

15 September 2007

Mr. Brad Butterworth
Vice President and Skipper
Team Alinghi
Base - Port America's Cup
Valencia, SPAIN

Dear Brad,

This is in follow up to your letter of 4 September, to the conference call you, Hamish, Melinda, Tom and I had on 5 September, and to the Judge's suggestion at Monday's hearing in New York regarding mediation.

We have been looking forward to hearing back from you concerning the points we discussed during the conference call on the 5th, because as you know we continue to be in favor of a negotiated settlement of this matter.

On Monday Justice Cahn recommended that we enter into mediation with either a court appointed mediator or privately with a mediator we mutually agree upon. We are amenable to either approach, but believe it makes more sense to work with a mediator who is familiar with the America's Cup. If the court appoints a mediator that is less likely, so we suggest a private mediation.

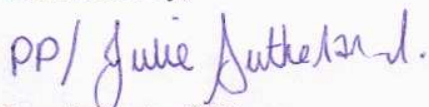
The following individuals, none of whom we have approached, would be acceptable to us as a mediator:

HM King Constantine (GRE/GBR)
Bertie DeSpeville (GBR)
David Elwell (USA)
Jacques Rogge (BEL/SUI)
Michael Fay (NZL)
Dyer Jones (USA)
HM King Juan Carlos (ESP)
Iain Murray (AUS)
Goran Peterrson (SWE)
Philip Tolhurst (GBR)

Please let me know which if any of the above individuals would be acceptable to you, or if you would like to suggest further people of similar standing. I would be grateful if you could let me know your thoughts on this as soon as possible and ideally before Monday evening, 17 September so we can get the process started

We would look forward to achieving a speedy and amicable resolution of this matter.

Yours sincerely,



Russell Coutts, CEO
BMW ORACLE Racing