

Heads of Agreement

BETWEEN Ipswich City Council ("ICC") ABN 61 461 981 077

AND Brisbane Bears-Fitzroy Football Club Ltd, trading as the Brisbane Lions, ("BLAFC") ABN 43 054 263 473

AND Australian Football League Ltd (AFL) ABN 97 489 912 318

Together "the parties"

REGARDING The development of the Springfield Central Northern Sporting Fields including a community AFL stadium with spectator facilities and the BLAFC high performance training and administration centre

DATE

1. Introduction

- 1.1 Terms used in this Agreement are defined in Section 11.
- 1.2 The parties wish to develop community Facilities incorporating a Stadium for the playing of AFLW, AFL pre-season, second tier AFL games, other community uses and sporting events and a high performance training and administration centre for BLAFC and a separate community use oval within the City of Ipswich at Springfield Central.
- 1.3 This document sets out the basis upon which the parties intend to progress the Project and the key inputs and outcomes expected by each party.

2. Proposed Facilities

- 2.1 The Facilities that shall be developed are proposed to be as outlined in Attachment 1 to this document. The parties acknowledge that the design is a concept drawing only at this stage and further discussions will take place between the parties to fine tune the design however, the Site location and area within the boundary will not be less than indicated in Attachment 1.

3. Estimated Costs and Funding

- 3.1 The estimated construction cost of the Facilities and related infrastructure is approximately \$50m excluding GST, or such other amount as agreed by the parties.
- 3.2 It is anticipated that the Facilities shall be funded via a joint funding proposal between Federal Government, Queensland State Government, AFL, BLAFC, ICC and other parties as agreed.
- 3.3 The parties shall work collaboratively and in good faith in seeking funding from the State and Federal Governments within an agreed timeframe.
- 3.4 The AFL and BLAFC will together contribute \$10m to the Project in line with the AFL's established principles for such project both for AFL Clubs and community projects. The AFL contribution is subject to AFL Commission approval.
- 3.5 Ipswich City Council agrees that funds required to be spent by Springfield Land Corporation (SLC) under existing development approval conditions for embellishment of the Site amounting to approximately \$12m (SLC Contribution) will be made available for the Project.
- 3.6 The SLC Contribution is subject to SLC and Ipswich City Council entering into an appropriate Infrastructure Agreement recognizing the SLC Contribution.
- 3.7 The parties agree that any interest earned on funds held in any bank account established for the project will be utilised for the project.

4. Facilities Locality Principles

- 4.1 Subject to approval under provisions of the Ipswich Planning Scheme it is proposed that the Facilities shall be located within the Site as outlined in Attachment 1 ("Site").

5. General Principles

- 5.1 Subject to the Specific Principles in clause 6, ICC will enter into an Agreement for Lease with BLAFC which will incorporate the terms under which the Facilities will be developed and leased to BLAFC.
- 5.2 The parties will work collaboratively to plan and develop the proposed Facilities as outlined in Attachment 1 including using reasonable endeavours to redesign the proposed Facilities to achieve the required functionality should sufficient funding for the current proposed Facilities not be secured on terms acceptable to the parties.
- 5.3 The Site as identified in Attachment 1 shall be provided to BLAFC by the ICC in accordance with the general principles as outlined in this Agreement and in particular under the Agreement for Lease.
- 5.4 ICC agrees that the Site will be included as a Development Area within the Town Centre Concept Plan under the provisions of the Springfield Structure Plan and the Springfield Town Centre Infrastructure Agreement.
- 5.5 All bulk earth works required to achieve the final desired landform ready for construction and reticulation of services to the boundary of the Site shall be undertaken by SLC and ICC prior to the commencement of construction of the Facilities. Such works shall be at no cost to BLAFC. This obligation is also subject to ICC and SLC entering into an Infrastructure agreement recognising SLC's obligation to provide the Earthworks.
- 5.6 It is agreed that the Site will be included within the suburb of Springfield Central

6. Specific Principles

Agreement for Lease

- 6.1 Subject to the funding arrangements in clause 3 being confirmed and ICC obtaining a Ministerial exemption under 236(1)(f) of the *Local Government Regulations 2012*, the parties will enter an Agreement for Lease incorporating (but not limited to) the following key terms:
 - 6.1.1 An initial term of 50 year Lease for BLAFC to occupy the Facilities, from the ICC with an option to renew for 49 years.

