

Date: November 16, 2001

To: The Board, South Sydney Leagues Club

From: George Piggins

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Gentlemen,

I am writing to you in connection with the proposed takeover of the South Sydney Leagues Club by the South Sydney Juniors...a proposal that I have strong reservations about.

Here we have an asset, including license and land, worth in the vicinity of \$30 million, an asset base we intend to hand over to settle a \$6.5 million debt.

Under the proposal, our leagues club members will lose all membership rights and will have to apply to join the amalgamated entity if they are not already current members of the Kingsford club. Members cannot stand for office until they have been members for five years, where are the reciprocal agreements for our own members? As a result, they will lose their democratic rights they now already enjoy.

There is also no commitment of funding for the football club past next season, something for which the public has fought its guts out. I don't believe our public will be forgiving if the football club is not considered in all of this.

Then there is the provision for the Juniors to sell the club and end up with the license, I believe to be worth around \$15 million, if the club is not profitable in two years. This time frame, I believe is ridiculously short. The club needs at least a five-year business plan to make it a really going concern able to satisfy the members as well as provide some funding for the football club.

It seems to me that with this deal, our members get virtually nothing and the football club is left in a vulnerable position without a leagues club of its own for some support. As well, I also strongly believe that the people of this area deserve to have their club long-term and not dependent on a short two-year plan.

I have tabled two deals to the board, the first one a \$3million dollar offer to purchase the building next door, and the other a deal worth \$10.5 million made up of 200 car parking spaces and \$5.5 million dollars cash to pay off the debt. That deal is still available to us as are other proposals that have been made to you. I only hope that the members get to hear of all the proposals on the table before voting.

I write this letter without any malice whatsoever. I applaud you all for the voluntary work you have done for the place and I have served on a board with most of you men for a period of ten years. However, I find it necessary to speak out against accepting the Juniors' takeover in its current form.

My major concerns are firstly that the district football club receives guaranteed funding from the licensed clubs, which was the reason these clubs were formed for, and the reason they still exist. Secondly, I believe there should be a strong attempt to put a business plan into place to retain our club at Redfern.

There is nothing personal in what I am doing, I know that all of you have the best interests of the club at heart. It's just that I don't share the same views and don't believe this is the way to go, and it is my duty to express this to the membership.

Whatever the decision, it is a matter of democracy and I will accept it. I just hope that whatever is decided is done so in the very best interests of the leagues club, the football club and their many thousands of members.

My very best regards to each of you.


George Piggins