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28 January 2016

BY EMAIL AND BY POST

Our ref: 06928-00001

Wentworth Club Limited
Wentworth Drive
Virginia Water
Surrey
GU25 4LS
For the attention of Mr. Stephen Gibson, Mr. Songhua Ni and Dr Chanchai Ruayrungruang

Wentworth Estates Limited
31 Hill Street
London W1J 5LS
For the attention of Mr. Songhua Ni and Dr Chanchai Ruayrungruang

Sir Lindsay Parkinson & Co. Limited
31 Hill Street
London W1J 5LS
For the attention of Mr. Songhua Ni and Dr Chanchai Ruayrungruang

Mr. Songhua Ni
Executive President,
Reignwood Group
Reignwood Investments UK Ltd
5th Floor
4 More London Riverside
London SE1 2AU

Dear Sirs,

Re: The Proposed Membership Structure for Wentworth Golf and Country Club

1. We act on behalf of the Wentworth Residents' Association (**WRA**). The WRA represents the interests of the residents and owners of the land and properties comprising the Wentworth Estate, Virginia Water, Surrey (the **Residents**). The land owned by Wentworth Club Limited (**WCL**), where the Wentworth Golf and Country Club (the **Club**) is situated, is an integral part of the Wentworth Estate. Many of the Residents are, have been or may in the future become members of the Club (the current members of the Club are hereinafter described as the **Members**).

quinn emanuel urquhart & sullivan uk llp

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2. The WRA is acting in consultation with the Club Captain, Mr. Iain Scally, who is representing the interests of the Members of the Club overall, and with the full knowledge of the trustees under a Deed dated 1 March 1966 (the **Trust Deed**), namely Mr. Neil Thomas, Mr. Benjamin Dorman and Mr. Kent Pietsch (together, the **Trustees**).

3. The Wentworth Estate Roads Committee (**WERC**) is also aware of a letter being sent. Pursuant to the Wentworth Estate Act 1964, the WERC owns and maintains the roads and other common areas on the Wentworth Estate. The WERC is also entitled to enforce certain covenants attaching to the majority of properties on the Wentworth Estate, including restrictive covenants under a Deed of Modification and Covenant dated 14 May 1991 (the **Deed**) in respect of WCL's land.

4. The Proposed Membership Structure (as defined below) due to take effect from 1 April 2017 will fundamentally change the nature and character of the Club and the Wentworth Estate and is unacceptable. It must cease. It breaches legal and equitable rights of (amongst others) the WRA, the Residents, the WERC, the Trustees and the Members. Moreover, a proper consultation process has not been followed.

5. This letter is addressed to WCL, Wentworth Estates Limited (**WEL**) and Sir Lindsay Parkinson & Co Limited but all other entities in WCL's group of companies (the **Group**), including all holding companies and individual shareholders should be made aware of and shown a copy of this letter. We understand the ultimate beneficial shareholder of WCL is Dr Chanchai Ruayrungruang.

6. For the reasons set out below, WRA hereby requires WCL, WEL and the Group to:

   6.1 undertake that the Proposed Membership Structure due to take effect from 1 April 2017 be immediately abandoned and the membership structure (and fees) currently in place be retained;

   6.2 commence a full and proper consultation with the WRA, the Residents, the WERC, the Members and Runnymede Borough Council (the **Council**) to develop a mutually beneficial proposal for the future of the Club which is consistent with, and does not breach, the rights of the WRA, the Residents, the WERC, the Trustees and the Members and does not breach any other relevant rights;

   6.3 provide the other undertakings, information and documents requested in this letter within 7 days.

The Proposed Membership Structure

7. A membership structure (**Proposed Membership Structure**) to take effect from 1 April 2017 has been recently proposed by WCL. It is set out in the Members' Information Document dated 11 December 2015. The WRA strongly objects to the proposed changes, which will fundamentally change the nature and character of the Club and the Wentworth Estate.

