule 37, the Committee is permitted to incur an expenditure of up to S\$440,000/- (four hundred and forty thousand dollars) for the Construction of Padang Storage Building and Alteration of Bin Centre inclusive of all other associate professional fees, taxes and expenses.

RESOLUTION THREE

That the current Rule 37 be and is hereby amended in the manner set out in the annexure hereto entitled "Resolution Three – Proposed Amendments to the Rules" or in such other manner as this AGM may approve in whole or in parts with or without amendments and the General Committee be empowered to compile the amended Rule as approved by this AGM for submission to the Registrar of Societies for sanction.

RESOLUTION FOUR

That the Club has investible funds, being funds in excess of working capital requirements (including the Sinking Fund) ("Investible Funds") and it is resolved that, where the Committee elects to invest the funds of the Club pursuant to Rule 37(e), it shall only invest Investible Funds and the Club's Investible Funds invested shall be managed with the following Terms of Reference:

Terms of Reference

Investment Sub-Committee:

Where the Committee elects to invest the funds of the Club pursuant to Rule 37(e), the Committee shall, in accordance with Rule 37(d) and after considering the recommendation of the Finance Sub-Committee (FSC), ensure that there exists an Investment Sub-Committee (ISC). The ISC will consist of 6 (six) Club members with combined experience and expertise in finance, banking and investment.

Objectives:

The objectives shall be to enhance investment returns whilst endeavouring to protect capital as follows:

- a) Recognise the prospective need for liquidity over different time frames,
- b) Establish risk tolerance parameters,
- c) Identify investments which are consistent with the risk tolerance, and
- d) Monitor the performance of invested Investible Funds.

Establishing an Investment Framework:

In this regard, the Club's Investible Funds will be managed within an Investment Framework.

The Investment Framework shall be proposed for the approval of the General Committee (GC).

Any revisions to the Investment Framework shall be with GC's approval. The Investment Framework must be reviewed by the ISC and any updates submitted to the GC by the ISC for approval at least once in every 12 months period.

Contents of the Investment Framework:

1. The expected time frame of the Investment Framework and circumstances under which it will be amended.
2. The proposed allocation of funds to different class of assets (e.g. bank/institutional deposits, bonds and fixed interest securities, equities as well as other types of investments) with such allocation being a range of percentages of the total investible funds.
3. The mechanisms through which the assets will be managed (e.g. collective investment schemes, investment management companies or by Club management).
4. The selection criteria for recommending collective investment schemes and investment management companies.
5. List of investment risk exposures and guidelines on limiting those risks.
6. The process for measuring and evaluating investment performance.

GC shall evaluate the ISC's recommendations in order to implement and maintain the Investment Framework. Such recommendations may include (among other things):

- Drawing up, reviewing and amending the Investment Framework.
- Proposing and recommending the structure of the investment portfolio and its components when necessary, such as selecting bank/institutional deposits, purchasing mutual funds, unit trusts or other collective investment schemes.
- Appointing investment management companies.
- Reviewing compliance with the Investment Framework.
- Other investment mechanisms which serve to effect the Investment Framework.

The FSC shall provide oversight of the investment portfolio, monitor the risks and recommend adjustments to the investment portfolio as needed.

Reporting:

The ISC shall report investment performance and related matters to the GC at least quarterly.

Decisions:

An ISC meeting requires a quorum of 5 (five) members.

The ISC shall aim to reach decisions by consensus. Otherwise, decisions shall be determined by vote of those attending a meeting (either in person or electronically). If the votes are even, the Chairman shall have a casting vote.

Explanatory Notes for Resolution 1

Replacement of 2 Units of 80 Refrigeration Ton (RT) Air-Cooled Air-Con Chillers

Background Information

- The current 2 (two) units of 80 Refrigeration Ton (RT) Air-Con Chillers were installed in 2003.
- Both the Air-Con Chillers are more than 16 years old now and have past the normal effective life span for such equipment. (The normal life span as per manufacturer's specifications is 15 years for such equipment)

Conditions of the Existing Air-Con Chillers

- The coils, insulation and some parts of the air-con chillers have deteriorated or rusted over time as the air-con chillers are installed outdoors and is therefore subjected to outdoor weather conditions.
- Due to its old age, the air-con chillers have also failed to start-up at times.
- As the air-con chillers has been in usage for 16 years, some of its parts like the chilled water pump impeller are broken and some parts are beyond economical repair or simply obsolete.
- Given the 16 years age of the air-con chillers, it may be possible that any major components in the air-con chillers may breakdown any point in time unexpectedly.
- Should the air-con chillers not be replaced in good time, and in the event any major component breakdown or the air-con chiller fail unexpectedly, it can affect the operations of the Club with the breakdown.

