

FACSIMILE TRANSMISSION SHEET

DATE : 22nd April, 1997.
ATTENTION : Mr. D. Codognotto
OF : M.R.A.A.
TO FAX No : 9662 9090
FROM : John R. McNabb C.P.A.
Certified Practising Accountant,
P.O. Box 354,
Glen Waverley, 3150.
Telephone : (03) 9802 5237
Facsimile : (03) 9802 5237

FROM FAX No. : (03) 9802 5237

Total Pages Sent Including This Page : 3.

NOTICE - This facsimile contains privileged and confidential information intended only for the use of the addressee named above. If you are not the intended recipient of this facsimile you are hereby notified that you must not disseminate, copy or take any action in reliance on it. If you have received this facsimile in error please notify John R. McNabb C.P.A. immediately and return it to John R. McNabb C.P.A. at the above address. Any costs incurred will be reimbursed by John R. McNabb C.P.A.

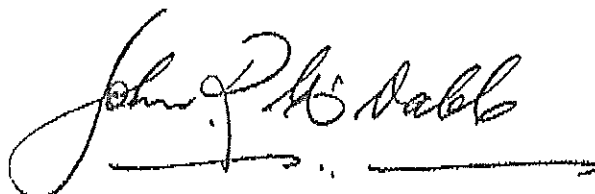
Dear Damien,

Herewith 2 page letter for you.

I may be faxing you another letter or letters today.

There is at least another letter or letters to bulky to fax to you that are in the post to you.

Yours faithfully,

A handwritten signature in cursive script that reads "John R. McNabb". The signature is written in dark ink and is positioned below the typed name "John R. McNabb".

JOHN R. McNABB C.P.A.
CERTIFIED PRACTISING ACCOUNTANT

TELEPHONE (03) 9802 5237

P.O. BOX 354,

40 LEICESTER AVENUE,

FACSIMILE (03) 9802 5237

GLEN WAVERLEY.

GLEN WAVERLEY.

OUR REF: M.R.A.A.

VICTORIA, 3150.

VICTORIA, 3150.

22nd April, 1997.

The President,
Motorcycle Riders' Association of Australian Inc.,
380 Elizabeth Street,
Melbourne, Vic. 3000.

Dear Damien,

Re - M.R.A.A. Books of Account.

I am in receipt of your facsimile at approx. 3-00 PM on Friday 18th April, 1997, your letter of the facsimile at approx 2-00 PM on Monday 21st April, 1997 and my wife passed on a message that you had telephoned my home at about 5-00 PM Monday 21st April, 1997.

Firstly I must correct your above mentioned facsimile/ letter in that at no time did you ask or I agree to return to you all the items mentioned in the second paragraph of your facsimile/letter. **NOT TRUE!**

I inform you that at approx. 11-00 AM on the 18th April, 1997, Jim Cutts the current Vice President of the M.R.A.A. arrived at my home. He produced a document that said Gordon Hirst had recommended that Jim Cutts be the Interim Treasurer of the M.R.A.A. until the next A.G.M. Jim has assumed this position once before when another Treasurer tendered his resignation before the expiration of his term in office. Jim said he was willing to carry out the duties again. This arrangement was supported by the M.R.A.A.'s Secretary M/s Carla Maitland.

Having 3 of the Board Members (a clear majority or now 75% of the Board) and knowing these people to be worthy, I agreed to their arrangements.

(11)

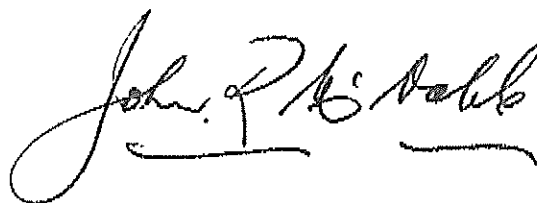
I was requested to :-

- (1) hand over the current cheque book to the Interim Treasurer,
- (11) continue to do the bankings of M.R.A.A. funds whether it be in the form of cheques or plastic money, and hold the current deposit books,
- (111) that in accordance with my Letter of Engagement with the Board, I hold the Cash Receipts and Cash Payments Book,
- (1V) because now I know that money was taken from the till and spent on or used to recoup various expenditures and claims are now not owed to anyone, on Damien providing me with the Itemisation of the money taken from the till i.e 9-1-1997 to 22-1-1997 \$ 587-90 ? so much for Membership fees, cash sales, donations or whatever the income was received for, and again for the other 11 amounts taken from the till too, so that the Cash Receipts Book may be written up, I hold the Cash Receipts and Cash Payments Book.
- (V) After completion of the amendments to the Cash Receipts Book and other Books of Account, I am to produce another Income and Expenditure Statement and Balance Sheet as at 31st March, 1997 reflecting the amendments,
- (VI) I am informed that the Interim Treasurer is writing to you explaining his arrangements and the arrangements he requests be carried out whilst he is away for approx. 10 days.

