

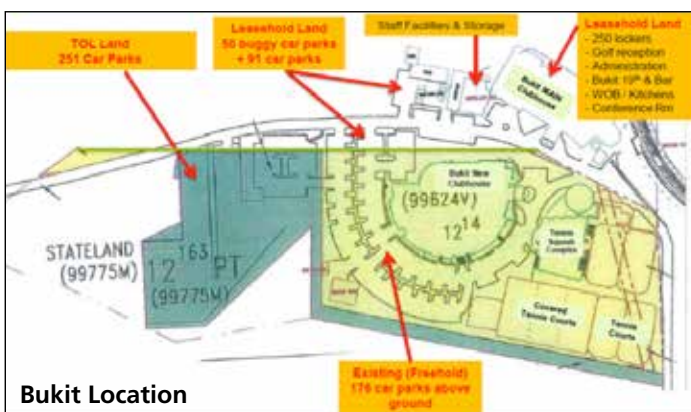
EXTRAORDINARY GENERAL MEETING

The first Extraordinary General Meeting (EGM) of 2016 was held on 27 April 2016 at the Island Grand Ballroom. A total of 126 voting members attended the EGM.

In his opening address, President Alex Ooi thanked members for their support and reiterated the offer the Club had received from the Ministry of Law (MinLaw) on 21 February 2014 relating to the lease extension post-2021 for both the Island and Bukit locations. President Ooi stated that the extension of the land lease at the Bukit Location is premised on the Club reaching an agreement with the Labour Movement (LM) on the configuration of the golf courses and the sharing of ancillary golfing services, such as changing rooms and clubhouse facilities.

President Ooi shared that the previous and current General Committees over the last two years have had many intense discussions and negotiations with the authorities on these terms of agreement. President Ooi elaborated that the Club has worked with LM and numerous other parties, including government agencies, professional bodies and the Club's lawyers from Wong Partnership, to ensure that the proposed agreement is fair, operationally workable and financially sustainable for both the Club and LM.

President Ooi explained that the deadline from MinLaw for the Memorandum of Agreement (MOA) had to be extended several times due to the complexity of the issues and the Club had to reach an agreement by 30 April 2016, failing which, the Club will lose the land lease at the Bukit Location at the end of 2021. President Ooi stressed that members' consensus and endorsement was critical to secure this land lease and the Club's future.



This write-up serves to set out the salient terms of the MOA, which was elaborated upon by General Manager (GM) Desmond Tay.

DISCUSSIONS WITH THE LABOUR MOVEMENT

SICC has been actively engaging LM on the demarcation of the Sime and Bukit golf courses and the sharing of ancillary golfing facilities at the Bukit location. At the onset, both parties agreed that there should neither be significant capital expenditure on the golf courses, nor any downtime at the courses. Both parties also shared the view that the courses should be left as they are to maintain their integrity and character. The agreement between the two parties will only take effect on 1 January 2022.

An initial Points of Agreement (POA) was executed on 26 August 2014. To give effect to the operational side of the major matters, two agreements, namely, the Memorandum of Agreement (MOA) and the Licence Agreement (LA) were drafted.

MOA

SICC's current trustee, DBS Trustee Ltd (DBS) will be executing the MOA on the Club's behalf. In accordance with the Club's Rules, DBS shall be indemnified by the Club for any liability that may result from the holding of such property as trustee of the Club. SICC is also a party to this agreement. On behalf of LM, the parties will be the Singapore Labour Foundation (SLF) and the National Trades Union Congress (NTUC) Club or its trustee. The Singapore Land Authority (SLA) will be granting SLF a lease for one 18-hole golf course at the Bukit location and SLF will in turn carve out a sublease in favour of NTUC Club or its nominee.

LA

DBS and SICC will also be executing the LA on behalf of SICC, while NTUC Club or its nominee will be executing the same on behalf of LM. (For an easy read of the remaining write-up, any reference to LM will include the Labour Movement, Singapore Labour Foundation (SLF) and/or NTUC Club or its trustee, as the context may require).

EXECUTION OF AGREEMENTS

The MOA had to be entered into first between the parties by 30 April 2016. In the event SICC failed to meet this deadline, SICC will not be offered a new lease for the Bukit Location.

The LA and FSA, which have not been finalised, will both be entered into at a date closer to 1 January 2022. This is because



the leases for the land will only be granted by SLA closer to this date and may contain conditions that may need to be reflected in the LA and FSA. While both parties have a form of the LA attached to the MOA, it will be subject to changes.

