



February 9, 2018

Senator Jerry Moran
Chairman
Subcommittee on Consumer Protection Product Safety, Insurance and Data Security
United States Senate
512 Dirksen Senate Building
Washington DC, 20510

Senator Richard Blumenthal
Ranking Member
Subcommittee on Consumer Protection Product Safety, Insurance and Data Security
United States Senate
512 Dirksen Senate Building
Washington DC, 20510

Dear Chairman Moran and Ranking Member Blumenthal:

Thank you for your letter of January 25, 2018, in which you seek information regarding the safety and well-being of athletes. USA Gymnastics recognizes it is inarguably an important component of your work due to the illegal, abusive and despicable behavior of Dr. Larry Nassar. While USA Gymnastics is currently facing litigation in multiple jurisdictions, which may limit what I can say regarding some matters, please know that my goal is to work collaboratively with Congress to place the safety and wellbeing of athletes at the forefront of everything we do.

As USA Gymnastics enters its third year of working through the damage Nassar caused to individual athletes and our sport, I want to outline some specific steps that we have taken to address what has occurred and to prevent the possibility of it occurring again in the future:

- In June 2017, former U.S. Attorney Deborah Daniels delivered to USA Gymnastics 70 recommendations to improve both athlete safety and the culture within our organization. We work every day to address these issues, and I am pleased to report that we have very recently surpassed the 80% mark of recommendations that we are in the process of implementing, or have already implemented.
- Also, in June 2017, USA Gymnastics adopted a Safe Sport policy which requires mandatory reporting, delineates six specific types of misconduct, sets standards to prohibit “grooming” behavior, and establishes greater accountability.
- USA Gymnastics supported the recent legislation (S. 534 and H.R. 1973) which requires of amateur sports organizing bodies that they provide important safeguards for athletes.
- USA Gymnastics supports the U.S. Olympic Committee’s recent direction to undertake dramatic organizational changes to address the issue of athlete safety and security, including the prompt resignation of the entire Board of Directors and commissioning of an independent investigation.
- USA Gymnastics established a dedicated, toll-free number (1-833-844-SAFE) and a safe sport email address (safesport@usagym.org) to simplify the process for reporting.



- USA Gymnastics ended the lease with the Karolyi Ranch, thereby ensuring no USA Gymnastics athlete would ever have to return there.
- In collaboration with our partner organization, the National Gymnastics Foundation, we are establishing an athlete assistance fund to provide counseling support to gymnasts who have been sexually abused. The fund will be administered by an independent third party.

Additionally, please rest assured that I share your anger, outrage, and devastation at the actions of Larry Nassar and want to help anyone harmed by this manipulative man and prevent anyone else from perpetrating similar acts on other athletes.

I have been President and CEO of USA Gymnastics for less than 70 days. Due to my short tenure, there remain matters to which I do not have personal knowledge. With that said, I think it might be helpful to outline how USA Gymnastics fits into the overall Olympic sports structure.

The International Olympic Committee was created in 1894, and it leads the Modern Olympic Games. The IOC is the final authority on all questions concerning the Olympic Games and the Olympic Movement.

The *Federation Internationale de Gymnastique* (FIG) is the governing body for gymnastics worldwide. It is the oldest established international federation of an Olympic sport and has participated in the Olympic Games since they were revived in 1896. The FIG establishes the rules on eligibility that each country with a national gymnastics federation must follow. Nearly 130 countries are members of the FIG. USA Gymnastics became officially recognized by the FIG in October 1970.

The U.S. Olympic Committee (USOC), headquartered in Colorado Springs, Colorado, since 1978, is comprised of 78 member organizations, including USA Gymnastics. The USOC is recognized by the IOC and is responsible for the U.S. Olympic and Pan American Games Teams. It is the guardian of the U.S. Olympic Movement. In cooperation with international organizations, the USOC designates organizations in every Olympic sport, called National Governing Bodies, or NGBs. USA Gymnastics is the NGB for the sport of gymnastics. Formed in 1963, USA Gymnastics' membership has grown from a few thousand to nearly 200,000 today (approximately 196,000 individuals and 3,500 clubs).

