



Valencia, 20 October 2007

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

Dear Russell

#### **YOUR LETTER DATED OCTOBER 17**

I refer to your letter dated 17 October 2007.

During the last three months, SNG, CNEV and the other Challengers have worked diligently to address the issues raised by GGYC in a productive manner. We have recently modified the Protocol to address GGYC's concerns. SNG has further offered to the Challenging Competitors to select the displacement of the boat within a range of 23 to 27 tons to address the untrue allegation that Alinghi had already designed its boat for the 33rd Cup.

My letter to you of 10 October 2007 was a last effort on the part of Alinghi to settle all outstanding issues on the recommendation of several challengers. It is very disappointing that GGYC has responded with a list of issues, including new issues, that can only bring into question GGYC's willingness and sincerity to settle this matter before the hearing scheduled for the 22nd of this month.

It appears that in this process, only SNG is making concessions and that every time SNG makes one step in GGYC's direction, GGYC adds new queries and demands. This makes any negotiation impossible. It now appears that BOR and GGYC are just intent on using their lawsuit and financial power to destabilize the Challenging Competitors and bully their way into dictating the Cup. As you know, SNG is determined to make the 33rd America's Cup a great sailing contest, not a competition about litigation money.

Continuation of GGYC litigation makes it very likely the 33rd America's Cup will be postponed after 2009 to the detriment of many. I ask you to recommend GGYC to reconsider its position as

MAIN PARTNERS



AUDEMARS PIGUET

SGS

NESPRESSO

MSC Cruises

WIS@key

NORTH SAILS

CO SPONSORS



set out in its letter and join a growing field of Challengers who have entered the competition under the rules established by the Protocol.

Yours sincerely

A handwritten signature in black ink that reads "Brad Butterworth". The signature is written in a cursive, flowing style.

Brad Butterworth

MAIN PARTNERS



CO SPONSORS

