

CONFIDENTIAL

Briefing Note for PTSO Boards of Directors - EC & PTSO Relationship and Special Meeting Rationale

1. Relationship Summary

The relationship between Equestrian Canada (EC) and the Provincial/Territorial Sport Organizations (PTSOs) has continued to evolve in an increasingly negative way over time through various collaboration agreements. In 2012, a joint service agreement aimed to align national and provincial efforts in equestrian sport development. This included coaching, competition, officials' accreditation, and athlete pathway program development.

Key milestones include:

- **Pre-2007:** Long-standing tensions over centralized control, lack of transparency, lack of financial accountability, and disregard for provincial autonomy.
- **2010:** First mediation with Sport Canada Dispute Resolution Code after seven provinces left EC.
- **2007–2011:** Early resistance from provinces to EC's fee structures and governance direction, failure to deliver on agreed programs and services.
- **2012:** Signing of the joint service agreement by all provinces and EC.
- **2015–2018:** Disputes over EC's bylaws, governance and lack of accountability in the joint service agreement led to provincial opposition and calls for reform.
- **2017:** Second mediation with Sport Canada Dispute Resolution Code
- **2018–2021:** Continued dissatisfaction with EC's unilateral decisions and failure to deliver on program commitments.
- **2021–2022:** Provinces withheld payments due to EC's failure to meet deliverables, leading to mediation.
- **2021:** Third mediation with Sport Canada Dispute Resolution Code
- **2024:** Despite a renewed collaboration agreement, major concerns persist regarding EC's performance, approach and accountability.

Currently, the relationship is damaged beyond repair under the existing leadership and culture. While EC is recognized as the national governing body, many PTSOs feel their roles are being threatened and undermined, and that EC has not upheld its obligations under any of the collaboration agreements. **Most PTSO's are experiencing significant operational challenges and difficulty in program delivery due to EC not supporting or recognizing the vital role and importance of collaboration with PTSO's and their key sport experts.** Additionally, many PTSO's cannot report effectively to their Government Sport funding bodies due to a lack of progress on national programs.

2. Highlights of Provincial/Territorial Issues

Based on the Operational Sustainability Engagement Feedback Report (July 2024) and historical documents, the following key concerns have been raised by the PTSO's:

A. Culture of Mistrust:

- EC is perceived as completely disconnected from grassroots interests.
- Members feel EC does not grasp the unhappiness of its membership or participants.
- EC is seen as a necessary evil rather than a valued partner.
- Lack of transparency in financial management and decision-making.
- Members and participants question the value of EC membership and services.

B. Governance & Representation:

- EC's attempts to centralize authority and reduce provincial autonomy.
- Opposition to EC's bylaw amendments that diminish provincial influence.
- Confusion about EC's mission and alignment with provincial/territorial organizations.
- Calls for a complete review and overhaul of EC's governance structure.

C. Communication & Engagement:

- Poor communication and lack of meaningful consultation.
- Stakeholders feel completely excluded from key decisions and planning.
- Need for a comprehensive member and participant engagement strategy.
- Lack of strategy for safeguarding and expansion of critical national infrastructure.

- Keeping important program related materials and updates ‘confidential’ to avoid stakeholder input.
- Despite requesting input and feedback from PTSO leaders on operational plans; input is not considered and often rebutted by EC.

D. Program Delivery & Accountability:

- EC has failed to deliver on promised programs such as Learn to Ride, Officials pathway, updates and database integration for over 2 decades.
- Unilateral decisions and lack of follow-through on commitments; no collaboration with the PTSO’s.
- Rushed implementation of initiatives without proper planning, knowledge or consultation.
- Lack of support and understanding for grassroots competitions and organizers.

E. Financial Management:

- Deficit budgets and unclear fund allocation.
- Concerns over fairness and transparency of collaboration fees and lack of accountability.
- Need for revenue generation strategies and financial sustainability.
- An erosion of the National Brand and continued exclusion of PTSO’s in fundraising and sponsorship opportunities, as well as resistance to expand into new disciplines has greatly reduced EC’s ability to generate new revenue and raises serious questions around the long-term viability of the organization.

F. Competition Structure:

- Misalignment on competition levels and sanctioning.
- EC’s overreach into provincial domains and grassroots events.
- Calls for a logical competition pathway from grassroots to high performance.
- Concerns about monopolies and inappropriate class offerings at events.

G. Equine Welfare:

- Equine wellness is a top priority across stakeholder groups.
- Desire for clearer communication and actionable strategies to support horse welfare.

- Integration of equine welfare into strategic plans and educational programs.

