

Celebrate
our past,
ensure our
future...



MEMBER INFORMATION PACK June 2017



‘Celebrate our past, *ensure our future*’



As Dundee United fans for most of our lives we are concerned at the financial position of the club and anxious, like many others, about its long term future. Another season in the championship reinforces the need for additional financial input to ensure we are well equipped to fight for our place in the top division.

Over the last three months we have been exploring the possibility of setting up a Dundee United Supporters' Foundation. We met with representatives of the Foundation of Hearts to learn from their experiences and have spoken to all of the United fans' groups and committees.

We were encouraged by the positive response and that, coupled with soundings we took from other United supporters gave us confidence that the Foundation could be successful. The Foundation's purpose is to encourage additional financial support for the club and to deliver more transparency by having real supporter influence at board level. We stress that the Foundation is not a protest group about regime change, we are looking to provide an extra, reliable and sustainable income stream into the club. Ultimately we want to see fans having much more meaningful input in the running of the club through Foundation representation.

To get the Foundation underway we invited fans to become founder members by donating an amount of £1000 or £500 to a Commitment Fund. This money is being used for the necessary start up costs, but just as importantly we felt that if we could encourage sufficient numbers of fans to become founder members it would help demonstrate to all United fans that the organisation is sound, trustworthy and credible before we go out and ask them to

become members. We are delighted at the number of Founder Members confirmed to date. We were also greatly encouraged when our Honorary Founder members Finn Dossing, Billy McKinlay and Willie Pettigrew, all derby hat trick heroes, agreed to support the Foundation.

As well as the Commitment Fund, the main income into the Foundation will come via Members' subscriptions that will start at a minimum of £10 per month. The money will be used to finance Dundee United FC once we are assured that there is a sound business plan in place for the future security of our club and that the Foundation members will have meaningful influence and presence at board level. Before any cash is released to the club there will be a ballot of all members on a one member one vote basis.

Full articles of association have been written and our website for members to sign up has been launched at www.dusf.scot.

Included in this information pack are more details of the Foundation aims and purpose and a list of Frequently Asked Questions. We do hope you will consider becoming a part of a growing fans' group that we hope will be a significant and influential part of the future of Dundee United FC.

If you have any questions or would like to arrange a face-to-face meeting to discuss please get in touch with us direct, or through our email address info@dusf.scot or write to The Dundee United Supporters' Foundation, Stannergate House, 41 Dundee Road West, Dundee DD5 1NB.

The DUSF Steering Group

*Mukiernay Martin Manzi Jim Gibson A McIsaac
Gulieall Craig Simpson Michael J. Evans*

1.0 **The Dundee United Supporters' Foundation (DUSF)**

With the current climate in Scottish football and the constant financial pressure on football clubs a Dundee United Supporters' Foundation is to be set up with the main purpose of ensuring that Dundee United is a thriving, community focused football club for generations to come.

The aims and objectives of the DUSF are summarised below;

- a) to promote the success, financial security and stability of Dundee United Football Club, and for that purpose to provide a regular financial contribution to assist the Club and to support its operational activities.
- b) to establish links with the local community to promote sport, culture and education generally and in particular in relation to football in Dundee.
- c) to strengthen the relationship between the Club and its supporters and ultimately to be the vehicle through which the supporters can be actively involved in the ownership of the Club, and through which they have a representative and democratic voice in the club's affairs.

To facilitate the administration and financial governance of the Foundation a not-for-profit company limited by guarantee has been set up.

2.0 **Steering Group**

To oversee the successful implementation of the Foundation a Steering Group has been established with the following current members;

- John Gibson – Financial Director, Property Group
- Mike Evans – Former President, European Union of Supported Employment
- Martin Manzi – Senior Manager, UK Energy Company
- Graham McLelland – Director, Chartered Accountants practice
- Marie Kiernan – Charity Shop Manager. Former banking sector employee and National Senior Trade Union Rep
- Andy McCarle – Management Consultant. Former Area Director Bank of Scotland.
- Craig Simpson – Managing Director, Marketing and Media Agency

The Steering Group will remain in place for a limited period to oversee the launch of the Foundation and supporting infrastructure

3.0 **Membership**

Membership of the Foundation will be open to all Dundee United supporters with a minimum contribution of £10 per month. Members will be entitled to voting rights.

A junior membership of £2.50 per month will offered to fans aged 16 years and below. Our junior membership will be a non voting membership.