For the FSA, both parties have decided that there would only be a provision in the MOA referencing the commercial intention of both parties, which should be incorporated into the finalised FSA. This commercial intention may be amended, supplemented or varied as mutually agreed between the two parties or as required by either party due to the implementation of the Cross Island Line, the renegotiation of the Boundary Line separating land parcels between SICC and LM and the reconfiguration of the Bukit Course and/or the Sime Course or any conditions imposed by SLA, the Head Lessor of the relevant competent authorities in relation to the Parcel A Lease (for LM), the Parcel B Lease (for SICC) and the approvals by these authorities. The LA may also be amended, supplemented or varied in accordance with the MOA due to the same reasons.

DEMARCATON OF GOLF COURSES

In order to maintain the integrity of the courses, the Bukit and Sime courses will be left as they are, with a swap of the Sime and Bukit 15th holes. As a result, the Bukit 15th hole will become a par-4 and the Sime 15th hole will then become a par-5. SICC will operate and manage the Bukit Course as a private members' course, whilst LM will manage and operate the Sime Course as a public course.



Demarcation of Golf Courses

LICENCE FOR THE OPERATION OF AND PLAY ON GOLF COURSES

Following the demarcation, SICC will grant LM the licence



Play at the golf courses

to operate and manage the Sime Course to the extent that it falls within SICC's leasehold land and agreed upon by both parties, as well as allow the public to play on the Sime Course in keeping with the same arrangement. LM will grant SICC a licence over their leasehold land (excluding the Bukit Clubhouse, the Bukit Halfway House, the Driving Range and the Maintenance Facility) to allow SICC to operate and manage the Bukit Course to the extent that it falls within LM's leasehold land and agreed upon by both parties, and also to allow SICC members to play on the Bukit Course to the extent that it falls within LM's leasehold land under the same arrangement.

IMPACT OF CROSS ISLAND LINE

The potential effect of the Cross Island Line on the Bukit and Sime courses is still unknown as feasibility studies are expected to be completed by 2018. A clause has been included in the MOA to reflect that in the event both parties are notified that the Cross Island Line will impact either the Bukit or Sime Courses, the parties shall renegotiate the alignment of the boundary line and the reconfiguration of the two golf courses. Once an agreement has been reached on the realigned boundary, both parties have to notify SLA and will apply to amend or vary its respective lease applications. However, if SLF, NTUC Club and SICC do not reach an agreement after the renegotiation for the realignment of the boundary line and reconfiguration of the Bukit and/or Sime Course, the MOA will automatically terminate on 31 May 2019. Once both parties are informed of the results of the Environment Impact Assessment and Feasibility Studies, they will apply jointly for a land surveyor to carry out the land demarcation, with costs to be shared by both parties.

APPLICATION TO SINGAPORE LAND AUTHORITY

The Club will apply at its own costs to SLA, the Head Lessor and relevant authorities for a new lease or renewal of lease over Parcel B not less than 24 months before the expiry of the lease over Land Parcel 1, to take effect from 1 January 2022 to 31 December 2030 (the Parcel B Lease). The Club will also apply for the approval for the arrangements contemplated under the LA and the FSA (if applicable).

SLF will also apply at its own costs to SLA for a lease over Parcel A, not later than 30 June 2021, to be granted and to take effect from 1 January 2022 up to a date beyond 31 December 2030, with approval of the use of the golf course and related facilities, such as the clubhouse and F&B facilities for members of the public (the Parcel A Lease). SLF will also apply for the approval of a sublease of Parcel A for a term commencing on the effective date and expiring no earlier than 31 December 2030 and for arrangements contemplated under the LA and the FSA (if applicable).

In the event any of the approvals are not obtained, SLF and the Club shall continue to discuss and work with each other and SLA to obtain such approvals up to 1 January 2022.

EXIT RIGHTS

In the event that either LM or SICC feels that the operation of the Sime or Bukit Course is not tenable or commercially viable, they are both entitled before 31 May 2019, to serve a written notice to terminate the MOA, which will automatically take effect on the date of receipt of such written notice by the other party.



The Club, through a letter dated 30 November 2015, was previously informed by MinLaw that the Club has been informed that in the event the Exit Rights are exercised by LM, SICC can still be offered a lease of land determined by the government, up until 2030. The delineation and area of land to be offered to SICC will be determined after considering the requirements for an 18-hole public course at the Bukit site to be leased and operated by an appropriate party to be decided by the government.