8. WCL was acquired by the Reignwood Group in 2014. As acknowledged by Mr. Songhua

Ni, the Vice Chairman of WCL, in a letter to Members dated 7 October 2014 shortly after completion of the acquisition, the Club is an "*iconic institution*" with an "*enviable reputation*". Mr. Songhua Ni continued that he and Dr Chanchai Ruayrungruang were "*dedicated to preserving the special culture that Wentworth Club's members have developed*" and "*committed to maintaining a consistent approach to the Club's positive, established ethos and the lifestyle on offer to members.*"

9. These representations were important for the Members and relied upon by them. They were also important to the Residents. There has always been a strong community on the Wentworth Estate with the Club at its heart. Indeed, there are long-held "*special privileges*" attaching to many, if not all, of the properties on the Wentworth Estate entitling residents immediately to be members of the Club (**Special Privileges**) as well as certain residential privileges (**Residential Privileges**). These privileges entail a right of access and membership to the Club on reasonable terms which the Club is obliged to respect. They cannot be overridden by the desire of WCL to devise an exclusive membership structure with a prohibitively expensive joining fee which would, in effect, prevent the vast majority of Residents (present and future) from being able to exercise their privileges. An example copy of a title deed setting out the Special Privileges is enclosed with this letter. These privileges are examples of the legal and equitable protections in place to preserve the unique character of the Wentworth Estate of which WCL should be aware and which must (but have plainly not been) be taken into account in any review of the membership structure of the Club.

10. In a further letter to Members on 27 February 2015 from Julian Small, the then Chief Executive of WCL, it was confirmed that a "*phased investment programme*" would be implemented over the next three years. This letter set out increases in the annual subscriptions for 2015/2016 of between 5 to 10 per cent in light of the planned investments. This relatively modest annual fee increase in no way foreshadowed the fundamental changes to the membership structure that would be proposed later in 2015.

11. The letter again confirmed the Club's commitment to the current membership by stating "*we will also focus on further improving the consistency and quality of service so as to ensure we meet the diverse needs of the membership*" and reassured members that it wanted to provide them with a "*'home from home'*".

12. Mr. Small resigned in July 2015. Subsequent events were entirely inconsistent with these initial encouraging representations and came as a surprise to the Residents and Members. Members have now been informed that the Club's membership structure "*will transform from being a semi-private club into being an invitation-only,* [allegedly] *family orientated, fully private members' club based on a debenture model*" from 1 April 2017 and that there will be "*major changes to the membership structure*".

13. The following aspects of the Proposed Membership Structure proposal are particularly egregious and are in breach of the rights set out in this letter:

    13.1 All 4,000 (or thereabouts) current Members will be stripped of their membership, regardless of their important role in creating and maintaining the "*special culture*"

of the Club.

13.2 Any current Member that wishes to continue their membership must apply for membership and will only be permitted to become a member *"by invitation"*. No objective eligibility criteria have been issued by the Club.

13.3 All those invited to become members from 1 April 2017 (apart from Members over 75 who have been Members for over 20 years as at 1 April 2017, which is a very narrow exception) will be required to provide WCL with what has been described as a *"debenture"* grossing at £100,000 or more. The so-called debenture appears to be no more than an exorbitant joining fee as it is apparently unsecured, will pay no interest, nor provide the member with any equity interest in WCL. It is a patently unfair charge, whose purpose and effect appears to be to exclude the majority of the current Members.

13.4 Important categories of membership, including Tennis & Health and Social memberships, will disappear. Currently, such memberships are popular and more affordable than the full or golf membership categories. Many of the active Members within these categories are Residents who use the Club frequently and create much of the positive, community atmosphere the Club currently enjoys.

13.5 Although a family membership category has been proposed, the annual membership fee for individual memberships will increase to £10,000. For current Tennis & Health and Social members in particular, this is an unjustifiable increase. For example, this fee is approximately four times the current annual fee for a Tennis & Health member aged 35 and over.

14. The Proposed Membership Structure will exclude the vast majority of the current membership, either on the basis of an opaque "*invitation*" procedure and/or the prohibitively expensive joining fee and annual fees. The Club will, if the Proposed Membership Structure is implemented, become the preserve of a small number of extremely high-net worth individuals and lose its role at the heart of the vibrant community of the Wentworth Estate. The Residents have been admitted as Members since inception. Through the Residents' co-operation and forbearance and by their permitting an Act of Parliament (the Wentworth Estate Act 1964), the Club is estopped from acting on any other basis, from materially increasing membership or joining fees or from adopting any other criteria for admission.

