World Sailing Governance Committee Minutes

The World Sailing Governance Committee met via Microsoft Teams on 3 February 2025 at 13.00 UK time.

Present:	Apologies:
Balazs Hajdu (HUN) Chair	JP Daniels KC (RSA)
Sarah Treseder (GBR) – Vice Chair (for first portion of meeting)	
Anne Jakob (GER)	
Ashley Tobin (USA)	
David Tillett (AUS)	
Diana Kissane (IRL)	
Fabio Mazzoni (ITA)	
Dincer Ceribas (TUR)	
Jevan Tan (SGP)	**In Attendance:**
Laura German Lopez (ESP)	WS Vice President – Line Markert
Malav Shroff (IND)	Urvasi Naidoo -WS Director of Legal and Governance
Marco Aurelio (BRA)	
Rodolphe Gautier (SUI)	
Ute Reisinger (AUT)	

1. Opening of the meeting

a) Welcome from the Chair
The Chair welcomed everyone to the meeting and thanked them for their attendance. He congratulated everyone on their appointment and stated that he looked forward to working together over the next four years.

b) Apologies for Absence
The apologies as above were noted by the meeting.

c) David Tillett noted that under Art. 38.9 the meetings of Committees and Sub-committees must be open to any representative of a Member, unless the Committee or Sub-committee decides

that, for reasons of legal privilege, confidentiality, commercial sensitivity or personal privacy, a part or all of a meeting is to be held in private.
Members of the Committee agreed that for the reason of legal privilege the meeting is held in private.

d) Introductions
As this was the first meeting of the Committee all those in attendance briefly introduced themselves.

2. <u>Opinion requested by World Sailing Board</u>

To consider and make recommendations to the Board on the specific question as follows:

29 Members (MNAs) had proposed two motions for amendments to the Constitution.
These requests (MNA Group 1) specifically requested stated that the motions be considered by way of written resolution.
Article 16.2 (b) of the World Sailing Constitution refers to the 2006 Isle of Man Companies Act which provides that under Section 67 (2) of the Act: The directors of a company shall call a meeting of the company to consider a resolution if requested in writing to do so by a member or members holding at least 10 per cent [or such smaller percentage as may be specified in the memorandum or articles] of the voting rights in relation thereto.
With 29 MNA making requests, in writing, the requisite 10 per cent of the voting membership was met and the Directors were therefore required to call an Extraordinary General Meeting.
The MNA Group 1 letters stipulated that the proposed resolutions should be sent to the membership for determination by way of written resolution. There is no legal provision in the World Sailing Constitution, the General Assembly Rules of Procedure or Isle of Man Companies Act which permits the submitters of a request to stipulate determination by way of written resolution rather than a meeting. The Act specifically states, "call a meeting". However, the Board can decide that an EGM can be in person, virtual via video conference, or via written resolution.
The Board considered this and decided to agree to the request from MNA Group 1 and the correspondence was sent to the MNAs on the 15 January 2025.
Shortly afterwards WS received 17 requests from Members (MNA Group 2) stating that they wished for these two motions to be considered at an EGM. The requisite 10% under Article 16.2 (b) of the World Sailing Constitution and Section 67 (2) of the Act had been met and the Directors of World Sailing were obliged to call an EGM. Notice of the EGM was circulated to the membership on 31 January 2025.
External legal advice from Bird and Bird and Isle of Man Lawyers, DQ Advocates was circulated to the Committee.
Both external lawyers were clear that the written resolution process is halted, and the matter will instead be decided at the EGM. There is no flexibility in the Act or the Constitution, if a meeting is

requested then it must be called. The meeting is requested specifically to consider the motions already in circulation. The fact that it relates to the same topic means that the provisions for a meeting take precedence.
The Board had requested that the Governance Committee provide an opinion on the specific point whether the EGM process, on the same motions from MNA Group 1 should override the written resolution process which was already underway.

There was considerable discussion on the matter and all members of the Committee present expressed their views.

There were two differing views. Seven members of the Committee were satisfied with the legal advice and agreed that the calling of an EGM would override the written resolution process.
Six members of the Committee expressed the view that the Isle of Man Companies Act and the Constitution did not specifically provide for this overriding and that this meant that there was no certainty. These members of the Committee also stated that the legal advice should be on formal letterhead.

Following a complex debate the Chair put the following options to the Committee to be voted on:

A. Those satisfied with the legal advice provided and who believed this sufficient to advise the Board.

Four Members of the Committee were in agreement.

B. Those who would not offer an opinion yet on the correctness of the legal advice either way, and would like to receive further evidence, further reference and further citations, basically further reasoning from the external lawyers to be in a comfortable situation as a Governance Committee member to say yes or no at a later stage on the question posed by the executive office.

Six Members of the Committee were in agreement.

Three members of the Committee had left the meeting and it was agreed that the Chair would contact them via email to collect their preferences as they actively took part in the debate of the committee meeting but had to leave the meeting before it was concluded. See Post Script below.

3. <u>Any Other Business</u>

No other business had been notified to the Chair before the start of the meeting

4. **Closing Remarks**

The Chair thanked all members of the Committee for their attendance and confirmed that he would prepare the opinion after the final votes had been received via email.

Post Script 1 to Minutes

Within 24 hours of the meeting.
Two Committee Members voted for Option A via email.
One Committee Member voted for Option B via email.

As a result, overall Option A had 6 votes whereas option B had 7 votes. Therefore, the majority of the Committee would not offer an opinion yet on the correctness of the legal advice either way, and would like to receive further evidence, further reference and further citations, basically further reasoning from the external lawyers to be in a comfortable situation as the Governance Committee to say yes or no at a later stage on the question posed by the executive office.

Post Script 2 to Minutes

Philips Daniels KC sent his comments via email on the original question and stated that he supported the circulated opinions of David Tillett and Ute Reisinger.
The Chair noted that the meeting unanimously agreed to only count the votes of those members who did not vote although they participated in the debate of the meeting but had to leave the meeting before it was concluded. This was not the case for Philips Daniels KC.