



TO: All AIBA National Member Federations

DATE: December 22, 2017

SUBJECT: Extraordinary Congress Documents and Progress Report

Dear Presidents and Secretaries General,

Following Article 25 of the AIBA Statutes, it is my great pleasure to send you in attachment the Extraordinary Congress Agenda and the Previous Extraordinary Congress Meeting Minutes. In addition, please find below a progress report on ongoing AIBA management in the current Interim Period.

DUBAI CONGRESS REGISTRATION

The Extraordinary Congress on January 27, 2018 in Dubai will be held in the Westin Dubai Al Habtoor City Hotel. After having sent out all invitation letters and forms for your National Federation to register, we have asked each Confederation to collect back all information and set the deadline for you to reply by December 29, 2017. Therefore, it is important for you to send all necessary forms back to your respective Confederation Office as soon as possible.

RELATIONS WITH IOC AND ASOIF

Due to the sudden resignation of the former AIBA President, IOC and ASOIF expressed their concerns on our organization's current Governance, Finances and Administration situation. We have exchanged several communications and held meetings in order to have some better understandings of each other. Therefore, we are currently doing our best to prepare a report to inform both IOC and ASOIF on the current and future management of our sport and organization in order to ensure their continuous support and trust on AIBA. We plan to fully update you on these developments at the Extraordinary Congress before the report is officially submitted to IOC officially.

FINANCE INVESTIGATION

As the area of Finances has been an issue in the current AIBA situation, the AIBA EC has decided to hire a company to conduct a Forensic Investigation on both AIBA and WSB. Therefore, K2 Intelligence has been retained from December 20 and will submit its Interim Report at the Dubai Extraordinary Congress and complete its full report 3 months after the Interim Report. We truly hope that this investigation will provide us all the necessary findings to further rectify all mistakes done previously and set a foundation for a better and more transparent finance management in the future.

JOINT COMMISSION MEETING

We decided not to hold the Commission and Joint Commission Meetings in January in conjunction with the Extraordinary Congress. The main reason was that the lists of Commission members are truly a mess and many members' membership status could not be well identified. Therefore, there is a need to reshape the entire list of all Commissions after the Dubai Extraordinary Congress in order to hold the Commission and Joint Commission Meetings afterward.

2020 TOKYO MEN'S WEIGHT CATEGORIES

As reported to you in my last progress report, and as most of you were not happy on the current IOC EB's decision to reduce the Men's Boxing Weight Categories from 10 to 8, we have been working very hard to prove the rationales to maintain all 10 weight categories for the Men's Boxing Competitions. We are currently preparing a report to IOC in order to justify the potential risk for Men boxers by reducing weight categories to 8. We request for your support on our efforts and hope that the IOC will listen to our concerns in this matter for the safety of our boxers.

GOVERNANCE RESTRUCTURING

As we are in a transit period of management and of leadership changes, it is vital to see a restructure of the AIBA Governance. It is planned to form an Ad-Hoc Committee to review all previously developed recommendations on the governance reform and submit further recommendations at the Extraordinary Congress in the form of proposed Amendments to the Statutes. We request your kind support on this initiative in advance and remind you that any new changes will require your participation and endorsements for our future success.

INTEGRITY IN BOXING

As you all are well aware, we cannot stop to improve the Integrity of our sport. I believe that we still need to improve the quality of our boxing competitions including the management of Refereeing & Judging and official systems. In order to fulfill this goal, I decided to reinforce the importance of having good qualified R&Js and Officials. There is a need to revalidate all R&Js and Officials for the betterment of our competitions in order to restore the weakened trust and credibility of our sport. I have given such assignment, as well as bringing back the rule on protest, to the AIBA Technical & Rules Commission and its recommendations will be presented to the Executive Committee in the middle of January 2018.

As I have informed you before, we will hold another EC meeting on January 15–16 in Rome to prepare all issues to be presented at the Dubai Extraordinary Congress.