15. The Residents will not countenance this proposal and intend to protect and exercise their strict legal and equitable rights (including their property rights, Special Privileges, Residential Privileges and rights to access the lands constituting the Club).

A. Request for information

16. The WRA and the Members understand that, to justify the Proposed Membership Structure, WCL is seeking to rely on Rule 2 of the Wentworth Club Rules (the **Rules**), which provides that the directors of WCL shall have an *"absolute discretion"* in relation to such matters as the amount of entrance fees, the right to refuse to renew membership and the right to decide the number of members in each category of membership.

17. However, such an *"absolute discretion"* does not permit the directors of WCL to act dishonestly, in bad faith, arbitrarily, capriciously, perversely or irrationally. By failing to provide any objective evidence or convincing explanation to support the Proposed Membership Structure proposal, the directors of WCL have failed to exercise their discretion in a proper manner and WCL has behaved unreasonably and in breach of Members' rights.

18. It is entirely inadequate to merely assert that *"the business model has to change and modernise"* to justify drastic changes to the membership structure. It is incumbent upon WCL to provide thorough and objective financial analysis demonstrating either: (a) that the Club would have to close; (b) would otherwise become bankrupt or fail; or (c) is at imminent risk of losing its status as one of the world's finest golf clubs, without the implementation of the Proposed Membership Structure. It is submitted that WCL will not be in a position to do this as the Club is in good financial health and remains one of the most famous and prestigious golf clubs in the world.

19. As has been set out in a detailed financial analysis paper prepared by a WRA sub-committee and the Wet Feet group, WCL has failed to provide *"a great deal of critical information"* which it should now provide without further delay:

    19.1 A long term and articulate vision of the Club detailing its integrity and the fulfilment of its brand/promise;

    19.2 Financial projections of the Club's new business model;

    19.3 The Club's detailed investment plan;

    19.4 An independent business review regarding the sustainability of the Club;

    19.5 Disclosure about the controlling shareholders and the Ultimate Beneficial Owner;

    19.6 The security package of the proposed "*debenture*";

    19.7 An independent legal opinion in relation to the termination of existing membership and evaluation of insurance cover; and

    19.8 Disclosure regarding the 400 plus honorary Club members currently using the Club facilities for free and the process whereby such honorary memberships are granted.

20. In addition, the full opinion of Lord Grabiner QC (the **Opinion**), on which WCL has relied in support of its actions, should now be disclosed without further delay. WCL promised to provide Members with a copy of the Opinion at the WCL AGM on 20 October 2015. However, to date, only extracts of the Opinion have been disclosed to a number of Members and Residents by Stephen Gibson (thereby waiving any privilege over it). This selective disclosure is not satisfactory and indeed suggests that WCL has something to hide.

21. The proposed "exclusive membership" which underpins the Proposed Membership Structure may also cause the Reignwood Group, whose beneficial owner is (we understand) resident in China, and/or its future members to breach Chinese law. Please confirm whether Reignwood Group has requested, and if so obtained, appropriate Chinese regulatory permissions for the Proposed Membership Structure (and if so please provide a copy of all such requests and permissions). The WRA reserves the right to raise such matters with all appropriate regulatory bodies in the event it does not receive a satisfactory response.

22. **Please provide the information listed above to the WRA, the Trustees and the Members within 7 days.**

B. Duty of Wentworth Estates Limited to preserve the character and nature of the Club

23. WEL, the controlling shareholder of WCL and part of the Group whose ultimate controlling party is Dr Chanchai Ruayrungruang, is under a duty under the Trust Deed, together with the Trustees, to procure that WCL continues "*to run the Club as hitherto both as a golf club and in its own way a country club.*" This effectively requires WEL to procure that the fundamental character of the Club as a golf and country club is maintained. This procurement obligation is absolute and unqualified.

24. As set out above, the Proposed Membership Structure will, if implemented, change the nature and character of the Club in many significant respects, including:

    24.1 Making the Club the preserve of a very small number of high net worth individuals, the majority of whom are unlikely to be Residents;

    24.2 In effect, excluding the vast majority of Residents from membership of the Club (both Residents who are current Members and present or future Residents who may wish to become members) which will undermine the historically important role of the Club at the heart of the Wentworth Estate;

    24.3 Getting rid of categories of membership such as the Tennis & Health and Social memberships which are popular, affordable and include many active members who create much of the positive and vibrant atmosphere at the Club.