SHARING OF ANCILLARY GOLF FACILITIES

SICC and LM have agreed to enter into a Facility Sharing Agreement to regulate the sharing of the ancillary golf facilities at Bukit Location. The terms of this agreement will be finalised before 1 January 2022. The key items relating to the sharing of ancillary golf facilities which will be expanded on, will be incorporated into the finalised FSA.

BUKIT CLUBHOUSE (LEASEHOLD) AND DRIVING RANGE

LM will manage, operate and maintain the Bukit Clubhouse (Leasehold) and Bukit Halfway House (Sime Course). All F&B outlets at these areas shall be open to members of the public. LM has agreed to accord SICC members signing privileges and discounts at these F&B outlets and the Driving Range. Details will be worked out at a later stage. LM will also take over the Driving Range, other than the maintenance of the grass, which will be maintained by the Club. LM will also be entitled to review the location, use, feasibility and other aspects of the Driving Range and may redevelop, relocate, reduce, remove and expand or alter it in any way. In the event LM wishes to alter it, LM has to provide at least six months' prior written notice on any such amendments to the Club.

MAINTENANCE

Sime Road

Sime Road will be retained as a private road with access to the public. The part of Sime Road and all other service roads (if any) branching off from it will be maintained by SICC or LM depending on the parcel of land they fall within. The aggregate costs for routine repair, renewal and maintenance of the Sime Road (and all other service roads) shall be shared between SICC and LM on a 50-50 basis.

Golf Courses

SICC will be responsible for the maintenance of the Bukit Course, the Sime Course, Bukit Halfway House, the Maintenance Facility



and the Driving Range (non-physical structures – turfgrass), collectively known as the SICC Maintained Area. This includes dealing with the removal of sewerage from this area and the maintenance of all sewerage facilities and system within the said area.

The Sime cart paths, the Bukit Clubhouse (leasehold) and all other parts of the Driving Range will not be maintained by SICC. The level of maintenance exercised by SICC shall be comparable with the current industry standards. SICC and LM will share equally the maintenance costs of the SICC Maintained Area and the Irrigation System. The costs in relation to the maintenance of the turfgrass on the Driving Range will be wholly borne by LM. The parties also agreed that a proportionate part of the lease premium payable by LM for the maintenance facility and the cost of its renewal, repair and maintenance will form part of the overall maintenance costs which are to be shared by SICC and LM.

SEWERAGE, WATER AND ELECTRICITY

SICC will bear the cost for the arrangement and the supply of utilities to the Bukit Freehold Clubhouse. LM will bear the cost for the arrangement and the supply of utilities to the Bukit Clubhouse, Bukit Halfway House and the Driving Range. SICC will be responsible for removal of sewerage from the Maintenance Facility and will bear the cost of the utilities deposit and all charges required for doing so. SICC will also arrange for all electricity and water supplied to Bukit Course and the Sime Course including the Irrigation System, Maintenance Facility and Sime Road. All costs and expenses will be shared between SICC and LM on a 50-50 basis.

TOL LAND

SICC will provide for its own car parking and buggy storage facilities within the freehold premises. LM will be applying for a Temporary Occupation Licence (TOL) in respect of the TOL land from 2022 onwards for their car parking facilities or other development.





STEERING COMMITTEE

A Steering Committee, comprising two members each from SICC and LM, will be set up to achieve the objectives and supervise the execution of the LA and FSA in relation to the sharing of ancillary golfing facilities at the Bukit location and the reconfiguration of the golf courses.

LICENCE AGREEMENT

Apart from dealing with licence to access each other's courses, the LA also deals with SICC granting LM to have authorised persons to access Sime Road which falls within the land allocated to SICC, to take and use the water from MacRitchie Reservoir, the inspection of the Irrigation System serving Bukit and Sime Courses and maintenance of the cart paths on Sime Course. In turn LM, will grant SICC the following under their allocated land – Access to the Maintenance Facility, the Irrigation System, Sime Road, the SICC Maintained Area, the right for full and uninterrupted water flow from MacRitchie Reservoir at all times and the access for the maintenance of the cart paths on Bukit Course.