3. Summary of Non-Performance from the 2024 Collaboration Agreement

The 2024 EC-PTSO Annual Collaboration Agreement outlines EC's commitments in several key areas. However, multiple obligations have not been met:

- Education: EC has committed to updating the Learn to Ride & Drive curriculum over the past two decades, every 3–5 years. The 2021–2022 agreement to revise materials by July 2022 was not fulfilled.
- Coaching: EC was to develop and monitor national coach certification with PTSOs. There has been a lack of consistent standards and poor rollout of the coach status program. Leading to national frustration amongst coaches and PTSOs.
- Officials Accreditation: EC was to develop a pathway from PTSTO to FEI status. The draft pathway due July 2022 was not delivered.
- Database Integration: EC committed to API connection with Momentum for coaching data. The project remains incomplete, with EC not confirming key connections.
- Marketing Support: EC was to provide branded materials and a campaign calendar for national initiatives. There have been delays and lack of any follow-through.
- **Governance: EC was to recognize one PTSTO per province as a voting member. PTSTO's feel their representation is being diluted and under threat.** EC still does not recognize all eleven PTSOs as a voting member, even though this has been an active discussion topic for four years. The PTSTO's collective comprise a membership of 80,000+.
- Funding Transparency: EC accountability regarding to how they are spending project dollars. Concerns persist over unclear fund allocation and usage.

4. Generalized Legal Concerns and Arbitration History

Over the decades, multiple PTSTO's have entered into formal agreements with EC to deliver specific programs and services. In the majority of instances, EC failed to meet its obligations, redirecting funds to internal initiatives without consultation or consent. These actions have led to financial losses for PTSTO's, decreased membership, and reduced opportunities for coaches and athletes.

Legal correspondence from provincial representatives has highlighted EC's breach of contract, lack of accountability, and disregard for agreed timelines. Proposed resolutions over the years have included full repayment of funds, transfer of program control to provincial bodies, and formal mediation under dispute resolution clauses.

These legal challenges underscore a broader pattern of non-performance and unilateral decision-making by EC, reinforcing the need for structural reform and leadership change.

Recent Issues

Most recently the PTSO's have felt that EC has been weaponizing Safe Sport protocols and Workplace Health and Safety against them. Claims filed against Horse Council BC and Ontario Equestrian, and some of their members, are completely unwarranted and unjustified. EC's approach toward Ontario Equestrian has been coercive and inappropriate, attempting to pressure the organization into compliance rather than engaging in constructive collaboration. Other PTSOs have reported experiencing similar unwarranted and unjustified communications from EC when providing input during planning processes at EC's own request.

Additional feedback from the recent National Coaches Symposium highlighted additional examples of EC not meeting expectations, putting forward more underdeveloped programming, and further eroding patience and trust within the PTSO's and coaching community across Canada.

EC has also begun to discuss ways to leverage the Future of Sport Commission's report. We believe that this may lead to a further eroding of PTSO autonomy and our ability to develop programs and services that are required within the provinces.

Proposed Action and Confirmation of Support

Based on these factors, **the PTSOs must act NOW** to ensure that there continues to be Equestrian sport in Canada. The past and current path the NSO is on is not sustainable and will not result in success, it will continue to squander precious resources, increase division, and continue to erode provincial autonomy.

Step 1

A letter will be sent to the EC Board and copied to Sport Canada. In that letter we will ask the EC Board to immediately address the lack of confidence and mistrust within the current leadership as well as the embedded and pervasive cultural deficiencies that allow these ongoing issues to persist year after year.

The EC Board will be given 14 business days to act. Failure to act and address these issues, will leave the PTSO's with no other option but to call a special meeting and have these issues presented to the entire membership and a vote requesting that a new Board be installed to address these issues.

We have decided to take this additional step to show one final good faith attempt to have our issues dealt with, in the current structure. This will also show diligence with Sport Canada who we will require support from in any activities moving forward, and to also make the current EC Board fully accountable for the actions of the organization - no one going forward will be able to claim that they did not have a full understanding of the issues.

Step 2

If there is no meaningful progress or resolution following Step 1, we are asking that the PTSO voting members be prepared to sign a letter requesting a Special Meeting of the Voting Members of Equestrian Canada. The purpose of this meeting will be to address and discuss a change in leadership within Equestrian Canada.

The letter will be accompanied by an agenda and a comprehensive package detailing the issues that have led to this action, including ongoing non-performance, communication failures, negative stakeholder feedback, and evidence drawn from EC's own surveys and SWOT analyses with the PTSOs over the past four years.

This will represent the first occasion on which these materials are shared transparently with all category members and the EC Board ensuring full visibility into the persistent challenges that have brought us to this point.

Work is presently underway to assemble a comprehensive background package providing firm and detailed examples to support the claims we are making. When we are ready to move forward, a copy of this background

material will be supplied to all PTSO senior staff and Board Chairs/Presidents to review and endorse.

We feel that it is important that all organizations be prepared to move forward with calling for a Special Meeting in the event EC's current Board does not act to address these issues. We are asking you to provide your formal support to this course of action.

We are optimistic that this course of action will allow us to move forward with confidence. If it does not achieve that outcome, it will place us in a stronger position to pursue alternative legal or governance measures, should they become necessary.