On this occasion, I would like to request your kind recognition of the efforts made by the EC in order to bring justice and democracy in our organization in the past few months.

I would like to send my heartfelt wishes to all of you for the best in 2018 and hope that you will all have a great holiday season.

Sincerely yours



Franco Falcinelli
AIBA Interim President

cc: AIBA Executive Committee Members

Agenda for the AIBA Extraordinary Congress Dubai 2018 (January 27, 2018)

1. Opening of Congress
2. Welcome Speeches of Host Organizations
3. Roll Call
4. AIBA Interim President Report
5. Approval of Previous Congress Meeting Minutes
6. Approval of New Memberships
7. Vote on Honorary Presidency Nomination
8. AIBA Executive Committee Reports
 - a. AIBA Governance
 - b. AIBA Finance
 - c. AIBA Legal Issues
9. Presentation of Future AIBA Management Plan
10. Presentation and Approval of Amendments to AIBA Statutes
11. Report on 2020 Tokyo Olympic Boxing Competition Issue
12. 2018 AIBA Ordinary Congress Preparation Report
13. Additional Businesses
14. Closing of Congress

MEETING MINUTES OF THE 2016 AIBA EXTRAORDINARY CONGRESS (December 20 – Montreux, Switzerland)

1. Opening Remarks from Acting Executive Director

The AIBA Acting Executive Director, William Louis-Marie, opens the Extraordinary Congress, following a video recap of AIBA Boxing in 2016, dedicated to AIBA 70th Anniversary. He welcomes the audience to Montreux.

2. Roll Call

William Louis-Marie starts the Roll Call and asks the AIBA Acting Legal Director, Serge Vittoz, to count and note the members in presence. Serge Vittoz confirms 80 National Federations are present and as the quorum is 62, the meeting is validated and can take valid decisions (4 further National Federations arrive during the Extraordinary Congress taking the total National Federations present to 84).

3. President Ching-Kuo Wu Opening Remarks

The AIBA President, Ching-Kuo Wu, welcomes the delegates and thanks them for their presence adding that there are several important items to be discussed during the Congress such as the amendments to the AIBA Statutes and to AIBA's Competition Rules for the new Olympic Cycle to Tokyo 2020. President Wu informs that an Extraordinary Meeting of the Executive Committee had taken place the day before, thus on December 19, during which these changes were discussed along with the latest financial situation. President Wu announces that the financial situation will be shown later during the meeting as well as the mentioned amendments, and that KPMG auditors will present their report on the AIBA financial situation.

President Wu acknowledges the previous Extraordinary Congress held in June during which the historical decision to approve that Rio 2016 be the first Games in history that professional boxers could go, through the Olympic qualification process, and the importance of that change to let the world see that AIBA opens its arms to other organizations and empowers National Federations to allow their registration, if approved.

President Wu discusses the media reaction to the Rio 2016 results and how it had called into question the integrity of the sport, as had some National Federations. President Wu describes his calling for a Special Commission, consisting of the five AIBA Vice Presidents and of the Chairmen of the Disciplinary and R&J Commissions, to discuss what crisis management action was required, including sending home all 5-Star R&Js and the former Executive Director. These actions are described as essential emergency measures so that the public, media and AIBA members did not lose their confidence and the reputation of AIBA was not damaged further.

President Wu says that immediately after the Olympic Games, the Special Committee was asked to meet again in Lausanne to discuss the Games and what elements still needed to be examined closely. A full study regarding competition rules, scoring and the assignment of R&Js was to be carried out, the results of which are now being presented to the AIBA family as the rationale behind the statute amendments.

President Wu cites the example of the computer selecting three of the five judges to score a bout in the previous system and the potential flaw in it that led to complaints. The President reveals that the successful testing of the new system carried out in Saint Petersburg, Russia, left all parties happy and accepting the system. He also mentions the assigning of the R&Js by a Draw Commission involved too many human factors in the process that contributed to a lack of confidence in R&Js, and that it has now been abolished in favor of computer selection to avoid any manipulation. President Wu hopes that those present agree with the changes.