- 6.1.2 The annual rental shall be \$1 per annum for the first 20 years subject to compliance with the material provisions of the Lease by BLAFC. The Lease shall be consistent with the intent of this Agreement and grant a usage of the Stadium Site on all year round basis for the purposes of staging games, training, rehabilitation and any other related activity associated with BLAFC's operation as an elite football team; A rental review shall be undertaken after the first 20 years and will be carried out every 10 years after the first rental review until the initial term is completed. The new rent under any rental review will be negotiated between the parties in good faith. If the parties cannot reach agreement, the rent will be determined by a 3rd party market review. The 3rd party market review will on the basis of a lease of land for a similar purpose and function equivalent to the Facilities recognising the significant capital contribution to be made to the Facilities by BLAFC (directly and indirectly through State and Federal Government funding).
- 6.1.3 At the end of the initial term of the Lease over the Stadium Site BLAFC shall be offered a further term of a 49 year Lease (Renewal Period) by the ICC subject to the Local Government Act on terms to be negotiated.
- 6.1.4 The rent for the Renewal Period will be negotiated in good faith between the parties and if agreement cannot be reached then the rent will determined a 3rd party market review. The rent for the Renewal Period will be reviewed every 10 years in accordance with the same principles outlined in 6.1.2
- 6.1.5 BLAFC will be responsible for the design, construction and development of the Facility with input from ICC.
- 6.1.6 The parties will work in collaboration and in good faith on the exterior design of the proposed Facilities to ensure the best design outcome to the satisfaction of all parties and within the agreed Project budget.
- 6.1.7 ICC will not place unreasonable conditions on the exterior design of the Facilities and in the event that a disagreement with BLAFC cannot be resolved, the parties shall act promptly and fairly which may include the appointment of an independent, mutually agreed Mediator to resolve the disagreement.
- 6.1.8 ICC acknowledges that BLAFC will have the final decision with respect to the design and layout of the interior of the buildings within the Site.
- 6.1.9 BLAFC must ensure that the design and layout of the interior of the buildings is such that it can be constructed within the agreed Project budget.

- 6.1.10 BLAFC will hold all rights (e.g. signage, naming, catering, hire) to all Facilities (including the Stadium built as part of this Agreement) and be entitled to on-sell such rights on such terms as BLAFC shall determine from time to time. Naming rights will be subject to Council approval which shall not be unreasonably withheld or delayed and ICC will exercise its discretion to approve third party advertising under its Signage Policy. If BLAFC sells naming rights to the Stadium ICC agree, if requested, to refer to the Stadium by the name advised in any communications referring to the Stadium.
- 6.1.11 BLAFC will provide ICC the opportunity to display Council branding around sections of the Stadium subject to BLAFC meeting its sponsorship and rights obligations, BLAFC and ICC agreeing on the size and location of such branding and Ipswich Planning Scheme provisions.
- 6.1.12 The parties shall be responsible for their own costs associated with the preparation of the Lease and the Further Agreements.
- 6.1.13 A Project Control Group will be established to oversee the implementation of the Project. In addition, a Project Working Group will be established that will report in to the Project Control Group and be responsible for the day to day running of the project.
- 6.1.14 BLAFC shall be entitled to hold commercial and community activities such as AFLW, pre-season and practice matches, sponsor events and community events/clinics at the Site.
- 6.1.15 ICC shall be responsible for all Council fees, charges and rates associated with BLAFC's occupation and usage of the proposed Site.
- 6.1.16 BLAFC shall be responsible for all outgoing and utilities fees associated with BLAFC's usage of the proposed Site, excluding those Council fees, charges and rates as outline in Clause 6.1.15.
- 6.1.17 BLAFC will be able to sub-let or licence the Facilities, or any part of the Facilities, within the Site, subject to ICC approval (which shall not be unreasonably withheld or delayed) and such usage being permissible under the relevant provisions of the Ipswich Planning Scheme.

