



To all members of the Cabrera Club de Tennis

EXTRAORDINARY GENERAL MEETING 2020 AGENDA

The president is calling for this EGM, to be held at 17:30 on 2nd June 2020 (immediately prior to the AGM) at Fatima's.

The sole reason for this EGM is to discuss the Founder Members position

Back in 1995 the Club was developed by the Founder members who between them, provided the necessary capital to construct the court. Originally the Club was considered to be privately owned, but open to fee paying members. In 2002, the Committee decided to change the club's status into an ordinary club, whereby the Club itself would be the owner of the Club's assets. The Founder Members shares were converted into interest free loans, repayable on the sale of their property in Cabrera (there is no entitlement to call it in prior to this event). Their Membership also provided them with free play for themselves and their family until the sale of their property whether that be in their lifetime or their families.

At last year's AGM the Current Members raised the question whether this position should continue, on the following basis;

1. The original Court surface has now been replaced from the monies built up over the years by the Club's fee paying members
2. We have to look to the future. In 2017 the new court costs circa €28,700 with a life expectancy of 10 years. The Club, after disregarding the Founder Member loans, currently has approximately €6500 cash with an average net profit per annum of €1500 over the next 7 years, will result in total funds of €16,500, clearly insufficient should the 10 years life expectancy for this court prove to be accurate.
3. The majority of the Founder Members have effectively had their loans returned in value three times over (€180 cost of an annual household membership x 25 years)

Accordingly the Committee invited all the Founder members to gift their loan to the Club in order to maintain their founder membership status and rights of free play whilst owning a property in Cabrera.

Both the Middletons and the Classens have been willing to do so, and we would like to thank them for their kind generosity.

The remainder of founder members (listed below) have either declined or not responded, which now leaves the Club with 2 options.

1. Take no further steps
2. Remove their free membership rights

The original Statutes set up the 3 different Memberships and their entitlements as follows.

- Committee Members,
- Founder Members
- General Members.

From the outset both the Committee & Founder Members were entitled to free play during their period of service / loan to the Club.

They also provides at Clause 8.6 that the Statutes can be altered by a majority of 66% of the members present at an EGM, either in person or by proxy.

The current Statutes, which are silent on the different Memberships and their entitlement, provides at Article 65, for the modification of the Statutes by a favorable vote (i.e. in excess of 50%) of the majority of the members present at this EGM.

Ordinarily the most recent Statutes overrule the older versions, however as they are silent on the different types of memberships, the Committee have agreed to adhere to the voting stipulations of the original statutes, as the change is in relation to the membership entitlements. To clarify therefore, 66% of those in attendance at this EGM will be required to pass any change.

For your further information, the Committee Members' entitlement to free membership/play was previously removed by general vote thereby setting a precedent allowing for such changes to members rights.

NOTE. This proposal does NOT affect those who have gifted their loans to the Club.

The Founders Members that this will affect are:

- Robert & Judie Barton-Hill (€1502.53)
- Jose Jerez (€1502.53)
- George Manus (€1502.53)
- Marianne Manus (€3005.06)
- Lars Schmidt (€1502.53)
- Lennart Berglund (€1502.53)

Voting will take place at the end of this EGM and the results actioned with immediate effect. A proxy form for those unable to attend is attached.

Finally, for the avoidance of doubt, each Member is entitled to 1 vote each, a household membership carries 2. If there are 2 persons named as a Founder member, they are entitled to 1 vote each.



TENNIS EGM PROXY VOTE FORM 2020

Should you be unable to attend the meeting and wish to appoint a proxy to vote on your behalf you may use this form.

Voting Rights are as follows:

All membership whether they were founders, annual, semi-annual or quarterly are entitled to vote.

- Household members carry 2 votes.
- Qualifying members are the members in the immediately preceding year.

I/We.....

of Address:-

.....

Being a member of Cabrera Tennis Club hereby appoint Tennis member

.....

of Address:-

.....

As my proxy to vote for me/us on my/our behalf at the Extraordinary General Meeting of the Cabrera Tennis Club to be held on 2nd June 2020 or whichever date it is postponed to.

I/We confirm that we would like to vote on the subject of the Founder members continued entitlement to free play ,as follows:

please delete as appropriate

3. Take no further steps
4. Remove their membership rights

Signature

Date