25. WEL is obliged to procure that the Proposed Membership Structure is not implemented. If it fails to do so, it will be in breach of (amongst other things) the Trust Deed. To date, it appears that WEL and WCL have failed to fully consider the importance and impact of the rights contained in the Trust Deed which exist to protect the Members and preserve the character of the Club. WCL will be aware of course of the February 1992 advice of Charles Sparrow QC stating that the Trustees could withhold their consent if a proposal *"destroyed the personality of the Club"* and gave the example that *"it could be possible for the Trustees to object if there was a proposal to quadruple the membership fee, which would have the effect of reducing membership to a very few number of rich men"*.

26. The WRA is aware that the Trustees have written to WEL and its owners making it clear that they believe that the Proposed Membership Structure breaches the obligations of the Trust Deed. The Trustees have been shown an opinion from WCL's Leading Counsel advising that WCL and its owners are not in breach, but the Trustees disagree and fully reserve their position. The WRA also reserves its rights to take steps to ensure that the pre-emption and other rights contained in the Trust Deed are respected or otherwise enforced.

C. Restrictive covenants

27. The WERC (whose members are elected by members of the WRA) is expressly entitled to enforce a number of important restrictive covenants under the Deed (the **Restrictive Covenants**) in relation to the land as described in the First Schedule of the Deed, *"comprised in Title SY 448733 comprising Wentworth Club and part or parts of Wentworth Golf Course Virginia Water Surrey"*. The WRA is aware that WCL owns land covered by other title numbers which is subject to similar restrictive covenants to those set out in the Deed and reserves the right to refer to such restrictive covenants if necessary in due course. The WERC's publicly stated position is that it expressly reserves the right to exercise its authority under all applicable laws, covenants and otherwise. The WRA and, no doubt, the WERC will be monitoring the actions of WCL carefully to ensure that it complies with the Restrictive Covenants. Currently it appears that several of them have been, and will be, breached.

Concerns regarding property development

28. Many Residents are concerned that the long-term plan for the Club will involve property development on the Wentworth Estate. Such property development risks leading to a material change in use of WCL's land and/or having a detrimental effect on the value of property on the Wentworth Estate by destroying the character and community of the Wentworth Estate.

29. We hereby draw your attention to the following Restrictive Covenants set out in the Second Schedule of the Deed which will or may be breached by any property development:

"(a) The Property and any buildings now existing or hereafter to be erected thereon shall not be used for any purpose other than as a Golf and Country Club or any purpose reasonably incidental thereto (which without prejudice to the generality of the foregoing shall include tennis croquet and other outdoor sports and the necessary amenities and facilities for the conduct thereof)

(b) No new building shall be erected or remain on the property other than those now existing thereon without the previous written consent of the Committee (which consent shall not be unreasonably withheld or delayed)

...

(l) Save as may be permitted (whether expressly or implied by) pursuant to the terms of this Schedule, not to do or neglect to do in or any part of the Property or buildings thereon any other thing which shall be or become a nuisance disturbance damage or injury to the Committee and their assigns as owners of the Estate Roads or the owners lessees or tenants of the adjoining premises or which shall deteriorate or tend to deteriorate the value of the Wentworth Estate or any part thereof to a material extent"

30. The approval of the WERC is required for all development on the Wentworth Estate in addition to any approval required or not required by the Council. The WERC has publicly stated that it is dedicated to preserving the character of the Wentworth Estate and WCL will be required to engage in extensive consultation with the WERC in relation to any property development proposals.

31. Furthermore, any request for planning permission for development to the Council is likely to be strongly opposed by the Residents and other interested parties, as demonstrated by the opposition to the plans of WCL for an extension amounting to the erection of a hotel in early 2014. As you will be aware, WCL withdrew this application in the face of this opposition.

32. The WRA will be carefully monitoring any actions by WCL in relation to property development and steps taken under the Proposed Membership Structure (including, for example, the impact of the so-called "debenture") that may have an adverse effect on the value of property on the Wentworth Estate and reserves the right on behalf of Residents to take all appropriate action to preserve the value of the Wentworth Estate.

