



UNITED STATES  
OLYMPIC & PARALYMPIC  
COMMITTEE  
1 Olympic Plaza  
Colorado Springs, CO 80909

**C. Onye Ikwuakor**  
Associate General Counsel  
Litigation & Compliance

**VIA EMAIL**

November 25, 2019

Virginia Sung, Chief Executive Officer  
Anne Cribbs, Board Chair  
USA Table Tennis  
4065 Sinton Road, Suite 120  
Colorado Springs, CO 80907

***Re: Independent Review Findings and Demand for Immediate Reform***

Ms. Sung and Ms. Cribbs:

As you are aware, on August 16, 2019, the United States Olympic & Paralympic Committee (“USOPC”) issued its audit report of USA Table Tennis (“USATT”), covering the period of January 1, 2017 through December 31, 2018. As documented in the report, the USOPC audit revealed a number of troubling findings related to USATT’s financial and accounting practices, various governance matters and complaint management processes. That same day, based on the audit report findings, as well as numerous complaints raised by various USATT constituencies in the months leading up to the report, the USOPC sent USATT a letter setting forth its concerns and inviting USATT to submit a plan to the USOPC detailing the corrective actions USATT intended to take to resolve the issues identified in the letter (“Letter of Concern”).

On August 23, 2019, USATT timely submitted its response to the USOPC’s Letter of Concern. While USATT’s submission was under consideration, the USOPC received numerous reports concerning USATT. Some of the communications directly related to issues referenced in the Letter of Concern, and some raised issues with the USOPC for the first time. Importantly, a significant portion of the reports offered competing views on the actions, motivations and objectives of USATT on a variety of important topics concerning the governance and managerial capabilities of the organization.

While the number of reports clearly demonstrated that USATT was struggling in some respects in the opinion of certain observers, the conflicting nature of the communications made it difficult to ascertain the underlying facts that were contributing to USATT’s issues.

Accordingly, in order to obtain an unbiased viewpoint of USATT, the USOPC engaged the law firm of Arent Fox, LLP, to conduct an independent review of USATT. The purpose of the review was to determine whether there exist actual or potential issues involving USATT that could materially impact its ability to govern as a National Governing Body (“NGB”) in accordance with the Ted Stevens Amateur Sports Act (the “Act”) and USOPC Bylaws.

Arent Fox has completed its review of USATT and issued a comprehensive independent report detailing its findings (the “Confidential Independent Report”). Based on that report and the USOPC’s audit findings, it is evident to the USOPC that, as discussed in further detail below, serious problems exist with USATT. These problems are numerous, but appear to result from (1) the inability of the USATT Board to consistently reach consensus on contested matters, or to effectively and efficiently deal with issues confronting USATT; (2) the failure of USATT’s Board to act at all times in the best interests of USATT; (3) the lack of a trusting and collaborative relationship amongst the USATT Board and between the Board and USATT staff; (4) the failure of USATT’s Board and certain Committees to recognize and avoid actual and perceived conflicts of interest, and (5) the failure of numerous USATT Board members to act in accordance with the USATT Code of Conduct. The Confidential Independent Report is enclosed for your reference.

### **USA TABLE TENNIS’ NGB STATUS**

Under the Act and USOPC Bylaws, the USOPC is responsible for recognizing amateur sports organizations as NGBs. The Act and Bylaws similarly authorize the USOPC to take appropriate action to revoke the recognition of an amateur sports organization as an NGB where necessary.

At this time, due to USATT’s ongoing issues with its operations, governance and culture, the USOPC is concerned that USATT may be unable to meet its obligations to its members, including U.S. athletes. The USOPC is also concerned that USATT is failing to conduct itself in a manner that demonstrates it is capable of fulfilling the responsibilities of an Olympic Sports Organization and NGB, as is required by 36 U.S.C. §§ 220522, 220524 and 220525 and Sections 8.2, 8.3, and 8.7 of the USOPC Bylaws.

Given the number and severity of the issues identified by the USOPC and in the Confidential Independent Report, it appears that termination of USATT’s recognition as the NGB for the sport of Table Tennis in the United States may be appropriate at this time. However, before resorting to that option, the USOPC will provide USATT with an opportunity to address the various issues that have jeopardized its status and relationship with the USOPC.

Please note that the USOPC reserves the right to initiate the process to formally sever USATT’s affiliation with the USOPC if USATT fails to adopt and implement meaningful reforms to address its problems as set forth below.

## **NGB FAILURES**

The USOPC's demands for reform are made in consideration of the findings and observations concerning the issues set forth in the Audit and Confidential Independent Reports, including, but not limited to:

1. Lack of regular, open and constructive communication amongst the USATT Board, Committees and staff concerning the governance and oversight of USATT.
2. The deliberate disclosure of confidential information, including matters discussed during executive sessions, outside the confines of the Board.
3. The lack of a clear delineation between the duties and responsibilities of the Board, Committees and the USATT staff.
4. The inconsistent and/or questionable handling of grievances and other disputes brought by or involving Board members.
5. The routine involvement of non-Board members in high-level Board decision-making.
6. USATT's failure to regularly employ a sufficiently robust process for the identification, disclosure, review, clearance and/or avoidance of potential conflicts of interest.
7. Waning confidence in USATT's ability, as currently constructed, to competently fulfill its obligations as an NGB by certain segments of the USATT membership.

