

Memorandum of Understanding

PARTIES

The parties to this Memorandum of Understanding ("MoU") are:

- (1) MEADOW RESIDENTIAL LLP a limited liability partnership incorporated in England and Wales with registered number OC400730, whose registered office is at 22 Chancery Lane, London WC2A 1LS ("MR");
- (2) DULWICH HAMLET FOOTBALL COMMUNITY MUTUAL LIMITED (also known as Dulwich Hamlet Supporters' Trust) a community benefit society registered with the Financial Conduct Authority with number 29531R, whose registered address is 18a Crebor Street, London SE22 0HF ("DHST").

BACKGROUND

- (A) MR is acting as an agent for Greendale Property Company Limited (a company registered in the Isle of Man with registered number 010513V, whose registered office is at 11 Hope Street, Douglas IM1 1AQ ("GPCL") in respect of the development of the land currently occupied by Dulwich Hamlet Football Club ("DHFC") and adjacent land known as Greendale Playing Fields. GPCL has made an application for planning permission to the London Borough of Southwark (application reference 16/AP/1232) for, amongst other things, the erection of a new football stadium for use by DHFC including a pitch, clubhouse, stand, terracing and residential apartments and townhouses.
- (B) Among DHST's current objectives (the "DHST Objectives") are for DHFC to have a secure, long term home in East Dulwich, and to be fully owned by its supporters.
- (C) GPCL and MR wish to provide a long term sustainable future for DHFC, protecting its historical significance within the local area and enhancing its community value. To this end, Application 16/AP/1232 confirms the GPCL intention to transfer DHFC from private ownership (currently through Dulwich Hamlet Football Club Limited, company number 02840930: "DHFC Limited") to permanent management and ownership through a Community Benefit Society.
- (D) In May 2016, following a poll of its members, DHST formally confirmed its support for Application AP/16/1232.
- (E) MR and DHST wish to record, on a non-exhaustive basis, the terms on which they will co-operate and collaborate in relation to (i) Application 16/AP/1232, (ii) the implementation of the DHST Objectives, and (iii) the future of DHFC and any similar future planning applications or planning appeals.
- (F) This MoU replaces and builds upon the memorandum of understanding agreed in September 2015 between DHST and Hadley Development Management Limited.

MR and DHST will:

1. Respond to all reasonable requests for information from another party linked to any item in this agreement as soon as reasonably practicable.

2. Use all reasonable endeavours to keep the other parties fully notified of all material events, developments and progress linked to any item in this agreement including the progress of Application 16/AP/1232 (and any associated appeal or amendment) and any similar future planning applications or planning appeals. MR will give DHST at least 21 days' notice of the date on which it is intended that any future planning applications or appeals are to be submitted.
3. Each party will give the other parties at least 4 days' notice of any external communications that mentions another party by name or has a direct bearing on any item in this agreement. Where an external communication needs to be made urgently, each party will use all reasonable endeavours to provide the other parties with any comments it wishes to make on the proposed communication within one business day.

MR will:

Fan ownership and business planning

4. Work with DHST, Supporters Direct and the DHFC Football Committee (the "Football Committee") to begin the transition of DHFC and DHFC Limited towards becoming a Community Benefit Society (CBS) owned by the fans. This includes collaborating with DHST & the Football Committee with the development of a business plan and providing DHST & the Football Committee with full and timely access to relevant information including information relating to operating costs and expenses, assets and actual or potential liabilities to assist with the development of the business plan.
5. Involve DHST in all discussions with other potential users of the new ground and facilities (e.g. leisure providers and schools, etc) and not to enter into any agreement with a third party about future use of the new ground without first consulting with DHST.
6. Within 60 days of a satisfactory planning permission being granted by the London Borough of Southwark in respect of Application AP/16/1232 (or any similar application), MR will exercise its exclusive option to purchase, and complete the purchase of, all of the majority shareholding in DHFC Limited currently held by Nick McCormack.
7. Upon completion of the new football ground transfer (i) ownership of DHFC Limited free of all liabilities, with appropriate provision for any unknown liabilities, and (ii) all other interests (e.g. the associated sports/leisure facilities which lie upon the freehold land currently owned by GPCL) for a peppercorn consideration to the CBS. At that time, DHFC Limited should be the lessee under the new lease from the London Borough of Southwark for the portion of the new football ground and associated sports/leisure facilities that are situated on Council-owned land.
8. MR will transfer to DHFC Limited an amount to be agreed, following a review by all parties of the business plan, to ensure that the transition from private to community ownership is not prejudiced by lack of funds in relation to working capital. For the avoidance of doubt, this is not a loan and the period of time to be covered by this transitional working capital is to be determined by both parties.
9. Irrespective of the planning process and the outcome of Application 16/AP/1232 or subsequent planning applications or appeals, MR will commit to working together with DHST in securing fan ownership and financial sustainability of DHFC in East Dulwich.