Secondary Ovals

- 6.2 The parties agree that the Secondary Ovals will not form part of the Agreement to Lease.

- 6.3 ICC recognises that BLAFC wish to incorporate the costs of building, maintaining and operating the Secondary Ovals as part of the Facilities. The parties agree to work collaboratively to develop a separate access arrangement which will allow the BLAFC and AFL a level of exclusivity which will recognise BLAFC' financial contribution while still allowing community use of the Secondary Ovals as a regional sports ground.
- 6.4 Any access arrangement in relation to the Secondary Oval will be subject to ICC obtaining any approvals or exemptions under the Local Government Act 2009 and the Local Government Regulations 2012.

Building, Oval and General Maintenance

- 6.5 BLAFC will meet the costs of building, oval and general maintenance relating to the leased area and Facilities during the period of the Lease. BLAFC may pass on all reasonable and proportional maintenance costs to community users/commercial partners whom may use the Facilities, as part of the user charges developed for these areas.

Community Usage of 25m Lap Pool Facilities

- 6.6 In the event a 25m lap pool forms part of the Facilities, BLAFC will make the 25m lap pool available for community learn-to-swim usage (via an arrangement with a commercial operator) when the Facilities are not required for training or rehabilitation by BLAFC or under other contractual commitments of BLAFC.

Community Usage of the AFL Standard Playing Surface

- 6.7 As part of the Lease, usage of the Stadium AFL standard playing surface by community groups shall be permitted by BLAFC, but only if:
- 6.7.1 This usage does not interfere with the training and rehabilitation needs of BLAFC; and
- 6.7.2 That usage does not adversely impact the standard of the playing surface (which is required to be maintained at all times to an AFL standard).

- 6.8 Subject to the above Clause, community usage of the Stadium AFL standard playing surface will not be unreasonably withheld by BLAFC.
- 6.9 Given the AFL contributions to the project BLAFC will work with AFL and AFLQ to ensure that elite talent programs have access to the Facilities as BLAFC training schedule permits. User agreements and fee structures will be negotiated between BLAFC, AFL and AFLQ in good faith.
- 6.10 BLAFC will jointly with ICC set the community usage fees on an annual basis, after consideration of the overall costs of maintaining the ground to an AFL standard.
- 6.11 Usage of the Stadium by the approved community users shall be subject to and on the terms of a Standard User Agreement as determined by BLAFC from time to time. The Standard User Agreement will be agreed upon by ICC and BLAFC
- 6.12 BLAFC and ICC agree to work in collaboration to monitor the condition of the playing surface and to adjust user access as required.
- 6.13 The AFL's formally appointed turf consultants shall be used to determine compliance with the required playing surface standards, should any dispute between the BLAFC and ICC regarding community usage arise.

Incentive for Additional Community Usage of Facilities and Partnerships

- 6.14 BLAFC and ICC will work collaboratively for the delivery of additional community, social, economic and branding benefits to BLAFC and the ICC. Such benefits may include but not be limited to:
- Development of a "Lions in Schools" Program.
 - Setting a minimum number of player appearances per annum within the Ipswich area.
 - Development of a Community Program (in partnership with ICC) which shall target specific social issues.
 - Holding a Club managed Corporate Golf Day at the Brookwater Golf Course.
 - Players acting as "Ipswich Ambassadors".
 - BLAFC assisting with the promotion of ICC facilities and activities.
 - AFL Community programs (delivered in partnership with BLAFC) with Springfield as a major regional focus for football activities.

Car Parking

- 6.15 This agreement is subject to the ICC and Department of Transport and Main roads entering into an agreement satisfactory to ICC in relation to the provision of public car parking adjacent to the Springfield Central Railway Station.