In your letter of January 25, 2018, you asked certain questions. As the new president and CEO of USA Gymnastics with just over 60 days in the position, I am providing answers to your questions on behalf of the organization with limited and no first-hand knowledge of facts and events that preceded my tenure, which began December 1, 2017.

1. What reporting protocols for child and sexual abuse allegations are currently in place to ensure that all reports receive fair, timely, and thorough review by all appropriate parties, including law enforcement?

Reporting of sexual abuse allegations is governed by USA Gymnastics' Safe Sport Policy, adopted June 2017. The Safe Sport Policy is available at https://usagym.org/PDFs/About%20USA%20Gymnastics/safesportpolicy_010818.pdf.

Per the Safe Sport Policy, the organization has policies and procedures in place, consistent with the requirements of the U.S. Center for SafeSport to (1) ensure that proper sexual abuse reporting is made to



law enforcement and (2) submit any report of sexual misconduct to the exclusive jurisdiction of the U.S. Center for SafeSport.

The Safe Sport policy requires that all USA Gymnastics members complete a designated safe sport course every two years. Additionally, USA Gymnastics has taken steps to educate its members through online tools, live presentations at regional and national events, including the topic in athlete, parent and staff discussions, and producing appropriate written collateral materials.

In addition to training staff and members on the new Safe Sport policy, the organization has hired two individuals to lead its efforts to protect athletes—a long-time leader in child advocacy as the director of safe sport and a former prosecutor who previously prosecuted child abuse and sex crime cases to provide supporting legal counsel.

USA Gymnastics has also taken measures to simplify reporting. The Safe Sport page on USA Gymnastics' website permits members to report misconduct, reminds adult members of the obligation to report abuse—sexual or otherwise—to law enforcement, provides contact information for the reporting of sexual misconduct to the U.S. Center for SafeSport, and provides a form, email address (safesport@usagym.org), and hotline number (1-833-844-SAFE) to report other, non-sexual misconduct to USA Gymnastics.

USA Gymnastics will also comply with all elements of the *Protecting Young Victims from Sexual Abuse and Safe Sport Authorization Act of 2017*, including requirements to report all instances of child abuse, including sexual abuse, within 24 hours.

2. Are there special accommodations to account for volunteers that are separately employed by non-NGB institutions, like MSU, in these reporting practices?

It is possible that an individual can have multiple affiliations within our sport. Regardless of what other affiliations one might have, under the current Safe Sport Policy, individuals subject to the policy include anyone “that USA Gymnastics formally authorizes, approves or appoints to a position of authority over athletes or to have frequent contact with athletes, such as persons compensated and/or appointed by USA Gymnastics to perform services at sanctioned activities run by USA Gymnastics National Office or its State and Regional Committees, such as camps, competitions, and educational events,” including events staff, medical personnel, chaperones, National Team Training Center support staff, and any other contracted individual working with or around athletes.

Non-Athlete Participant adult volunteers for USA Gymnastics who meet this definition are therefore covered by the obligation to report and are also subject to being reported to the U.S. Center for SafeSport or USA Gymnastics in the event of misconduct.

3. In her lawsuit against USOC, USAG, and MSU, Ms. Maroney alleges that she was "coerced" into signing the NDA while under emotional duress from Dr. Nassar's abuse. To the extent possible, please provide all details possible regarding the justification and circumstances surrounding Ms. Maroney's NDA with USAG.



In a letter dated May 25, 2016, attorney Gloria Allred, with the law firm Allred, Maroko & Goldberg, who had been retained to represent Ms. Maroney, invited USA Gymnastics to participate in “a singular opportunity to resolve Ms. Maroney’s claims through a confidential mediation process.”

USA Gymnastics referred the matter to its general liability insurance carrier. By agreement, a confidential mediation was held October 24, and on November 29, 2016. The parties selected a retired California judge and former prosecutor as the mediator. At the mediation, Ms. Allred represented Ms. Maroney in person as did two additional partners from Ms. Allred’s firm. One or both of Ms. Maroney’s parents were also present.

