

## Annex 5D

### Jury Meeting 9

The Jury convened at 09:00, on 1 July 2001, to conclude its duties for the IPC Events of the World Air Games II. The Jury President reported that the IPC Jury had two very important decisions to make.

The first decision related to the FAI Sporting Code Section 5, Chapter 4, paragraph 4.1.1 (2-3). The text of this paragraph is presented below:

4.1.1 (2). Once selected, the Organiser and the IPC must jointly sign a performance contract, which shall set out the rights and obligations of the Organiser. The contract shall contain, but is not limited to, the following items:

- The program of the competition
- A commitment not to increase the stated entry fees
- A commitment to provide suitable transportation between the site of the competition and appropriate points (e.g. major cities, airports etc.)
- A commitment to follow the IPC Guide to the organisation of World Championships, Continental Championships and World Cups, the Sporting Code and the Competition Rules.
- An agreement to pay the Sanction fee as per 4.1.3. to the IPC.
- An agreement that the aggregate entry fee of one nation shall be deposited directly by that nation with the IPC Treasurer, to be paid to the Organiser upon agreement by the IPC Jury or the IPC Plenary Meeting that all contractual commitments have been satisfactorily completed. The IPC has the right to withhold the sanction fee from this amount. The Bureau shall decide which nation shall deposit its entry fee with the IPC Treasurer.

(3). After approval, the program for the competition, which is included in the contract, may not be changed without further approval from the IPC or Jury.

FAI Controller Exi Hoenle reported to the Jury that the amount of the IPC sanction fees had been agreed between himself and the WAG II Organizers. He also reported that the IPC Events of the World Air Games II were not conducted in full compliance with the Competition Rules, FAI Sporting Code General Section, and SC Section 5. His official report will designate the deviations from these obligations by the Organizer.

The members of the Jury concluded that, in addition to not adhering to the FAI and IPC regulations... the NAC support (from ECO), the event preparation, the organization, the communication, the publicity, and the conduct of the IPC events during the WAG II were at a very low, less-than-basic level.

The Jury decided that it could not fully determine the reasons for the gross inadequacies and lack of adherence to the FAI and IPC regulations encountered during the conduct of these parachuting events, and agreed that the IPC will have a much clearer understanding of this situation once the final after-action reports are submitted by the Meet Director, the FAI Controller, the Chief Pilot, the WAG Managing Director, the Organizer, etc. To further this understanding, the Jury agreed that it is likely that the IPC will submit a request to WAG II ECO for a clarification of these matters.

The Jury agreed that the US Delegation's Entry Fees (less the IPC Sanction Fees) are to be retained by the IPC until such time that a clear understanding can be determined as to why the WAG II IPC events were not conducted in compliance with the Competition Rules, FAI Sporting Code General Section, and SC Section 5. Once the IPC can make this determination, it will decide whether or not to return any or all of the remaining funds being held. This IPC decision will take place no later than the IPC Plenary Meeting in 2002.

The second decision related to the agreement between the IPC and the WAG II Organizer, by which the IPC agreed to allow the Organizer to raise the Entry Fees for all participants of the IPC Events from 750 to 850 Euros. The terms of this agreement were first agreed to by the IPC Delegates and the WAG II Organizers at the 2001 IPC Plenary Meeting. A formal written agreement reflecting these terms was prepared and signed by both parties in March 2001. The principle terms of this agreement are presented below:

IPC and ECO agree to the following:

IPC and ECO wish to ensure the successful conduct of the parachuting events to be included in the Second World Air Games, to take place in June, 2001, in Spain.

ECO requested that the IPC approve the increase in Entry Fees of the WAG parachuting events, from **€750 to €850 for all participants**.

IPC approved this increase in Entry Fees as requested by ECO, according to the terms and conditions mutually agreed to by IPC and ECO during the 2001 IPC Plenary meeting.

The estimated total number of participants for the WAG 2 parachuting events is 1100 persons.  
The total increase in entry fees is estimated to be **€ 110,000 (€100 x 1100 participants)**  
The total Sanction Fees to be paid by ECO to IPC is estimated to be **€ 30,000 (US\$ 25 x 1100 x 1.1)**

The Entry Fees for all members of the Delegation from the United States of America will be deposited into the FAI's IPC account. All other Entry Fees will be sent directly to ECO.

A "Guarantor for the Organizer" will place 110.000 Euros in an escrow account with the FAI's bank in Lausanne, to serve as the Performance Bond stipulated in Item 7, of the Minutes for the 2001 IPC Plenary meeting.

At its final meeting on or about 1 July 2001, the IPC Jury will determine whether ECO has met the obligations contained in this Agreement. The IPC Jury will use common sense and act prudently when determining if ECO has fulfilled its obligations contained in this agreement.

If the IPC Jury decides that ECO has met all of its obligations, all of the funds for the Performance Bond contained in the escrow account are to be returned to the "Guarantor for the Organizer."

If the IPC Jury decides that ECO has not met all of its obligations contained in this Agreement, the IPC Jury will decide how much, if any, of the Performance Bond should be paid to the IPC. If any portion of the Performance Bond is to be paid to the IPC, these monies will be deducted from the Performance Bond and all remaining monies will be returned to the "Guarantor for the Organizer."

The full amount of the IPC Sanction Fees will be retained by the IPC. Any additional funds deposited into the IPC account from the US Delegation's entry fees will be submitted to ECO upon the conclusion of the WAG 2 parachuting events.

ECO agrees to the following:

During the conduct of the WAG 2 parachuting events, ECO shall observe and enforce all provisions contained in the FAI Statutes, By-Laws, Sporting Codes (General Section and Section 5), IPC Competition Rules and such other regulations approved by the FAI or IPC, which are in force at the time.

Twin Otter type aircraft will be used for the following events: 8-way Formation Skydiving, Men's and Women's Freestyle, Men's and Women's Skysurfing, Freeflying, All Canopy Formation events. CASA C-212 type aircraft will be used for the following events: 4-way Formation Skydiving, Freefall Style events (side door exit), Accuracy Landing events.

ECO indemnifies FAI and IPC and their members, servants and/or agents against all costs (including legal costs), claims, damages and expenses made against, incurred or paid by FAI, IPC and/or their members, servants or agents in respect of any claims whatsoever as a result of or arising out of any breach or default by the ECO with respect to its obligations under this Agreement.

Although the members of the Jury concluded that the NAC support (from ECO), the event preparation, the organization, the communication, the publicity, and the conduct of the IPC events of the WAG II were at a very low level, and were not conducted according to the FAI and IPC rules and regulations, they also concluded that the World Air Games staff, security personnel, pilots, and air base representatives for the IPC events in Armilla were exceptionally hard-working, diligent, and patient in performing their tasks – considering the marginal conditions under which they were obliged to work.

In consideration of the tremendous commitment made by the "Guarantor for the Organizer," as well as the considerable effort above and beyond the call of duty by the WAG staff, security personnel, pilots, and air base representatives in Armilla, the Jury unanimously decided to release the entire 110,000 Euros of the Performance Bond to the "Guarantor for the Organizer."

By unanimous agreement, the Jury declared that the duties of the Jury were concluded.

The Jury adjourned at 10:00.

BJ Worth  
Jury President