Signage

- 6.16 ICC recognises BLAFC's need for sponsorship and identification signage at the Facilities and shall enable BLAFC to erect (as a minimum and subject to the Ipswich Planning Scheme):

- BLAFC and commercial signage around the perimeter of the Stadium;
- BLAFC and commercial signage on the training and administration building;
- BLAFC and commercial signage flagpoles within the Site;
- BLAFC and commercial signage facing the railway stations and adjacent roads; and
- BLAFC and commercial signage at and around the entrance to the facility and the Site.

7. Commercial Development Rights

- 7.1 ICC acknowledge that any planning approval relating to the Site may (subject to the ICC planning scheme and the *Sustainable Planning Act 2009*) accommodate a range of development uses that can, at the election of BLAFC, be commercialised as income producing activities for BLAFC. These opportunities shall be consistent with the proposed Facility development and include but are not limited to uses such as a Medical Centre, child care centre, indoor sport and recreation, gymnasium, aquatic centre, offices, function and entertainment centre, restaurant, café, catering venue and other uses/Facilities that may be agreed between the parties.

8. Confidentiality

- 8.1 The parties must treat as confidential information:
- 8.1.1 The fact that the parties have entered this Agreement;
 - 8.1.2 The provisions of this Agreement; and
 - 8.1.3 All information provided by the other party in connection with this Agreement.
- 8.2 A party must not disclose the other party's confidential information to any person except:

8.2.1 To employees (which term includes agents, contractors, and subcontractors) on a "need to know" basis provided those persons first agree to observe the confidentiality of the information;

8.2.3 To legal and financial advisers;

8.2.4 With the other party's prior written consent which shall not be unreasonably withheld or delayed;

8.2.5 If required by law, any regulatory body; or

8.2.6 If it is in the public domain other than as a result of a party's breach of an obligation of confidentiality.

8.3 The recipient of confidential information indemnifies the disclosing party against and must pay on demand any losses, costs or damages directly or indirectly incurred by the disclosing party by reason of a breach of the recipient's obligations under this Clause 6 including any breach or misuse of the disclosing party's confidential information by an employee, officer, agent, contractor, legal, financial or other professional adviser of the recipient.

8.4 The obligations in this Clause 8 survive any termination or expiry of this Agreement.

9. Agreements to be entered into to complete this transaction

9.1 The parties hereto agree to immediately proceed with further preparation and execution of a number of agreements referred to in this Heads of Agreement ("the Further Agreements") addressing amongst other things all matters raised in this Agreement to do with financing, structure, acquisition, land sponsorship, maintenance and the Lease. These Further Agreements shall contain such representations, warranties, covenants and indemnities similar to those in like transactions as mutually agreed between the parties in good faith. In the event that at the time the Further Agreements are entered into, the parties are different to the parties to this Agreement, the parties shall procure that the substitute parties shall agree, in addition to the existing parties, to be obliged to perform, purchase, be responsible or obligated to commit themselves to this Agreement and the Further Agreement.

9.2 Following the date of execution of this Agreement, the parties shall afford to each other free and full access to such records reasonably required for the purpose of this Agreement on reasonable notice during normal business hours in order to permit the parties to conduct such of the transactions contemplated in the Further Agreements. The parties will hold in confidence all information obtained in respect of this further information in order that they expeditiously execute the Further Agreements.

- 9.3 The parties to this Agreement represent and warrant to each other that they will not enter into any other Agreement or deal with any other party in respect of the business contemplated by this Heads of Agreement until all parties in good faith have exhausted all avenues to enter the Further Agreements or this Agreement has been otherwise terminated.

10. Miscellaneous

- 10.1 This Heads of Agreement is not intended to be legally binding. The purpose is to outline the basis on which the parties are willing to enter into negotiations for preparing and executing the Further Agreements that will bind the parties.
- 10.2 Each party is required to keep confidential the proposed terms of this transaction and all information in connection with the transaction.