Ground redevelopment

10. Continue to involve DHST and AFL Architects in the development of the new ground and ensure it is of a standard to enable the Football Club to play at least in the National League Premier Division, with potential for expansion to League 2, and is otherwise fit for purpose as the home of a sustainable football club.
11. To involve DHST in all decisions that may impact on the future use of the new ground – including the contents of any relevant Section 106 application or agreement.
12. Actively engage with Southwark Council to attempt to secure the freehold or a long-term lease (99 years minimum) for the new ground, and include such action within Application AP/16/1232 (or any similar application or appeal).
13. Complete development of the new ground for DHFC in a way that enables DHFC to continue to play all its home matches at the current Champion Hill stadium prior to moving into the new ground.
14. Ensure that the artificial “3G” playing surface at the new ground is appropriate for multi-use and is of the highest quality available at the time of installation, and ensure that any repairs and anti-deterioration works are conducted at no cost to DHFC for a period of 10 years from the date of practical completion of the football pitch.

Polling

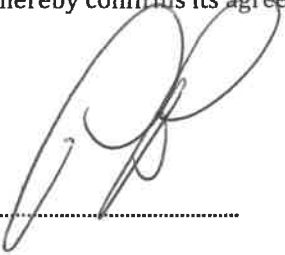
15. In the event that DHST believes that a further poll of its members is necessary or desirable (for example a significantly revised planning application is submitted which materially alters the offer to supporters), supply DHST with any reasonable information considered necessary in order to poll members on support for the development in a format that is readily publishable.

DHST will:

16. Work with MR, Supporters Direct & the Football Committee to begin the transition of DHFC towards becoming a Community Benefit Society (CBS) owned by the supporters of DHFC.
17. Work with MR, Supporters Direct & the Football Committee and other stakeholders to establish the CBS with a sustainable business plan and transparent governance structure.
18. Continue to recognise publicly the beneficial role of MR in contributing to the sustainability and development of DHFC and the ground since GPCL’s acquisition of the freehold of the ground.
19. In the event that DHST believes that a further poll of its members is necessary or desirable, hold a full members ballot concerning support for the proposed new ground development as soon as reasonably practicable at a date agreed with MR.
20. Subject to the outcome of any further poll of its members, continue publicly to support Application AP/16/1232 (and any similar subsequent planning applications or planning appeals) in so far as they concern the development of the new ground and the future sustainability of DHFC, including by way of a formal response to any planning consultations or public inquiry.

21. Not do anything that may otherwise undermine the delivery of the development described in Application 16/AP/1232 or any similar subsequent planning applications or appeals as soon as practicable.
22. Continue to grow membership in order to build up the biggest pool of members, interest and support.

Each party hereby confirms its agreement to the terms contained in this memorandum of understanding.


Signed 

Dated February 2017

PETER BENNISON

LLP Member

duly authorised for and on behalf of MEADOW RESIDENTIAL LLP

Signed 

Dated ^{1 March} ~~February~~ 2017

ALEX CRANE

 Vice Chair of trustees

for and on behalf of DULWICH HAMLET FOOTBALL COMMUNITY MUTUAL LIMITED