QUESTION AND ANSWER SESSION

Lease Premium

Mr Tan Kah Ho (T0509) asked to clarify the clause on the lease premium paid by LM that has to be shared with SICC. GM and Director of Corporate Services (DCS) Rajita Suntharalingam clarified that the maintenance facility which sits on Parcel A of land (premium payable by LM) will be used by SICC as SICC will be maintaining the golf courses. SICC's equipment will also be placed in the maintenance facility. Thus both parties will share the cost equally for the premium payable for Parcel A for the use of the land to house the maintenance equipment and for the maintenance facility. President Ooi reiterated that the operations costs and land lease costs have to be split 50-50.

Mr Yau Meng Fai (Y0233) enquired on the cost of extending the premium at Bukit for the next nine years. GM reiterated that at this juncture, because of the sharing agreement with LM, the premium cannot be determined as yet, until the demarcation

has been established. He added that the Club will then have to apply to SLA for a survey to determine the premium cost. He emphasised that it would not be to either parties' advantage to work out a premium now, as there is likely to be an impact from the Cross Island Line in about two years' time, when the study of the impact of the line is known. GM said that the Club will then reassess the premium and redraw the demarcation line before applying to SLA.

Mr Yau was concerned that the many uncertainties make it very difficult to decide on the best course of action, and suggested to give up Bukit altogether and only focus on the development of the Island location. He felt that the sharing agreement will be complicated and difficult to carry out. He also suggested that if members can pay the public fees if they wish to play on the Bukit courses in the future. President Ooi disagreed, saying that the Club is fortunate to still have Bukit for nine years (2021-2030) and it would not be wise to give up Bukit completely.

Dr Chew said that SICC members can use the current Bukit leasehold clubhouse as members of the public and that the Club use the freehold land for other purposes. He feared that under this agreement, the Club would no longer be exclusive and that the Club should ask for a reduction in lease premium. GM replied that the lease premium has not been decided as the land offered to the Club has to be shared with LM. GM explained that in 2018/19, the boundaries may be impacted by the Cross Island Line plans, thus affecting the lease premium.

NTUC vs NTUC Club

Mr Henry Ling (L2205) asked to clarify the difference between NTUC and NTUC Club, and the Club's relationship and agreements between the two and whether NTUC Club is a subsidiary of NTUC. Dr Chew Beng Keng (C0241) explained that NTUC is a labour organisation and they recommended the formation of SLF, which is a statutory board to promote the welfare of union members and their families, and to advance the development of trade unions in Singapore. He added that SLF provides financial support for the various educational, social, cultural and recreational activities and programmes organised



by NTUC and its affiliated unions and co-operatives. He shared that they do this by collecting funds from corporations under the unions, and the foundation extends help to lower-income union members, and provides club and resort facilities (NTUC Club) to meet the recreational and social needs of its members.

Facilities and Car Parking

Mr Leong Kwok Thye (L1791) asked the committee if there would be sufficient parking lots for members, and if members will continue to enjoy free parking. President Ooi clarified that the Club will lose all parking facilities except a small area in the freehold land. He added that the committees are looking at incorporating 425 car parking lots on two levels within the proposed redevelopment of the Bukit town club, where members can park for free at one level and non-members can park at the other.

Dr Chew (C0241) wanted to clarify if all Club facilities at the Bukit leasehold land, including the Bukit leasehold clubhouse are going to NTUC, to which President Ooi responded affirmatively. Dr Chew reasoned that SICC members, who are also members of the public can use the NTUC facilities, to which President Ooi agreed.

President Ooi said that the Club has to provide for members' parking, buggy storage and staging facilities for members' golf on the Bukit course. He shared that 70% of members are non-golfers, and that the redevelopment plans must include social facilities. President Ooi shared that GC has been busy preparing the Bukit Town Club (BTC) redevelopment plans on the freehold land to cater to both golfers' and non-golfers' requirements. He added that a Members' Dialogue will be held soon to update members on the progress of the redevelopment plan.

Meeting with MinLaw

Dr Chew recalled the session at Suntec Singapore Convention Centre on 16 February 2014 where MinLaw offered SICC one golf course and another for the public at the Bukit location. GM shared that the government had initially no intention to offer SICC a new lease for the golf courses at the Bukit location beyond 2021, but the previous GC negotiated hard with MinLaw for a lease extension of the golf courses. He highlighted that the Club's persistence paid off and SICC was offered a renewal of one 18-hole course at the Bukit location for 9 more years until 2030.

President Ooi emphasised that the Club does not own the Bukit leasehold clubhouse and that the lease will end in



2021. He reiterated the urgency to at least replace the lost facilities at Bukit leasehold clubhouse with developments on the freehold land. President Ooi highlighted that the offer for the lease extension at the Island courses and the Bukit course till 2040 and 2030 respectively afforded the Club the time and opportunity to reinvent and maintain its exclusivity and premiership.