The parties resolved Ms. Maroney’s claim on November 29, 2016, by agreement, with terms that included a mutual confidentiality provision. USA Gymnastics is limited in what it can disclose with respect to the mediation due to the mediation privilege, but at all times Ms. Maroney had her counsel available to her. USA Gymnastics did not “coerce” Ms. Maroney into settlement. Rather USA Gymnastics worked diligently with its insurer to resolve Ms. Maroney’s claim expeditiously without the need for litigation.

At all times, USA Gymnastics has attempted to respect the desires of its athletes to either speak publicly or keep private the details of their experiences. Until an athlete has elected to speak publicly, USA Gymnastics has taken care to protect their privacy, including referring to the athletes interviewed in the summer of 2015 anonymously. When Ms. Maroney elected to disclose in October 2017 that she was a victim of abuse, USA Gymnastics released a statement praising Ms. Maroney for coming forward, noting that it “admires the courage of those, like McKayla Maroney, who have come forward to share their personal experiences with sexual abuse. Because of their strength in coming forward, predators can be held accountable for their actions.” USA Gymnastics took absolutely no action against Ms. Maroney with respect to the confidentiality provision in the settlement agreement when she chose to speak publicly.

In December 2017, Ms. Maroney, represented by different counsel, filed a lawsuit challenging the mutual confidentiality provision and certain other provisions. USA Gymnastics has contacted both Ms. Maroney’s new counsel, John Manly, and Ms. Allred about a mutual release of the parties from the mutual confidentiality obligation. Her lawyers did not respond. At this time, USA Gymnastics deems the parties mutually released from the mutual confidentiality agreement (and certain other settlement provisions challenged in her lawsuit) and has communicated that to Ms. Maroney’s counsel. USA Gymnastics previously publicly stated that it did not interpret the settlement agreement to restrict Ms. Maroney from speaking about her experiences and certainly would not seek liquidated damages with respect to her choice to do so.

USA Gymnastics appreciates the victim impact statements Ms. Maroney and her mother recently provided in Nassar’s sentencing.

4. Is it common practice by USOC and NGBs to utilize NDAs during investigations involving their organizations?

USA Gymnastics has not used NDAs in conjunction with any investigation, but I cannot speak to the use of NDAs by other NGBs.



5. Is your organization aware of other such settlements between NGBs and Olympic athletes?

USA Gymnastics is not aware of any other settlements with Olympic athletes; for clarity, it has no knowledge of settlements between other NGBs and Olympic athletes.

6. What steps are being taken to prevent these atrocities from occurring again, whether in gymnastics or any Olympic sport?

While a number of measures have been taken and other steps are being implemented, I can only speak to the steps underway at USA Gymnastics.

As previously mentioned, in June 2017, the organization adopted the Safe Sport Policy. Pursuant to the USA Gymnastics Safe Sport Policy, the organization has policies and procedures in place, consistent with the requirements of the U.S. Center for SafeSport to (1) ensure that proper sexual abuse reporting is made to law enforcement and (2) submit any report of sexual misconduct to the exclusive jurisdiction of the Center for SafeSport.

The Safe Sport Policy requires that all USA Gymnastics members complete a designated safe sport course every two years. Additionally USA Gymnastics has taken steps to educate its members through online tools, live presentations at regional and national events, including the topic in athlete, parent, and staff discussions, and production appropriate written collateral materials.

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USA Gymnastics will also comply with all elements of the *Protecting Young Victims from Sexual Abuse and Safe Sport Authorization Act of 2017*, including requirements to report all instances of child abuse, including sexual abuse, within 24 hours. This legislation is applicable to all NGBs and sets a consistent framework through the U.S. Olympic training community.

7. In addition to answering these questions, please provide a detailed timeline of reports and ensuing action from your organization related to Dr. Nassar's criminal sexual conduct.

