



GOLDEN GATE YACHT CLUB

#1 Yacht Road
San Francisco, CA 94123

July 8, 2009

Mr. Fred Meyer
Vice-Commodore
Chairman, SNG America's Cup Committee
Société Nautique de Genève
Port Noir
CH-1223 Coligny
Switzerland

Dear Vice-Commodore Meyer:

We write in response to your letter of July 6, 2009.

Let us again reiterate, the Deed and the Judgment and Order are clear that you may not select a Northern Hemisphere venue, other than Valencia, without our mutual consent. Justice Kornreich's May 14th order contains nothing that even suggests, let alone "stated," otherwise. To the contrary, Justice Kornreich ordered "SNG to hold the race as per the order of the Court of Appeals and Justice Cahn in February as the order required."

As further proof that our reading of the Deed and the Judgment and order is correct, you agreed with it when light and truth were original to you. In your May 11, 2009 court papers you agreed that "The Deed of Gift unambiguously prohibits sailing a match between November 1 and May 1 in the Northern Hemisphere . . . *There is nothing in the Order that suggests that a race should be held in contravention of the terms of the Deed of Gift.*"

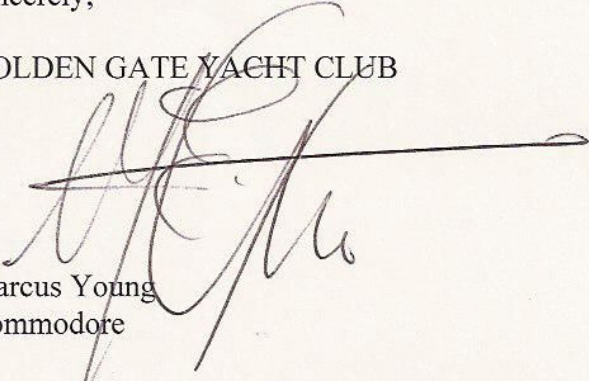
What is more, during the May 14th hearing when your attorney attempted an about face by asserting that SNG has the right to select a Northern Hemisphere venue other than Valencia without our consent, Justice Kornreich stated that "that's not what the Court of Appeals said."

Your letter also again fails to respond to the inescapable conclusion that the Deed and the Order and Judgment may be read harmoniously, giving force and effect to the terms of each, requiring a February race in Valencia or any Southern Hemisphere location selected by SNG, unless otherwise consented to by GGYC. There is therefore no basis to conclude that the phrase "any other location" in the Order and Judgment intended to alter the Deed's Northern Hemisphere restriction; just as there is no basis to conclude that this phrase intended to alter the Deed's requirement to select a location free of headlands or a location that has an ocean water course.

You also misconstrue Justice Kornreich's order and the Deed when you assert that they require GGYC's Custom House Registry to "conform exactly" to GGYC's challenge certificate. To the contrary, the Deed is unambiguous that the dimensions provided on a challenge certificate "shall not be exceeded." Justice Kornreich's order is entirely consistent with the Deed and the Order and Judgment; and you are simply wrong in your repeated assertions that Justice Kornreich's order in any way contravened the terms of the Deed or the mandate of the Court of Appeals.

Sincerely,

GOLDEN GATE YACHT CLUB



Marcus Young
Commodore

cc: Ernesto Bertarelli, Team Alinghi
Brad Butterworth, Team Alinghi
Russell Coutts, BMW ORACLE Racing
Tom Ehman, BMW ORACLE Racing
Larry Ellison, BMW ORACLE Racing