4.0 **Funding**

The main financial income of the Foundation is based on regular monthly contributions from its members. The minimum contribution will be £10 per month. Other income will be provided by supporters who wish to be founder members and are able to make a financial commitment to support the start up costs by contributing a lump sum donation of £1000 or £500. Other fund raising activities will be considered as the Foundation matures.

5.0 Governance

Monies collected from the members will be held in a separate bank account independent of Dundee United FC. An independent auditor as required by company law will audit accounts. Accounts will be tabled at the Annual General Meeting and will be available to all members on our web site.

6.0 The Foundation Board

Once the Foundation is up and running, elections for board members will be held. All members of the Foundation will have a chance to be elected to the Foundation board and serve for three years.

7.0 Allocation of funds

Initial transfer of funds will only be made to Dundee United FC at a time that the members decide. The timing will depend on prevailing conditions at the time (e.g. financial situation of the club, ownership, potential investors). The initial transfer of funds will be decided by members through a one member one vote ballot.

If for any reason it is decided that the cash held within the Foundation will not be transferred to Dundee United FC, and the Foundation is wound up, members' pledges will be refunded minus a small administration fee that is estimated to be 5% maximum.

8.0 Reward Scheme

A members' reward scheme will be developed with varying awards depending on the amount of money contributed.



FREQUENTLY ASKED QUESTIONS

1. WHAT IS THE DUNDEE UNITED SUPPORTERS' FOUNDATION?

The Dundee United Supporters' Foundation is a not-for-profit organisation established as a company limited by guarantee. Its members have a shared and passionate vision for the future which is based on bringing ownership of Dundee United FC closer to the fans.

2. WHAT ARE THE FOUNDATION'S INITIAL OBJECTIVES?

The current priority is to gain the trust and respect of Dundee United fans to encourage them to make a regular contribution to the Foundation. This will enable the Foundation to become established and to be in a position in the future to help the cash flow of the club and assist with operating costs.

3. WHO ARE THE FOUNDATION STEERING GROUP?

The Steering Group is made up of passionate Dundee United fans who feel that something needs to be done to give all supporters an additional avenue to financially assist the club. In return we can have a real say in the future while helping to ensure the financial security of our football team.

4. WHAT'S IN IT FOR THE STEERING GROUP?

Instead of sitting in the stands worrying about the future of the club and the ongoing financial losses that are unsustainable we felt we needed to do something about it. The future security of the club is what is in it for us. We aren't the types to seek public attention or a high media profile.

5. WHAT'S IN IT FOR FANS AND WHAT INFLUENCE WILL THEY HAVE?

You will be part of an important fans' group with a direct line into the Boardroom. All members of the Foundation will have a chance to be elected to the Foundation board and serve for three years. With the financial clout of the Foundation this will give Dundee United fans who are members a very serious, responsible and meaningful influence in the running of the club.

6. IS THIS A PROTEST GROUP?

No, this is not a pressure or a campaign group. A successful and well supported Foundation will provide an enduring long term financial input into our football club. It is hoped it will encourage private investors into the club and members will have the final say by the one member one vote system on where the Foundation money goes. The ultimate aim of the Foundation is to deliver active fan involvement in the ownership of the club in a professional and measured way in partnership with external investors.



7. HOW IS THE FOUNDATION FUNDED?

The financial income of the Foundation is based on regular monthly contributions from its members. A start up fund has been set up for fans who wish to make a commitment as a founder member.

8. WHAT IS THE COMMITMENT FUND AND WHY DO YOU NEED IT?

There are initial start up costs in company registration, legal costs, logo design, web site design etc. The commitment 'start up' fund will be used for that. It will also demonstrate the credibility of the Foundation to all United fans if we have a core number of fans already on board before we open up the membership to the wider fan base.

9. HOW MANY MEMBERS DO YOU THINK WILL JOIN UP, AND HOW MUCH CASH WILL THIS GENERATE FOR THE CLUB?

We believe 1500 members is achievable in the first year and this could generate upwards of £200,000 per annum

10. £200,000 WILL NOT HAVE MUCH IMPACT ON THE CLUB?

A £200,000 contribution from the Foundation is approximately the equivalent of a 15-20% increase in season ticket sales, or the club's share of a significant transfer fee every year. Most football clubs in Scotland would welcome this annual guaranteed income. One of the initial aims of the Foundation is to create a solid base of supporters and grow that by gaining the trust, respect and credibility of existing members to attract new members.