On June 17, 2015, USA Gymnastics was contacted by a member coach regarding her athlete being uncomfortable with treatment she received from Dr. Nassar. This was not a report of abuse but led the organization to conduct three athlete interviews to learn more. After the third interview on Friday, July 24, 2015, the organization determined that it would be appropriate to notify law enforcement with concerns of potential sexual misconduct. USA Gymnastics contacted the Indianapolis office of the FBI



the following business day, Monday, July 27, 2015, and representatives of USA Gymnastics met with the FBI in Indianapolis on Tuesday, July 28, 2015.

Below is a more detailed timeline of events from June 2015 through May 2016:

- **June 17, 2015.** Gymnastics coach Sarah Jantzi called Sr. Vice President of Women's Program Rhonda Faehn regarding her athlete being uncomfortable with treatment she had received from Nassar. Faehn immediately phoned then USA Gymnastics CEO Steve Penny and relayed the conversation with Jantzi.
- **June 18-20, 2015.** Steve Penny spoke to Jantzi and contacted the athlete's mother.
- **June 21-July 2, 2015.** USA Gymnastics identified and engaged an experienced female investigator and worked with the athlete's family to coordinate appropriate timing for an interview.
- **July 3, 2015.** The investigator and the athlete's mother were connected to arrange a date and time for the in-person interview, based on their schedules.
- **July 11, 2015.** The investigator met with the athlete. Based on the interview, it was suggested that additional in-person athlete interviews would be helpful to better understand the situation.
- **July 17, 2015.** The investigator met with a second athlete who shared information and encouraged talking to a third athlete.
- **July 24, 2015 (Friday).** The third athlete interview occurred, and, after this interview, the investigator and USA Gymnastics determined that it would be appropriate to notify law enforcement with concerns of potential sexual misconduct.
- **July 27, 2015 (Monday).** USA Gymnastics contacted the Indianapolis FBI office, and a meeting was scheduled for July 28, 2015.
- **July 28, 2015.** Steve Penny, then Board of Directors Vice-Chairman Paul Parilla, and USA Gymnastics legal counsel Scott Himsel met with the FBI in Indianapolis. At the meeting, USA Gymnastics was assured by the FBI that it was the appropriate agency to contact and that USA Gymnastics had handled the matter correctly. At that time, USA Gymnastics provided the FBI with contact information for the three interviewed athletes and their families. USA Gymnastics offered to assist the FBI with any necessary support, including facilitating interviews. USA Gymnastics also notified the three families that law enforcement had been contacted. The FBI asked USA Gymnastics not to take any steps that would interfere with their investigation.



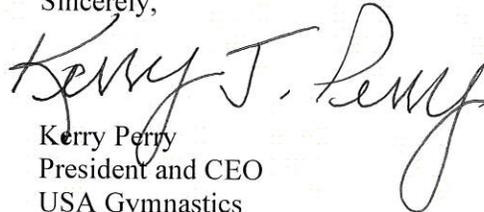
- **August – early September, 2015.** USA Gymnastics attempted to assist the FBI in arranging interviews with two athletes the FBI identified for interviews.
- **September 4, 2015.** The Indianapolis FBI office informed USA Gymnastics that pertinent interviews had been conducted and the matter had been transferred to the U.S. Attorney and FBI office in Detroit.
- **April 28, 2016.** As time passed, concern arose as to the perceived lack of progress, and Paul Parilla contacted the Los Angeles FBI office to re-report the matter.
- **May 10, 2016.** Paul Parilla and Steve Penny met in person with FBI agents at the Los Angeles FBI office to share the information previously shared with the Indianapolis FBI office.

It was the understanding of USA Gymnastics after this meeting in May 2016 that the FBI began to conduct additional athlete interviews. However USA Gymnastics was not involved in the facilitation or conduct of such interviews.

The last USA Gymnastics event that Nassar attended was the March 2015 selection camp at the National Team Training Center, before the initial report of athlete concern.

Thank you again for the opportunity to address these issues, and I look forward to working with Congress to help protect the health, wellbeing, and dignity of our athletes.

Sincerely,



Kerry Perry
President and CEO
USA Gymnastics