11. Definitions

In this Agreement:

AFLQ means AFL Queensland which is the state controlling body for the Australian Football League in Queensland

AFLW means the premier women's Australian Football competition conducted by AFL

Agreement means this Head of Agreement as executed.

Building Envelope means the area marked on the attached plan as "Training and Administration Facility";

Facilities mean the proposed stadium and community facilities and the BLAFC high performance training and administration centre, oval and includes the improvements marked on the attached plan marked [Attachment 1] and any other improvements developed on the Site but does not include the Secondary Oval;

Further Agreement has the meaning given to that phrase in clause 12.

Lease means the proposed Lease from ICC to BLAFC over the Site as outlined in clause 6 and may include an agreement for lease.

Medical Centre means any premises used or intended for use for the medical care or treatment of persons not resident on the site.

The term includes premises used or intended for use by a chiropodist or podiatrist, chiropractor, dentist, medical practitioner, optometrist, pathologist, physiotherapist, radiologist or similar paramedical person, in the practice of that profession. The term does not include a Hospital.

Project means the proposal to develop the Facilities and associated infrastructure as contemplated by this Agreement.

Secondary Ovals means the area marked in Attachment 1 as Secondary Oval Site including playing ovals which, subject to budget constraints is proposed to be at least one synthetic playing surface, amateur sporting club facilities and any improvements relating thereto, to be developed on the north side of Eden Station Drive

Site means the area outlined in Attachment 1 and which includes the Stadium.

Stadium means the area marked in Attachment 1 as Stadium Site including a proposed natural turf AFL oval incorporating spectator facilities capable of allowing spectators to view matches and to be used for the purpose of staging AFLW games, pre-season AFL games and second tier AFL games as well as for training and rehabilitation of elite players by BLAFC. This may include provision of broadcast quality sporting lighting to enable the playing and broadcast of night games.

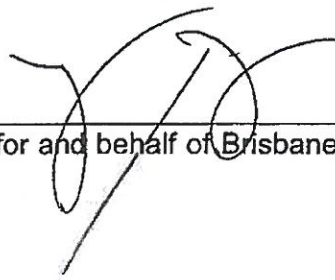
This Heads of Agreement was executed in IPSWICH ~~15th~~ on the 26th day of September 2017.



Signed and sworn on behalf of Ipswich City Council by its authorised officer.

Daniel Bent Acting CEO

Signed for and behalf of Australian Football League by its authorised officer.

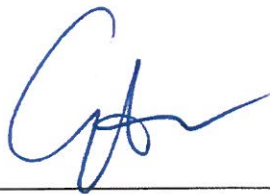


GREG SWANN - CEO

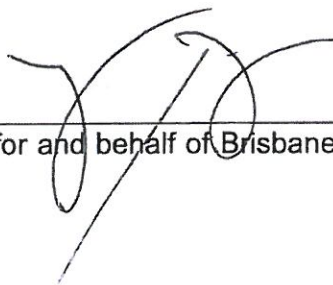
Signed for and behalf of Brisbane Bears-Fitzroy Football Club Ltd by its authorised officer.

This Heads of Agreement was executed in Melbourne on the 10th day of October 2017.

Signed and sworn on behalf of Ipswich City Council by its authorised officer.



Signed for and behalf of Australian Football League by its authorised officer.



CRAIG SWANN - CEO

Signed for and behalf of Brisbane Bears-Fitzroy Football Club Ltd by its authorised officer.



NOT FOR CONSTRUCTION

Attachment 1 ①

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POPULOUS
BRISBANE_LIONS_HFTAC

PROJECT NO: 7221	SHEET TITLE: BRIDGE LANDING DETAIL
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RESEARCH METHODS