11. WILL THE CASH PLEDGED BY MEMBERS BE MADE AVAILABLE TO THE CURRENT CHAIRMAN AND BOARD?

No. The Foundation is no quick fix, it will be there to ensure the enduring and long term future of our football club. Stephen Thompson has already stated on several occasions that he is looking for a buyer to take over the club and that he will not be there for the long term. The Foundation Steering Group would work alongside any new investor, or group of investors, to ensure that their, and our forward vision for the club was aligned before we would recommend any of the Foundation money being paid into the club. Any decision would need to be ratified by a majority of the Foundation members in a one member one vote ballot.

FREQUENTLY ASKED QUESTIONS...cont.

12. WOULD THE FOUNDATION BE LOOKING FOR SHARES IN RETURN FOR THE CASH INVESTMENT?

Other than attendance at the AGM the acquisition of shares in itself would not give Foundation members any real influence over operational matters of the club. We think presence at decision making level in the boardroom is very important, however, in the medium/longer term the transfer of shares to the Foundation as part of gaining a controlling interest in the club would be given serious consideration.

13. SO YOU ARE ASKING FANS THAT ALREADY SPEND A LARGE AMOUNT ON SEASON TICKETS TO GIVE EVEN MORE MONEY TO THE FOOTBALL CLUB?

We realise not all fans will be able to make a contribution but we think that many will welcome the opportunity to help ensure the future of their football team by being part of an exciting fans' group. Members will have a real say in the running of their club. All for less than the price of a coffee per week.

14. WHAT WILL BE THE INCENTIVES FOR FANS TO PLEDGE?

The obvious incentive is that your contribution will be directly ensuring the future success of the football club. However we would like to develop this following consultation with United fans, supporters' organisations, and looking at what other groups such as Hearts have done, (e.g. certificates of recognition, badges, merchandise etc).

15. HOW WILL THE MONTHLY CONTRIBUTIONS BE COLLECTED?

Primarily via a direct debit system provided by an independent service provider. Monthly payments continue for as long as you wish to remain a member. Your data and your money are completely safe and secure. The funds will be held in a dedicated business account and are ring fenced. Payments will also be subject to a Direct Debit Guarantee offering you complete peace of mind.

16. WILL MY PERSONAL DETAILS BE SAFE?

We take the protection of your personal information very seriously. You can look at our privacy policy for full information. We are fully compliant with the Data Protection Act and your account and personal details are protected. Your personal details will not be released unless you choose as a founder member to display your name on our web site.

17. IF THE CLUB WAS TO BE THREATENED WITH ADMINISTRATION UNDER THE CURRENT OWNERSHIP WOULD THE FOUNDATION BAIL OUT THE CLUB?

No. The funds available in the early stages would not be sufficient to 'save the club'. It would only avoid the inevitable for a few months at best. In that scenario the Foundation cash and income potential would be better used to entice a new owner into the club and to provide reliable cash generation for post administration recovery.

18. DOES THE FOUNDATION WANT FAN OWNERSHIP OF THE CLUB?

Fan ownership is not the be all and end all. We are more interested in having a well run, well organised, financially sound football club with an active fan involvement in the decision making process. That would mean having at least two of the Foundation Board (as elected by the members) as full Directors of the main Dundee United FC Board. In the long term there could be fan ownership through the Foundation if the necessary skills, experience and attributes for running a successful football club and business resided on the Foundation Board. Major decisions like this would always need to go out to the members for approval through a ballot.

19. THERE ARE ALREADY A NUMBER OF FANS GROUPS IN EXISTENCE WHAT'S DIFFERENT ABOUT THIS ONE?

Yes, there are a number of well established supporters' organisations - The Federation of Supporters' Clubs, the United Business Club, Arabtrust, United Ladies of Tannadice, Fans United. These groups are all important in their own right and we would want to see them continue to thrive. We would encourage all of these groups to work with the Foundation and indeed to influence it and hold it to account. Ultimately we all want the same thing, a sustainable, successful football club, on and off the park and we believe the Foundation can be a catalyst to achieving that.

20. WHAT HAPPENS IF THE FOUNDATION FAILS AND IS WOUND UP?

All money pledged not already allocated to the club would be refunded to members minus an administration fee estimated at no more than 5%.

21. HOW DO I BECOME A MEMBER?

Just visit our website www.dusf.scot where you will find full information on how to register as a member. If you do not have access to the internet write to us at The Dundee United Supporters' Foundation, Stannergate House, 41 Dundee Road West, Dundee DD5 1NB.





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www.dusf.scot

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