The PGA Tournament and marketing/advertising opportunities for the Club

33. The WERC is also entitled to enforce the following Restrictive Covenants:

"(d) No tent marquees or other temporary structure shall be erected or placed on the Property for a commercial purpose...provided that the Committee shall not object to the erection and retention of grandstands tents and marquees in conjunction with Golf and Tennis Tournaments in such positions, extent and scale as shall be reasonably required by the Owner subject to the Owner taking reasonable steps to limit any inconvenience or disturbance to Estate residents...

...

(g) No hoarding or advertising sign other than a notice to let or sell shall be erected on the Property without the prior written consent of the Committee (which consent shall not be unreasonably withheld or delayed)"

34. It is incumbent on WCL to ensure it is in compliance with the Restrictive Covenants and seeks to avoid any nuisance and disruption to the Residents at all times, but in particular during the PGA Tournament, when many thousands of spectators visit the Club and the surrounding area.

35. The PGA Tournament is a nuisance and causes significant disruption to the day to day lives and quality of life of the Residents of the Wentworth Estate for many weeks before and after. The disruption and nuisance is amplified by additional activities such as BMW sponsored events, including rock concerts which are not necessary or incidental events to a golf tournament. For example, the Club's marketing materials for this year's tournament state that there will be a rock concert at the Club on Sunday 29 May 2016 (the **Rock Concert**):

"The 'quiet please' signs will be cast aside following play in the third round of the 2016 event on Saturday, May 28 and the amplifiers cranked up as the multi-million-selling band performs on the new, expanded BMW Show Stage in the Championship Village."

36. The Rock Concert breaches the Restrictive Covenants. The WRA reserves the right to take steps to ensure the Restrictive Covenants are respected and enforced in order to minimise the disruption and nuisance caused by the PGA Tournament in 2016 and future years.

37. **Please can WCL confirm that the Rock Concert will not take place without the express written consent of the WERC and, without prejudice to the generality of the foregoing, after express consultation with the WRA and the Council.**

38. **Please can WCL confirm that no hoarding or advertising sign (including BMW or PGA advertisements) shall be erected without the prior written consent of the WERC.**

39. In addition, WCL will require the permission of the WERC to close certain sections of Wentworth Drive during the PGA Tournament which have, apparently in the interests of safety, been closed in previous years. If the Residents are effectively excluded from the Club, the WERC may be minded to refuse permission in 2016 and in future years in order to protect Residents from the disruption this closure causes to them.

40. **Please can WCL confirm that:**

40.1 **Wentworth Drive (and any other roads or land forming part of the Wentworth Estate which is not owned by the Club) will not be closed without the consent of the WERC; and**

40.2 **the safety of the Residents will not be threatened by the PGA Tournament in the event that Wentworth Drive is <u>not</u> closed, and specifically explain how such safety will be maintained.** In the absence of an adequate explanation, the WRA reserves the right to raise this matter with the Council and the press and, if necessary, the courts and appropriate regulatory bodies.

D. Negative impact of the Club on Residents of the Wentworth Estate

41. The WRA reserves the right to take steps to ensure that the rights of the WERC and/or Residents affected by the negative consequences of actions of WCL are respected and to assist them in relation to instances where they may be able to seek injunctive relief and/or damages in relation to nuisance, personal injury and/or property damage.

41.1 For example, it is a common occurrence for golf balls to land in the gardens of Residents, which is an inappropriate risk of personal injury or property damage.

41.2 A significant amount of noise pollution is created by the Club by maintenance vehicles early in the morning and late at night, including grass cutters and leaf blowers. It is anticipated that the level of noise pollution will only increase during the upgrade of the West Course that is due to take place in 2016. Noise pollution such as this causes the Residents a significant loss of enjoyment of their properties.

42. The WRA also expressly reserves the right on behalf of Residents to exercise and enforce (whether before, during or after the PGA Tournament) their other property rights, including the Special Privileges, the Residential Privileges and their right to access the land belonging to the Club, which rights they have enjoyed for many years.

E. Members' current contractual arrangements

43. The Proposed Membership Structure breaches the Members' contractual rights, which the WRA wishes (in the interests of the Residents who are or may become members) to ensure are respected. We set out below, by way of illustration only, examples of rights that have been breached.

