



Valencia, 20 September 2007

RUSSELL COUTTS
CEO - BMW Oracle Racing
Port America's Cup
Muelle de la Aduana S/N
46024 Valencia
Spain

Dear Russell,

Thank you for your letters of 15 and 18 September, which we have considered. We also have taken into account your concerns expressed and discussed in our telephone conference of the 5th of September and the numerous following phone conversations, which have allowed us to move forward on resolving this matter.

This is our view of the current situation. On the one hand, the object of the New-York pending dispute is exclusively the validity of the CNEV challenge. Although we appreciate your proposals for mediation, we don't see how this issue can be effectively mediated at this stage.

On the other hand, given that we have mutually agreed with CNEV the terms of the Protocol and that several teams have already entered in the competition, we believe that we must deal with your issues through a consultation process with the Challenging Competitors. That process has now resulted in a Protocol Amendment.

We are pleased to attach a copy of this document hereto. As you will note, the agreed changes address most of your concerns regarding the Protocol. Furthermore, we feel that during our numerous conversations with you we have been able to clarify your remaining concerns about the Protocol. We therefore invite you to reconsider the situation and would welcome your team as a new challenging Competitor. We hope you will withdraw your Court action and enter the Competition as soon as possible but in any event no later than the 22nd of October 2007 and join the other Competitors in further consultation in shaping the 33rd America's Cup.

Would you please consider that your action is hindering the opportunity for other teams to enter the Competition, and harming the ability of existing Competitors to generate sponsorship income and properly plan their challenges.

MAIN PARTNERS



AUDEMARS PIGUET

SGS

NESPRESSO

MSC Cruises

WIS@key

NORTH SAILS

CO SPONSORS



We look forward to hearing from you.

Yours sincerely

A handwritten signature in black ink, appearing to read "M. H. S.", is displayed on a light blue rectangular background.

Brad

MAIN PARTNERS



CO SPONSORS