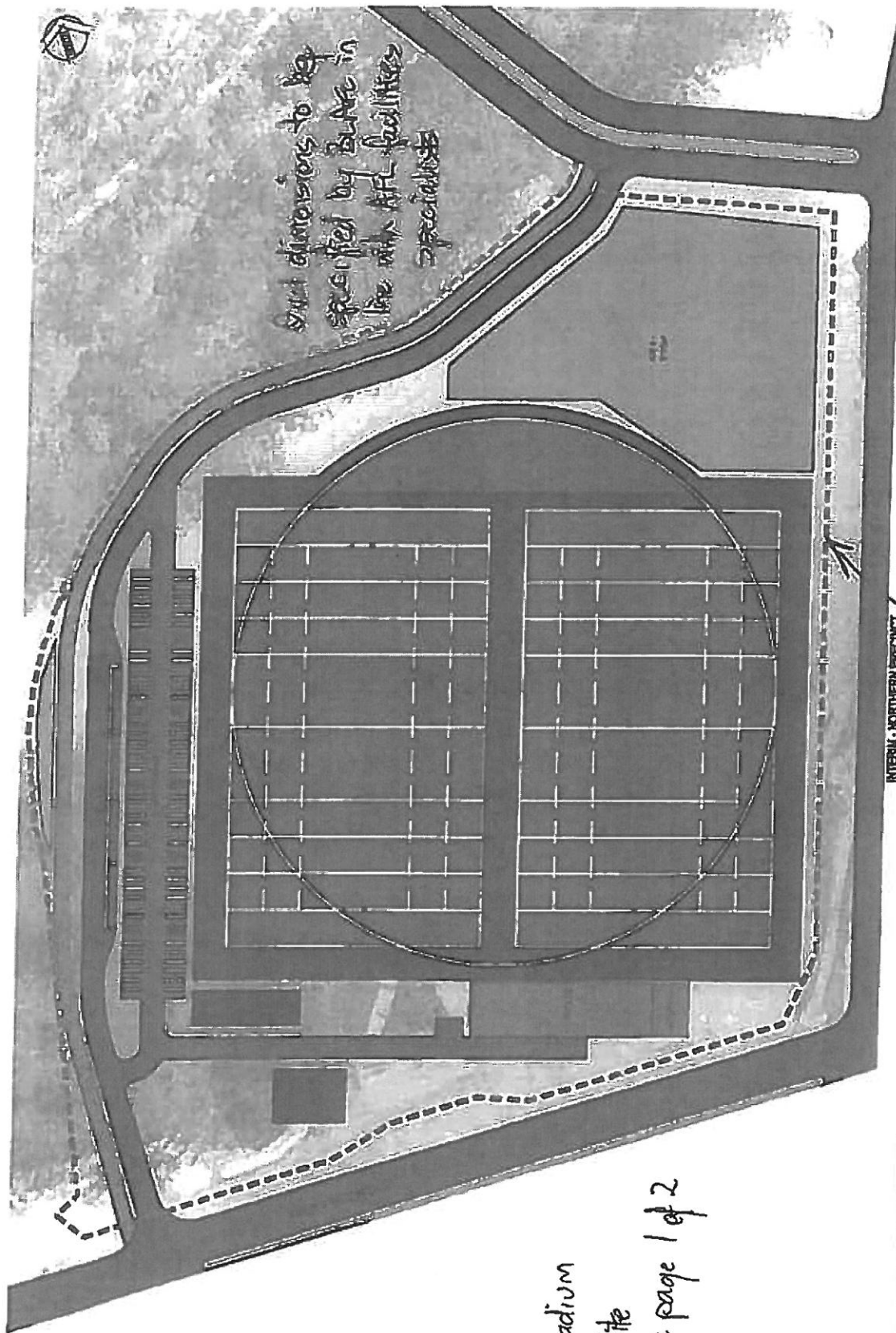
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DATE TYPED

SECTION 104.12

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Stadium
Site

-see page 1 of 2

INTERIM - NORTHERN PRECINCT

Secondary Oral Site

**SPRINGFIELD LAND CORPORATION
NORTHERN SPORTS FIELDS
MASTER PLAN
SKETCH**

INTERNAL OPTION
510265-005-CJ-SK102

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Carutho
Supply Co. Inc.

Spokane Tel: 338-1011

Springfield Tel: 07 5381 0111