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Lausanne, 24 March 2005

#### **Decisions of the Council on Eligibility**

The ISU Council met in Moscow, Russia after the completion of the 2005 World Figure Skating Championships and authorized the issuance of full reasons for the Council decisions taken at its February 1, 2005 meeting in Geneva that certain persons had lost their ISU eligibility due to activities on behalf of the World Skating Federation (the "WSF") in breach of Rule 102 of the ISU General Regulations.

The persons who have become ineligible are:

- Ronald Pfenning (USA)
- Jon Jackson (USA)
- Sally Anne Stapleford (GBR)
- Britta Lindgren (SWE)
- Judith Fürst-Tombor (HUN)
- Jane Garden (CAN

The evidence before the Council established that all of the persons declared ineligible had participated in activities in support of, and on behalf of, the WSF.

The Council has decided not to impose loss of eligibility on Mr Donald McKnight taking into consideration that during the year 2004 Mr McKnight has dissociated himself from the WSF and as the ISA President appreciated the achievements of the 2004 ISU Congress and reaffirmed support for the ISU.

The ISU Council commenced proceedings against the above named persons by letters dated April 9, 2003 informing each of them that as a result of participation in the formation and support of WSF, which was in breach of the ISU principles and policies and of the eligibility rules, each had become ineligible under Rule 102, paragraph 7. Each person was given a 60-day period within which to submit an explanation and informed that thereafter the Council would make a final ruling. All of the named persons made extensive submissions to the ISU Council. These submissions, plus numerous unfounded objections, protests, requests, and

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even interim appeals by the above named persons, severely delayed conclusion of these proceedings.

On February 1, 2005, a meeting of the Council was convened in Geneva to hear oral explanations of those so notified and arguments of their legal counsels. Among the above named persons, three, Judith Fürst-Tombor, Janet Garden and Donald McKnight, did not appear at the February 1, 2005 hearing. Ronald Pfenning, Jon Jackson and Britta Lindgren appeared, but declined to personally answer any questions from the Council. Sally Anne Stapleford also appeared, but gave only limited answers.

The evidence before the Council when it decided these eligibility cases included facts and circumstances which established to the satisfaction of the Council that Rule 102 had been breached. These included, but were not limited to, the following facts and circumstances:

On March 25, 2003 during the ISU World Figure Skating Championships in Washington D.C. USA, certain individuals staged a surprise press conference to announce the formation of an organization named WORLD SKATING FEDERATION ("WSF").

At that March 25 Washington WSF press conference, certain well-known ISU figure skating Officials and/or Office Holders were presented to the "press" and public as organizers and/or key supporters of the WSF. They included Ronald Pfenning, Jon Jackson, Sally Anne Stapleford, Donald McKnight, Britta Lindgren, Judith Fürst-Tombor and Janet Garden.

The WSF written information distributed at the March 25 Washington WSF press conference identified the above named persons by names and biographical resumes under the title "Founding Members" of the WSF.

Evidently, the March 25 Washington WSF press conference must have been preceded by extensive work over a substantial period of time in the assembly and coordination of resume information, preparation of WSF organizational and legal documents, creation of publicity materials, including detailed press releases, reserving hotel and meeting rooms, designing and procuring background WSF posters and podium display, arranging the "head table", and effecting many other preparations.

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On March 25, 2003, Ronald Pfenning, acting as President of the WSF, sent an urgent fax message to the IOC President in Lausanne, Switzerland in which he severely criticized the ISU and its leadership, asking for a meeting and expressed the belief that the WSF would soon become a member of the Olympic family.

The WSF Constitution was first publicly disclosed at the Washington WSF press conference on March 25, 2003. It declares: "The WSF constitutes an association having its own legal identity in accordance with Article 60 of the Swiss Civil Code". However, it was thereafter disclosed that Jon Jackson, as Incorporator, did incorporate a non-profit corporation in the State of Nevada, USA named WORLD SKATING FEDERATION already on January 10, 2003, more than two months prior to the March 25, 2003 Washington WSF press conference.

Earlier, on January 7, 2003, Jon Jackson filed with the United States Internal Revenue Service ("IRS") an APPLICATION FOR RECOGNITION OF EXEMPTION UNDER SECTION 501 (c) (3) OF THE INTERNAL REVENUE CODE (IRS Form 1023). This APPLICATION was supplemented by a WSF letter received by the U.S. IRS on April 15, 2003 responding to questions raised by the IRS. The letter states: "The World Skating Federation is seeking to replace the International Skating Union as the International Olympic Committee (IOC) recognized federation for the governance of figure skating".

According to WSF January 2003 documents filed with the IRS and the Nevada Incorporation Documents, Ronald Pfenning is identified as President or Acting President of the WSF; Jon Jackson is identified as the Incorporator of the WSF in Nevada, its registered agent in Nevada, and also as the Secretary and Treasurer of the WSF. The WSF Incorporation Documents further list Ronald Pfenning, Jon Jackson and Sally Stapleford as members of the initial governing board of the WSF.

Particular attention was given to the roles undertaken by Ronald Pfenning and Jon Jackson in January of 2003 in the formation of the WSF as a Nevada legal entity, and qualification of the WSF as an "exempt organization" with the US Internal Revenue Service. All of these actions were taken without notice to the ISU and while Mr Pfenning and Mr Jackson were respectively an ISU Office Holder and an Official, and as such were in receipt of all the rights and privileges of their status. Neither of these individuals saw fit to resign from the ISU in January of 2003 while undertaking formation of the WSF.

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The evidence showed that the WSF was founded as an organization hostile to the ISU and that its final goal was to replace the ISU as the international sport federation governing the sport of figure skating. The ISU had therefore the right and duty to protect itself against such a destructive attack.

The full text of the decisions of the ISU Council respecting the loss of eligibility of the persons named above is available on the ISU website at <a href="https://www.isu.org">www.isu.org</a>.