Estimated Cost of Replacement of 2 Units of 80 Refrigeration Ton (RT) Air-Con Chillers

Based on a preliminary quote that the Club has received, the estimated costs are as follows:

Supply, Delivery, Testing and Commissioning:	S\$347,000/-
Contingency Sum:	S\$53,000/-
(Leak Test for Underground Pipes, Replacement of Pipes if necessary, Upgrading of Building Automated System)	

Total Expected Cost for the Replacement Project: S\$400,000/-

Conclusion

The General Committee has concluded that the replacement of the Air-Con Chillers is necessary for day-to-day Club operations and overall maintenance of the Air-Con supply for the entire Club.

We seek membership's approval to support this Resolution to approve an estimated expenditure of S\$400,000/- for the replacement of the Air-Con Chillers.

Explanatory Notes for Resolution 2

Construction of Padang Storage Building and Alteration of Bin Centre

Background: URA and SCC structures on Padang

Urban Redevelopment Authority (URA) informed SCC the existing Padang Storage Tent was an unauthorised structure and was of a design not in sync with the Civic District while the Bin Centre needed to be regularised to be within the boundaries of the Club property.

URA explained a structure could be sited on the Padang to house SCC equipment needed for the maintenance of the lawn of the Padang. The structure would have to be in sync with the Civic District.

SCC has engaged a firm of architects to assist in the development of a design and to assist in obtaining the necessary approvals from URA. A design was submitted and approved by the URA. URA has mandated SCC to complete the structures by **6 February 2022** failing which, URA will initiate enforcement action.

SCC, with the assistance of the architects, have called for a tender for the construction of the structure and alteration of the bin centre. The recommended bid comes to S\$401,526/- (comprising S\$301,000/- for the Padang Storage Building and S\$100,526/- for the Bin Centre).

In addition, SCC anticipate incurring a further S\$38,474/- in professional and other fees associated with the project (including architects fees)¹.

Necessity of Storage Building

Padang Field is leased by SCC and used for its Club activities and local and international events. As a highly visible icon of Singapore in the heart of the city with strong national, historical and social significance, Padang is intended to be gazetted as a National Monument – it is SCC's responsibility and honour as its caretaker to maintain it at the highest level.

The Storage Building will be used to store equipment and items necessary for the maintenance of Padang Field and preparation of field/ courts/ bowling green facilities for sports activities on a day-to-day basis. This includes turf machines, buggy, line marking equipment, water hoses, specialised cricket soil, field equipment, and fertilisers.

Alternative options to on-site storage were examined but not feasible:

- Container storage: Not allowed by URA
- Off-site storage: Not feasible as the equipment and items are regularly used for field maintenance and set-up for sports activities. Time and money spent on regular transport is not feasible and the cost of off-site storage facilities would not be effective in the long run.
- Outsourcing of ground maintenance works: Not cost effective and performance requirements of our multi-sport activities cannot be guaranteed. Also does not solve the issue of on-site storage as some equipment need to be available at Padang for sports activities preparations.
- Storage without sheltered structure: Not possible as exposure to weather elements could damage equipment and items and inadvertently result in increased costs for maintenance, repair and replacement of damaged equipment and items. Also has security implications, including recent acts of vandalism to the tyres of two turf machines park on Padang field which was reported to the police.

Conclusion

The General Committee has concluded that the construction of the Padang Storage Building and alteration of Bin Centre is necessary for day-to-day Club operations and maintenance of Club facilities, including Padang Field and other sports facilities within the Clubhouse.

We seek membership's approval to support this Resolution to approve an estimated expenditure of S\$440,000/- for the construction of the Padang Storage Building and alteration of Bin Centre.

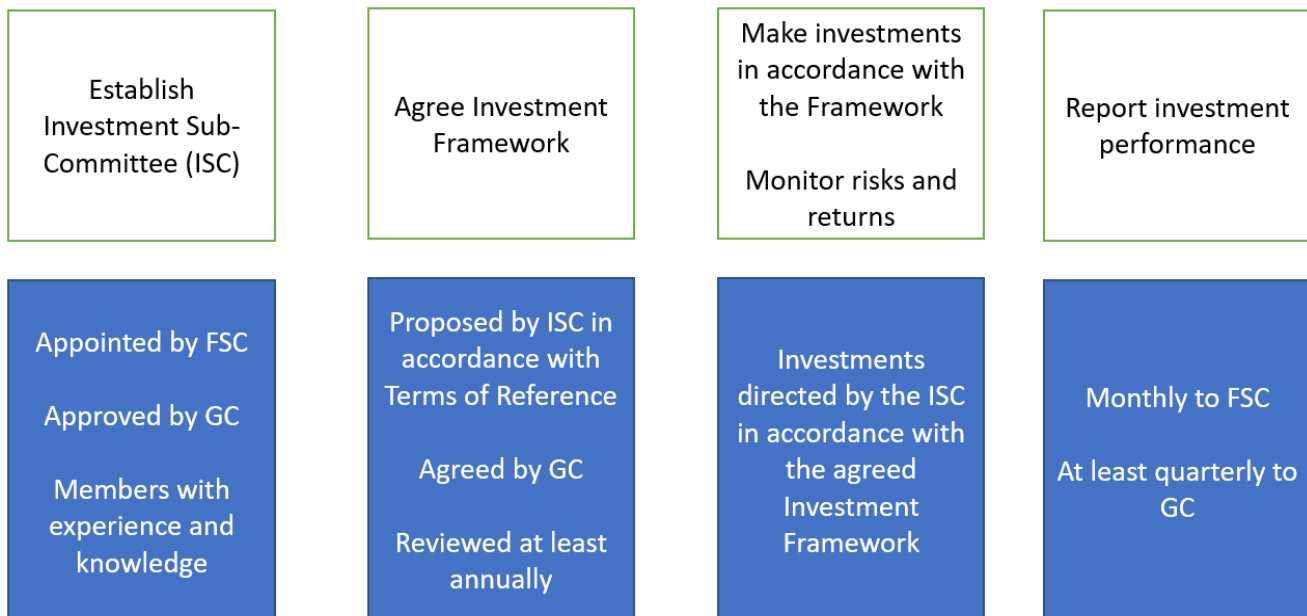
¹ The SCC has to date incurred S\$75,655/- in professional fees on this project.