President Wu moves on to mention the groundless accusations made in the media by a former employee and that AIBA was damaged by one man's misbehavior. President Wu declares that the AIBA finance status will be shared and that the KPMG audit information will be presented, and emphasizes AIBA's transparency. He also underlines that AIBA financial situation is healthy and with no debts.

President Wu introduces William Louis Marie as the new Acting Executive Director and declares that what occurred in the past will not be repeated and that AIBA has taken action. The Congress is declared an opportunity for AIBA to inform the National Federations that it is clean, honest and transparent and that any attempt to destroy this principal will not be allowed.

The question of the IOC blocking money to AIBA as announced in the press is denied. President Wu adds that he met the IOC President Thomas Bach the day before (December 19), and that there was no question of the IOC withholding money and that a previous employee was misinforming the media.

President Wu reflects on the previous day's Executive Committee meeting, at which a unanimous agreement and declaration was made to fully support AIBA's programs and to condemn a former employee, as presented in a press release that day.

President Wu says that his opening words are intended to keep all National Federations aware of the latest information and that AIBA will make the Tokyo 2020 Olympic Games clean, honest and free from controversy. President Wu declares that AIBA belongs to all National Federations, not just EC members, and that with St Maarten approved at the EC Meeting, there will be 201 members, all of whom AIBA will help develop their boxing.

4. Presentation of Financial Report

The AIBA Financial Director, Rob Garea, presents a work-in-progress financial report. He shows the balance sheet as of November 30, 2016, explaining current assets and liabilities, operating incomes and expenses, as well as the strategic plan for the coming four years and projected profits. The current AIBA assets comprises \$10,453,728; the non-current assets which include financial assets investments, property, plant and equipment is \$1,989,188, making a total asset of \$12,442,916; the total current liabilities are \$5,540,294 and on the total unrestricted funds AIBA has \$7,388,621. The total liability and net assets match the total asset with \$12,442,916.

William Louis-Marie reminds those in attendance that this is a working document and that it should be treated with full confidentiality, and that the EC meeting in July will receive another full update of the financial situation. He highlights that AIBA is in a good financial situation.

On the statement of income and expenses from the period of July 2016 to November 2016, Rob Garea informs of a total operating income of \$2,006,361 and a total operating expense of \$2,939,183. He added that the total of other income and expenses is \$273,542, which give a result before tax of \$1,206,364 with a net profit loss \$1,208,770; compared to the accumulated gain from the prior years, this give an accurate gain of \$7,388,621. Then, he displays the strategic plan for the next four years, including the targets for operations costs. He summarizes that the accumulated profit at the end of the cycle would be around \$9 million (\$38 million of operating income and \$29 million of operating expenses).

KPMG Partner, Pierre-Henri Pingeon, adds his comments on the audit currently being carried out by his company on AIBA finances and the recent information disclosed in the press. He begins with a look at the previous financial presentation, stating that in 2010, WSB SA created a company WSB American Operations and this company obtained a private loan of \$10million in 2010. Mr Pingeon states that KPMG was not made aware of the loan, which was supposed to be repaid in 2013 but has not been. The loan was guaranteed by AIBA, leaving AIBA with an additional liability of \$10million. Pierre-Henri Pingeon stresses the importance that the Congress is aware the financial situation presented to them in 2014 was inaccurate because it did not contain this \$10 million.

The presented balance sheet does not include yet the \$10 million loan which has been to be repaid by AIBA as KPMG was informed that AIBA was currently in discussion with the loan company. But if the \$10 million is included into the liability, AIBA based on this figure has negative equity. But it is not considered problematic because of the default income for Olympic revenue owed to AIBA that President Wu has confirmed with the IOC President, leaving the equity positive.