Choice of Island Location and Bukit Location

Mr Lai Chong Meng (L1896) questioned the Club's choice of extending the land lease for the Island location till 2040 instead of that for the Bukit location. He highlighted the difficulties and complexities of the sharing of facilities with LM, and asked for the plans on the Bukit freehold land. Mr Lai opined that in the long run, the area near the Island location, e.g. Windsor Park with the upcoming Thomson Line runs a risk of acquisition by the government for residential development. On the contrary, he felt that the area near the Bukit location has less chance for land acquisition and redevelopment and that Island location should be the location that the Club gives up when its lease expires in 2021. In addition to the developments on the freehold land at the Bukit location, Mr Lai suggested to develop and build bicycle and walking tracks in the vicinity.

President Ooi clarified that the Club is not sharing the Bukit town club with the public, and reiterated that the location for the sharing of golf courses has already been determined. He added that the EGM was to discuss the MOA and Mr Lai's feedback was a separate topic which should have been raised before.

Effect of these changes on Membership

Mr Takeo Sumino (S1912) thanked the President and GC for the detailed presentation. Having worked and lived in many different countries, he shared that this is the first time he has seen such a major redevelopment at a Club and applauded GC on how the matter was handled and communicated to members. He commended the staff for their professional knowledge and service, and felt that SICC is one of the best clubs in the region.

Mr Sumino was concerned about the value of the Club membership and a membership quota (if any) when the Sime course and Bukit leasehold clubhouse is handed over to LM. He shared that he has never come across a private and public course operating so closely and asked if there are similar references in the industry. Mr Sumino enquired how SICC would maintain its history, culture and quality of service and facilities operating beside a public course.





President Ooi assured Mr Sumino that the quality of service and facilities in SICC will be maintained. President Ooi stated that the government has already in mind to provide a public golf course at the Bukit location and the Club has to work around this decision. He shared that SICC will be the first members' golf and country club to operate alongside a public golf course, and hopes it will be a successful partnership.

President Ooi shared that GC has been brainstorming and discussing ways to provide for every spectrum of membership. He shared while the financials are healthy, the Club has always dipped into the reserves for the past years to fund the operating deficit. President Ooi stated that GC consists of members too and that they are also concerned about the Club's future and long term financial sustainability. He hoped to finalise the Club's roadmap and share it with the membership in due course.

Voting Results for Resolutions

Upon completion of the Question and Answer session, members were asked to vote on the four resolutions contained in the Notice of the Extraordinary General Meeting dated 11 April 2016.

President Ooi took the fourth resolution first.

Resolution 4

"That voting on the below Resolutions be conducted by a show of hands during the Extraordinary General Meeting."

President Ooi suggested that the vote for the resolutions be conducted by a show of hands and there was no objection from the floor. The motion was carried.

Resolution 1

"The form of the Memorandum of Agreement as annexed hereto be noted, approved and adopted."

The vote is as follows:

For - 78

Against - 1

The motion was carried.

Resolution 2

"The General Committee and/or the General Manager be and is hereby authorised to do the following:

- A. execute, sign, seal and deliver on behalf of the Club the Memorandum of Agreement and all such other documents or agreements ancillary or in connection therewith,

incidental or supplemental thereto or as may be necessary in order to give effect thereto;

- B. in their absolute discretion, approve any amendment, alteration or modification to the Memorandum of Agreement and such other documents or agreements ancillary or in connection therewith, incidental or supplemental thereto or as may be necessary in order to give effect thereto;
- C. to do all things necessary or desirable in connection with the Memorandum of Agreement and generally to do all such things as they deem necessary or expedient for the foregoing purposes"

The vote is as follows:

For - 83

Against - 1

The motion was carried.

Resolution 3

"The DBS Trustee Limited, in its capacity as trustee of the Club, be and is hereby director to enter into the Memorandum of Agreement and all such other documents or agreements ancillary or in connection therewith, incidental or supplemental thereto or as may be necessary in order to give effect thereto"

The vote is as follows:

For - 79

Against - 1

The motion was carried.

With the results of the votes, the General Committee was able to proceed with the execution of the MOA within the stipulated deadline of 30 April 2016. President Ooi thanked all members and staff present and the meeting was adjourned at 8.54pm.