44. WCL has not confirmed its position regarding repayment of joining fees of current Members if the Proposed Membership Structure changes were (in breach of the rights set out in this letter) to proceed. WCL has also made vague assertions that *"those members who joined on or after 1st April 2015 are expected to be repaid their joining fee on or around 31st March 2016 if they choose not to renew their membership for 2016/2017"*. The Club has also said *"Although a QC has confirmed that we are not legally obliged to make any payment"* WCL *"is expecting to make goodwill payments to members who joined on or after 1st April 2006."*

45. These statements do not amount to a promise to repay Members and, in relation to those Members who joined after 1st April 2006 but before 1st April 2015, insufficient information has been provided regarding the proposed value of any "*goodwill payment*". Furthermore, no information has been provided for the arbitrary decision not to consider any payments to Members who joined prior to 1st April 2006. The Members have therefore been left in a state of unacceptable uncertainty.

46. Contracts between Members and WCL entered into prior to 1 October 2015 are regulated by the Unfair Terms in Consumer Contracts Regulations 1999 (the **Regulations**). Terms deemed unfair are not binding on the Members. Rule 33(d) of the Rules where it states that "*nor shall an entrance fee once paid, be repayable in part or in full*" is a term that was not individually negotiated and causes a significant imbalance in the parties' rights and obligations under the contracts to the detriment of the Members.

47. On payment of the joining fee, a Member has a legitimate expectation that such a fee will not have to paid again and will last in perpetuity, subject to any voluntary decision by a Member to resign from their membership and rejoin at a later date and full payment of annual fees.

48. It is patently unfair to require current Members who decide to rejoin under the Proposed Membership Structure (and indeed Residents who exercise their Special Privileges) to pay the so-called "debenture" (which appears to be no more than an exorbitant joining fee) as a joining fee has already been paid. To assert otherwise would be absurd: this could lead to a situation where WCL could decide to terminate all memberships and demand new joining fees every year.

49. In the event that current Members decide not to renew (or are not "invited" to become a member from 1 April 2017 despite expressing an interest), such Members should be repaid their joining fee in full regardless of their joining date. Again, for WCL to do otherwise would be patently unfair as WCL is refusing to continue to provide services to current Members and forcing all Members to give up their memberships.

50. Membership contracts concluded after 1 October 2015 are subject to the provisions of the Consumer Rights Act 2015. There is a strong emphasis under the Consumer Rights Act 2015 that terms that may operate disadvantageously to a consumer, such as an alleged right not to refund a joining fee and/or to demand an additional joining fee in circumstances where WCL is refusing to continue to provide services, should be explicitly brought to the attention of Members. This has not happened. Furthermore, similar considerations as under the Regulations will be taken into account regarding whether a term causes a significant imbalance in the parties' rights and obligations under the contracts to the detriment of the consumer.

51. **Please confirm by return, and in any event within 7 days, that in the event that the Proposed Membership Structure is progressed (and strictly without prejudice to the other rights and obligations that such a structure, if implemented, would breach): (a) all current Members who rejoin under the new structure will not be required to pay the so-called debenture; and (b) all current Members who decide not to rejoin, or are not invited to rejoin, are repaid their joining fee in full.**

52. The Club has asked Members to confirm their interest in the Proposed Membership Structure. Without prejudice to other rights (including Special and Residential Privileges) which may be available to certain Members, WCL should not assume, simply because a Member does not indicate any interest in the Proposed Membership Structure, that the Member is not interested in continuing his or her membership on appropriate and lawful terms. The WRA understands that the majority of current Members do, as they have done in the past, wish to continue their membership on the current terms (including fee terms) and the Club should proceed on that basis.

F. Equality Act 2010

53. The directors of WCL are required to act in compliance with the Equality Act 2010 to protect existing and potential Members from discrimination based on protected characteristics.

54. The Proposed Membership Structure may operate to discriminate against existing or potential Members with protected characteristics in the following ways:

    54.1 Initial data regarding current Members who are considering becoming a member from 1 April 2017 indicate interest from only six individual female Members. Therefore, it appears that the Proposed Membership Structure will have the effect of discriminating against existing or potential members on the basis of gender, putting women at a disadvantage to existing or potential male members.