From a financial perspective, AIBA has enough liquidity and resources to operate, but needs to very carefully manage the financial situation. Mr Pingeon reminds that this is an audited statement, not an opinion on AIBA's situation, as he still awaits news on the outcome of all the discussions and negotiations which are currently being made by AIBA in respect of the development of BMA to issue that opinion.

Although, the presented represents only working documents and those financial statements are interim, President Wu assures the audience that AIBA finances are in good condition with no debt, and audit will continue to work towards the June 2017 financial report, where a full financial report will be presented at the next EC meeting in July 2017. He also notes that not all marketing revenues, WSB franchise fees and competition hosting fees were included into the current financial statement, which could further increase AIBA assets, while savings will be also be made.

President Wu states 2017 as Year of Africa and 2018 as Year of Caribbean, examples of using AIBA money positively, undoing the damaging work of the previous Executive Directors and controlling spending and generating revenue.

President requests approval from the delegates on the presented financial data, to which no objections are raised.

5. Amendments to AIBA Statutes

The AIBA Acting Legal Director, Serge Vittoz, refers the delegates to the presentations they have previously received regarding the amendments put forward, as well as the addition of two new permanent Commissions.

Serge Vittoz states that the current situation sees AIBA grant a license to Swiss-registered company BMA for marketing rights, but the situation is not ideal when various commercial partners would be preferable around the world. The President and EC propose amending the Statutes to remove any reference to BMA, showing the following articles that mention it:

(Articles 1, 56.1, 56.2, 57.2, 57.3, 57.4, 60.2.3, 62, and 63.2)

Article 34.2

The first amendment is for the President to appoint non-voting Vice Presidents to the Executive Committee. The President may appoint three people as APB, WSB or a BMA representative. The proposal is to change the wording to allow the President to appoint up to two non-voting Vice Presidents representing the commercial interests of AIBA, helping AIBA move forward in this key area.

Current wording:

- In addition to the EC Members elected by the Congress pursuant to article 34.1, the AIBA President shall appoint the following EC Members:
 - one representative from the Board of APB as Vice President of the Executive Committee;
 - one representative from the Board of WSB as Vice President of the Executive Committee;
 - one representative from the Board of BMA as Vice President of the Executive Committee

Proposed wording:

- In addition to the EC Members elected by the Congress pursuant to article 34.1, the AIBA President shall appoint the following EC Members:
 - one person representing the interest of APB as Vice President of the Executive Committee;
 - one person representing the interests of WSB as Vice President of the Executive Committee;
 - up to two persons representing the commercial interests of AIBA as Vice President of the Executive Committee.

Rationale: Removal of the reference to BMA in the appointment of a Vice President. Amendment of wording to clarity.

Article 45.1

The implementation of two new permanent Commissions: The Finance Commission (removed under the former Executive Director) and a Marketing Commission relating to improving the commercial actions of AIBA.

Addition to the current list of Permanent Commissions:

- the Finance Commission;
- the Marketing Commission;

Rationale: Proposed new Commissions to deal with specific aspects of AIBA's business.

Voting will take place following the vote for new Member Federations.

6. Provisional AIBA Member Federations

The AIBA Legal Counsel, Ricardo Contreras, presents the candidates as new National Member Federations. Mr Contreras recommends the full recognition of Anguilla, Guam, India, Libya, Malta, St Maarten. All have fulfilled the requirements established by AIBA Statutes.

President Wu confirms that AIBA Membership will reach a record 201 National Federations if the recommendation is approved, and non-voting delegates are asked to leave the room except for India, Malta and St Maarten. Four observers are charged with counting the votes:

The first vote regarding new members sees 75 votes in favor, with no objections and no abstentions, and President Wu congratulates the new National Federations.

In the second vote, the amendments to the Statutes are approved with 78 votes in favor with no objections and no abstentions.



The non-voting delegates return and President Wu announces once again the confirmed full AIBA membership of Anguilla, Guam, Libya, Malta, India and St Maarten. William Louis-Marie adds that with 201 members, AIBA is one of the top 5 Olympic sports in terms of Federation membership.