I inform you that all available funds have been used to pay M.R.A.A. accounts.

There is a small balance of funds in the account but it is uncleared funds and because it was interstate cheques, the funds won't be available for approx 10 days.

Yours faithfully,



JOHN R. McNABB C.P.A.
CERTIFIED PRACTISING ACCOUNTANT

TELEPHONE (03) 9802 5237
FACSIMILE (03) 9802 5237
OUR REF : M.R.A.A.

P.O. BOX 354,
GLEN WAVERLEY.
VICTORIA. 3150.

40 LEICESTER AVENUE,
GLEN WAVERLEY.
VICTORIA. 3150.
27th August, 1996.

The President and Committee,
Motorcycle Riders' Association of Australia Inc.
380 Elizabeth Street,
Melbourne. Vic. 3000.

Dear Sirs,

ENGAGEMENT LETTER

Motorcycle Riders' Association of Australia Inc. - " M. R. A. A. "

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services I will provide. My engagement will be conducted in accordance with Australian Accounting Standards applicable to the agreed-upon procedures in our engagement and I will indicate so in the accounts and reports.

I have agreed to perform the following work :-

1. Accept all information stored and recorded by the M.R.A.A. to write up the necessarily required books of account and produce the financial statements required by the Incorporation's Act to be presented to the Association's members at their 1996 and then at successive Annual General Meetings. To also make such enquires and investigations with debtors, creditors and bankers to obtain all necessary information to complete the M.R.A.A's accounts.

2. To complete and produce on a monthly basis :-
 - (a) Maintenance of the M.R.A.A's Cash Receipts and Cash Payments book,
 - (b) Maintenance of the M.R.A.A's financial ledgers,
 - (c) the M.R.A.A's Bank Reconciliation Statement,
 - (d) the M.R.A.A's Income and Expenditure Statement and
 - (e) the M.R.A.A's Balance Sheet.

3. To advise and assist the Committee on the financial and accounting matters that are required by the Incorporation's Act.
4. To bring to the Committee's attention, aspects of accounting and financial matters that require qualification and or clarification.
5. To recommend to the Committee any matters that would improve the existing accounting and or financial systems.
6. To assist the Committee in the correct and efficient management of the M.R.A.A.

I remind the Committee that the responsibility for the preparation of the financial accounts and reports, including adequate disclosure and materiality, is that of the governing body of the M. R. A. A. This includes the maintenance of adequate accounting and internal control procedures structure, the selection and application of accounting policies, and the safeguarding of the assets of the M. R. A. A.

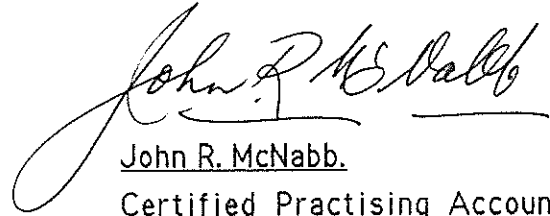
Under the terms of my engagement, I will not audit the accounting records of the M. R. A. A. or "the accounts". Accordingly I will express no opinion on whether "the accounts" present a true and fair view of the position or of the year's trading and no warranty of accuracy or reliability is given. I accept no responsibility in any way whatsoever to any person in respect of "the accounts", including any errors or omissions therein however caused.

I look forward to full co-operation with your staff and I trust that they will make available to me whatever records, documentation and other information as requested in connection with the work. My fees, which will be billed as work progresses, are based on the time required by the individuals assigned to the engagement plus disbursements and out of pocket expenses.

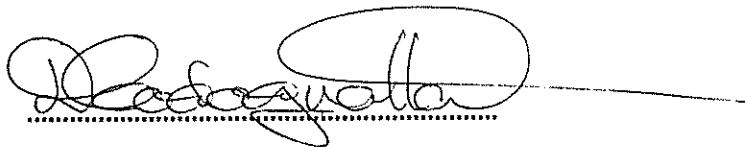
This letter will be effective for future years unless it is terminated, amended or suspended.

Please sign and return this letter to indicate that it is in accordance with your understanding of the arrangement for my accounting and professional services. Copies of this Engagement Letter are enclosed for your retention.

Yours faithfully,


John R. McNabb.
Certified Practising Accountant.

I understand and acknowledge the terms of your engagement.

Signed 
Title PRESIDENT
Date 27 AUG. 1996.

for and on behalf of the Committee of the M.R.A.A. Inc.