    54.2 The Proposed Membership Structure may result in age-related discrimination, particularly for younger or elderly current or potential members who are less likely to be able to meet the requirements of the so-called debenture. They are also more likely to be adversely affected by the removal of the Tennis & Health and Social membership categories.

54.3 As no objective eligibility criteria have been published, there is also a risk of discrimination against existing or potential members at the stage where expressions of interest in membership are being considered by WCL.

55. **Please confirm by return that WCL has considered its duties under the Equality Act 2010 and the impact of the Proposed Membership Structure on existing and potential members with protected characteristics. Please provide all relevant data WCL has gathered regarding its current membership and anticipated membership (anonymised as appropriate) and any reports prepared to demonstrate the review WCL has undertaken in this regard.**

G. Conclusion

56. WRA hereby requires WCL, WEL and the Group to:

56.1 undertake that the Proposed Membership Structure be immediately abandoned and the membership structure (and fees) currently in place will be retained;

56.2 commence a full and proper consultation with the WRA, the Residents, the WERC, the Members and the Council to develop a mutually beneficial proposal for the future of the Club which is consistent with, and does not breach, the rights of the WRA, the Residents, the WERC, the Trustees and the Members and does not breach any other relevant rights;

56.3 provide the other undertakings, information and documents requested in this letter within 7 days.

57. Please can WCL and the Group also confirm that the matters set out in this letter, and WCL's response, will be set out in full, and without any material omission, in any prospectus or other document relevant to the raising of funds for, or justification for, the Proposed Membership Structure.

58. We sincerely hope that it will not prove necessary to trouble the courts, public bodies and regulators with these matters. However, in the event that WCL and its Group implements the Proposed Membership Structure or fails to provide the undertakings and information requested by the WRA, the WRA reserves the right to avail itself (whether alone or in conjunction with the Residents, the WERC, the Trustees, the Members and all other affected parties) of all available legal, equitable and regulatory rights and remedies (whether in England, China or elsewhere).

Yours faithfully

Quinn Emanuel Urquhart & Sullivan LLP

QUINN EMANUEL URQUHART & SULLIVAN LLP
Encl

cc The Trustees (by email to Neil Thomas)
The Club Captain, Mr. Iain Scally (by email)
The Wentworth Estate Roads Committee (by email to Dr. Sunil Liyanage, Chairman)
The Wet Feet Group (by email)
Runnymede Borough Council (by email to the Head of Planning)
Rt Hon Philip Hammond MP, MP for Runnymede and Weybridge (by email)
The Wentworth Residents Association (by e-mail to Mrs Carol Manduca, Secretary)
Tennis & Health Captain, Kirill Klip (by post)

and their assigns of the right upon due notice of intention so to do to alter the position of or divert or close the whole or any portion of any road (other than the roads immediately adjoining the premises the subject of these presents and coloured Brown on the said Plan) footpath ride or open space which is now or may hereafter be made upon the said estate the Company or their assigns providing in the place of the road footpath ride or open space or the part thereof so diverted or closed another not less convenient for the user and enjoyment of the owner of the land hereby conveyed and the Company or their assigns shall at all times so long as they shall not be taken over by the Local Authority repair and maintain so far as may be necessary all roads over which the foregoing rights of way shall for the time being exist and shall keep in proper order and condition the roads footpaths and open spaces a right of user whereof shall under the foregoing provisions exist in favour of the Purchaser and her successors in title she or they contributing to the cost thereof as provided in the said Third Schedule hereto.

(Part 2)

Such special privileges for the Purchaser and her successors in title to call for immediate nomination for election to the Wentworth Club and such other privileges (known as residential privileges) as may be in force and as may from time to time be provided for purchasers of similar plots of land upon the Estate but such privileges shall not apply to more than one person in respect of the house which may be built on the land hereby conveyed

The Third Schedule above referred to

Not more than one dwellinghouse with usual stables coachhouse motorhouse and proper and suitable lodges for the use of a servant of the occupier of such dwelling house outbuildings and conveniences shall be erected on any part of the land hereby sold except that the Purchaser may erect wooden and other arbours and summerhouses of an ornamental character in suitable positions in the gardens and pleasure grounds which shall be roofed with tiles Any dwellinghouse shall be built in a substantial and workmanlike manner of the best materials and there