

## FAQ Parramatta National Rugby League (Eels) Constitution

The governance structure of the Parramatta Leagues Club group has one primary objective. To ensure this iconic, member-owned organisation is here for future generations of members and Eels supporters.

In 2016, sustainability was not assured. Decades of infighting, unprofessional conduct, and poor financial performance meant that the Independent Liquor and Gaming Authority (ILGA), a NSW Government agency, appointed an Administrator. It was the club's lowest point in its otherwise proud history.

A new governance framework was put in place for the Group. Members voted for a new Parramatta Leagues Club constitution that did away with the elections of the past and allowed every PLC member to have their vote. This constitution, and the hand-picked board of professionals, have succeeded in putting the Parramatta Leagues Club in a stronger position than ever before, progressing generational projects that will secure the future of both clubs forever.

The Administrator put in place an Eels Constitution that was designed to protect the organisation. Whilst no governance framework alone can guarantee success, it does build in accountability and a voice for the members.

Parramatta Leagues Club is proud of what we have achieved, with our highest ever membership and an expanding group of clubs - all of which we achieve by listening closely to our members. Member feedback drives how we strive to improve our offering, our business endeavours and our governance structures.

The Eels club share our values and have their own performance review processes and member voice mechanisms, and we urge both PLC and Eels members to make use of those mechanisms to have your opinions heard.

### 1. Who owns the Eels - the Parramatta National Rugby League Club?

The Parramatta National Rugby League Club (Eels) is a company owned entirely by the Parramatta Leagues Club (PLC). This means that PLC is the sole shareholder of the Eels.

### 2. Why don't the Eels hold an Annual General Meeting?

The Eels are not required to hold an AGM under the Eels Constitution or the Corporations Act. The Eels provide reports to the Parra Leagues Annual Report and the Eels CEO personally presents a report to the Parra Leagues AGM and is available for questions to Parra Leagues Members.

### 3. When and why was the new Eels Constitution introduced?

The Eels constitution was changed by the Administrator in 2017, following the Salary Cap breaches in 2016 and years of factional in-fighting and failure both on and off the field. Changes were made to address and improve governance. This was in consultation with the NSW Government and the NRL.

**4. What rights do Parra Leagues voting members have for the Eels?**

Parra Leagues voting members do not have direct voting rights in relation to the Eels. Parra Leagues voting members do however have voting rights in relation to Parra Leagues, which holds 100% of the shares in the Eels and provides two Directors to the Eels Board. The Eels Board, including the two Parra Leagues nominees, and the Eels executive has responsibility for the direction and management of the Football Club.

**5. Can the Parra Leagues Board and Executive influence the Eels?**

The Parra Leagues Board and Executive has limited decision making influence over the Eels. The Parra Leagues Board has two director nominees on the Eels Board, but responsibility for day-to-day management of the Football Club remains with the Eels Board (including the two Parra Leagues nominees) and Executive, in accordance with the dual Constitutions. All decisions and resolutions passed by the Eels Board are made as a collective, including the two Parra Leagues nominees.

**6. As a long-term season ticket holder and Parra Leagues member, can I request changes in Eels' executive or coaching staff?**

You can express your views by writing to the Eels management or Board. Only the Eels Board has the authority to make changes to its executives or coaching staff. It is highly unusual for any one individual member or season ticket holder of any club or organisation to have an influence over the appointment of executives or coaching staff.

**7. How can I join the Eels Board?**

In consultation with the NRL and the NSW Government, several protections were introduced and must be satisfied to join the Eels Board. The Eels Board includes seven directors, with two nominated by Parra Leagues and five independents (External Directors). To qualify, you must meet the independence criteria and be recommended by a Nominations Committee. Any individual who was a director or company secretary of the PLC, PNRL or Parramatta District Rugby League (PDRL) at any time before 19 July 2016 is disqualified from being on the Eels Board.

**8. If I'm on the Parra Leagues Board, can I join the Eels Board?**

Yes, it is possible through a process managed by the Eels Nominations Committee. Parra Leagues can nominate two directors to the Football Club Board, but they must meet the following criteria: -

1. They must not have been a director or company secretary of the PLC, PNRL or Parramatta District Rugby League (PDRL) at any time before 19 July 2016
2. Must be recommended by the Eels Nominations Committee regarding the varying criteria including the skills matrix outlined in the PNRL Directors Handbook.
3. Once recommended by the nominations committee must also be approved by the full Eels board.

**9. How can I enact change at the Eels?**

As an individual member or through an EGM, you cannot directly make changes at the Eels. If you were to become a Parra Leagues Nominated Director, you would have to first be accepted by the Nominations Committee, then approved by the full Board of the Eels. If ultimately being successful in joining that Board, any resolutions or motions you propose would need the support of the Eels board.

**10. Can the Parra Leagues Board and Members change the Eels Constitution?**

The Parra Leagues Board and Members can only change the Eels constitution via a three-stage process whereby agreement on an amendment is reached: -

1. The proposal needs to be approved by a majority of the Eels Independent Directors; and
2. The amendment is then approved by 75% of Parra Leagues Voting Members; and
3. The PLC Board of Directors exercises its voting rights as sole Member of the Company in favour of the amendment.

**11. How much are the Eels Directors Paid?**

As per clause 9.9 of the PNRL Constitution, Directors of the Eels are not remunerated. It is a volunteer role.

**12. How long can a Director serve on the Eels Board?**

Eels Directors are appointed for an initial 3 year term at which point their tenure is reviewed (in addition to the annual Board review process). Directors may be subsequently appointed for a maximum of an additional 2 x 3 year terms, and therefore the maximum tenure for any Director is 9 years in total (i.e. 3 x 3 year terms).

**13. Is the performance of the Eels Directors reviewed?**

Yes, the performance of each Eels Director, and the Eels Board as a collective is reviewed on an annual basis by the Nominations Committee in accordance with the Directors' Handbook.

**14. What are main skills the Nominations Committee ("NC") are looking for in potential nominees for the PNRL Board?**

Typically, the NC is looking for candidates who possess some of the following skills including: Leadership, Executive Business Experience, Financial Management, Corporate Governance, Communication, NRL or NRLW, Risk Management, Human Resources, Networking & Corporate Contacts and Marketing.