7. AIBA Code of Ethics

President Wu reminds the audience that a strong code of ethics is vital to uphold the integrity of the institution and hands the floor over to the Chairman of the Disciplinary Commission, Tom Virgets, also Chairman of the Special Investigation Committee.

Tom Virgets thanks President Wu and all present, and before commenting on the Special Investigation ordered by President Wu following the Rio 2016 Olympic Games during which AIBA faced some issues with regard to the judging and officiating, he mentions that there were very large numbers of individuals who spoke out to media calling AIBA corrupted. The Committee has been charged to determine whether or not a culture of corruption existed in our organization.

Tom Virgets says that the Committee interviewed over 100 persons from the AIBA Family and found out that a number of individuals in the AIBA Family failed to meet the standards required as members of this institution. Tom Virgets reminds the Congress that every member is expected to follow the AIBA Code of Ethics, and that those placed in positions of leadership at National Federations are leaders within AIBA, but the Commission has seen there people who want the authority and privilege of leadership, but not any responsibility.

Tom Virgets reminds that AIBA is only as strong as the integrity of its leaders. AIBA faced issues at the Olympic Games with the officiating, and many individuals and National Federations' leaders were also quick to doubt of AIBA's integrity, adding that the Committee looks for evidence whenever there were accusations of corruption and would always do everything in its power to ensure that AIBA remains corruption-free.

Tom Virgets presents a certification of compliance to the Code of Ethics and requests that all National Federations signs it, declaring that they are beyond reproach in actions and practices and this will demonstrate honor and not tolerate those who do not.

Tom Virgets closes by saying that there not any sufficient evidence was found by the investigation to say beyond doubt that corruption existed in AIBA, but it was clear that a culture of unethical behavior had existed in the organization, and the rumors that have resulted, from inside the organization, have had a negative impact on AIBA, and asks that the certificates of compliance be signed by all present and handed to President Wu.

President Wu confirms the hard work of the Committee and investigation and calls upon all members to realize how important compliance with the Code of Ethics is for the integrity of the organization.

Members sign the certificates and present them to President Wu.

8. Comments and Appreciation from Delegates

The Guyana Boxing Association thanks President Wu for his support, followed by messages of support from Barbados, Togo on behalf of AFBC, Egypt, India, St Lucia, Botswana, Turkey, Iran, Ivory Coast and Philippines.

9. Closing Remarks

President Wu gives his heartfelt thanks for the support from National Federations, and reflects on the past ten years since being elected as President of AIBA, the opportunity he has had to reform the organization and all of the challenges and achievements faced since 2006, most notably bringing women's boxing into the Olympic Games and acting decisively for gender equality, removal of headguards to preserve the status of the sport. Another key achievement was to allow professional boxers into the Olympic Games.

The unity and determination to work together and avoid the mistakes of the past was applauded by the President, and he closes the Congress by looking ahead to the preparations for Tokyo 2020, including a call for all National Federations to keep supporting AIBA as it continues to work hard to comply with the WADA Code, continue rigorous out-of-competition testing and keep boxing drug-free, and to keep their boxers educated regarding the IOC Ethics.

President Wu declares that the Special Investigation results will be known soon and action will be taken against those found guilty.

President Wu is pleased with reaching such strong consensus in AIBA's 70th year and after 10 years' work, saying that the unity that has been shown today will make AIBA stronger, and improvements will never stop as AIBA seeks to serve the boxing family.

Before the meeting is closed, all participants are watching a video showing the direction for the World Championships Hamburg 2017 which are to start in 9 months.

Then President Wu expresses his thanks to all those involved in the preparations of the meeting - staff, interpreters and compliments an excellent organization and facilities. Finally, all participants are reminded about the Gala Dinner to celebrate AIBA's 70th anniversary to take place later on in the day.

Approved by:

January 2018