## **REQUIRED REFORMS**

As referenced above and documented in detail in the Audit and Confidential Independent Reports, the issues confronting your organization indicate that USATT is failing to conduct itself in a manner that demonstrates it is capable of fulfilling the responsibilities of an Olympic Sports Organization and NGB. As such, USATT must take prompt and meaningful action in order for USATT to maintain its status as an NGB.

While the USOPC encourages USATT to think and act broadly to reform its operations, governance and culture, we firmly believe that such reform must begin with a categorically fresh start at the Board level. Accordingly, in order to avoid de-recognition proceedings, USATT must adopt and implement at least the following recommendations in its reform efforts:

1. All current members of the USATT Board of Directors must resign.
2. An Interim Board must be seated, consisting of three (3) new independent directors and two (2) athlete representative directors. With the exception of athlete representatives, no individuals who have resigned from the USATT Board in accordance with Reform #1, above, may be included in the Interim Board.

- a. The three (3) new independent directors on this Interim Board must possess the independence and other necessary characteristics – **as determined by USA Table Tennis and the USOPC** – to effectively govern USA Table Tennis and manage its transition to a Permanent Board.
  - b. The two (2) athlete representatives on this Interim Board must be selected by athlete constituent groups as contemplated in the USATT Bylaws and may include athletes who have resigned from the USATT Board under Reform #1, above. One (1) athlete representative must be selected from among eligible athletes who competed under USATT's Olympic sport program and one (1) athlete representative must be selected from among eligible athletes who competed under the Para Table Tennis sport program.
3. By June 1, 2020, new Board members must be seated to replace the resigned and interim directors, consistent with USATT's bylaws and the nominating process of constituent bodies, and with appropriate care to properly manage or avoid any potential conflicts. The requirement as to the resigned Board members as set forth in Reform #2 applies here as well.
  4. During at least the next 12 months, a USOPC-designated liaison must be invited to attend each USATT board meeting, with notice of each board meeting provided to the USOPC at least one (1) week in advance of each meeting, unless a shorter notice period is otherwise discussed and agreed to by the liaison.

The USOPC does not base these requirements on its belief that any one Board member is particularly at fault for USATT's current predicament. Rather, our position comes from a clear sense that the challenges confronting USATT can only be solved if their leadership is acting both cooperatively and collaboratively, and that cannot happen with a Board that is so fractured and distrustful of one another.

### **USOPC SUPPORT**

The USOPC recognizes that fully adopting and implementing the requirements above will involve substantial work and care. Accordingly, the USOPC will provide USATT with resources to assist with the search and seating process for the interim and permanent Board of Directors. Please contact Denise Parker, the USOPC's Vice President of NGB Services, at [Denise.Parker@USOPC.org](mailto:Denise.Parker@USOPC.org) or 719.866.4144, for additional information and guidance.

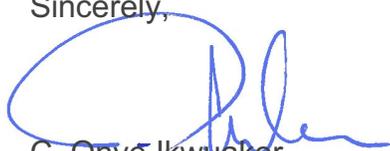
Please understand this Demand was prompted by circumstances that require USATT's immediate attention and meaningful intervention. Our common focus and purpose must be directed toward athlete support and good governance, and the USOPC stands ready to help USATT achieve this objective.

## TIMELINE

If USATT cannot or does not promptly and fully implement the requested reforms, the USOPC will formally initiate proceedings to seek the termination of USATT's USOPC recognition. Please refer to Section 8.20 of the USOPC Bylaws for details as to how that process works. In order to avoid this outcome, USATT must make regular progress toward fully implementing the necessary reforms and complete all the steps set out above, including Reform #1 by **December 18, 2019**, Reform #2 by **January 31, 2020** and Reform #3 by **June 1, 2020**. In addition, as the requested reforms will require a concerted effort to accomplish in a timely manner, it is our expectation and requirement that you immediately distribute this letter to the entire Board.

The USOPC is happy to discuss the specifics of this letter with you and we will make ourselves available to do so if you have any questions or concerns. In the meantime, please confirm to me that you have reviewed and understand its contents at your earliest opportunity.

Sincerely,



C. Onye Ikwuakor  
Associate General Counsel

Encl. Confidential Independent Report

cc (w/o encl.): Tara Profitt, AAC Chair, USATT  
Dennis Taylor, Legal Counsel, USATT  
Rick Adams, Chief of Sports Performance & NGB Services, USOPC  
Denise Parker, V.P. of NGB Services, USOPC  
Chris McCleary, General Counsel, USOPC