Explanatory Notes to Resolution 3 and Resolution 4

1) Investing the Club funds

- Historically, the Club has invested funds in bank deposits; this has been appropriate as it minimised risks and interest rates provided reasonable returns.
- The current situation is:
 - Over S\$20 million in funds
 - Interest rates at all-time lows (with the possibility that these low rates may persist for some time)
- In order to improve returns, a less simple investment approach is needed with some degree of risk.
- This needs some specialist skills to establish an investment policy, implement it effectively and oversee the processes
- To do otherwise means that the Club is losing out on potential returns. For illustration, an additional 1% p.a. return leads to increased revenues of over S\$200,000 p.a.

2) The Process



RESOLUTION THREE - PROPOSED AMENDMENTS TO THE RULES

<u>Rule No.</u>	<u>Existing Rule</u>	<u>Proposed Change</u> (as deleted and/or underlined)	<u>Rationale / Remarks</u>
37	<p><u>RULE 37 – POWERS OF THE COMMITTEE</u></p> <p>(a) The Committee shall exercise all such powers and do all such things as may be exercised or done by the Club save that the Committee shall not incur any expenditure exceeding \$300,000 on any one project without the consent of the members in General Meeting.</p> <p>(b) If in the opinion of the Committee it is desirable to grant any lease, tenancy or licence of the Club House or any part thereof, the consent of the members in General Meeting shall first be obtained and permission to renew vary or extend any such lease, tenancy or licence when it expires shall be obtained from members in General Meeting.</p> <p>(c) The Committee shall, however, have power to grant the exclusive use of the Club premises or any part thereof to any member or group of members for such time and upon such conditions as the Committee thinks fit. Notice in writing of such approval having been granted shall be given by notice on the Club notice board. The Committee in its sole discretion may make an extra charge to a member or group of members for such exclusive use of the Club premises or any part thereof.</p>	<p><u>RULE 37 – POWERS OF THE COMMITTEE</u></p> <p>(a) The Committee shall exercise all such powers and do all such things as may be exercised or done by the Club save that the Committee shall not incur any expenditure exceeding \$300,000 on any one project without the consent of the members in General Meeting.</p> <p>(b) If in the opinion of the Committee it is desirable to grant any lease, tenancy or licence of the Club House or any part thereof, the consent of the members in General Meeting shall first be obtained and permission to renew vary or extend any such lease, tenancy or licence when it expires shall be obtained from members in General Meeting.</p> <p>(c) The Committee shall, however, have power to grant the exclusive use of the Club premises or any part thereof to any member or group of members for such time and upon such conditions as the Committee thinks fit. Notice in writing of such approval having been granted shall be given by notice on the Club notice board. The Committee in its sole discretion may make an extra charge to a member or group of members for such exclusive use of the Club premises or any part thereof.</p>	<p><u>Investing the Club funds</u></p> <ul style="list-style-type: none"> • Historically, the Club has invested funds in bank deposits; this has been appropriate as it minimised risks and interest rates provided reasonable returns. • The current situation is: <ul style="list-style-type: none"> ▪ Over S\$20m in funds ▪ Interest rates at all-time lows (with the possibility that these low rates may persist for some time) • In order to improve returns, a less simple investment approach is needed with some degree of risk. • This needs some specialist skills to establish an investment policy, implement it effectively and oversee the processes • To do otherwise means that the Club is losing out on potential returns. For illustration, an additional 1% p.a. return leads to increased revenues of over S\$200,000 p.a.

d) The Committee may appoint one or more of its Members to a Sub Committee or Sub Committees with power to co-opt from the general body of Members, and delegate to such Sub Committees part of their duties or powers.

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(e) Notwithstanding Rule 37(a) the Committee may invest the funds of the Club in accordance with the terms of reference and investment framework agreed, from time to time, by the Committee. Such investment framework shall be made available to members upon request and included in the reports issued by the Committee in accordance with Rule 56(a).