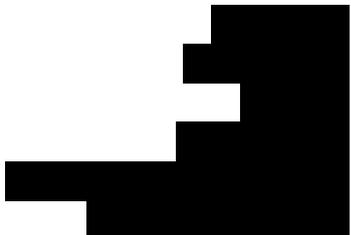


Craig Shepard
Administrator , Equestrian Australia
Korda Mentha
Rialto South Tower Level 31,
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2 September 2020

Re : Equestrian Australia Under Voluntary Administration- Regarding the Special General Meeting of the State Branches to vote on Clause 40 as circulated in their revised constitution – suggest a solution – TAKE 2

Dear Craig,

Thank you for taking the time to speak with me last night and clarifying 7 in the DOCA where I assume you were referring to the phrase in the Terms of Deed of Company Arrangement: “....and will broadly include, without limitation, the following..... 7(a)i ”, which appears to provide the State Branches (excluding EQ) with the flexibility for the proposed clause 40 in the EA revised constitution to meet the terms of the DOCA, despite significant opposition from the participating members.

Under the Corporations Act 445G there appears to be recourse that could be taken by you, the Administrator, to apply to the court to vary the wording of the DOCA Clause 7a to ensure that there is no flexibility to fail to achieve the material outcome of recognising the Participating Members as a class of members of the Company with the same voting rights as currently held by the Members:

445G When Court may void or validate deed

(1) Where there is doubt, on a specific ground, whether a deed of company arrangement was entered into in accordance with this Part or complies with this Part, the administrator of the deed, a member or creditor of the company, or ASIC, may apply to the Court for an order under this section.

(2) On an application, the Court may make an order declaring the deed, or a provision of it, to be void or not to be void, as the case requires, on the ground specified in the application or some other ground.

(3) On an application, the Court may declare the deed, or a provision of it, to be valid,

despite a contravention of a provision of this Part, if the Court is satisfied that:

(a) the provision was substantially complied with; and

(b) no injustice will result for anyone bound by the deed if the contravention is disregarded.

(4) Where the Court declares a provision of a deed of company arrangement to be void, the Court may by order vary the deed, but only with the consent of the deed's administrator.

For the reason that by maintaining the phrase in the Terms of Deed of Company Arrangement "...and will broadly include, without limitation, the following", it provides the State Branches (excluding EQ) with the flexibility to enact the proposed current clause 40 in the EA revised constitution which not materially deliver term of the DOCA 7(a)i , despite significant opposition from the participating members. This outcome is (d) contrary to the interests of the members as a whole; and (e) oppressive to, unfairly prejudicial to, or unfairly discriminatory against the majority of Participating Members. If the State Branches have the option of varying their proposed clause 40 so that no injustice will result for anyone (Specifically the State Branches with smaller membership) bound by the deed if the contravention is disregarded.

I respectfully ask you to take this action and put the following revised wording to 40 . Alteration of Constitution which should placate the smaller State Branches if their insistence on the currently existing veto clause is legitimate, 'that the 'veto' element of clause 40 is, in their opinion, necessary to protect their Branches' membership's interests against the greater power of the Branches with larger membership numbers.

"40. Alteration of Constitution

i. The Constitution can only be altered by Special Resolution; except where such alteration applies to specifying a geographic location of a National Competition, National qualifying event, or National meeting location;

ii. Where an Alteration to the Constitution applies to an alteration specifying a geographic location of a National Competition, National qualifying event, or National meeting location; the Constitution can only be altered by Special Resolution; which does not have any effect unless

on the same resolution, at least 5 of the Branches vote in favour;”

In theory this revision should cover their objection as each State Branch is responsible for the administration of equestrian sports in their own state, they already have clearly defined roles; and operate in conjunction with Equestrian Australia’s clearly defined role on a broader National level and International level. As such the ‘protection of the smaller State Branch member’s rights ‘ is realistically only required regarding any Equestrian Australia’s constitutional alterations regarding geographic matters that could be proposed e.g. where National and/or qualifying events would be held; it is extraneous to requirements for all other constitutional changes .

Yours Sincerely

